
PRIVATE MOTOR VEHICLE

INSURANCE POLICY

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INTRODUCTION

This is your insurance policy which is underwritten by Lumley Insurance. It consists of this wording, any proposal or declaration and the schedule.

In return for the premium, Lumley Insurance will provide the insurance cover explained in this policy and accept liability to meet valid claims made under the policy. No claim will be payable if at the time of loss any premium due has not been paid.

Please read this document carefully to ensure you understand the policy and that the cover described here meets your requirements.

If you find the cover you have chosen is not what you want, you can notify us in writing within 30 days of the date the cover begins and we will refund any premiums paid in full and cancel the cover. Of course, if that happens, we will not pay any claims under the policy either.

DEFINITIONS

Wherever these words are used in this policy, this is what they mean.

ACCIDENT - means a happening or event that is unforeseen and unintended by you. Whenever the word 'accidental' is used this refers to 'accident' as defined above.

EXCESS - means the amount stated which you must bear for each event causing loss as you are not insured for this amount. If as a result of a single accident, there is loss to your home, contents, vehicle or boat insured by you with us under more than one policy, only one policy excess shall apply. The amount of the excess shall be the highest excess that we could apply under any of the policies affected.

LOSS - means sudden physical loss, damage or destruction.

LUMLEY INSURANCE, WE, THE COMPANY, THE UNDERWRITER, OUR OR US - means Lumley General Insurance (N.Z.) Limited.

MARKET VALUE - means the reasonable resale value immediately before a loss.

PERIOD OF INSURANCE - means the period in the schedule during which this insurance is in force.

The period starts at the Start date and ends at 4.00pm (New Zealand time) on the Review date.

PRINCIPAL DRIVER - means the person who drives the vehicle the most.

SCHEDULE - means the most recently dated schedule(s) which we issue. This includes any schedule(s) issued to renew or endorse your insurance.

VEHICLE - means the vehicle whose details are shown in the schedule or any replacement vehicle insured under the replacement vehicle extension to Full Cover.

This includes:

- > its spare parts
- > standard equipment for the particular make and model of your vehicle supplied and fitted by the manufacturer
- > fitted air conditioning, bull bar, towing equipment
- > other fitted equipment not factory fitted by the manufacturer when the vehicle was new, but added later (eg. audio system, radar detector, car seat covers) but not more than \$1500 for any one item or system

- > accessories (including those used with an item of fitted equipment such as audio cassettes) but not more than \$300 in total and only if not covered by any other insurance.
- > tools and breakdown equipment supplied by the manufacturer which would normally be sold with your vehicle, but not more than \$500 in total.

while they are in or attached to the vehicle or while they are being used in connection with it.

YOU - means the person (or persons), shown on the schedule as 'the insured'. Wherever the words 'yourself' or 'your' are used this refers to 'you' as defined above. If there is more than one insured shown on the schedule, this policy insures you jointly.

GENERAL CONDITIONS

All the conditions and obligations of this policy must be complied with, or we may decline your claim.

DISCLOSURE/ACCURACY OF STATEMENTS

We have issued this policy based on the information you have provided us. You must tell us everything that a prudent insurer would want to take into account in deciding whether to issue, continue or renew this cover, including (but not limited to) criminal activity or associations, criminal convictions not subject to the 'clean slate scheme' under the Criminal Records (Clean Slate) Act 2004, bankruptcy or insolvency, flood, hazardous processes, or any circumstances giving greater than normal risk of loss – note, this is not an exhaustive list.

All statements made in any application, proposal form, schedule, or claim, or any other information supplied must be correct in every respect. Otherwise, we may be entitled to consider you as being uninsured.

CHANGE IN CIRCUMSTANCES

If there are changes to any circumstances relevant to this insurance you must immediately notify us in writing.

CARE OF INSURED PROPERTY

You must maintain the insured property in good repair and take all reasonable steps to safeguard it against loss.

