

## MOTOR INSURANCE

# CERTIFICATE OF INSURANCE

### INTRODUCTION

This is Your Insurance Certificate which explains the Insurance Cover provided. Please examine it together with the Insurance Schedule to make sure You have the protection You need. It is important that these and any amendments are read together to avoid misunderstanding.

#### How Your Insurance Operates

Your Insurance Certificate is a contract between Us and You. The Certificate and current Insurance Schedule combine to show the extent of Your Insurance.

The Information and statements provided in the Insurance Schedule and Declaration which You have made have been relied upon by Us in entering into this insurance.

We agree to insure You subject to the terms, conditions and exclusions contained in or endorsed upon this Certificate against such liability, loss or damage that may occur during any period of Insurance for which You have paid or agreed to pay the premium and is directly sustained in connection with the Insured Vehicle shown in the Insurance Schedule.

### DEFINITIONS

(THESE APPLY TO THE WHOLE INSURANCE)

#### Where used in this Certificate:

**You or Your means** - Company or Companies, Person or Persons named as the Insured in the Insurance Schedule. If there is more than one Company or person named in the Insurance Schedule as the Insured, this Certificate applies jointly, but Our Liability for all claims shall not exceed the limits of indemnity stated in the Certificate.

**We, Us, Our, The Underwriter means** - The Underwriter, as noted on the Schedule.

**Insured Vehicle means** - the Vehicle(s) described in the Insurance Schedule including any spare parts, accessories while attached to or fitted to the Insured Vehicle, or trailer (as herein defined).

**Excess means** - the amount as shown in the Insurance Schedule which You must first contribute towards each claim arising from any one event. If the Insured Vehicle is being driven, used or last used by a young or inexperienced driver, then an additional driver excess will apply. The additional driver excess is the higher of:

- the relevant 'young driver excess' if the driver or person in charge of the vehicle is under 25 years of age, or
- the 'inexperienced driver excess' if the driver or person in charge of the vehicle has not held a current full New Zealand Driver's licence for all the preceding 24 months.

**Insurance Schedule means** - the Insurance Schedule containing the details of the Insured, the premium paid, the Period of Insurance, the Vehicle(s), cover and use. It also shows any variations of the terms of the insurance and may be replaced by an amended insurance Schedule when there is a change in any detail of the Insurance. The Insurance Schedule is attached to this Certificate.

**Market Value means** - the cost of replacement or repair of the Insured Vehicle to a condition equivalent to that immediately preceding the loss or damage, up to the Sum Insured shown in the Insurance Schedule, subject always to due allowance for wear, tear and depreciation.

### DESCRIPTION OF USE

**Private Use means** - We insure Your Vehicle only whilst it is being used:

- a) for Social, Domestic and Pleasure purposes.
- b) for Professional or Farm purposes including carriage of goods for farm purposes.
- c) by Religious, Social Welfare or Youth organization Workers in the course of that work.

#### But excluding:

- use in connection with motor trades, any form of selling, servicing and/or collecting, insurance assessing, motor driving instructing for reward, carriage of goods or samples in connection with any trade or business, or stock and station agents.

**Business Use means** - We insure Your Vehicle only whilst it is being used:

- for Social Domestic and Pleasure purposes and for any Business or Trade declared and/or noted in the Insurance Schedule.

**Taxi Use means** - The carriage of passengers for hire fare or reward. Section 2c is excluded in this instance.

#### But excluding:

any vehicle designed or altered solely to carry goods or merchandise of any kind.

### TYPE OF COVER

The insurance provided is shown in Your current Insurance Schedule under the heading "Type of Cover" and this determines which Section(s) of the Certificate apply(ies).

#### Full Cover

All Sections are applicable.

#### Third Party, Fire and Theft

Sections 1 (excluding sub-section (1) thereof) and 2 only are applicable.

#### Third Party

Section 2 only is applicable.

#### Fire and Theft

Section 1 (sub-sections (2) and (3) only) is applicable.

## THE DRIVER OF THE INSURED VEHICLE

This Certificate provides cover if the driver is:

- you; or
- any person you allow to use the Insured Vehicle provided they are not otherwise excluded.

