



Initio motor vehicle insurance policy

Policy Wording



Introduction

About this policy

Your policy consists of:

1. this policy wording, and
2. the **schedule**, and
3. any addendum, endorsement or warranty that **we** apply.

Your duty of disclosure

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

1. whether to accept or decline **your** insurance, or
2. the cost or terms of the insurance, including the **excess**.

You also have this duty, every time **your** insurance renews and when **you** make any changes to it. If **you** breach this duty, **we** may treat **your** policy as being of no effect and to have never existed.

Please ask **us** if **you** are not sure whether **you** need to tell **us** about something.

Changing your mind

If **you** are not happy with this policy, **you** are welcome to change **your** mind, provided **you** tell **us** within 15 days of the date this policy started. **We** will treat **your** policy as being of no effect and to have never existed and refund in full any premium **you** have paid. This does not apply if **you** have made a claim on **your** policy.

Reading this policy

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 at the back of this policy in the section 'Definitions'.

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.

Our agreement

We have an agreement with **you**. **You** agree to pay **us** the premium. In exchange, and in reliance on the information provided in the **application**, **we** agree to cover **you** as set out in this policy wording.

Use of the vehicle

When cover applies:

This policy applies only when any **vehicle** is being **used** in New Zealand (including in transit between places in New Zealand) during the **period of cover** for any personal or business purposes other than those excluded below.

When cover does not apply:

There is no cover for any period that a **vehicle** is being **used**:

1. to carry fare-paying passengers, e.g. as a taxi (other than private, not-for-profit car pooling),
2. for:
 - (a) a courier or delivery business,
 - (b) a servicing business that involves any installation, maintenance or repairs on or at homes or businesses, including, but not limited to, appliances, electrics, plumbing, glazing or commercial cleaning,
 - (c) the motor trade or a driving educator profession,
3. to carry any goods or samples for financial gain or reward in connection with any trade or business other than farming,
4. for hire, including through a peer-to-peer arrangement,
5. in any type of motor sport, race, competitive trial or speed test,
6. on any racetrack, e.g. in driver training or track days,
7. to tow for financial gain or reward,
8. outside New Zealand.

Type of cover that applies

Type of cover options:

The type of cover that **you** have is shown in the **schedule**.

Full cover

1. If the **schedule** shows: 'Type of cover: Full cover', then **you** are covered under:
 - (a) 'Section one - loss to your vehicle', and
 - (b) 'Section one - automatic additional benefits', and
 - (c) 'Section two - your legal liability', and
 - (d) 'Section two - automatic additional benefits'.
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Third party, fire & theft

2. If the **schedule** shows: 'Type of cover: Third party, fire & theft', then **you**:
 - (a) have limited cover under 'Section one – loss to your vehicle'. It only covers sudden and **accidental loss** to the **car** caused by:
 - (i) fire, or
 - (ii) theft or attempted theft, conversion, or
 - (iii) **natural disaster**, and
 - (b) are covered under the following 'Section one – automatic additional benefits':
 - (i) 'Child car seats', and
 - (ii) 'Electrical or electronic hardware or system', and
 - (iii) 'Methamphetamine contamination', and
 - (iv) 'Protection against uninsured drivers', and
 - (v) 'Temporary repairs', and
 - (vi) 'Towing costs', and
 - (vii) 'Transport costs', and
 - (c) are covered under 'Section two - your legal liability', and
 - (d) are covered under 'Section two - automatic additional benefits'.
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Third party only

3. If the **schedule** shows: 'Type of cover: Third party only', then **you**:
 - (a) have no cover under 'Section one – loss to your vehicle', and
 - (b) are covered under the following 'Section one - automatic additional benefit':
 - (i) 'Protection against uninsured drivers', and
 - (c) are covered under 'Section two - your legal liability', and
 - (d) are covered under 'Section two - automatic additional benefits'.

Section one – loss to your vehicle



What you are covered for:

You are covered for sudden and **accidental loss** to the **car** that occurs during the **period of cover** in New Zealand (including in transit between places in New Zealand).