RECKLESS, WILFUL OR DELIBERATE ACTS

You must not cause or facilitate loss or incur any liability through any reckless, deliberate or wilful act nor must you knowingly allow or permit anyone else to cause loss or liability in this way.

OTHER PEOPLE'S OBLIGATIONS

Any other person entitled to cover under this policy must meet all of the conditions and obligations that you are required to meet, wherever this is applicable. Otherwise, this insurance may not cover them, or you.

MAKING A CLAIM

You must:

- > immediately tell us in writing of any event that might result in a claim
- > immediately tell the Police if property is lost or if you suspect theft, burglary, arson or malicious damage
- > do as much as you can to minimise any loss or liability

- > give us free access to examine and assess any loss or liability
- > take reasonable steps to obtain details of any other person, property or vehicle involved, and any witnesses
- > immediately send us any communication received from any other person
- > fully co-operate with us and complete any documentation we require, including statements on oath.

It is a requirement of this policy that you do not:

- > without our prior written consent, dispose of any property involved in a claim on this insurance
- > without our prior written consent, incur any expense in making good any loss, or incur any professional expense, except as is necessary to minimise any loss or safeguard the property
- > admit responsibility for any loss or liability, or try to negotiate, defend or settle any claim yourself
- > make any claim which is fraudulent in any respect. Otherwise all benefits under this policy are forfeited.

No incorrect statements shall be made in relation to any claim.

We have the sole right and option to act in your name and on your behalf to negotiate, defend or settle any claim and to take over for our own benefit and settle any legal right of recovery you may have, including any counter claim. If we do this, it will be at our own expense.

We may settle any liability claim by paying the maximum amount payable under this policy (or any lesser amount for which the liability can be settled) including costs and expenses incurred to date. If we do so, this meets our obligations under this policy in full.

TYPES OF COVER AVAILABLE

The type of cover you have will be shown on the schedule. The different types of cover available under this policy are:

FULL COVER - means you have cover under Section 1: Cover for the vehicle; and Section 2: Legal liability.

THIRD PARTY, FIRE AND ILLEGAL CONVERSION - means you have cover under Section 2: Legal liability; and Section 1: Cover for the vehicle - only if the loss is caused by:

- fire, or
- theft of the whole vehicle, or
- illegal conversion of the whole vehicle.

THIRD PARTY ONLY - means you only have cover under Section 2: Legal liability.

USE OF THE VEHICLE

These covers only apply in the following circumstances:

- > if the accident occurs in New Zealand
- > if the vehicle is being driven by you or any other person with your permission (unless specifically excluded by this policy), and the driver holds the appropriate motor driver's licence which is in full force and effect and is not breaching any of the licence conditions. (These restrictions do not apply if any person steals or illegally converts your vehicle, but you must lay a complaint with the Police.)

> if the vehicle is being used for any of the following purposes:

- private, social, or domestic
- farm
- business or professional purposes but only if:
it is not excluded, and
you are the driver.
- religious, social welfare or youth organisation work
- to teach a person to drive, provided all legal requirements are complied with.

These covers do not apply while the vehicle is being used in the following circumstances:

- > to carry or deliver goods or samples in connection with any trade, business or profession, except for farming
- > by any person who is acting as a commission agent, commercial traveller, company representative, sales or service person, stock or station agent, insurance representative assessor or loss adjuster or in any similar capacity
- > in connection with the motor trade, other than while being repaired or serviced
- > to carry fare paying passengers
- > preparing or practising for, or taking part in or imitating any race, time trial, rally, sprint or drag race, or any similar motor sport, event, demonstration or test
- > on any race track
- > under any type of hire arrangement or agreement
- > by a motor driving instructor unless it is to teach you or a member of your immediate family to drive.

'INNOCENT PARTY' PROTECTION

If you are involved in an accident which is caused by the driver of another vehicle, then your no claim bonus will not be changed and your excess will be refunded if you can:

- > establish the identity and address of the other driver, and
- > prove to our satisfaction that the other driver was completely at fault.

