

# Echelon

## **motor vehicle**

### insurance policy



**LANTERN**  
insurance

Underwritten by **N4**

# Echelon

## Motor Vehicle policy

### Welcome

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Thank you for giving Lantern the opportunity to help you protect the things that matter. We'll do our best to support the choice you've made by providing you with an extensive range of NZI products and services designed to meet your expectations.

### What we do

Lantern Insurance is a specialist for NZI. Our competitive advantage hinges on knowing our customers well enough to deliver relevant NZI products and services that meet their lifestyle needs.

If you have any questions about your policy or think it doesn't provide the cover you need, please ring us straight away – we'll be happy to help.

Phone the Lantern team on **0800 800 800**.

[www.lanterninsurance.co.nz](http://www.lanterninsurance.co.nz)

**This document is your Echelon Motor Vehicle policy wording. Please make sure you read it carefully, as it contains important information you should know, including what your insurance covers – and what it doesn't.**

### Contacting us

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If you ever have a question, need help, or want to make an insurance claim, you're welcome to phone us any time, 24-hours a day.

In New Zealand, simply call **0800 800 800**.

If you're overseas, call us direct on **+64 9 969 4852**.

If you'd prefer to email us, it's easy. You can reach us at [contactus@lanterninsurance.co.nz](mailto:contactus@lanterninsurance.co.nz).

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## Your policy

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### Our agreement with you

**We** have an agreement with **you**. **You** agree to pay **us** the premium. In exchange, **we** promise to cover **you** as set out in this policy wording.

### Reading your policy

#### Words in bold

Some of the words in this policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean on page 17.

#### Examples and headings

To make it easy for **you** to understand this policy **we** have included some examples or comments in *italics*. The words in italics do not affect or limit the meaning of the section they refer to.

Please also note that the headings in this policy are designed to help **you** find **your** way around.

They should not be used when interpreting this policy wording.

### What your policy consists of

**Your** policy consists of this policy wording, the **schedule** and the information **you** provided in the **application** and any subsequent information **you** provide.

### You can change your mind

If **you're** not happy with this policy **you're** welcome to change **your** mind, but **you** must tell **us** within 15-days of the date it started. **We'll** treat **your** policy as being of no effect and to have never existed and refund in full any premium **you** have paid. This doesn't apply if **you** have made a claim on **your** policy.

## Keeping us informed

When **you** apply for insurance with **us**, **you** have an important 'duty of disclosure'. This means that **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would take into account in deciding:

- to accept or decline **your** insurance, or
- the cost or terms of **your** insurance, including the excess.

If **you** don't tell **us**, **your** insurance policy may not be valid and **you** may not be covered if **you** want to make a claim.

**You** must also tell **us** about changes that occur during the policy period – see 'Changes in circumstances' on page 16.

If **you're** not sure whether **you** should give **us** some information, tell **us** anyway. Simply call **us** on **0800 800 800** – **we'll** talk the matter over with **you** and let **you** know if it affects **your** policy.

**We** treat all information **you** give **us** in accordance with the Privacy Act 1993.

## Making a claim

When **you** need to make a claim, **we'll** be here to help **you** 24-hours a day, 7-days a week – just call **us** on **0800 800 800**.

### What you must do

If anything happens that could result in a claim under this policy, **you** must:

- do what **you** can to take care of the **car** and prevent any further **loss** or liability, and
- tell **us** as soon as possible, and
- notify the police as soon as possible if **you** think the **loss** was caused by a criminal act, and
- allow **us** to examine the **car** before any permanent repairs are started, and
- not destroy or dispose of anything that is, or could be, part of a claim, and
- as soon as possible, send **us** anything **you** receive from anyone about a claim or possible claim against **you**, and
- give **us** any information or help **we** ask for, and
- consent to **your** personal information in connection with **your** claim being disclosed to **us** and transferred to Insurance Claims Register Limited, and
- tell **us** immediately if **you** are charged with any offence in connection with the **use** of the **car** or a **vehicle** which resulted in **loss** of property or **bodily injury** to another person.

### Getting our permission first

**You** must ask for **our** permission before **you**:

- incur any expenses in connection with a claim under this policy, or
- negotiate, pay, settle, or admit any allegation that **you** are legally liable, or
- negotiate, offer to pay or pay any **reparation**, including but not limited to, offers made as any part of any case management conference or sentencing hearing, or
- do anything that may prejudice **our** rights of recovery.

### We can take action in your name

**We** may take action in **your** name to:

1. negotiate, defend or settle any claim against **you** covered by this policy
2. recover from any other person for anything covered by this policy.

**You** must assist **us** with these actions. **We'll** pay the reasonable legal costs of these actions.

## What you get if we accept your claim

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This section explains when **we'll** repair the vehicle, when **we'll** replace it and when **we'll** pay **you** for it, if **we** accept **your** claim. Please make sure **you** read this section carefully. If **you** have any questions, just phone **us** on **0800 800 800**.

### Repair, replace or pay cash?

#### Repairable

If **we** consider the **car** is economic to repair, **we** have the option to:

1. arrange to repair the **car** to basically the same condition as it was in before the **loss** occurred, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

#### Wheels and tyres

If any wheel or tyre fitted to the car suffers **loss** covered by this policy and a new wheel or tyre is fitted, **we** may ask **you** to make an appropriate contribution towards this cost.

