

**FMR RISK**

**AGREED**

**MOTOR VEHICLE POLICY**

**WITH  
VERO INSURANCE  
NEW ZEALAND LIMITED**

# MOTOR VEHICLE POLICY

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## **MOTOR VEHICLE POLICY**

This Policy is not a complete contract unless attaching to a completed Policy Certificate which together shall be read as one contract.

In consideration of the Insured agreeing to pay to the Insurer the premium stated, the Insurer agrees to provide to the Insured the cover set out in this Policy.

The liability of the Insurer, for each and every claim arising from one Accident, shall not exceed the Sum Insured stated on the Policy Motor Vehicle Certificate.

## **MOTOR INSURANCE POLICY**

### **INSURING CLAUSE**

The Insurer agrees to cover the Insured for all Loss or Damage to the Insured Vehicle and all amounts which the Insured shall become legally liable to pay by way of compensation for Personal Injury or property damage during the Period of Cover.

### **BASIS OF LOSS SETTLEMENT**

#### **SECTION 1 - COVER FOR THE INSURED VEHICLE**

The Insurer will at its option, repair, reinstate or replace the Insured Vehicle which has been lost or damaged, or may pay the amount of such Loss or Damage. Except as stated below the payment will not exceed the reasonable market value of the Insured Vehicle at the time of Loss or Damage.

If the Insured Vehicle becomes a total or constructive total loss within one year of the original (first) registration or purchase date when new, the Insurer will replace the Insured Vehicle (where such vehicle is of a weight of 3,500 kilograms or less, gross laden weight) with a new vehicle of up to the same make and model if currently available in New Zealand together with similar accessories, tools and spare parts.

In the event of a total loss to a leased vehicle, the basis of settlement will be the amount of Loss or Damage up to but not exceeding the greater of the reasonable market value or the Residual Value of the Vehicle at the time of its Loss or Damage. "Residual Value" means the residual value of the Vehicle as determined under the terms of a lease agreement, excluding any charges that are not solely attributable to the occurrence of the Loss or Damage, but not exceeding 20% of the Vehicle's reasonable market value.

#### **SECTION 1 EXCLUSIONS**

This Section does not cover:

- (i) loss of use or consequential loss of any kind unless expressly stated in this Policy;
- (ii) depreciation;
- (iii) wear, tear, rust, corrosion and existing defects;
- (iv) Loss or Damage arising from mechanical, electrical or electronic breakdown, failure or breakages;
- (v) Loss or Damage to any part or component of the engine, hydraulic or transmission system resulting from exceptions (iii) and (iv) above. However resulting damage to any other part or component of the Insured Vehicle is not excluded by this exception;
- (vi) Loss or Damage to tyres by application of brakes or by punctures, cuts or bursts unless caused at the same time as other Loss or Damage for which a claim is payable;
- (vii) the deductible stated in the Policy Certificate for each and every claim. Where more than one Insured Vehicle is involved in the same Accident, only one deductible will apply.

**Motor Vehicle Policy (continued)**

- (viii) Loss or Damage arising from ingestion or entry of any foreign object into any agricultural implement or machine (e.g; combine harvester);
- (ix) Loss or Damage arising from failure of, or defect or fault in the design or specification.

**SECTION 2 – LEGAL LIABILITY**

This Section covers the Insured, or any other person who was in control or in charge of the Insured Vehicle with the Insured's permission against legal liability and defence costs caused by, or in connection with the Insured Vehicle including whilst being loaded or unloaded (other than the bringing or taking away a load from the Insured Vehicle) or in transit between New Zealand ports, in respect of:

- (i) death of or Personal Injury to any person (other than the person in control of the vehicle at the time of the Accident);
- (ii) loss of or damage to any property.

The Insurer's total liability will not exceed the amount stated in the Policy Certificate for Legal Liability (inclusive of all defence costs and expenses) in respect of any one claim or claims arising from any one Accident.