For Third Party Fire & Illegal Conversion cover and Third Party Only cover we will also cover you for accidental loss to the vehicle up to a maximum of \$3000 in the above circumstances if the other driver has no insurance.

> SECTION 1

COVER FOR THE VEHICLE

This insurance covers you for:

- > accidental loss to the vehicle during the period of insurance
- > the reasonable cost of removing the vehicle to the nearest safe place and the reasonable storage costs if:
 - you have a valid claim, and
 - the vehicle is not in a driveable condition because of the accident.

WHAT WE WILL PAY

We choose whether to repair the damage, or to pay the amount of the loss up to the sum insured or the market value of your vehicle whichever is the least.

If we repair your vehicle we will pay to repair it to substantially the same condition it was in before the damage occurred using parts which are consistent with the age and general condition of your vehicle.

If the vehicle is improved as a result of repairs, you may need to contribute towards the costs.

Where the claim is settled by a cash payment and a financial interest has been noted on the policy, we may make payment direct to the interested party. Receipt by them will discharge our responsibilities to that extent.

WHAT WE WON'T PAY

If new or replacement parts are not available we will only pay the latest known list price of the parts and if there is no list price, we will pay the list price of the nearest equivalent parts of a reasonably comparable vehicle.

We will not pay for the replacement of any part that has not been damaged.

We will only pay for the repainting of areas that actually suffered damage in the event claimed for.

We will take all reasonable steps to make sure that the repairer matches existing paint but we will not make any extra payment if an exact match cannot be made.

THIS INSURANCE DOES NOT COVER YOU FOR:

- > loss of use of the vehicle or any costs or expenses resulting from loss of use of the vehicle and any consequential loss
- > depreciation or loss of value
- > wear and tear, deterioration, rust, corrosion
- > breakage, breakdown or failure of any part of:
 - the engine or transmission systems
 - the electrical or electronic systems or equipment
 - any other mechanically operated systems (including hydraulic, pneumatic, or similar) or equipment.

and any loss which this causes to the rest of these systems or equipment.

However, this exclusion does not apply if the breakage, breakdown or failure results in or from:

- fire, collision, overturning of the vehicle or impact, or
 - the vehicle being partly or fully immersed in water, or
 - theft or illegal conversion of the vehicle or malicious acts by anyone other than you or persons acting with your knowledge and consent (provided you lay a complaint with the Police).
- > breakage, breakdown or failure of any load-bearing component unless this is due to:
 - fire, collision, overturning of the vehicle or impact, or
 - the vehicle being partly or fully immersed in water, or
 - theft or illegal conversion of the vehicle or malicious acts by anyone other than you or persons acting with your knowledge and consent (provided you lay a complaint with the Police).

- > any loss resulting from inadequate or unsuitable cooling or lubrication
- > any loss to tyres or their tubes by:
 - punctures, cuts, splits or bursts
 - the application of brakes.

However, we will cover you if any of these losses directly result from loss to any other part or component for which you have a valid claim under this policy.

SPECIAL AND GENERAL EXCLUSIONS

The special exclusions on page 5 and general exclusions on page 6 of this policy wording contain further exclusions to this cover.

EXTENSIONS INCLUDED IN FULL COVER

These are automatically included only if the type of cover you have is Full Cover.

REPLACEMENT VEHICLE

We will cover replacement or additional vehicles up to \$50,000. However, you must tell us within 30 days of the date of purchase and pay any additional premium required.

TRAILER

We will cover you under this policy for accidental loss to:

- > any trailer owned by you or your spouse
- > any trailer which you do not own but which is in your care or control, as long as the loss is not covered by any other insurance.

The most that we will pay for any loss is \$600. This cover applies whether the trailer is attached to a vehicle or not. This extension will not cover any:

- > boat trailer
- > caravan or camper trailer
- > horse float
- > trailer not normal for your vehicle
- > contents of any trailer.

The only excess which applies to this extension is \$50.