#### Not repairable

If **we** consider the **car** is **uneconomic to repair**, **we'll**:

1. pay **you** the lesser of the **market value** of the **car** and the **sum insured**, or
2. replace the **car** with a new vehicle of the same model and specification, as long as:
  - (a) the **loss** happened within 12-months of **you** buying the **car** new, and
  - (b) the same model and specification is available in New Zealand.

#### Parts unavailable in New Zealand

If any new parts, **accessories** or tools cannot be bought in New Zealand, **we'll** pay the last known selling or list price in New Zealand plus the reasonable fitting cost.

#### Repair guarantee

All repairs to the **car** that are done through **our** approved repairer network are quality guaranteed while **you** own it and it is insured with **us**.

## Use of the vehicle

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This policy applies only when the **vehicle** is being **used** in New Zealand (including in transit between places in New Zealand) during the **period of insurance** for any personal or business purposes not excluded below.

**You're** not covered when the **vehicle** is being **used**:

1. in connection with the following occupations or businesses:
  - (a) salesperson or commission agent,
  - (b) insurance agent or insurance broker,
  - (c) land or real estate agent,
  - (d) stock or station agent,
  - (e) courier driver or delivery person,
2. in connection with the motor trade,
3. to carry fare-paying passengers, e.g. as a taxi (other than private, not-for-profit car pooling or car sharing) or for hire,
4. to carry any goods or samples in connection with any trade or business other than farming,
5. in any race, competitive trial or speed test,
6. on any race track, e.g. in driver training or track days,
7. to tow for financial gain or reward.

## Type of cover that applies

### Cover options

There are three cover options:

- FC** 1. Full cover
- TPFT** 2. Third Party, Fire & Theft
- TPO** 3. Third Party Only

The type of cover that applies to **you** will be shown in **your schedule**.

**You'll** note that **we've** used symbols for each cover option. **We've** used these symbols throughout this policy to help **you** know if a benefit applies to **you** or not.

#### **FC** Full cover

If **your schedule** shows 'Type of cover: Full cover', then **you** are fully covered under 'What your policy covers'.

#### **TPFT** Third Party, Fire & Theft

If **your schedule** shows 'Type of cover: Third Party, Fire & Theft' then **you**:

1. have limited cover under 'What your policy covers – Accidental Loss'. It only covers sudden and **accidental loss** to the **car** caused by:
  - (a) fire, or
  - (b) theft or attempted theft, unlawful conversion, or
  - (c) **natural disaster**, and
2. are fully covered under:
  - (a) 'What your policy covers – Legal liability', and
  - (b) 'What your policy covers - Methamphetamine Contamination', and
  - (c) 'What your policy covers – Protection against uninsured drivers', and
  - (d) 'What your policy covers – Road clearing costs', and
  - (e) 'What your policy covers – Towing costs', and
  - (f) 'What your policy covers – Transport costs'.

#### **TPO** Third Party Only

If **your schedule** shows 'Type of cover: Third Party Only' then **you**:

1. Have no cover under the 'Accidental loss' benefit
2. are fully covered under:
  - (a) 'What your policy covers – Legal Liability', and
  - (b) 'What your policy covers – Protection against uninsured drivers',
  - (c) 'What your policy covers – Road clearing costs'.

## What your policy covers

This section explains what **your** policy does and doesn't cover. Please read it carefully – and if **you** have any questions, call **us** on **0800 800 800**.

### Accidental loss

#### **FC** THIS SECTION APPLIES IF 'FULL COVER' IS SHOWN IN YOUR SCHEDULE

**You're** covered for sudden and **accidental loss** to the **car** that happens during the **period of insurance** and in New Zealand (including transit between places in New Zealand).

#### **TPFT** THIS SECTION APPLIES IF 'THIRD PARTY, FIRE & THEFT' IS SHOWN IN YOUR SCHEDULE

**You're** covered for sudden and **accidental loss** to the **car** caused by:

- (a) fire, or
  - (b) theft or attempted theft, unlawful conversion, or
  - (c) **natural disaster**,
- during the **period of insurance** in New Zealand (including transit between places in New Zealand).

#### **TPO** THIS SECTION APPLIES IF 'THIRD PARTY ONLY' IS SHOWN IN YOUR SCHEDULE

**You're** not covered under this 'Accidental loss' benefit.

#### What you'll get

See 'What you get if we accept your claim' on page 6 for details on what **we'll** pay.

#### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

#### **FC** Accidental death and permanent disablement

**We'll** pay the amounts shown under 'What you'll get' below, as long as:

1. **you, your partner** or any member of your **family** were injured because of a **loss** covered by the 'Accidental loss' benefit of this policy, and
2. the **injury** happened while **you, your partner** or any member of **your family** were driving the **car**, and
3. any of, or a combination of the **events** happens within 90-days from the date of the **injury**.

## What you'll get

Event	Amount
1. Death	\$10,000
2. Permanent total loss of sight of an eye	\$2,500
3. Permanent total loss of use of a hand	\$2,500
4. Permanent total loss of use of a foot	\$2,500

If **you**, **your partner** or any member of **your family** suffer a combination of events 2, 3 or 4, the amount **we** pay will be cumulative to a maximum of \$10,000 during the **period of insurance**.