What you are not covered for:

Types of loss not covered

You are not covered for:

1. depreciation, or
 2. wear and tear, or rust or corrosion, or
 3. loss of use, or
 4. rot, mould or gradual deterioration, or
 5. consequential loss, unless provided for under an additional benefit.
For example, you are not covered for any loss in value of the vehicle following an accident.
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Breakdown or failure not covered

You are not covered for damage or failure that is:

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

However, this exclusion does not apply:

- (a) where the damage or failure results in or from fire, collision, overturning, immersion in water, flood, intentional damage (by someone other than **you** or anyone else covered by this policy), theft or conversion, or **natural disaster**, or
- (b) to the extent that cover is provided by the 'Electrical or electronic hardware or system' automatic additional benefit or the 'NZI Roadside Assist' optional additional benefit.

You are not covered for damage or failure caused by the use of the incorrect fuel or additive, except to the extent that cover is provided by the 'Incorrect fuel or additive' automatic additional benefit.

Tyres

You are not covered for:

1. damage to tyres caused by braking, or
2. punctures, cuts or bursts to **your** tyres.

However, this does not apply to punctures, cuts or bursts that result in or from:

- (a) fire,
- (b) collision,
- (c) overturning,
- (d) intentional damage (by someone other than **you** or anyone else covered by this policy),
- (e) theft or conversion, or
- (f) **natural disaster**.

IMPORTANT: Please also read 'Policy exclusions that apply to all parts of this policy'.

What we will pay:

Repairable damage

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

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

Quality guarantee

We will give **you** a quality guarantee on all repairs to the **car** undertaken through **our** Approved Repairer Network following **loss** covered by this policy while **you** own the **car**.

Availability of parts

If any new parts, **accessories** or tools are unobtainable in New Zealand, we will pay up to the last known selling or list price in New Zealand plus the reasonable cost of fitting.

Your contribution to improvements

If repairs put the **car** in a better condition than it was in just before the **loss**, **you** may be required by **us** to make an appropriate contribution to the cost. We will get **your** agreement to this before starting the repairs.

If **you** do not agree to pay the contribution we request, then we may pay **you** the cost of repairs as estimated by **our** assessor, excluding costs that improve the condition of the **car** before the **loss**.

Total loss

If we consider the **car** is a **total loss**, we will at **our** option:

1. pay **you** the **sum insured** if the **schedule** shows **you** have an agreed value policy, or
2. pay **you** the lesser of the **market value** or the **sum insured** if the **schedule** shows **you** have a market value policy, or
3. replace the **car** with a new vehicle of the same model and specification, provided:
 - (a) the **schedule** shows 'Type of cover: Full cover', and
 - (b) the **loss** occurred within 12 months of **you** purchasing the **car** new, and
 - (c) the model and specification is available in New Zealand.

The applicable **excess** will be deducted before we make any claim payment.

Section one – automatic additional benefits

These benefits are subject to the terms of this policy, except where the terms are varied in the benefit. The amount payable under each benefit is included in the **sum insured**, unless expressly stated that it is an additional payment.

Accommodation costs



We will pay for reasonable costs of accommodation for **you, your** passengers and domestic pets in the **car** if the **car** cannot be driven following **loss** covered by this policy.

The most we will pay is \$750 for any **event**. This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Alternative transport



We will contribute towards the reasonable hire costs incurred if **you** require a rental vehicle following **loss** covered by this policy while the **car** is:

1. being repaired, or
2. not fit to drive while awaiting repair, or
3. awaiting settlement of a **total loss** claim.

Provided:

- (a) we have arranged the rental vehicle through **our** approved supplier, and
- (b) **you** contribute \$20 per day (paid to **our** supplier when the rental vehicle is obtained), and
- (c) **you** pay any bond or deposit, and
- (d) **you** pay for all running costs.

We will contribute towards these costs for a maximum of 14 days.

The rental vehicle will be a passenger vehicle up to 2000cc.

You do not have this cover if the **car** is a mobile home, motorcycle, caravan or trailer.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Child car seats



If the **car** suffers **loss** covered by this policy and as a result of that **loss**:

1. there is **loss** to a child car seat or baby capsule in or on the **car**, or
2. in **our** opinion the safety of a child car seat or baby capsule in or on the **car** is compromised,

we will pay the reasonable cost to replace the item.

This is in addition to any payment under 'What we will pay' of 'Section one - loss to your vehicle'.

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 will 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**.

We will not 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 will pay is \$1,000 as per the 'Keys and locks' automatic additional benefit.