The Insurer will pay any Punitive or Exemplary Damages (other than fines and penalties) awarded against the Insured by any New Zealand Court but limited to the Sum Insured (inclusive of costs) stated for punitive and exemplary damages in the Policy Certificate in the aggregate, during any one Period of Cover.

If the Insurer's total liability is insufficient to cover both the Insured named in the Policy Certificate and any other party entitled to cover under this Policy it shall apply in priority to the Insured named in the Policy Certificate.

**SECTION 2 EXCLUSIONS**

This Section does not cover:

- (i) liability for any property (including any road) arising from vibration caused by the Insured Vehicle including any load carried for an amount beyond \$500,000 or that stated in the Policy Certificate with the Insured being liable for the first \$2,000 each and every claim;
- (ii) liability directly or indirectly caused by any plant attaching to the Insured Vehicle or whilst being used or operated for the purpose for which it has been designed rather than as a motor vehicle (e.g: operation of a crane);
- (iii) liability for damage to any property which belongs to, or is in the care, custody or control of any Insured, other than a building occupied but not owned by the Insured;
- (iv) liability arising as a result of a judgment or order of any court outside New Zealand, or for any debt based on such judgment or order.

## **STANDARD POLICY EXTENSIONS**

The terms of these extensions attaching to this Policy are deemed to be incorporated within the Policy. If there is any conflict or inconsistency between the extension, and any other terms of the Policy (other than the General Exclusions), then the terms of the extension will prevail. Where a Standard Policy Extension shows a separate Sum Insured on the Policy Certificate then the Insurers limit of liability shall not exceed that Sum Insured in relation to that extension and are additional to any amount otherwise insured under this Policy.

### **ADDITIONS AND DELETIONS**

This Policy extends to cover any vehicle acquired by the Insured, from the date of its acquisition during the Period of Cover.

Any Insured Vehicle disposed of during the same period will be deleted from the date of that disposal. For declaration purposes, the value for each Insured Vehicle will be its market value and for each deletion the value shown on the latest schedule of vehicles as supplied by the Insured.

The premium for all additions and deletions may be adjusted at the end of each year as follows. This will be based on 50% of the difference in value of all new additions less deletions on the premium rate agreed at the beginning of that Period of Cover. Provided the Insurer's total liability will not exceed the Sum Insured stated in the Policy Certificate for this extension in respect of any new additions not already advised to the Insurer.

### **CLAIM PREPARATION COSTS**

This Policy covers reasonable costs incurred by the Insured (other than legal fees and costs) for preparing a claim for Loss or Damage which is payable under Section 1 of this Policy or for proving that the Loss or Damage is a claim under Section 1 of this Policy.

### **CLEANING UP COSTS**

This Policy extends to cover the reasonable costs of;

- (a) cleaning up and clearing away of debris and spillage resulting from an Accident or emergency action; recovering and reloading any load lost or fallen from an Insured Vehicle as a result of an Accident or emergency action,
- (b) transferring the load carried, lost or fallen from an Insured Vehicle to another vehicle and removing it to another place of safety.

### **COMPLETION OF JOURNEY COSTS**

This Policy extends to cover the following reasonable costs incurred where the Insured cannot continue the journey as a result of a claim under Section 1 of this Policy.

- (a) hiring another vehicle of similar make and model to complete the journey or of returning the Insured (including passengers) to where the journey first commenced; and
- (b) returning the Insured Vehicle to the premises where it is normally based following its repair, or recovery costs in the event of theft or illegal conversion.

### **CROSS LIABILITY**

The inclusion of more than one person or organisation as an Insured under this Policy shall not in any way affect the rights of any such person or organisation either in respect of any claim, demand, suit or judgement made or in favour of any employee of such other Insured or otherwise it being the intent of this Policy to protect such person or organisation covered as Insured in the same manner as though a separate Policy had been issued to each person or organisation; but nothing herein contained shall operate to increase the Insurer's limit of liability beyond the Sum Insured shown in the Policy Certificate.

