

Mechanical Breakdown Insurance

This Mechanical Breakdown Insurance (hereinafter referred to as this Policy) is between the Purchaser named in the Certificate of Insurance and Allianz New Zealand Limited (hereinafter referred to as the Company) which has authorised PROTECTA Insurance New Zealand Limited (hereinafter referred to as PROTECTA Insurance) and it's agents to administer this Policy.

Roadside Assistance

Telephone assistance 24 hours a day, 7 days a week is provided should your vehicle suffer a failure and cannot be driven. Just **telephone 0800 HELP TO U (0800 435 7868)** and advise you are a **PROTECTA** customer. **Please note:** you will be required to pay any costs incurred and then seek reimbursement if such costs incurred are covered by this Policy.

Maxi Policy Cover

In the event that a Mechanical Breakdown occurs and the Purchaser has complied with the Terms and Conditions of this Policy, the Company agrees to contract with it's Authorised Repairer for the repair or replacement of the Parts Covered, at PROTECTA Insurance's discretion, based on the rates of labour, parts and outwork negotiated between PROTECTA Insurance (on behalf of the Company) and it's Authorised Repairer. Payment shall include the reasonable cost required to repair or replace the Parts Covered to a condition in no way inferior to that at the commencement date of this Policy.

The Purchaser agrees to accept such payment as full and final satisfaction and discharge of all liability of the Company under this Policy.

This Policy will expire 12 or 24 months after the start date as indicated in the Certificate of Insurance Form.

Mechanical Breakdown

Mechanical Breakdown means any sudden and unforeseen mechanical or electrical failure of the Parts Covered.

What is covered?

This Policy covers the vehicle declared in the Certificate of Insurance for any Mechanical Breakdown (including oil, filters, gaskets, seals, and "O" rings when replaced at the time of the claim) subject to the Terms and Conditions and Limits of Liability stated in this Policy.

Stand Down Period

This Policy has a stand down period where no claims will be accepted where the loss occurs within 30 days or within 1000km from the commencement date of this Policy.

Limits Of Liability

A. The Company's maximum liability during the period of this Policy is limited to the current market value of the vehicle.

The Company's maximum liability in respect of any one Mechanical Breakdown is:

- a) In respect of all vehicles with an Odometer reading of up to 80,000 km at the Date of Purchase - \$4000
- b) In respect of all vehicles with an Odometer reading of up to 125,000 km at the Date of Purchase - \$3000
- c) In respect of all vehicles with an Odometer reading of up to 175,000 km at the Date of Purchase - \$1750

subject to the Excess as described under C. of this section

The limits of liability stated above shall include any amounts the Company may become liable to pay for Rental Costs, Towing Costs and Accommodation Cover.

Factory-fitted audio systems are covered up to a maximum of \$400 less the policy excess per Mechanical Breakdown, subject to the Terms, Conditions and Limits of Liability as stated within this Policy.

B. The Company will reimburse the Purchaser for:

Rental Costs - The cost of hiring a rental vehicle of a similar size to the vehicle covered by this Policy up to a maximum of \$300 in respect of any one Mechanical Breakdown covered by this Policy providing the vehicle covered under this Policy is unable to be used due to repairs being effected for a period exceeding 72 hours. This cover will only apply when the vehicle covered breaks down more than 50 km from the Purchaser's current residential address. The Company shall not be liable for the normal running costs (e.g. insurance, mileage, petrol, oil) of the rental vehicle.

Towing Costs - The cost of towing the vehicle covered by this Policy arising from the vehicle sustaining a Mechanical Breakdown covered by this Policy up to a maximum of \$100 on any one claim.

Accommodation Cover - The cost of reasonable accommodation expenses incurred by the Purchaser to a maximum of \$300 per claim through the vehicle sustaining a Mechanical Breakdown covered by this Policy when such Mechanical Breakdown occurs more than 100 km from the Purchaser's current residential address.

C. Excess – The Excess nominated in the Certificate of Insurance applies to each and every claim.

All dollar amounts expressed are inclusive of Goods and Service Tax.