ADDITIONAL ACCIDENT COSTS

We will also pay the reasonable cost of any of these, up to \$500 in total, if it is a direct result of an accident to your vehicle resulting in a valid claim: your

- > to remove vehicle debris from the accident site if this is your responsibility
- > to provide transport home or to the next immediate destination, or to provide overnight accommodation, for the driver and passengers and domestic pets travelling in your vehicle if it is not fit to drive, or is missing after being stolen
- > to return your vehicle to your home address, or any other place we agree to, after it is repaired.

ALTERNATIVE TRANSPORT ALLOWANCE

If we have accepted a claim for loss or damage to your vehicle, at your request we will arrange a hire vehicle for you to use for up to 14 days while your vehicle is being repaired or has been stolen.

If we assess your vehicle to be a total loss, you must return the hire vehicle immediately we pay you or the owner.

The hire vehicle must be a passenger vehicle up to 1500cc which is the closest reasonable equivalent to your vehicle available.

This benefit does not cover:

- > any bond or deposit required by our supplier
- > any fuel used
- > any additional charge required by the supplier for additional distance over 100km per day on average
- > claims for motorcycles, caravans or trailers.

You must also contribute \$20 per day to be paid directly to our supplier when the hire vehicle is obtained.

WINDSCREEN EXTENSION

We will not change your no claim bonus or require you to pay any excess if your claim is for accidental loss to the vehicle's windscreen, window glass or sunroof only.

KEYS AND LOCKS

Where any key giving access to your vehicle is stolen or believed on reasonable grounds to have been duplicated without your permission, this insurance extends to include the costs reasonably and necessarily incurred in replacing them and altering or replacing the locks which they are used for. The most we will pay in respect of any one event and during any one 12 month period is \$1000.

NEW VEHICLE COVER

If your vehicle is a motor car or station wagon and at the time of the loss it is less than one year old from the time of its original registration or purchase (whichever occurred first), and has travelled less than 20,000 kilometres, we will supply a new vehicle of the same make, model and specification, subject to availability within New Zealand provided:

- > you are the original owner of the vehicle
- > we assess the reasonable cost of repairing the vehicle at more than 60% of its market value
- > you assign your vehicle's ownership to us.

If the model is not available or you do not want your vehicle replaced with a new one, we will pay you the market value of your vehicle or the sum insured, whichever is the lesser. This is subject to the agreement of any interested party named in the policy.

CARAVAN INSURANCE

Where a caravan is insured under this section, the sum insured includes the fixtures, fittings, furniture and equipment which would normally be sold with it. In addition to the sum insured, we will pay up to \$1000 for personal effects and utensils lost or damaged as a result of a loss for which a claim is payable on the caravan.

We will not pay any claim for:

- > theft, unless the caravan is securely locked and the theft is as a result of actual forcible and violent entry
- > storm or wind damage to any awning if it has been left erected and unattended for more than 48 consecutive hours.

> SECTION 2

LEGAL LIABILITY

WHAT YOU ARE INSURED FOR

This insurance covers you for your legal liability for loss to someone else's property during the period of insurance arising from an accident involving the vehicle.

We will also give you this liability cover for:

- > loss arising from any:
 - trailer or caravan while attached to your vehicle
 - trailer insured under 'Extensions included in Full Cover Trailer' while it is not attached or being towed by a vehicle
- > the costs of General Average and salvage charges that you are liable to meet if the vehicle is in transit between places in New Zealand, during the period of insurance.

This cover includes reasonable legal costs and expenses arising out of a claim against you which are either recoverable from you or incurred by you with our prior written consent.

If there is no other insurance, we will cover the legal liability of:

- > any other driver of the vehicle, provided he/she is driving with your permission and complies with all the requirements of this policy
- > you, while driving another private car or motorised caravan provided:
 - you do not own, lease or rent the vehicle
 - your legal liability would have been covered if the vehicle was shown in the schedule
 - your vehicle is not a motorcycle, trailer or caravan.

No cover is provided for damage to the vehicle being driven.