### **DEATH BY ACCIDENT**

If the Insured dies as a result of an Accident, whether or not death occurs at the time of the Accident, the Insurer will pay to the executors or administrators of their estate the amount of \$10,000, regardless of any other insurance.

### **DEFENCE COSTS**

This Policy extends to cover the reasonable costs of legal representation for the driver who was in control, or in charge of the Insured vehicle with the Insureds permission arising from Loss or Damage Insured under Section 1 where the Insured or that driver are:

- (a) charged with manslaughter or reckless or dangerous or careless driving causing death;
- (b) requires to be legally represented at any enquiry or coroner's inquest in connection with such death.

### **DISABILITY MODIFICATIONS**

This Policy extends to cover any reasonable costs in effecting vehicle modifications required to assist the Insured's disabled driver in regaining their ability to drive as a result of an Accident for which a claim is payable under Section 1 of this Policy. Such costs are only in excess of any amount payable under the Accident Insurance Act 1998 or its amendments or by the Accident Compensation Corporation.

### **EMPLOYEES VEHICLES**

The definition of the Insured Vehicle extends to cover any employees vehicles whilst the vehicle is being used for the purpose of the Insured's business. Any employee whose vehicle is uninsured at the time of having an Accident is insured by this extension and will be indemnified by this Policy in the same manner as would apply if the employees vehicle had been insured under this Policy. The cover provided here will only apply where that vehicle is not otherwise insured.

### **EXPRESS FREIGHT COSTS**

This Policy extends to cover the Insured for additional costs of express freight and overtime costs to expedite repairs for which a claim is payable under section 1 of this Policy.

### **FUNERAL EXPENSES**

If the Insured dies as a direct result of Loss or Damage covered under Section 1, whether or not death occurs at the time of the Loss or Damage, this policy covers all funeral expenses associated with the burial or cremation of the Insured, in excess of any amount payable by the Accident Compensation Corporation or another Insurer.

Cover includes any travel costs within New Zealand of the deceased Insured or any member of his or her immediate family (e.g. father, mother, brother).

### **GENERAL AVERAGE**

When this Policy applies to transit by coastal shipping between ports of New Zealand this Policy extends to cover the Insured in respect of General Average and Salvage charges payable according to Foreign Statement or to York Antwerp rules if in accordance with any freight contract.

### **HAZARDOUS SUBSTANCE EMERGENCIES**

The Insurer will indemnify the Insured for any charge that the New Zealand Fire Service is authorised to make in respect to any Hazardous Substance Emergency arising out of or in connection with the Insured Vehicle. The indemnity will be payable regardless of whether the Insured Vehicle has sustained Loss or Damage.

"Hazardous Substance Emergency" has the same meaning as defined in the Fire Service Act 1975 or its amendments.

### **HOISTS**

This Policy extends to cover mechanical breakdown or failure of any hoists or hydraulic rams, permanently attached to any Insured Vehicle, which is not due to wear and tear

Policy exception (iv) of Section 1 shall not apply in respect of this extension.

#### **INVALIDATION**

This extension covers You under Section 1 when the Insured Vehicle is being used in a manner to which a policy extension would exclude indemnity, providing:

- (i) the use was without the knowledge or consent of the insured and;
- (ii) the Insured has not waived any right of recovery against the driver or person responsible for the loss.

This extension also covers the Insured, not the driver or person responsible for the loss, under Section 2.

For the purpose of this extension only the Insured means the Insured named in the schedule. If the Insured is a legal entity other than a person, then any person who has an interest in the legal ownership of the insured entity shall be deemed to have been driving with the knowledge or consent of the Insured.

#### **MOVEMENT OF OTHER VEHICLES**

Section 2 of this Policy extends to cover the Insured against liability arising out of the movement of any vehicle, parked in a position preventing or impeding the legitimate passage of another vehicle or during loading or unloading of any vehicle.