Excess and no claims discount protection



If the **car** suffers **loss** covered by this policy caused by a driver of another vehicle, **we** will not deduct the **excess** or adjust **your** no claims discount, provided **you** give **us**:

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

If the vehicle is a caravan



Contents of the caravan

If the **car** shown in the **schedule** is a caravan, this policy is extended to cover 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 in the caravan belonging to **you**, **your partner** or any member of **your family**.

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

Incorrect fuel or additive



If the **car** suffers **loss** caused by the **accidental** use of:

1. the incorrect fuel type in the fuel tank of the **car**, or
2. an engine additive or a vehicle liquid in the fuel tank of the **car**,

we will pay the reasonable cost of removing the fuel, engine additive or vehicle liquid and repairing the **car**, provided action is taken to prevent further **loss** as soon as reasonably possible after the mistake is realised.

There is no cover for:

- (a) replacing the fuel, engine additive or vehicle liquid, or
- (b) **loss** caused by using contaminated fuel or using a contaminated engine additive or vehicle liquid, or
- (c) intentionally using the incorrect fuel, or
- (d) **loss** caused by using the incorrect octane level fuel over time, or
- (e) **loss** caused by not using an additive when this is required for the type of engine.

Examples of using the incorrect fuel type or using an engine additive incorrectly include putting petrol in a diesel engine, diesel in a petrol engine or an exhaust emissions additive in a fuel tank.

Keys and locks



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 cover**, **we** will pay the reasonable cost of replacing the keys and the locks.

The most **we** will pay during the **period of cover** is \$1,000.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

A \$100 **excess** applies to this automatic additional benefit.

The loss of no claims discount does not apply to this automatic additional benefit.

Methamphetamine contamination



This policy is extended to cover **contamination damage** to the **car**, provided such **contamination damage** occurred in connection with the theft or conversion of the **car** during the **period of cover**.

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 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** will 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.

Protection against uninsured drivers



If the **schedule** shows that **you** have 'Third party, fire & theft' cover or 'Third party only' cover, then this policy is extended to cover sudden and **accidental loss** to the **car** during the **period of cover** caused by an uninsured driver of another vehicle **you** do not own, provided **you** give **us**:

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

If the **car** cannot be driven, this includes the reasonable cost of moving it from the place where the **loss** occurred to the nearest repairer or place of security or storage, or to one near **your** home, including moving it between those places and the cost of storage.

If **we** consider the **car** is economic to repair, **we** will at **our** option:

- (a) arrange to repair the **car**, as near as reasonably possible, to the same condition it was in before the **loss** occurred, or
- (b) pay **you** the cost of repairs as estimated by **our** assessor.

If **we** consider the **car** is a **total loss**, **we** will pay **you** the lesser of the **market value** or the **sum insured**.

The most **we** will pay for any **event** is \$3,000.

We will not deduct the **excess** or adjust **your** no claims discount.

Replacement vehicle



When **you** buy a replacement car for the **car**, **we** will automatically provide cover for that replacement car under this policy from the date of purchase, provided:

1. **you** notify **us** within 30 days of the date of purchase, and
2. the purchase price does not exceed \$100,000, and
3. the purchase price will be the sum insured, and
4. **you** pay any additional premium that is required.

Road clearing costs



We will pay the reasonable costs incurred for removing debris from any road or adjacent area, following **loss** covered by this policy.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Temporary repairs



We will pay the reasonable cost of temporary repairs to the **car** needed to make it roadworthy, to enable **you** to get to **your** destination or to a repairer following **loss** covered by this policy.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Towing costs



We will pay the necessary and reasonable towing and rescue costs to move the **car** to the nearest repairer or place of security if the **car** can no longer be driven following **loss** covered by this policy.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Trailer cover



This policy is extended to cover sudden and **accidental loss** to any **trailer** during the **period of cover**.

We will at **our** option pay:

1. the cost of repairs, or
2. the **market value**.

The most **we** will pay during the **period of cover** is \$1,000.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

A \$100 **excess** applies to this automatic additional benefit.

The loss of no claims discount does not apply to this automatic additional benefit.

Transport costs



We will pay the reasonable costs of:

1. transport for **you**, **your** passengers and domestic 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** cannot be driven following **loss** covered by this policy.

If the **car** is recovered following theft or conversion, **we** will pay the reasonable costs incurred to return the **car** to the place from where it was stolen or to another place that **you** and **we** agree.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Windows



The **excess** and loss of no claims discount do not apply to a claim that is solely for sudden and **accidental** damage to windscreens, windows, sun-roofs, or driving lights of the **car**.