TERMS & CONDITIONS

General Exclusions

This Policy shall not apply:

- Where the vehicle is not maintained and serviced in accordance with the Vehicle Service Programme outlined in this Policy or where any repairs have been effected contrary to the Mechanical Breakdown Claim Procedure.
- Where the Mechanical Breakdown is the subject of a recall by the Vehicle Manufacturer or to any costs arising from the rectifying of any failure of, or defect or fault in, the design or specification of any component.
- To any claim made within the first 30 days or within 1000km from the start date of this Insurance Policy.
- To any Mechanical Breakdown or liability occurring in whole or in part due to any misuse, external damage/cause or act or omission (whether wilful, unlawful or negligent) to the vehicle.
- To any repairs covered by any other form of Insurance, Warranty or Guarantee.
- To any claim arising from defects which were in existence at the time the vehicle was purchased, or at the time this Policy was effected.
- To any claims that are fraudulent.
- To any costs arising from contamination of any water, oil, lubricant, fuel, fluid, or air system by any external influence and to costs arising from corrosion, rust or deterioration.
- To any claim arising from loss of time, loss of use, inconvenience, storage charges, accidental damage, fire, theft, conversion, or any other consequential loss.
- To any claim arising or liability for incidental or consequential damage caused by the failure of a non-covered component.
- To any Mechanical Breakdown that has either been contributed to or has arisen as a result of the vehicle being modified from the manufacturers original specification.
- To any costs arising from, or for rectifying, defective or faulty repair or workmanship.
- To any claim arising from the continued operation of the vehicle once a fault has occurred, including loss of lubricant and coolant.
- To any costs associated with the servicing, maintenance, adjustment or tuning of any component.
- To any cost associated with the replacement of any: battery, exhaust system, shock absorbers, suspension rubber mountings and bushes, tyres and wheels, wheel alignment and balancing, glass, lights, paintwork, bodywork, handles, hinges, struts, seat belts, trim, upholstery, cosmetic item, satellite navigation system, visual system, communications system, seats and associated mechanisms, brake shoe linings, disc pads, the repair and or replacement of clutches due to wear and tear.

Qualifying Vehicles

Vehicles Covered

- This Policy covers the vehicle declared in the Certificate of Insurance, with the exceptions as set out below, for any Mechanical Breakdown subject to the Limits of Liability and the Terms and Conditions set out in this Policy.

Selected Vehicles

- All European vehicles unless excluded below.

Vehicles not Covered

- Any vehicle with an odometer reading in excess of 175,000 km and over 12 years of age at time of purchase.
- Taxis, Rentals, Couriers, Delivery Vehicles and other Fare Paying Passenger Vehicles.
- Any vehicle with a gross weight exceeding 3500 kg.
- Any high performance vehicle such as but not limited to Alpina BMW, Aston Martin, Ferrari, Honda NSX Lamborghini, Lotus, Maserati, Morgan, Porsche, TVR and any Rotary Powered Vehicle, any Twin Turbo Vehicle, all Mitsubishi Evolution Models, all Subaru Impreza Models, and any American vehicles.
- Any vehicle used in Racing Competitions, Time Trials or Rallies.

Cancellation

PROTECTA Insurance may at any time cancel this Policy by giving seven days notice in writing to the Purchaser. After such cancellation, PROTECTA Insurance will refund whatever sum is owing (if any) as a matter of law.

The cancellation provision above shall be effective as from 4pm on the seventh day after posting or personal delivery of the notice of cancellation to the Purchaser at its last known address.

Cool-Off Period

If the Purchaser is not satisfied with the cover provided in this Policy, please advise PROTECTA Insurance in writing within 15 days of the Commencement Date of Cover. PROTECTA Insurance may then agree to change this Policy. If the Purchaser wishes to cancel this Policy and there have been no claims PROTECTA Insurance will then refund whatever sum is owing (if any) as a matter of law.

Assignment

To assign this Policy, please contact either your Selling Dealer or PROTECTA Insurance, presenting a copy of your Service Record, in the first instance. Providing the vehicle has been serviced in accordance with the Vehicle Service Programme and the appropriate fee is paid, the Company agrees to transfer this Policy to the new owner.