Policy exception (iii) of Section 2 shall not apply in respect of this extension.

#### **MUTUALLY ACCEPTABLE ADJUSTERS**

Where the Insurer wishes to appoint any loss adjuster or assessor in respect of any claim under this Policy, the appointee must be mutually acceptable to the Insurer and the Insured.

#### **OTHER INTERESTED PARTIES**

Where any party other than the Insured has an insurable interest in any Insured Vehicle insured, then, in respect of that Insured Vehicle, this Policy will pay the Insured and/or the other interested party or parties in the order of their legal priorities for their respective rights and interests.

Provided the insurable interest of the other party is advised prior to full and final discharge in the event of a total loss.

#### **PASSENGER LIABILITY**

Section 2 of this Policy will cover, any person who is a passenger in or who is getting into or out of any Insured Vehicle. Provided that the person is not entitled to the same indemnity under any other Policy or under any other clause in this Policy.

#### **PRINCIPALS INDEMNITY**

The definition of the Insured is extended to include any Principal of a construction or works project, but only in respect of their legal liability in terms of cover afforded by Section 2 of this Policy arising from losses in connection with the Insured Vehicle used or operated in connection with such projects.

#### **PROGRESS CLAIM PAYMENTS**

In the event of Loss or Damage giving rise to a claim under this Policy, it is agreed that the Insurer will make progress claim payments on production of acceptable evidence of the insured loss.

Provided that, if the aggregate of progress payments exceeds the total amount of the adjusted loss, the Insured will immediately refund the difference between the amount of adjusted loss and the aggregate of payments actually made.

**Motor Vehicle Policy (continued)**

**RENTED OR BORROWED VEHICLES**

This policy extends to include hired, borrowed or rented vehicles where the Insured does not accept the vehicle owner's statutory offer of insurance. This Policy covers the Insured's liability;

- (i) to the owner of the vehicle, against;
  - (a) Loss or Damage subject to the Sum Insured stated in the Policy Certificate for this extension in respect of any one vehicle and;
  - (b) consequential losses caused by a Loss or Damage for which a claim is payable under (a) above, subject to the limit stated in the Policy Certificate in respect of any one claim for this extension and;
- (ii) to anyone else in respect of any Loss or Damage caused in connection with the rented or borrowed vehicle subject to the Section 2 Sum Insured.

**REPAIRS**

If the Insured Vehicle or other property is to be repaired, the Insured may choose any particular repairer, provided that:

- (a) if the estimated cost is in excess of \$1,000, repairs must not be commenced without the consent of the Insurer or its surveyors;
- (b) the Insurer or its assessor must be given the opportunity of examining the repairs;
- (c) the liability of the Insurer for the repair cost will not exceed a reasonable cost for that repair.

**REWARDS**

This Policy extends to cover costs for any reward offered to secure the return of an Insured Vehicle, which may be incurred by the Insured where Loss or Damage results from theft or illegal conversion of an Insured Vehicle, for which a claim is payable under Section 1 of this Policy. Such costs must not be incurred without the Insurer's prior approval.

**TRANSIT OF GOODS (Restricted Cover)**

This Policy extends to cover Loss or Damage or destruction of property belonging to the Insured (not otherwise insured) following fire, theft, collision or overturning of the conveying vehicle resulting from Loss or Damage to the Insured Vehicle.

**TYRE DAMAGE**

Section 1 of this policy covers damage during the Period of Cover to any tyre (including its inner tube) fitted to an Insured Vehicle not principally used for driving on public roads, regardless of whether there has been Loss or Damage to any other part of the Insured Vehicle or not.

The Insurer will indemnify the Insured by either:

- (a) repairing the damage; or
- (b) paying an amount equal to the reasonable cost of repair; or
- (c) replacing the tyre; or
- (d) paying an amount equal to the cost of the tyre.