Section one – optional additional benefit

The following benefit is an optional additional benefit. Cover applies only if **you** have purchased the benefit and it is shown in the **schedule**. This benefit is subject to the terms of this policy, except where the terms are varied in the benefit.

NZI Roadside Assist



This policy is extended to provide NZI Roadside Assist for the **car** during the **annual period**.

1. NZI Roadside Assist will:
 - (a) fit the **car's** spare tyre if it has a flat tyre, and
 - (b) access the **car** if its 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 will not assist where the **car**:
 - (a) has been left unattended, or
 - (b) requires specialised salvage equipment, or
 - (c) is not within easy access of a public road that is negotiable by a two-wheel drive vehicle, or
 - (d) cannot be accessed due to extreme conditions such as snow, ice, flooding, road slips or the like, or
 - (e) was being **used** for competitions or off-road activity, or
 - (f) was involved in an accident or collision, or
 - (g) was being misused.
4. NZI Roadside Assist will not assist:
 - (a) towed vehicles such as boats, trailers and caravans, or
 - (b) **cars** exceeding 3,000 kg.

You are entitled to six call outs during the **annual period**.

Extra call outs can be made, however, these will be charged to **you** at NZI Roadside Assist's standard fee, and further assistance is at **your** expense.

The **excess** and loss of no claims discount do not apply to this optional additional benefit.

Section two – your legal liability



What you are covered for:

Your legal liability

You are covered for:

1. **your** legal liability and defence costs, caused by **your use** of a **vehicle** in New Zealand (including in transit between places in New Zealand) occurring during the **period of cover**, arising from:
 - (a) **accidental loss** to anyone else's property (including loss of use), or
 - (b) **bodily injury** to anyone else.
2. General Average or salvage charges that **you** are legally required to pay as a result of the **car** being carried by ship between places in New Zealand during the **period of cover**.

Reparation

You are 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 cover** in connection with **your use** of a **vehicle** in New Zealand (including in transit between places in New Zealand) provided:

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

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

- (a) a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- (b) the victim's decision, for whatever reason, not to claim any amount they would be entitled to claim under the Act, or
- (c) 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 clause should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

Other person's liability

We will cover the legal liability, including legal liability to pay **reparation**, of any other person caused by or through or in connection with their **use** of the **car**, occurring during the **period of cover**, in the same manner as **we** cover **you**, provided:

1. such **use** has **your** permission, and
2. their liability is not covered by any other insurance, and
3. they meet the terms of this policy.

Vicarious liability

This policy is extended to cover **your** employer's vicarious liability while the **car** is being **used** for the business of **your** employer by **you**, or by any other employee who has **your** permission, provided:

1. the liability is not covered by any other insurance, and
2. they meet the terms of this policy, and
3. the **use** of 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 are not covered for:

You are not covered for:

1. liability for **loss** to any property:
 - (a) owned by or in the care of **you** or anyone **we** cover under this policy, other than for:
 - (i) a disabled vehicle being towed without charge by the **vehicle**, or
 - (ii) personal effects being carried by and belonging to any passenger in the **vehicle**, or
 - (b) being carried by or loaded into or unloaded from the **vehicle** or a caravan or **trailer** attached to the **vehicle**, other than specified under (a) (ii) above.
2. liability connected in any way with any contract or agreement, unless **you** would have been liable even without the contract or agreement.
3. any fine, penalty, or punitive or exemplary damages.
4. legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any regulations, rules or bylaws made under any Act of Parliament.
5. liability connected in any way 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 cover** and is caused by a sudden and **accidental event** that occurs during the **period of cover**.

IMPORTANT: Please also read 'Policy exclusions that apply to all parts of this policy'.

What we will pay:

Amount payable for property damage

We will pay for:

1. liability, including liability for **reparation**, for **loss** to property, and
2. reasonable legal costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a court.

The most **we** will pay is \$20,000,000 for any **event**.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Amount payable for bodily injury

We will pay for:

1. liability, including liability for **reparation**, for **bodily injury**, and
2. reasonable legal costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a court.

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

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Amount payable for a claim for bodily injury and property damage

The most **we** will pay for property damage and **bodily injury** resulting from one **event** is \$20,000,000.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Settlement of any claim

We may pay the full amount under this part of this policy, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this policy.