### What isn't covered?

**We** will not pay for death resulting from suicide, or any self-inflicted **injury**.

See also 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## FC Accommodation costs

**You're** covered for accommodation costs for **you**, **your partner**, **your family**, other passengers and domestic pets in the **car** travelling with **you**, if the **car** can't be driven following a **loss** covered by the 'Accidental loss' benefit of this policy.

### What you'll get

**You're** covered for reasonable costs. The most **we'll** pay is \$750 for any **event**.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## FC Alternative transport

**You're** covered if **you** need a rental car while the **car** is:

1. being repaired, or
2. not driveable until it is repaired, or
3. stolen and not found,

after a **loss** that is covered by this policy as long as:

- (a) **we** arranged the rental car using **our** approved supplier, and
- (b) **you** pay for all running costs, and
- (c) **you** contribute \$20 per day (paid to **our** supplier when the rental vehicle is obtained), and
- (d) the rental car is a passenger vehicle up to 2000cc.

## What you'll get

**We'll** contribute towards the reasonable hire costs of a rental car, up to a maximum of 14-days.

### What isn't covered?

**You're** not covered if the claim for **your car** is only for **loss** to windscreens, windows, sun-roofs, or **driving lights**.

This cover is only for the costs of the rental car. This policy doesn't insure the rental car while it is being used.

**You** don't have this cover if the **car** is a mobile home, caravan or trailer.

If the **car** is **uneconomic to repair**, cover under this benefit ends when **we** settle **your** claim.

See also 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## FC Caravan contents

If **your car** is a caravan or motor home, **you're** covered for **accidental loss** to any:

1. fixture, fitting or furnishing that would normally be expected to be sold with the caravan, and
2. utensils, supplies, appliances and personal effects belonging to **you**, **your partner** or any member of **your family**.

### What you'll get

The most **we'll** pay is \$1,000 for any **event**.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## FC Electrical or electronic hardware or system

Where any electrical or electronic hardware component or system (excluding **electronic data**) of the **car** has suffered **loss** covered by this policy, **we'll** pay for the necessary and reasonable cost of restoring, re-setting or re-programming:

1. software, programs and other coded instructions to restore manufacturer's settings, and
2. where work is required on any hardware component or system as part of repairing loss to other parts of the **car**.



## What you'll get

We won't pay any cost or expense incurred for any data stored on any hardware component or system (this includes data affected as part of any repair to the **car**). If the electrical or electronic hardware or system is a key or a lock, the most we'll pay is \$1,000 as per the 'Keys and locks' cover.

## What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.



## Excess and no claims bonus protection

1. You won't pay an **excess** or lose **your** no claims bonus if an identifiable driver of another vehicle causes **loss** that is covered by this policy, as long as **you**:
  - (a) give **us** enough information to establish that the driver of the other vehicle was completely at fault, and
  - (b) give **us** the correct registration number of the other vehicle or information **we** need to positively identify the driver (including name and address), and
  - (c) give **us** reasonable help to recover **your** claim from the driver of the other vehicle, or from its owner.
2. We won't deduct the **excess** or adjust **your** no claims bonus if the **loss** to the **car** is from actual or attempted theft or illegal conversion while it was fitted with an activated electronic engine immobiliser approved by **us**.



## Keys and locks

You're covered if any of the keys to the **car** are lost, stolen or believed on reasonable grounds to have been duplicated without **your** permission, during the **period of insurance**.

## What you'll get

We'll pay the reasonable cost of replacing keys, locks, barrels, coded keypads or coded alarms, up to a maximum of \$1,000, during the **period of insurance** – and **you** won't lose **your** no claims bonus.

A \$100 **excess** applies to this 'Keys and locks' cover.

## What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.



## Legal liability

You're covered for **your** legal liability and legal costs and legal expenses arising from:

1. **accidental loss** to anyone else's property (including loss of use), or
2. **bodily injury** to any person, occurring during the **period of insurance** and caused in connection with **your use** of a **vehicle** in New Zealand (including transit between places in New Zealand).

## Reparation

You're covered for **your** legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** committing an offence during the **period of insurance** in connection with **your use** of a **vehicle** in New Zealand (including transit between places in New Zealand).

Provided that:

1. **you** or any other person entitled to cover under this benefit must tell **us** immediately if **you** or they are charged with any offence in connection with the **use** of the **car** or a **vehicle**, which resulted in **loss** of property or **bodily injury** to another person; and
2. **we** must give **our** written approval before any offer of **reparation** is made.

There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:

1. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
2. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
3. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this benefit should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

## General average

You're covered for general average or salvage charges that **you** must legally pay as a result of the **car** being carried by ship between places in New Zealand during the **period of insurance**.

*'General average' is a marine term that describes how the cost of losses will be shared between those persons with property on the ship.*

## Other people's liability

We'll cover the legal liability, including legal liability to pay **reparation**, and legal costs and legal expenses of any other person caused in connection with their **use** of the **car** in the same way as **we** cover **you**, as long as:

1. the other person had **your** permission to **use** the **car**, and
2. the other person's liability is not covered by any other insurance, and
3. the other person meets all the same terms of this policy that **you** must meet.

## Towing liability

We'll cover **you** while the **car** is being **used** for towing as long as such towing is not for financial gain or reward (financial gain doesn't include the reimbursement of normal running costs of the **car**).