The Insurers total liability shall not exceed the purchase price of a new replacement tyre, less a reasonable deduction for the damaged tyre's wear and tear, but in all cases not exceeding \$5,000. This extension is free of deductible. Section 1 Exclusion (vi) does not apply to this extension.

**UNINSURED THIRD PARTY PROTECTION**

This Policy extends to cover the Insured's no claims bonus, Policy deductible, or uninsured loss if the third party or their driver has no valid or collectable insurance, where:

- (a) the third party driver was at fault at the Accident; and
- (b) the identity of the owner of the third party vehicle and/or the driver are established;  
and

The Insurer's limit of liability in respect of third party only and third party, fire and theft covers will be \$3,000.

**VEHICLE SALVAGE AND SAFETY**

This Policy extends to cover reasonable costs incurred in salvaging or recovering the Insured Vehicle, including the costs of ensuring its safety and delivery to a place of suitable repair or inspection, following Loss or Damage for which a claim is payable under Section 1 of this Policy.

**WAIVER OF SUBROGATION (GROUP COMPANIES)**

Where the Insured is a parent or subsidiary in a group of related companies, this Policy will not be invalidated by the Insured waiving or having waived any right of recovery it may have against any other company in the same group.

For the purpose of this extension, a subsidiary company means a company, more than half the nominal value of whose equity share capital is owned by a parent company either directly or through other subsidiaries; and a group of related companies means a group of companies related to one another by virtue of such ownership.

**WINDSCREENS AND WINDOWGLASS**

This Policy extends to cover the cost of either repairing or replacing Loss or Damage to any windscreen, window-glass, headlights or sunroof, and repairing any scratching or damage to body work resulting directly from such breakage provided no other damage is incurred for which a claim is payable under the Policy. Any payment by the Insurer will not be subject to an excess nor will it prejudice the Insured's vehicle individual premium rating.

### **OPTIONAL EXTENSIONS**

The Policy Certificate states whether any of the following Optional Clauses are included in the Policy. The terms of these clauses attaching to this Policy are deemed to be incorporated within the Policy. If there is any conflict or inconsistency between a clause and any other terms of the Policy (other than the General Exclusions), then the terms of the clause will prevail. Where an Optional Clause shows a separate Sum Insured on the Policy Certificate then the Insurers limit of liability shall not exceed that Sum Insured in respect of that Optional Clause.

### **BURNING COST**

The premium in respect of this Policy will be adjusted on losses incurred (total amount of claims paid and reasonable estimates of claims yet to be paid, including fees and net of actual and estimated recoveries) as a result of Accidents during the Period of Cover.

At the end of each Period of Cover, the deposit premium (gross premium less returns, and less commission if applicable) will be adjusted by dividing the amount of losses incurred by Insurers retention shown in the Policy Certificate. If the adjusted premium is greater than the deposit premium, the Insured will pay the difference to the Insurer up to a maximum percentage shown of the deposit premium. If the adjusted premium is less than the deposit premium, the Insurer will refund the difference to the Insured to a minimum no less than a minimum percentage shown of the deposit premium.

These percentages will be shown in the Policy Certificate in the following manner – Insurers retention/maximum upward adjustment/maximum downward adjustment (e.g: 70/30/30).

### **DRIVING HOURS AMENDMENT**

In the event of a claim for breach of driving hours being paid under the invalidation extension of this Policy, it is agreed that if no recovery of costs are sought from the driver, the Insured in return will accept an additional \$20,000 excess or such other additional excess as may be shown in the Policy Certificate.