Section two – automatic additional benefits

These benefits are subject to the terms of this policy, except where the terms are varied in the benefit.

Manslaughter defence costs

We will pay for:

1. legal defence costs and expenses necessarily and reasonably incurred, to defend a charge of manslaughter, or dangerous driving causing death or careless driving causing death, and
2. costs necessarily and reasonably incurred for 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 **you** or **your partner** has the owner's permission to drive the **vehicle**,

during the **period of cover**.

'Section two – your legal liability' – 'What you are not covered for' – Clause 4 (defence costs) does not apply to this automatic additional benefit.

The most **we** will pay is \$10,000 during the **period of cover**.

The **excess** does not apply to this automatic additional benefit.

Towing

We will cover **you** while the **car** is being **used** for towing, provided such towing is not for financial gain or reward (financial gain does not include the reimbursement of normal running costs of the **car**).

Policy exclusions that apply to all parts of this policy

Alcohol, drugs and other intoxicating substances

There is no cover under this policy if the driver of, or 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 legally required to do so, or
3. is under the influence of a drug or any other intoxicating substance to such an extent as to be 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 exclusion does not apply if the driver of the **vehicle** has stolen or converted it, provided **you** lay a complaint with the police.

Confiscation

You are 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 Act or Regulation, unless such order is required to prevent or control **loss** that would otherwise have been covered by this policy.

Electronic data and programs

You are 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 'Keys and locks' automatic additional benefits.

Excess

For each **incident**, the relevant **excess** will be deducted from the amount of **your** claim unless stated otherwise under an additional benefit.

If **you** have more than one **car** covered under this policy, the **excess** applies individually to each vehicle.

If a single **incident** results in more than one claim under any private motor vehicle, home, contents or pleasurecraft policy **you** have with **us** of the same brand and at the same address, **we** will only apply one excess. This will be the highest excess of the policies being claimed under, except where the claims relate to a collision between **your** insured motor vehicles, in which case **we** will apply the excess of the vehicle driven by the person most at fault.

The **excess** is deducted after any policy limits have been applied.

For example, if a limit of \$1,000 applies and an excess of \$400 is payable by you, the amount we will pay is \$600.

Intentional or reckless acts

You are 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.

Modified vehicle

There is 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 to those **modifications** in writing.

Nuclear	<p>You are not covered for any loss, damage, cost, expense, prosecution or liability of any type in connection with:</p> <ol style="list-style-type: none"> 1. ionising radiation or contamination by radioactivity from: <ol style="list-style-type: none"> (a) any nuclear fuel, or (b) any nuclear waste from the combustion or fission of nuclear fuel. 2. nuclear weapons material.
Other use of the vehicle	<p>You are not covered for any loss, damage, cost, expense, prosecution or liability where the vehicle or anything attached to the vehicle is not being used in accordance with the description in 'Use of the vehicle'.</p>
Sanctions	<p>You are not covered for any loss, damage, cost, expense, prosecution or liability to the extent that the provision of such cover or the payment of such claim would contravene any:</p> <ol style="list-style-type: none"> 1. sanction, prohibition or restriction under any United Nations resolution, or 2. trade or economic sanctions, laws or regulations of New Zealand, Australia, the United Kingdom, the United States of America or the European Union.
Terrorism	<p>You are 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.</p>
Unlawful substances	<p>You are 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 the 'Methamphetamine contamination' automatic additional benefit.</p>
Unlicensed drivers	<p>There is no cover under this policy if the driver of any vehicle:</p> <ol style="list-style-type: none"> 1. does not comply with all the conditions of their driver licence, or 2. is not legally allowed to drive in New Zealand. <p>This exclusion does not apply if the driver of the vehicle has stolen or converted it, provided you lay a complaint with the police.</p>
Unsafe or unroadworthy	<p>You are not covered if the vehicle is being used in an unsafe or unroadworthy condition, and:</p> <ol style="list-style-type: none"> 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 loss or liability.
War	<p>You are 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:</p> <p>war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, insurrection, rebellion, revolution, or military or usurped power.</p>

How to claim

What you must do

If anything occurs that may lead to a claim under this policy, **you** must:

1. do what **you** can to take care of the **car** and to prevent any further loss, expense or liability, and
2. tell **us** as soon as possible, and
3. notify the police as soon as possible if **you** think any **loss** was caused by an illegal act, and
4. allow **us** to examine the **car** before any permanent repairs are started, and
5. send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
6. give **us** any information or help that **we** ask for, and
7. consent to **your** personal information, in connection with the claim, being:
 - (a) disclosed to **us**, and
 - (b) transferred to Insurance Claims Register Limited, and
8. not destroy or dispose of anything that is or could be part of a claim, and
9. 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.