- > your employer, if the vehicle is being used by you (or a fellow employee with your permission) for your employer's business, provided the business is not excluded under 'use of the vehicle'.

Our liability shall not exceed \$1,000,000 in total for one event, or a series of events resulting from one source or original cause. This includes any costs and expenses incurred by you with our consent, or recoverable from you by any claimant. If any claim is more than \$1,000,000, we will apply the benefit to you first. If you have liability protection under any other policy, our maximum combined liability under all policies shall be \$1,000,000.

WHAT YOU ARE NOT INSURED FOR

This insurance does not cover you for your legal liability for:

- > loss to someone else's property which is in the care or control of you or any person using or travelling in your vehicle, except for any car which is being towed because it is not driveable
- > loss which you or the driver has agreed to accept, unless you/the driver would have the liability anyway
- > loss arising from the use of any form of trailer or caravan while it is attached to any powered vehicle, other than a vehicle covered by this policy.

SPECIAL AND GENERAL EXCLUSIONS

The special exclusions on page 5 and general exclusions on page 6 of this policy wording contain further exclusions to this cover.

SPECIAL EXCLUSIONS APPLYING TO:

> SECTION 1: COVER FOR THE VEHICLE

> SECTION 2: LEGAL LIABILITY

ALCOHOL OR DRUGS

There is no cover for loss or liability under this policy if the driver:

- > is under the influence of alcohol, or any intoxicating substance or drug, or
- > has a proportion of alcohol in his/her breath or blood higher than allowed by law:
 - if the driver dies from injuries received in an accident, the proportion of alcohol in any blood sample taken from his/her body is agreed to be conclusive proof that the proportion in his/her blood at the time of the accident was not less than this amount
 - the result of any evidential breath test or analysis of blood is agreed to be conclusive proof that the proportion of his/her breath or blood at the time of the accident was not less than this amount
 - a certificate of conviction for a driving offence involving alcohol is agreed to be conclusive proof that the requirements of this exclusion have been satisfied.
- > has refused to supply any sample of breath or blood or undergo any test when required to do so by anyone authorised by law.

DUTY AFTER ACCIDENT

There is no cover for loss or liability under this policy if the driver did not stop after the accident as required by law, or failed to comply with any other legal requirement in connection with the accident.

SAFE CONDITION OF VEHICLE

There is no cover for loss or liability under this policy if the accident occurs while the vehicle is, or is being used, in an unsafe or unroadworthy condition unless:

- > you can satisfy us that this did not cause or contribute to the accident, or
- > you can show that you (or the person in charge of the vehicle at the time) did not know about the condition of the vehicle and could not have been reasonably expected to know.

EXCLUDE DRIVERS UNDER 25 YEARS

If the schedule shows that this option applies, there is no cover while the vehicle is being used by any person under 25 years of age.

This does not apply to any person who steals or illegally converts your vehicle, but you must lay a complaint with the Police.

NAMED DRIVER ONLY OPTION

If the schedule shows that this option applies, an additional \$250 will be added to any excess which may apply to the

claim under this policy if the vehicle is being used by any person other than those listed as 'named drivers' on the schedule.

This does not apply to any person who steals or illegally converts your vehicle, but you must lay a complaint with the Police.

RESTRICTED DRIVERS WARRANTY

If the principal driver is under 25 years of age, there is no cover while the vehicle is being used by any person who is under the age of 25 years, other than those listed as 'intended drivers' on the schedule.

This does not apply to any person who steals or illegally converts your vehicle, but you must lay a complaint with the Police.

SPECIAL CONDITIONS

INSTALMENT PREMIUMS

Where there is a total or constructive total loss which is covered by this policy, we shall be entitled to deduct from any payment made to or on behalf of you or anyone entitled to indemnity under this policy, the difference between the annual premium and the amount of premium paid by instalments.

MODIFICATION TO THE VEHICLE

We have agreed to cover the vehicle on the basis that it has not been modified after manufacture. This includes changing or replacing any of these so that it is different from the manufacturer's original specification or recommendations: the engine, steering, suspension, bodywork, exhaust or wheels. You must obtain our written approval to any modifications.