## Vicarious liability

We'll cover **your** employer's vicarious liability while **you**, or any other employee who has **your** permission, **uses** the **car** for the business of **your** employer, as long as:

1. **your** employer's vicarious liability is not covered by any other insurance, and
2. the other employee **using** the **car** meets all the same terms of this policy that **you** must meet.

*'Vicarious liability' means that your employer may be held responsible for injury or damage, even if they were not actively involved in the incident.*

## What you'll get

### Property damage payment

We'll pay for:

1. liability, including liability for **reparation**, for **loss** to property, and
2. reasonable legal costs and legal expenses incurred with **our** approval (**we** won't unreasonably withhold **our** approval), and
3. costs awarded against **you** by a Court.

The most **we'll** pay in total for 1, 2 and 3 is \$20,000,000 for any **event** – and **you** won't have to pay an **excess**.

However the most **we'll** pay for a claim under 'Legal liability – bodily injury' is \$1,000,000 for any **event**.

### Bodily injury payment

We'll pay for:

1. liability, including liability for **reparation**, arising from **bodily injury**, and
2. reasonable legal costs and legal expenses incurred with **our** approval (**we** won't unreasonably withhold **our** approval), and
3. costs awarded against **you** by a Court.

The most **we'll** pay in total for 1, 2 and 3 is \$1,000,000 for any **event** – and **you** won't have to pay an **excess**.

## Amount payable for a claim for bodily injury and property damage

The most **we'll** pay for a claim for property damage and **bodily injury** for any **event** is \$20,000,000.

## Settlement of any claim

If **we** pay the full amount under this part of **your** policy (or any lesser amount that **we** can settle **your** liability for), plus **your** defence costs, this will meet all **our** obligations under this part of **your** policy.

## What isn't covered?

1. **You're** not covered for liability, including liability for **reparation**, for **loss** to any property:
  - (a) owned by **you** or anyone **we** cover and who claims under this policy, or
  - (b) in **your** care or in the care of anyone **we** cover under this policy other than for:
    - (i) a disabled vehicle being towed without charge by any **vehicle**, or
    - (ii) clothing, personal effects and luggage being carried by and belonging to any passenger in any **vehicle**, or
  - (c) being carried by, loaded into, or unloaded from, any **vehicle** or a caravan or trailer attached to any **vehicle** other than specified under (b)(ii) above.
2. **You're** not covered for liability created by a contract or agreement unless **you** would have been liable even without such contract or agreement.
3. **You're** not covered for liability in any way connected with any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up) unless the seepage, pollution or contamination occurs during the **period of insurance** and is caused by a sudden and **accidental event** that also occurs during the **period of insurance**.
4. **You're** not covered for any legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any Regulations, Rules or By-Laws made under any Act of Parliament.
5. **You're** not covered for punitive or exemplary damage, fines or penalties.

*'Damages' in this context refers to money claimed from you as compensation for harm done, or loss or injury. Exemplary damages is money claimed as punishment. The court awards this to punish someone for their outrageous conduct and to deter others.*

See also 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## FC Manslaughter defence

**You're** covered for costs necessarily and reasonably incurred for:

1. legal defence, to defend a charge of manslaughter, or dangerous driving causing death or careless driving causing death, and
2. legal representation at any inquiry or coroner's inquest in connection with a death,

resulting from:

- (a) **you** or **your partner** driving the **car**, or
- (b) any member of **your family** driving the **car** with **your** permission, or
- (c) **you** or **your partner** driving any **vehicle** that **you** or **your partner** do not own and are not purchasing, provided that **you** or **your partner** has the owner's permission to drive the **vehicle**,

during the **period of insurance**.

Legal liability 'What isn't covered' – Clause 4 defence costs does not apply to this benefit.

### What you'll get

The most **we'll** pay is \$10,000 during the **period of insurance** – and **you** won't have to pay an **excess**.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## FC Medical expenses

**You're** covered for costs incurred because of an **injury** that **you**, **your partner**, **your family** and other passengers in the **car**, suffered during a **loss** covered by the 'Accidental loss' benefit of this policy.

### What you'll get

**We'll** pay reasonable costs incurred by **you** or **your partner**, **your family** and other passengers in the **car**, for medical, surgical, therapeutic, dental and nursing treatment (including x-rays).

The most **we'll** pay is \$500 for any **event** – and **you** won't have to pay an **excess**.

### What isn't covered?

**We** won't pay for any expense that can be claimed from any other source or that results from self-inflicted **injury**.

See also 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## FC TPFT Methamphetamine contamination

**You're** covered for **contamination damage** to the **car**, provided such **contamination damage** occurred in connection with the theft or illegal conversion of the **car** during the **period of insurance**.

There is no cover for any **contamination damage** that is caused or contributed to, directly or indirectly, by or in connection with **you** or **your partner**, or any member of **you** or their family (including the theft or illegal conversion by any of them).

For the purposes of this exclusion, **you** includes any trustee or beneficiary of the trust if the **car** is owned by the trust, or any director or shareholder of the company if the **car** is owned by the company.

**We** will at our option:

1. arrange to **remediate** the car, or
2. pay you the reasonable costs to **remediate** the car as estimated by **our** assessor.

The most **we'll** pay is the **sum insured** for any **event**.

If the cost of **remediation** will put the **car** in a substantially better condition, **you** may be required to make an appropriate contribution towards this cost if **we** ask **you** to.