### **FOREIGN OBJECTS**

This Policy extends to cover Loss or Damage caused by entry of any foreign object into any agricultural implement or machine

### **LOSS OF USE**

This Policy extends to cover the Insured for costs of hiring a substitute vehicle, which are reasonably and necessarily incurred by the Insured, where Loss or Damage prevents the Insured from using an Insured Vehicle designated in the Policy Certificate as being insured under this extension. Payment will be paid based on the following:

- (a) The Insured has suffered a Loss or Damage for which a claim is payable under Section 1 in excess of the Policy deductible;
- (b) The cover under this extension is in addition to the cover for Loss or Damage and is subject to the deductible for this extension specified in (h) below;
- (c) Period of loss:
  - (i) Compensation for the substitute vehicle will begin when the Insured Vehicle is delivered to the repairer to start the repair or from the date of Accident if the Insured Vehicle was totally disabled or lost at that date;
  - (ii) Compensation will cease when the repairs are completed and the Insured has taken delivery of the Insured Vehicle or has returned the substitute hire vehicle. In either case whichever first occurs. In the case of total loss, compensation will cease from the date when the Insured receives payment for the total loss.
- (d) The substitute vehicle is of similar specification to the Insured Vehicle;
- (e) No compensation will be paid if the Insured either has available a free replacement vehicle or purchased an additional or replacement vehicle unless negotiated separately with the Insurer;
- (f) The repair or replacement of the Insured Vehicle is carried out with reasonable dispatch. Any delay beyond the reasonable control of the Insured will not be considered as a breach of this provision;

- (g) Payment shall not include costs charged by the hire company for insurance, petrol nor any other normal running costs;
- (h) The Insurer's total liability for payment under this extension will not exceed the following limits including those specified in the Policy Certificate;
  - Specified Daily Limit (per 7 day week) : \$
  - Deductible applies from the date this cover begins : The first seven (7) days
  - Maximum limit any one claim : \$
  - Maximum period of indemnity any one claim : Two (2) months (40 days)

**PROFIT SHARE**

At the end of each Period of Cover the net premium (gross premium less returns, and less commission if applicable) shall be totalled, together with losses incurred (total amount of claims paid and reasonable estimates of claims yet to be paid, including fees and net of actual and estimated recoveries) as a result of claims during the Period of Cover, and a loss ratio calculated by comparing the net premium to the total of losses incurred. If the loss ratio is more than 60% then no profit share is payable. However if the loss ratio is 60% or less, the amount of profit share will be calculated by using one of the following profit share percentages:

	<b>Profit Share Percentage</b>
If the Loss ratio is 40% or less	20%
If the Loss ratio is between 41% and 50%	15%
If the Loss ratio is between 51% and 60%	10%

If a profit share is payable, then it will be calculated by multiplying the profit share percentage against the sum of net premium less losses incurred. A profit share is conditional upon renewal of this Policy and will be credited against the following years renewal premium.

## **GENERAL POLICY CONDITIONS**

### **ALTERATION OF RISK**

The Insured will notify the Insurer of any change in circumstances that is likely to increase the possibility of a claim arising in respect of the Insured Vehicle. The Insurer shall be entitled, upon such advice, to adjust the premium or terms of the Policy from when such advice is given.

### **CANCELLATION**

This Policy may be cancelled by the Insured at any time by giving written notice to the Insurer. The Insurer may cancel the Policy at any time by giving written notice to the Insured at the address last known to the Insurer. The cancellation of the Policy shall be effective as from 4:00 pm on the 30th day after posting, facsimile or personal delivery by the Insurer. After cancellation by either party, the Insurer will be entitled to retain a pro rate proportion of the premium for the period during which the policy has been in force, subject to any adjustment of premium in accordance with the terms of the Policy.

### **CLAIMS PROCEDURE**

In the event of any Loss or Damage, likely to give rise to a claim the Insured shall:

- (i) take prompt steps to minimise, avoid or diminish the Loss or Damage;
- (ii) notify the Insurer as soon as practicable;
- (iii) provide the Insurer with any information as may be reasonably required in connection with the claim.

At any time after the Accident giving rise to a claim or series of claims under Section 2 of this Policy, the Insurer may pay to the Insured or agree to pay, as and when incurred by the Insured, the full amount of the Insurer's liability for a claim under Section 2 and cease acting for the Insured in respect of any claim, defence or proceedings. The Insurer will not be liable for any costs or expenses whatsoever incurred by the Insured or other person after the Insurer has paid the full amount of the Insurers liability.