### Compulsory Named Driver Warranty

Where this endorsement is noted on the Insurance Schedule no cover will apply whilst the Insured Vehicle is being driven by any person other than those listed on the Insurance Schedule.

## SECTION 1 - YOUR VEHICLE THE COVER

We will cover You if there is loss or damage to the Insured Vehicle occurring in New Zealand caused by:

1. Accidental means including malicious damage.
2. Fire, Self-Ignition, Lightning or Explosion.
3. Theft or attempted Theft.

This means We will at Our option:

- a) Reimburse You (or pay Your repairer) Your reasonable costs actually incurred to repair the Insured Vehicle; or
- b) Pay You the amount equivalent to the cost of having the Insured vehicle repaired. However, if new or replacement parts are not available We will only pay the latest known list price of the parts or, if there is no list price, the list price of the nearest equivalent parts of a reasonably comparable Vehicle; or
- c) Pay You the Market Value of the Insured Vehicle immediately before the accident or loss and keep the Vehicle; or
- d) Pay You the difference between the Market Value of the Insured Vehicle immediately before and immediately after the accident or loss; or
- e) Pay You the sum insured stated in the Insurance Schedule.

If the Insured Vehicle is improved as a result of repairs we can ask You to contribute towards the costs. Where the claim is settled by a cash payment and a financial interest has been noted on the Certificate, We can make payment direct to the Interested Party whose receipt will discharge us completely.

We also include cover for:

**TOWING AND DELIVERY CHARGES.** Where the Insured Vehicle is not able to be driven following an accident which gives rise to a valid claim under this Certificate, We will pay the reasonable cost for removing the Insured Vehicle to, and storing it in, a safe place.

**GENERAL AVERAGE.** We will pay for any contribution which may become legally payable according to the Foreign Statement or the York-Antwerp rules if in accordance with any contract of affreightment between New Zealand coastal ports.

Extensions included in full cover:

**NEW REPLACEMENT VEHICLE.** Where within one year of original new registration the Insured Vehicle is stolen or so badly damaged it is uneconomical to repair, We will, at Your option, pay the market value of the Insured Vehicle or supply a replacement new vehicle. This benefit is only to apply where You are the original owner of the Insured Vehicle and the new replacement cost including accessories does not exceed \$50,000.

**TRAILER.** We will cover You, free of Excess, for any loss or damage to any trailer owned by You or in your Custody or control, to a limit of \$1000, provided it is not covered by another insurance.

We will not cover any:

- boat trailer.
- caravan or camper trailer.
- Horse float.
- Contents of any trailer.

Unless specifically shown in the Insurance Schedule.

**REPLACEMENT VEHICLES.** We will cover replacement or additional vehicles up to a limit of \$50,000 provided You notify Us within 14 days of the date of purchase and pay any additional premium required.

**Extension included in Third Party Only/Fire & Theft:**

**UNINSURED MOTORISTS.** Where you are involved in an accident and:

- a) You can establish the identity and address of the other party.
- b) prove to our satisfaction the other party was completely at fault.
- c) the other party has no insurance to cover Your loss.

We will not apply an excess and will cover the Insured Vehicle to a maximum of \$3,000 for accidental damage.

## EXCLUSIONS TO SECTION 1

You are not covered for:

1. The Excess.
2. Loss of use of the Insured Vehicle, any costs or expenses which result from this, or any other consequential loss.
3. Depreciation or loss of value.
4. Wear and tear, deterioration, rust, corrosion or existing defects.
5. Damage to or failure or breakage of the engine, transmission, mechanical, hydraulic, electronic or electrical systems unless arising from an external accidental cause.
6. Any loss or damage to tyres unless it is the result of damage to the Insured Vehicle for which a claim is payable under this Certificate.
7. Any loss or damage suffered by You arising from any person obtaining any property, including the Insured Vehicle, by deception.

## SECTION 2 - LEGAL LIABILITY THE COVER

We will cover You for Your legal liability for damage to the property of others arising out of an accident involving the Insured Vehicle.