What you must obtain our agreement to do

You must obtain **our** agreement before **you**:

1. incur any expenses in connection with any claim under this policy, or
2. negotiate, pay, settle, admit or deny any claim against **you**, or
3. negotiate, offer to pay or pay any **reparation**, including, but not limited to, offers made as part of any case management conference or sentencing hearing, or
4. do anything that may prejudice **our** rights of recovery.

Actions we may take

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

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

You must assist **us** with these actions. **We** will be responsible for the reasonable legal costs of these actions.

Policy conditions

Breach of any condition	<p>If you, any other person covered under this policy or anyone acting on your behalf breaches any of the conditions of this policy, we may decline:</p> <ol style="list-style-type: none">1. your claim, either in whole or in part,2. any claim in connection with the same event that you make on any other policies you have with us.
Dishonest or fraudulent	<p>If you, any other person covered under this policy or anyone acting on your behalf commits a dishonest or fraudulent act or omission, we may treat either this policy or all insurance you have with us as if it no longer exists from the date of the dishonest or fraudulent act, or breach.</p>
True statements and answers	<p>True statements and answers must be given (whether by you or any other person) in all communications with us, including, but not limited to, when:</p> <ol style="list-style-type: none">1. this insurance is applied for and renewed, and2. we are notified about any change in circumstances, and3. you make any claim under this policy.
Cancellation	<p>By you You may cancel this policy at any time by notifying us or your broker. If you do, we will refund any premium that is due to you based on the unused portion of the period of cover. You must pay any outstanding premium due for the used portion of the period of cover.</p> <p>By us We may cancel this policy at any time by giving you or your broker notice in writing or by electronic means at your or your broker's last known address. Unless otherwise specified in this policy, cancellation will take effect from the 30th day after the date of the notice. We will refund you any premium that is due to you based on the unused portion of the period of cover.</p>
Change of terms	<p>We may change the terms of this policy (including the excess) at any time by giving you or your broker notice in writing or by electronic means at your or your broker's last known address. Unless otherwise specified in this policy, the change in terms will take effect from the 30th day after the date of the notice.</p>
Changes in circumstances	<p>You must tell us or your broker immediately if, after we have accepted your application for this policy, there are any:</p> <ol style="list-style-type: none">1. modifications to the car, or2. material changes that might alter the nature of the risk covered or increase the chance of a claim under this policy. <p>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.</p> <p><i>Information is 'material' where we would have made different decisions about either: (a) accepting your insurance, or (b) setting the terms of your insurance, if we had known that information. If in any doubt, notify us anyway.</i></p> <p><i>The 'risk covered' refers to both: (a) the actual property or liabilities insured (known as physical hazard), and (b) you or other persons covered by this policy (known as moral hazard).</i></p>
Currency	<p>Any amounts shown in this policy and in the schedule are in New Zealand dollars.</p>

Goods and services tax (GST)	All amounts shown in this policy and in the schedule include GST.
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, then all persons are jointly covered. <i>This means that a breach of this policy by any one person affects everyone's ability to claim under this policy.</i>
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.
Other insurance	You must tell us if the car is or becomes covered under any other insurance. 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.
Other parties with a financial interest	If we know of any financial interest over the car , we may: <ol style="list-style-type: none"> 1. pay part or all of any claim settlement to that other party and this will go towards meeting the obligations we have under this policy for the loss, and 2. disclose information about the claim to that other party if required. Any other party who has a financial interest under this policy is not covered by this policy and does not have rights to claim under this policy.
Reasonable care	You , and anyone driving the car with your permission, must take reasonable care at all times to avoid circumstances that could result in a claim. Your claim will not be covered if it is the result of you or anyone else covered by this policy being reckless or grossly irresponsible.
Salvage	You must not abandon the car to us . However, after the car is declared a total loss , we may keep the car and retain the salvage.
Total loss	If we have paid your claim for a car that is a total loss : <ol style="list-style-type: none"> 1. this policy is automatically cancelled, and 2. the car and any salvage will become our property (including any refunds, such as unused registration or road user charges), and 3. we will 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.