### **FALSE AND FRAUDULENT CLAIMS**

If the Insured makes any statement or claim knowing it to be false or fraudulent, as regards the amount or otherwise, All benefits in respect of that claim will be forfeited and the Insurer will be entitled to void the Policy.

### **GOODS AND SERVICES TAX (GST)**

Provided GST is recoverable by the Insurer under the Goods and Services Tax Act 1985 then:

- (a) all Sums Insured stated in the Policy exclude GST and;
- (b) GST will be added, where applicable to claims payments.

### **MARKET VALUE**

It is a condition of this Policy for the Insured to declare reasonable Market Value for any vehicles insured.

### **MISDESCRIPTION**

This Policy will not be prejudiced by:

- (a) innocent alteration, misdescription or any other innocent inaccuracy;
- (b) innocent misrepresentation or non disclosure of any material fact;

### **provided the Insured gives;**

written notice to the Insurer as soon as practicable once the Insured becomes aware of the above and agrees to pay an appropriate additional premium if required by the Insurer.

For the purposes of this clause, each of the Insured (if more than one) will be treated as having been issued with a separate Policy.

**OBSERVANCE OF TERMS AND CONDITIONS**

The due observance and fulfilment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the proposal and any other statements made by the Insured are conditions precedent to the Insurers liability under this Policy. For the purpose of this clause, each of the Insureds will be treated as having been issued with a separate policy.

**OTHER INSURANCE**

If at the time of any Loss or Damage to any Insured Vehicle, there be any other insurance covering the same Loss or Damage the Insurer will only be liable to pay over and above the limit payable under that other Policy.

**SUBROGATION**

The Insured shall at the request of and at the expense of the Insurer take such action as may be necessary or reasonably required by the Insurer for the purpose of enforcing any right and remedies, or of obtaining relief or cover from other parties to which the Insurer shall be or would become entitled or subrogated upon paying for or making good any loss under this Policy whether before or after being paid by the Insurer.

## **DEFINITIONS APPLYING TO THIS POLICY**

The following words have the following meanings:

### **ACCIDENT**

Is an unforeseen or unintended happening or event.

### **POLICY CERTIFICATE**

Is the certificate attaching to and forming part of this Policy.

### **INSURED**

Is the person/s or entity/entities named in the Policy Certificate and each of the following.

- (a) All subsidiary companies (not separately listed) of the Insured named in the Policy Certificate and any other organisation under the control of the Insured or over which it is exercising active management;
- (b) Any Director, Executive Officer or Partner of the Insured named in the Policy Certificate or of a company designated in paragraph (a) above but only whilst acting within the scope of their duties in such capacity;
- (c) Any person, principal organisation, Trustee or estate to whom or to which the Insured named in the Policy Certificate is obligated by virtue of a contract to provide insurance as is afforded by this Policy; but only to the extent required by such contract and in any event only for such coverage and limits of liability as provided in this Policy;
- (d) Any office bearer or member of social and/or sporting clubs formed with the consent of the Insured named in the Policy Certificate other than an Insured designated in paragraph (c) in respect of claims arising from duties connected with activities of any such club.

### **INSURER**

Is the insurance company/s or underwriter/s named in the Policy Certificate.

### **INSURED VEHICLE**

Means all vehicles, mobile plant and equipment and vehicular equipment of every description owned, used, leased, lent, borrowed, hired or under the Insured's care, custody and control or otherwise the responsibility of the Insured, including but not limited to, all accessories, spare parts, on board computers, telephone installations, load securing or protection equipment in or on the vehicle, plant or equipment, but excluding any item of electrical or communication equipment not permanently affixed to the vehicle.