This cover includes legal costs and expenses arising from a valid claim under this Section which are recoverable from You or incurred by You with Our permission.

We also include cover for:

- a) The driver of the Insured Vehicle that is driving with your permission and complies with all other conditions of this Certificate.
- b) You whilst driving another vehicle that is not owned, leased or rented to You and which would have been covered if shown in the Insurance Schedule.
- c) Your employer while the Insured Vehicle is being used by You (or a fellow employee with your permission) on Your employers business.

Provided there is no other cover by another insurance.

Our liability for any loss or series of losses arising from one event shall not exceed \$500,000. This includes any costs and expenses incurred by You with our consent, or recoverable from you by any claimant.

## EXCLUSIONS TO SECTION 2

You are not covered for:

1. The Excess.
2. Any property belonging to You or under Your care, custody or control but excluding any disabled mechanically propelled vehicle being towed by the Insured Vehicle for no financial gain and any property or wearing apparel of any passenger in the Insured Vehicle.
3. Any liability which You or the driver or the Insured Vehicle has agreed to accept unless You or the driver would have the liability under law anyway.

## GENERAL EXCLUSIONS

(THESE APPLY TO THE WHOLE INSURANCE)

There is no cover under any part of this Certificate for any loss or damage or liability:

1. Alcohol or Drugs – Caused while the Insured Vehicle is in the care, custody or control of any person:
  - a) who is under the influence of alcohol or any other intoxicating substance or drug, or
  - b) who has a proportion of alcohol in their blood or breath which is higher than is allowed by law, or
  - c) who subsequently refuses to supply any sample or undergo any test when requested to do so by a person who is authorised by law, or
  - d) who does not stop following an accident as required by law or fails to comply with any other legal requirement in connection with an accident, or

If the driver of the Insured Vehicle dies from injuries received in an accident the proportion of alcohol in any blood sample taken from the body of the deceased person will be assumed to be the same proportion which was in their blood at the time of the accident.

2. Drivers Licence – Caused while the Insured Vehicle is being driven by or is in the charge of any person who:
  - a) is not legally allowed to drive in New Zealand, or
  - b) is not driving according to the conditions of his or her drivers licence.
3. Unsafe Condition – Caused while the Insured Vehicle is being used in an unsafe condition unless:
  - a) You can satisfy Us that this did not cause or contribute to the accident, or
  - b) You can show you (or the person in charge of the Insured Vehicle at the time) did not know about the condition of the Insured Vehicle and could not have been reasonably expected to know.
4. Description of Use – If the Insured Vehicle has been or is being used other than in accordance with:
  - a) the Description of Use as shown in the Insurance Schedule; or
  - b) the purpose for which it was designed; or
  - c) the definition of a vehicle as contained in the Transport Act 1962 or any Act in substitution.

There is no cover if the Insured Vehicle is being used outside New Zealand.

5. Hire and Motor Sport – Caused while the Insured Vehicle is:
  - a) being let out on hire or being used to carry fare paying passengers; or
  - b) being used in preparation or practicing for or engaging in or imitating any racing, pace making, hill climbing, reliability trials, rallying, demonstrations or tests or similar motor sports events of any type; or
  - c) on any race track.
6. Certain Events – Caused directly or indirectly in any way by any of the following:
  - a) war, invasion, act of foreign enemy, warlike operations (whether war be declared or not), civil war, revolution, rebellion, insurrection, military or usurped power;
  - b) nuclear weapons material or ionizing radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel (for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission or fusion);
  - c) confiscation or destruction by the order of Government or by any person or body legally authorised to seize, confiscate or destroy the Insured Vehicle;

for the cost of defending any legal proceedings or for any amount awarded by any court unless all proceedings took place in New Zealand.

7. Illegal or Criminal activity – Where the Insured Vehicle is used to facilitate any illegal or criminal activity (whether travelling to or returning from any such activity) or for the purposes of any criminal or illegal activity; or any activity that can be construed as criminal or illegal while the Insured Vehicle is in the custody of any person or persons noted on the Schedule, or with the permission of any person or persons noted on the Schedule.