Definitions

The definitions apply to the plural and any derivatives of the words.

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

accessory	<p>a part of the car that is fitted to it, usually fitted to it or permanently stored in it, that is not directly related to its function as a vehicle, including, but not limited to, any:</p> <ul style="list-style-type: none">• audio, multimedia, communication or navigation equipment,• roof racks,• child car seats,• tools and breakdown equipment permanently kept with the car and purchased to repair the car,• first aid kit, torch, fire extinguisher and map,• car seat covers or floor mats. <p>It does not include any mobile phone, laptop computer or tablet computer.</p>
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accidental	unexpected and unintended by you and anyone using the car or any vehicle .
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act of terrorism	<p>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:</p> <ul style="list-style-type: none">• 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.
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annual period	<p>the period of cover. However, if:</p> <ul style="list-style-type: none">• your premium is paid monthly or quarterly, or• the period of cover is for more than 12 months, <p>the annual period is the current 12-month period calculated consecutively from the date this policy first started.</p>
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application	the information provided by you to us when you purchased this insurance or requested a quotation for this insurance from us .
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bodily injury	the accidental death of, or accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.
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car	<p>the vehicle described in the schedule, and including any:</p> <ul style="list-style-type: none"> • standard tool supplied by the vehicle's manufacturer or a similar substitute tool, and • accessory or spare part whilst in or on the vehicle, and • accessory that has been temporarily removed from the vehicle for security purposes, cleaning or servicing.
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computer virus	a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes, but is not limited to, 'Trojan horses', 'Worms' and 'Time or logic bombs'.
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contamination damage	loss caused by methamphetamine contamination that exceeds the contamination level .
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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.
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electronic data	facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
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event	any one event or series of events arising from one source or original cause.
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excess	the first amount of the claim that you must pay, which is shown in either the schedule or in this policy wording.
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family	any member of your family who permanently resides with you .
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incident	something that occurs at a particular point in time, at a particular place and in a particular way.
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loss	physical loss or physical damage.
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market value	the reasonable cost of replacing the car with one of the same make, model, year, specification and condition at the time of the loss .
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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.
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modification	<p>any change to the car, that is different to the manufacturer's original specification or recommendations, which enhances the performance, or alters the appearance, safety or handling of the car.</p> <p><i>Examples include:</i></p> <ul style="list-style-type: none"> • <i>changes to the engine, steering, performance, suspension or chassis, or</i> • <i>body kits, paintwork or interior modifications, or</i> • <i>changes to the tyres or wheels.</i> <p>We do not consider a conversion of the car to run on CNG, LPG or Bio Gas is a modification, provided the car has a current Warrant of Fitness and a current Alternative Fuel Inspection Certificate.</p>
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natural disaster	<p>an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as described in the definition of 'natural disaster' in the Earthquake Commission Act 1993 or any Act in substitution of that Act.</p>
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partner	<p>your husband or wife or person with whom you are living in the nature of a marriage.</p>
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period of cover	<p>the Period of Cover shown in the schedule.</p>
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remediate	<p>to reduce the level of methamphetamine contamination to below the contamination level.</p> <p><i>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.</i></p>
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reparation	<p>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.</p>
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schedule	<p>the latest version of the Schedule we issued to you for this policy.</p>
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sum insured	<p>the Sum Insured shown in the schedule.</p>
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total loss	<p>the car is:</p> <ul style="list-style-type: none"> • uneconomic or unsafe to repair, or remediate, or • stolen and not recovered.
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trailer	<p>any general-use trailer:</p> <ul style="list-style-type: none"> • owned by you or in your care, and • that is not covered by any other insurance, and • used in accordance with 'Use of the vehicle'. <p>It does not include:</p> <ul style="list-style-type: none"> • a caravan, boat trailer, camper trailer or horse float, or • the contents, equipment or accessories of any trailer.
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use includes the driving, parking, garaging or storing of the **vehicle**.

vehicle

- the **car** or **trailer** when being **used** by **you** or anyone else with **your** permission, and
- any other motorcar that is not owned by **you**, being **used** by **you** provided:
 - **you** have the owner's permission to **use** it, and
 - the 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**.



Initio motor vehicle insurance policy
NZ2105

[initio.co.nz](https://www.initio.co.nz)