### **LOSS OR DAMAGE**

Is physical Loss or Damage or destruction to an Insured Vehicle caused by an Accident anywhere within New Zealand and whilst in transit between New Zealand ports.

### **MARKET VALUE**

Is the reasonable cost to purchase the same comparable vehicle (prior to the Loss or Damage) of similar age and condition on the retail market

### **PERIOD OF COVER**

Is the period that commences and ends at the times and dates as stated in the Policy Certificate but includes any extension of this period as agreed by the Insurer.

### **PERSONAL INJURY**

The death of, or bodily injury to, any person including sickness, disease, disability, shock, fright, mental anguish or mental injury.

### **SUM INSURED**

Is the limit of the Insurers liability as stated in the Policy Certificate for any one Accident.

## **GENERAL POLICY EXCLUSIONS**

1. This policy does not insure any Insured Vehicle while it is:
  - (a) being driven on a race track, or for pace making, reliability trials, hill climbs or speed tests, or being driven in preparation for any of these activities;
  - (b) being driven in an unsafe condition. This includes any condition:
    - (1) which is contrary to any recommendation by the manufacturer of the Insured Vehicle, or
    - (2) as a result of which the Insured Vehicle is not fit to deal with any peril likely to be encountered during the course of its operation.

This exclusion only applies if the Insured or the person in charge of the Insured Vehicle was aware, or with reasonable diligence ought to have been aware, of the unsafe condition.

- (c) being driven by any person who is not the holder of a license for the appropriate class and use applicable to the operation of the Insured Vehicle or its components, or who is breaching any condition of his or her license. This exclusion will not apply if the driver has held, and is not disqualified from holding, and actually obtains a license, or if the Insured Vehicle is being used for the purpose of teaching a learner to drive, providing all requirements of the law are being complied with.
- (d) being driven by any person, who:
  - (1) is under the influence of any intoxicating substance or drug; or
  - (2) has a proportion of alcohol in the blood that exceeds the legal limit; or
  - (3) fails to supply a blood or breath sample as required by law; or
  - (4) fails to stop, or remain at the scene, following an Accident as required by law.

### **PROVIDED:**

- A certificate of conviction of the driver, will be used by the Insurer as sufficient evidence for these exclusions to apply where the offence was committed at the time of the Loss or Damage; or
  - A certificate of analysis of the driver's blood or a reading from an evidential breath testing device of the drivers breath will be used by the company as sufficient evidence of the drivers minimum blood or breath alcohol level at the time of the Accident.
- e) being driven in breach of the law relating to driving hours.
  - f) loaded or operated in excess of the manufacturer's recommended specifications, or loaded contrary to the law, or its ancillary plant or machinery being operated contrary to the law.

This exclusion only applies if the Insured or the person in charge of the Insured Vehicle was aware, or with reasonable diligence ought to have been aware, of the unsafe condition.

### **PROVIDED:**

- Exclusions 1(a) - 1(d) will not apply in respect of Loss or Damage which results from fire (other than by Accident), theft or conversion.

2. This policy does not insure:
  - (a) liability for Personal Injury which is covered by the Accident Compensation Corporation;

- (b) Loss or Damage or liability which is directly or indirectly caused by:
  - (i) confiscation, nationalisation or destruction or damage to property by order of government, public or local authority,
  - (ii) nuclear weapons material,
  - (iii) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel, and for the purpose of this Exclusion 2(c)(iii) combustion includes any self sustaining process of nuclear fission or fusion.
- 3. 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:
  - (a) war, invasion, act of foreign enemies, hostilities or warlike operations (whether war is declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
  - (b) acts of terrorism.

For the purpose of this Exclusion, terrorism means an act including but not limited to the use of threat of force or violence by any person or group(s) of person, 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 exclusion.

- 4. This policy does not insure any Loss or Damage of whatsoever kind arising directly or indirectly out of:
  - (a) the corruption, destruction or alteration of or damage to data, coding program or software; or
  - (b) the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips; or
  - (c) 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.