## TPFT TPO Protection against uninsured drivers

If **your schedule** shows that **you** have 'Third Party, Fire & Theft cover', or 'Third Party Only cover', then **you're** covered for sudden and **accidental loss** to the **car** during the **period of insurance** in New Zealand (and transit between places in New Zealand), that is caused by an uninsured driver of another vehicle, as long as **you**:

1. give **us** enough information to establish that the driver of the other vehicle was completely at fault, and
2. give **us** the correct registration number of the other vehicle or information **we** need to positively identify the driver (including name and address), and
3. give **us** reasonable help to recover costs incurred through **your** claim.

*For example:*

*If you're waiting at a red light and another car hits your car in the rear, you can claim under this policy up to \$3,000, but only if that person is not insured and if you can give us all the information and assistance that is listed in 1, 2, and 3 above. If that person is insured then you must claim from their insurance company or from them personally.*

## What you'll get

### Repairable

If **we** consider the **car** is economic to repair, **we** have the option to:

1. arrange for the **car** to be repaired as near as possible to the condition it was in before the **loss** happened, using parts and practices appropriate in the New Zealand repair industry, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

### Not repairable

If **we** consider the **car** is **uneconomic to repair**, **we'll** pay **you** the lesser of the **market value** of the **car** and the **sum insured**, if a **sum insured** is shown in the **schedule**.

Whenever **we** take this action, this policy comes to an end and **we** won't refund any premium.

### Maximum payment

The most **we'll** pay for any **event** is \$3,000 – and **you** won't have to pay the **excess**.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## Replacement vehicle

When **you** buy a replacement vehicle for the **car**, **we'll** automatically cover **you** for that replacement vehicle under this policy from the date of purchase, as long as:

1. **you** tell **us** within 30-days of the date of purchase, and
2. the replacement vehicle's purchase price isn't more than \$100,000, and
3. the replacement vehicle's purchase price will be the **sum insured**, and
4. **you** pay any additional premium that's required.

### What you'll get

See 'What you get if we accept your claim' on page 6 for details on what **we'll** pay.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## Restricted and excluded drivers

If **your schedule** shows that:

1. only drivers named in the **schedule** are covered under this policy, and/or

2. under 25 year old drivers are excluded under this policy, **we** won't apply these restrictions to any **loss** resulting from:

- (a) fire or theft, or
- (b) the **car** being **used** by:
  - (i) a member or employee of the motor trade, in connection with the repair or servicing of the **car**, or
  - (ii) a person providing a 'Dial a Driver' or similar commercial service to **you**, or
  - (iii) a person providing a valet parking service to **you**, or
  - (iv) a person in the course of a medical emergency.

### What you'll get

See 'What you get if we accept your claim' on page 6 for details on what **we'll** pay.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## Road clearing costs

**You're** covered for costs incurred for removing debris from any road or parking area following a **loss** covered by the 'Accidental loss' benefit of this policy.

### What you'll get

**We'll** pay reasonable costs incurred.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## Temporary repairs

**You're** covered for the cost of temporary repairs to the **car** that are essential to make it roadworthy, to enable **you** to get to **your** destination or to a repairer, following a **loss** covered by the 'Accidental loss' benefit of this policy.

### What you'll get

**We'll** pay reasonable costs incurred.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

## Towing costs

**You're** covered for towing and rescue costs to remove the **car** to the nearest repairer or place of security if the **car** isn't driveable because of a **loss** covered by the 'Accidental loss' benefit of this policy.

**What you'll get**

We'll pay reasonable costs incurred.

**What isn't covered?**

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

**FC Trailer cover**

You're covered for sudden and **accidental loss** to any **trailer** that happens during the **period of insurance** and in New Zealand (including in transit between places in New Zealand).

**What you'll get**

We'll have the option to pay either:

1. the cost of repairs as estimated by **our** assessor, or
2. the **market value** of the **trailer**.

The most **we'll** pay during the **period of insurance** is \$1,000.

A \$100 **excess** applies to this 'Trailer' cover.

The loss of no claims bonus doesn't apply to this 'Trailer cover'.

**What isn't covered?**

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

**FC TPFT Transport costs**

You're covered for transport costs for:

1. **you, your partner, your family**, other passengers and pets in the **car** from the place where the **loss** occurred to **your** home or to **your** nearest immediate destination, and
2. returning the **car** to **your** home or to another place **you** and **we** agree after the **car** has been repaired, if the **car** can no longer be driven following a **loss** covered by the 'Accidental loss' benefit of this policy.

If the **car** is recovered following theft or conversion, **you're** covered for costs to return the **car** to the place from where it was stolen or to another place that **you** and **we** agree (such as **your** home).

**What you'll get**

We'll pay for reasonable costs incurred.

**What isn't covered?**

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

**FC Windscreen & glass cover**

If a claim is only for **accidental loss** to windscreens, windows, sun-roofs or **driving lights** of the **car**, **you** won't have to pay an **excess** and **you** won't lose **your** no claims bonus.

**What you'll get**

See 'What you get if we accept your claim' on page 6 for details on what **we'll** pay.

**What isn't covered?**

See 'Exclusions that apply to the whole policy' on page 14 and 'Policy conditions' on page 16.

**Additional cover if you've paid extra**

The following benefit is optional. Cover only applies if **you've** paid extra and the cover is printed in the **schedule**.

Please read this section carefully – and if **you** have any questions, call **us** on **0800 800 800**.