## GENERAL CONDITIONS

(THESE APPLY TO THE WHOLE INSURANCE)

### 1. DISCLOSURE/ACCURACY OF STATEMENTS

We have issued this Certificate based on the information you have provided us. You must tell us everything that may be relevant to our decision as to whether we issue, continue or renew this cover, including (but not limited to) criminal activity or associations or convictions, bankruptcy or insolvency, or any other circumstances giving greater than normal risk of loss. **NOTE!** This is not an exhaustive list.

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

### 2. CHANGE IN CIRCUMSTANCES

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

### 3. RECKLESS, WILFUL OR DELIBERATE ACTS

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

### 4. FRAUD

We are entitled to refuse to pay a claim without prejudice to any other right We may have under this Certificate if:

- a) any claim is in any way fraudulent, or
- b) any fraudulent means or devices are used by You or anyone acting on Your behalf to obtain any benefits under this Certificate, or
- c) any destruction or damage is occasioned by Your willful act or connivance.

### 5. MODIFICATION TO THE VEHICLE

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

### 6. CLAIMS

On the happening of any event likely to give rise to a claim You must:

- a) take all reasonable precautions without delay to minimize the loss or damage and to prevent further loss or damage,
- b) immediately inform the police if the Insured Vehicle has suffered arson, theft or malicious damage,
- c) notify Us verbally as soon as reasonably possible, in no case later than 10 days from the date of the event,
- d) complete and lodge a claim form as soon as reasonably practicable and submit in writing to Us all particulars of the claim, in no case later than 30 days from the date of the event,
- e) not authorise the repair of the Insured Vehicle without Our consent,

f) promptly forward to Us any writ, summons, communication received concerning the event or claim and You shall not negotiate, admit or repudiate liability without Our written consent,

g) fully co-operate with Us and provide Us with all proofs and information as may reasonably be required together with a statutory declaration (if required) of the truth of the claim and any matters connected therewith.

### 7. INSPECTION AND SALVAGE

We will be entitled on the happening of any loss or damage, without hereby incurring any liability, to take possession of the Insured Vehicle and to deal with the salvage in a reasonable manner provided that no property may be abandoned to Us.

### 8. PROCEEDINGS

We have the right to negotiate, defend or settle in Your name and upon your behalf any claim and will have full discretion in the conduct of any proceedings or in the settlement of any claim. We will have the right for Our own benefit of any legal right of recovery held by You and You must give any information and assistance that may be required by Us.

### 9. OTHER INSURANCE

You must give Us written notice of any insurance already effected or which may be subsequently effected covering the property insured.

### 10. REINSTATEMENT FOR PARTIAL LOSS

Where loss or damage to the Insured Vehicle occurs the Sum Insured will be automatically reinstated to the original Sum Insured free of charge.

### 11. CONTRIBUTION

If any loss or liability covered by this Certificate is also covered by other insurance We will only pay Our rateable proportion of such loss or liability.

### 12. CANCELLATION

You may cancel this Insurance by writing to Us, and We will refund to You 80% of the unused part of the premium. We may cancel this Insurance, giving you 14 days written notice sent to Your last known address refunding the unused part of this premium. We are under no obligation to refund any premium for cancellation following misrepresentation, nondisclosure, fraud, or where the Payment Method shows as "Monthly" in the Insurance Schedule.

### 13. MAINTENANCE AND SAFETY

It is a condition precedent to liability that You must at all times:

- a) maintain the Insured Vehicle in a satisfactory state of repair,
- b) take all reasonable precautions for the safety of the Insured Vehicle,
- c) take all reasonable precautions to prevent loss or damage,
- d) comply with all laws, by-laws or statutory regulations,
- e) comply with all safety regulations imposed by any responsible authority,

- f) maintain any security system installed in the Insured Vehicle in entire working order.
14. **MONTHLY PAYMENTS**  
Where the payment method shows as "Monthly" in the Insurance Schedule, cover is on a month by month basis, subject to receipt and acceptance of monthly bank deductions in terms of the authority You submitted to Us.
15. **MONTHLY POLICIES**  
In the event of a Total Loss claim, a deduction equal to 12 months premium less the premium already paid shall be taken from any claim settlement.
16. **GOODS AND SERVICES TAX**  
Unless specifically noted as otherwise all Premiums, Limits and Sums Insured are inclusive of any GST applicable.
17. **MULTIPLE INSURED**  
Where there are multiple interests covered under this Certificate including those of any financier, they are deemed to be Joint Insureds unless noted otherwise.