SAFETY OF THE VEHICLE

You must take all reasonable steps to:

- > maintain the vehicle properly
- > safeguard the vehicle from loss at all times, including after any accident.

INSPECTION OF THE VEHICLE

You must make the vehicle available to us at a reasonable time and place if we wish to inspect it.

EXCESS

Your excess is the total of:

- > the vehicle excess stated in the schedule, plus
- > the additional driver excess stated in the schedule for the driver or person in charge of the vehicle at the time of the loss, plus
- > the higher of:
 - the relevant 'young driver excess' shown in the schedule if the driver or person in charge of the vehicle is under 25 years of age, or
 - the 'inexperienced driver excess' shown in the schedule if the driver or person in charge of the vehicle has not held a current full New Zealand driver's licence for all the preceding 12 months.

For Full Cover, the excess only applies to Section 1 unless otherwise noted on the schedule.

For Third Party, Fire and Illegal Conversion, the excess applies to both Section 1 and Section 2.

For Third Party Only, the excess applies to Section 2.

GENERAL EXCLUSIONS

> There is no cover under any part of this policy for any loss or liability caused directly or indirectly in any way by any of the following:

- nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel (for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission or fusion)
- confiscation, nationalisation or requisition by the order of the Government or local authority.

However we will pay for damage as a result of such an order if it is to prevent a loss which would otherwise have been covered under this policy.

- > There is no cover for the cost of defending any legal proceedings or for any amount awarded by any court unless all proceedings took place in New Zealand.
- > This policy does not insure death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any of the following regardless of any other contributing cause or event:

- war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- any act of terrorism.

For the purpose of this exclusion, terrorism means an act including but not limited to the use or threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.

This policy also excludes death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any action taken in controlling, preventing, -suppressing or in any way relating to, the above exclusions.

- > This policy does not cover any loss or damage of whatsoever kind arising directly or indirectly out of:
 - the corruption, destruction or alteration of or damage to data, coding programs or software or;
 - the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips or;
 - any business interruption losses resulting therefrom.

Provided that this exclusion shall not apply where such loss or damage occurs as a direct result of physical damage which is otherwise covered by this policy and any such loss or damage will be settled in accordance with the policy conditions and sum insured limits.

OTHER IMPORTANT INFORMATION

ACTS OF PARLIAMENT

Where this policy refers to any Act of Parliament, this includes any Regulations and Amendments to that Act. It also includes any other Act or Regulation passed as an addition, an amendment, or in its place.

OTHER INSURANCE

If any loss or liability covered by this policy is also covered by any other policy, we will only pay over and above the cover provided by the other policy. We will not pay for any excess which applies to the other policy. You must tell us as soon as you are aware of any other such insurance.

AUTOMATIC REINSTATEMENT OF COVER

If we pay a claim for any partial loss, we will automatically reinstate your insurance cover provided you carry out all recommendations we make to prevent further loss.

TOTAL LOSS PAYMENT

If we pay a claim for a total loss, then this policy comes to an end and no refund of premium is due to you.

GOODS AND SERVICES TAX (GST)

The following amounts exclude GST provided that GST is recoverable by us:

> any sum insured specified in the schedule (other than specified items)

> legal liability cover

The following amounts include GST:

> any excess

> specified items

> any other amounts, additional cover or limits

ALTERATIONS

You can have this policy altered at any time as long as we agree in writing to the alteration before it takes effect.

We can alter the terms of this insurance by writing to your last known postal address. The change will take effect 14 days after the date of that letter from us.

CANCELLATION OF THIS POLICY

BY YOU

You may cancel this policy by writing to us. If your period of insurance is annual, we will refund 80% of the unused part of the premium. Otherwise no refunds are allowed.

BY US

We may cancel this policy by sending you 14 days written notice to your last known postal address. If we do we will refund you all the unused part of the premium.

WE'RE HERE TO

HELP

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