**FC TPFT TPO NZI Roadside Assist**

We'll provide NZI Roadside Assist for the **car** during the **annual period**.

**What you'll get**

1. NZI Roadside Assist will:
  - (a) fit the **car's** spare tyre if it has a flat tyre, and
  - (b) access the **car** if the **car** keys are locked inside, and
  - (c) provide 5-litres of fuel if the **car** is out of fuel, and
  - (d) jump-start the **car** if it has a flat battery.
2. NZI Roadside Assist will arrange to tow the **car** to the nearest approved repairer or place of safety if the **car** suffers mechanical or electrical damage or failure and:
  - (a) cannot be easily mobilised at the roadside, or
  - (b) requires replacement parts.
3. NZI Roadside Assist cover provides six call outs during the **annual period**.

Extra call outs can be made, however, all extra call outs will be charged to **you** at **our** standard fee, and further assistance is at **your** expense.

The **excess** and loss of no claims bonus do not apply to this NZI Roadside Assist cover.

### What isn't covered?

NZI Roadside Assist will not assist where the **car**:

1. has been left unattended, or
2. requires specialised salvage equipment, or
3. is not within easy access of a public road that is negotiable by a two wheel drive vehicle, or
4. cannot be accessed due to extreme conditions such as snow, ice, flooding, road slips or the like, or
5. was being **used** for competitions or off-road activity, or
6. was involved in an **accident** or collision, or
7. was being misused, or
8. is a towed vehicle *such as a boat, trailer and caravan*, or
9. exceeds 3,000kg.

See also 'Exclusions that apply to the whole policy' below and 'Policy conditions' on page 16.

## Exclusions that apply to the whole policy

This section explains things **your** policy doesn't cover that are additional to those already mentioned in the previous sections.

Please read it carefully – and if **you** have any questions, call **us** on **0800 800 800**.

### Alcohol, drugs and other intoxicating substances

There's no cover under this policy if the person **using** the **vehicle**:

1. has a breath alcohol or blood alcohol concentration that exceeds the legal limit, or
2. refuses to undergo a breath or blood test after an accident, when they must legally do so, or
3. is under the influence of a drug or any other intoxicating substance to such an extent that they are incapable of having proper control of the **vehicle**, or
4. fails or refuses to stop, or remain at the scene, following an accident (as required by law).

This doesn't apply if the driver of the **vehicle** stole or converted it, as long as **you** lay a complaint with the police.

### Confiscation

**You're** not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with confiscation, nationalisation, requisition, acquisition, or destruction of or damage to property by order of government, public or local authority or under any statute or regulation, unless such order is required to prevent or control loss that would otherwise have been covered by this policy.

### Consequential loss

**You're** not covered for consequential loss, unless specifically provided for elsewhere in this policy.

*For example, you are not covered for any loss in value of the vehicle following an accident.*

### Electronic data and programs

**You're** not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with **electronic data** arising from any cause whatsoever including, but not limited to, a **computer virus**. This includes loss of use, reduction in functionality or any other associated loss or expense in connection with **electronic data**.

However, this exclusion does not apply to:

1. physical damage to other covered property that results from that loss of or damage to **electronic data**, and which is not otherwise excluded, and
2. any loss covered by the 'Electrical or electronic hardware or system' or the 'Keys and locks' cover.

### Excess

For each **incident**, **we'll** deduct the excess from the amount **we** would otherwise pay for **your** claim – unless specifically stated otherwise under another part of this policy.

If **you** have multiple vehicles insured under this policy, the **excess** applies individually to each vehicle.

### Mechanical or electrical breakdown

**You're** not covered for damage or failure that is:

1. mechanical, or
2. electrical, or
3. electronic.

However, this exclusion doesn't apply:

- (a) where the damage results from a sudden, unforeseen and **accidental** cause external to the **car**, or
- (b) to the extent that cover is provided by 'NZI Roadside Assist'.

## Modified vehicle

There's no cover under this policy if the **car** has been **modified**, unless details of all the **modifications** have been given to **us** and **we** have agreed in writing to continue cover.

## Nuclear

**You're** not covered for any loss, damage, cost, expense, prosecution or liability of any type in connection with:

1. ionising radiation or contamination by radioactivity from:
  - (a) any nuclear fuel, or
  - (b) any nuclear waste from the combustion or fission of nuclear fuel.
2. nuclear weapons material.

## Reckless Acts

**You're** not covered for any loss, damage, cost, expense, prosecution or liability arising from any intentional or reckless act or omission by **you** or anyone else covered by this policy.

## Terrorism

**You're** not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with an act of terrorism, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an act of terrorism.

## Tyre damage

**You're** not covered for:

1. damage to tyres caused by braking, or
2. punctures, cuts or bursts to **your** tyres.  
However, this doesn't apply to punctures, cuts or bursts to **your** tyres that result from:
  - (a) fire, or
  - (b) collision or overturning, or
  - (c) immersion in water, or
  - (d) flood, or
  - (e) malicious damage, or
  - (f) theft or illegal conversion, or
  - (g) **natural disaster**.

## Unlawful substances

**You're** not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with contamination from any 'controlled drug' as defined in the Misuse of Drugs Act 1975.

However, this exclusion does not apply to loss covered by 'Methamphetamine contamination'.