### ENDORSEMENTS

The following clauses are only applicable if referred to in the Insurance Schedule or subsequently endorsed hereon:

#### PERSONAL INJURY LEGAL LIABILITY CLAUSE

This Insurance is extended to include cover for Your legal liability as a result of any physical injury to or death of any person arising from an accident involving the Insured Vehicle, which occurs in New Zealand. The maximum amount payable is \$50,000 each and every claim.

#### PERSONAL PROPERTY CLAUSE

Notwithstanding anything contained within the Certificate to the contrary this Insurance is extended to include cover for loss or damage to property, belonging to or under the care, custody or control of You, provided that:

1. such loss or damage arises directly from an accident, fire or theft involving the Insured Vehicle for which a claim is payable, and
2. in the event of the theft of the Insured Vehicle, or attempted threat, it was fully locked with the keys removed, and
3. there is no other insurance in place which covers such loss or damage.

The maximum amount We will pay is \$750.00 for each and every claim.

#### RENTAL VEHICLE CLAUSE

If following an accident for which a claim is payable under this Certificate, the Insured Vehicle is unable to be driven. We will cover You for the reasonable costs of hiring a similar vehicle, excluding petrol, kilometre charges and incidental costs, to a limit of \$1000.00, whilst the Insured Vehicle is being repaired. We will not pay any hire charges incurred after the Insured Vehicle has been repaired or after We have settled Your claim. The rental vehicle is covered by this Certificate on the same terms and conditions as the Insured Vehicle.

### ADDITIONAL POLICY

The following additional policy is only applicable if referred to in the Insurance Schedule or subsequently endorsed hereon:

#### INSURED DIRECT ROADSIDE ASSISTANCE

This insurance includes cover, without application of an Excess, for:

1. **Vehicle Recovery** – In the event of a breakdown of the Insured Vehicle We will attempt emergency roadside mechanical or electrical repair. In the event that the vehicle remains immobile after the repair attempt We will cover You for the cost of towing the Insured Vehicle from the point of breakdown to the nearest service centre. The maximum amount payable is \$100.00 each and every claim.
2. **Ambulance Cover** – In the event of the Insured and/or an Immediate Family member requiring an ambulance in respect of any emergency other than following a motor accident We will cover you for the cost of calling out an ambulance. The maximum amount payable is \$250.00 each and every claim.
3. **Emergency Transport** – In the event of a breakdown of the Insured Vehicle We will cover You for the cost of alternative car hire. Subject to:
  - a) the breakdown occurring 100 km or more from Your place of Residence,
  - b) that the Insured Vehicle will be immobilised for more than 24 hours,
  - c) the person hiring the vehicle holds a current valid Drivers Licence and meets the terms, conditions and requirements of the rental car company.  
Excluding the cost of petrol, kilometre charges and insurance costs; We will pay a maximum amount of \$100.00 each and every claim.
4. **Emergency Accommodation** – In the event of a breakdown of the Insured Vehicle We will cover You for the cost of overnight hotel accommodation subject to the breakdown occurring 100 km or more from Your place of Residence. This cover only applies to hotel accommodation in respect to You and/or an Immediate Family member and relates purely to accommodation costs and not incidentals such as food, drink or telephone calls. The maximum amount payable is \$100.00 each and every claim.
5. **Locksmith Cover** – In the event of you or Your authorised driver accidentally locking the Insured Vehicle keys in the Insured Vehicle or breaking or losing the Insured Vehicle keys We will either;
  - a) access the Insured Vehicle, or
  - b) Cover You for the cost of replacing the Insured Vehicle keys. The maximum amount payable is \$50.00 each and every claim.

This policy is arranged for insuredirect by First Assistance Limited.