## Unlicensed drivers

There's no cover under this policy if the driver of any **vehicle**:

1. does not comply with all the conditions of his or her driver licence, or
2. is not legally allowed to drive in New Zealand.

This doesn't apply if the driver of the **vehicle** stole or converted it, as long as **you** lay a complaint with the police.

## Unsafe or unroadworthy

**You're** not covered if the **vehicle** is being **used** in an unsafe or unroadworthy condition, and:

1. the condition of the **vehicle** contributed to **loss** or liability, and
2. the driver should have been aware of that condition and that the condition could result in damage to the **vehicle**.

## War

**You're** not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with any of the following, including controlling, preventing or suppressing any of the following:  
war, invasion, act of foreign enemy, hostilities or war like operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power.

## Wear, tear, depreciation and loss of use

**You're** not covered for:

1. depreciation, or
2. wear and tear, rust or corrosion, or
3. loss of use, or
4. gradual deterioration.

*For example, you are not covered for any loss in value of the vehicle following an accident.*

## Policy conditions

**Your** policy has some important conditions. This section explains what they are and what happens if **you** don't follow them. Please read it carefully and if **you** have any questions phone **us** on **0800 800 800**.

### If you don't comply with the policy...

**You** or anyone else covered under this policy or anyone acting on **your** behalf, must comply with this policy. If any of the terms of this policy, are breached, **we** have the sole discretion to:

1. decline any claim **you** make – either the whole claim or part of it, and
2. declare this policy or all insurance **you** have with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act, or breach.

## Your obligations

### True statements and answers

All statements and answers that **you** give, or any other person gives on **your** behalf, must be honest and accurate when **you**:

1. apply for this insurance, and/or
2. let **us** know about any change in **your** circumstances, and/or
3. make a claim under this policy.

### Changes in circumstances

**You** must let **us** know straight away if, after the start of this policy, there are any **modifications** to the **car**, or any material increase or change in the risk **we** cover.

**We** may change the terms of this policy in response to any material change in circumstances **you** or anyone else advises **us** of. The change in terms will be effective from the date of the change in circumstances.

*Information is 'material' where we would have made different decisions about either accepting your insurance or setting the terms of the insurance, if we had known that information. Tell us if this information changes while we insure your car – as soon as you know that the change will happen.*

*If you're not sure if information is 'material', tell us anyway.*

*The 'risk we cover' refers to the actual property or liabilities we insure (known as physical risks), and you or other people covered by this policy (known as moral risks).*

### Reasonable care

**You** must always take reasonable care to avoid circumstances that could result in a claim. **You** won't be covered if **you** are reckless or grossly irresponsible.

## Administering this policy

### Cancellation

#### By you...

**You** can cancel this policy at any time. If **you** do, **we'll** refund any premium due to **you** based on the unused portion of the **period of insurance**.

**You** must pay **us** any outstanding payments due to **us**.

#### By us...

**We** can cancel this policy by writing to or emailing **you** at the last known address **we** have for **you**. The policy will be cancelled on the 30th day after the date of the notice. **We'll** refund any premium due to **you** based on the unused portion of the **period of insurance**.

### Changing the terms

**We** can change this policy's terms (including the **excess**) by writing to or emailing **you** at the last known address **we** have for **you**. The change will take effect on the 30th day after the date of the notice.

### If the car is uneconomic to repair

If the **car** is **uneconomic to repair** and **we've** paid **your** claim:

1. this policy is automatically cancelled, and
2. the **car** will become **our** property, and
3. **we'll** credit any unused premium towards insurance arranged with **us** on a replacement car. If **you** do not arrange insurance for a replacement car with **us**, **we** will not refund any premium.

### Other insurance

**You** must tell **us** if the **car** is or becomes covered by another insurance policy. This policy does not cover **your** **loss** or liability at all if it is insured to any extent under any other insurance policy. **We** will not contribute towards any claim under any other insurance policy. This does not apply to the 'Accidental death and permanent disablement' cover on page 7.



## Other parties with a financial interest

If **we** know of anyone who has a financial interest in the **car**, **we** can pay them part or all of any claim proceeds. This payment goes towards meeting **our** obligations under the policy. However, anyone recorded as having a financial interest under this policy isn't covered by it and has no right to make a claim.

**We're** also authorised by **you** to disclose personal information about **you** to anyone who holds a financial interest in the **car**.

*For example, if you borrowed money from the bank or finance company to buy the car, then the bank or finance company has a financial interest in the car until you have repaid the full loan amount.*

## Currency

Any amounts shown in this policy and in the **schedule** are in New Zealand dollars.

## Goods and services tax

Where GST is recoverable by us under the Goods and Services Tax Act 1985:

1. all **sums insured** exclude GST, and
2. all limits and sub limits include GST, and
3. all **excesses** include GST, and
4. GST will be added, where applicable, to claim payments.

## Governing law and jurisdiction

The law of New Zealand applies to this policy and the New Zealand courts have exclusive jurisdiction.

## Joint insurance

If this policy covers more than one person, all persons are jointly covered.

*This means that if one person breaches the policy it affects everyone's ability to claim.*

## Legislation changes

Any reference to any Act of Parliament or subordinate regulations or rules referred to in this policy includes any amendments made or substitutions to that law.

## Definitions

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Here are the special meanings of the words shown in **bold** in this policy. The definitions apply to the plural and any other versions of the words.

*For example, the definition of 'accident' also applies to 'accidental', 'accidentally' and 'accidents'.*

### accessory

a part of the **car** not directly related to its function as a vehicle, including any:

- radio, audio equipment or other in-vehicle entertainment and communication equipment forming an integral part of the **car**, and
- portable telephone that connects to a power source in the **car**, and
- **car** seat covers, floor mats or child **car** seats.

### accident

unexpected and unintended by **you** and anyone **using** the **car** or any **vehicle**.

### act of terrorism

an act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation 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) de jure or de facto, and that:

- involves violence against one or more persons, or
- involves damage to property, or
- endangers life other than that of the person committing the action, or
- creates a risk to health or safety of the public or a section of the public, or
- is designed to interfere with or disrupt an electronic system.

### annual period

the **period of insurance**. However, if **your** premium is paid by instalments other than annual payments, the annual period is any one 12-month period calculated from the date this policy first started, and consecutively after that.

### application

the information **you** provided to **us** when **you** purchased this insurance or requested a quotation for this insurance from **us**.

## bodily injury

the **accidental** death of, or **accidental** bodily injury to, any person, including sickness, disease, disability, shock, fright, mental anguish and mental injury.

## car

the **vehicle** described in the **schedule**, including any:

- standard tool supplied by the **vehicle's** manufacturer or a similar substitute tool, and
- **accessory** or spare part while it is in or on the **vehicle**, and
- **accessory** that has been temporarily removed from the **vehicle** for security purposes, or cleaning or servicing.

## contamination damage

**loss** caused by **methamphetamine** contamination that exceeds the **contamination level**.

## contamination level

the relevant guideline value for indoor surface contamination as set out in the most recent version of the New Zealand Standard NZS 8510 (and until that is published, the recommended levels for remediation published by the Ministry of Health in its Recommendations for Methamphetamine Contamination Clean-up on 26 October 2016).

## computer virus

a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or codes, whether programmatic or not, that propagate themselves through a computer system or network. This includes, but is not limited to 'Trojan Horses', 'Worms' and 'Time or Logic Bombs'.

## driving lights

this includes the **car's** headlights, fog lights, auxiliary lights and reversing lights. It does not include indicator lights, stop lights and decorative lights.

## electronic data

facts, concepts and information converted to a form usable for interpreting or processing communications by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for processing and manipulating data or directing and manipulating such equipment.

## event

any one event or series of events arising from one source or original cause.

## EXCESS

this is the amount of the claim that **you** must pay. The amount of the excess is shown in either the **schedule** or this policy wording.

## family

any member of **your** family who permanently resides with **you**.

## incident

something that occurs at a particular point in time, at a particular place and in a particular way.

## injury

a bodily injury caused solely and directly by violent, accidental, external and visible means.

## loss

physical loss or physical damage.

## market value

the reasonable cost to buy, immediately before the **loss** and on the retail market, a vehicle of comparable:

- year,
- make, model and specification (including fitted equipment covered by this policy),
- mileage,
- general condition,

as the **car** or **trailer** that was damaged.

## methamphetamine

the Class A controlled drug Methamphetamine or Class B controlled drug Amphetamine as defined by the Misuse of Drugs Act 1975 or any precursor chemicals and by-products.

## modification

any change to the **car**, that is different to the manufacturer's original specification or recommendations.

*Examples include:*

- *changes to the engine, steering, performance, suspension, chassis, or*
- *body kits, paintwork, interior modifications, or*
- *tyres or wheels of the car,*
- *a changed sound system valued at over \$1,000.*

**We** don't consider a conversion of the **car** to run on CNG, LPG or Bio Gas as a modification, as long as the **car** has a current Warrant of Fitness and a current Alternative Fuel Inspection Certificate.

## natural disaster

an earthquake, natural landslide, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the Earthquake Commission Act 1993.

## partner

**your** husband or wife or person who **you** are living with in the nature of a marriage.

## period of insurance

the 'Period of insurance' shown in the **schedule**.

## remediate

to reduce the level of **methamphetamine contamination** to below the **contamination level**.

*Please note, the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination and will not restore the car to its condition when it was new.*

## reparation

an amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002.

## schedule

the latest version of **your** 'Policy Schedule' that **we** issued to **you** for this policy.

## sum insured

the 'Sum insured' shown in the **schedule**.

## trailer

any general use trailer:

- that **you** own or that is in **your** care, and
- that is not covered by any other insurance, and
- **used** as described in 'Use of the vehicle' on page 6 of this policy.

It does not include:

- a caravan, a boat trailer, a camper trailer or a horse float; or
- the contents, equipment or accessories of any trailer.

## uneconomic to repair

a total **loss** because the **car** is:

- uneconomic or unsafe to repair, or **remediate**, or
- stolen and not recovered.

## use

includes driving, parking, garaging or storing of the **car** or **trailer**.

## vehicle

- the **car** or **trailer** when it is **used** by **you** or anyone else with **your** permission, and
- any other motorcar that **you** don't own, that is **used** by **you**, as long as **you** have the owner's permission to **use** it and **your** liability is not covered by any other insurance.

## WE, US, OUR

NZI, a business division of IAG New Zealand Limited.

## you

the person(s) or entity shown as the 'Insured' in the **schedule**.

Form no: LAN0023/6 07/17  
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**NZI Echelon Motor Vehicle insurance policy**

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