Claims Procedure

Purchaser's Responsibility

1. In the event of a Mechanical Breakdown, please contact PROTECTA Insurance for your nearest Authorised Repairer on :-

0800 HELP TO U (435 7868)

For all other enquiries please contact our Customer Services Department on

Phone (09) 377 6872

2. If the vehicle cannot be driven to the Authorised Repairer without further damage occurring, please contact the Authorised Repairer for assistance.
3. All repairs must be carried out by an Authorised Repairer. Failure to comply may result in your claim being declined.
4. The Purchaser will be required to authorise dismantling to determine the cause of the failure and may need to complete a claim form prior to the commencement of repairs.

Authorised Repairer's Responsibility

Please contact the Claims Department on Phone (09) 915 0820, Fax (09) 377 6878

BEFORE ANY WORK IS CARRIED OUT

and please have your Authorised Repairer's number ready.

The Purchaser will be required to authorise dismantling to determine the cause of the Mechanical Breakdown and may need to complete a claim form prior to the commencement of repairs.

Labour Hours – PROTECTA Insurance will pay for the time taken to repair the vehicle as determined by a recognised and current flat rate manual as supplied by the manufacturer, MTA or similar authority.

Unauthorised Work

Any repair carried out without an order number will not be accepted as a claim under this Policy.

Any work carried out by an unauthorised repairer may result in the claim being declined.

Any unauthorised work undertaken will become the responsibility of the repairer concerned.

N.B. If accounts are not submitted within 60 days of issuing an Order Number the claim relating to those repairs shall be deemed invalid.

Vehicle Service Programme - Petrol Vehicles

Purchasers Responsibility

1. All services should be carried out by an Authorised Service Centre. For the name of your nearest Authorised Service Centre please contact PROTECTA Insurance on:-

0800 HELP TO U (435 7868)

For all other enquiries please contact our Customer Services Department on

Phone - (09) 377 6872

2. The **FIRST** Service must be completed prior to the vehicle travelling **5,000 km** since purchase.
3. All petrol vehicle services thereafter must be completed every **10,000-km**.
4. All work carried out in accordance with the Vehicle Service Programme is the responsibility of the Purchaser and failure to complete the minimum service requirements outlined below will lead to the refusal of a claim.

Minimum Service Requirements are:

Change engine oil & filter
Check air cleaner & replace if necessary
Check clutch operation for slippage
Check turbo oil feed pipe for blockages and leaks
Check camshaft belt and all drive belts and replace if necessary
Check all fluid and oil levels and top up if necessary
Check CV joints & boots
Check cooling system for leaks and pressure test
Check transmission oil & filter & service transmission if required
Check engine tuning and adjust as required
Check braking system
Check steering and suspension systems

Note: The Cambelt does not need to be checked if it has been replaced within the last 40,000 km. (Proof will be required).

Please record all services on the "Service Record" page.

Vehicle Service Programme - Diesel Vehicles

Purchasers Responsibility

1. All services should be carried out by an Authorised Service Centre. For the name of your nearest Authorised Service Centre please contact PROTECTA Insurance on:-

0800 HELP TO U (435 7868)

For all other enquiries please contact our Customer Services Department on

Phone - (09) 377 6872

2. The **FIRST** Service must be completed prior to the vehicle travelling **5,000 km** since purchase.
3. All diesel vehicle services thereafter must be completed every **5,000-km**.
4. All work carried out in accordance with the Vehicle Service Programme is the responsibility of the Purchaser and failure to complete the minimum service requirements outlined below will lead to the refusal of a claim.

Minimum Service Requirements are:

1st Service and each 10,000-km service thereafter:

Change engine oil & filter
Check air cleaner & replace if necessary
Check clutch operation for slippage
Check turbo oil feed pipe for blockages and leaks
Check camshaft belt and all drive belts and replace if necessary
Check all fluid and oil levels and top up if necessary
Check CV joints & boots
Check cooling system for leaks and pressure test
Check transmission oil & filter & service transmission if required
Check braking system
Check steering and suspension systems
Replace fuel filter every 20,000 km service

Intermediate 5000-km service:

Change engine oil & filter
Check air cleaner, clean or replace as required
Check all fluid/oil levels & top up if necessary

Note: The Cambelt does not need to be checked if it has been replaced within the last 40,000 km. (Proof will be required).

Please record all services on the "Service Record" page.

Service Records

Important: The 1st Service must be carried out prior to the vehicle travelling 5000km since purchase. Thereafter Diesel vehicles are to be serviced every 5000km and Petrol vehicles are to be serviced every 10,000km in accordance with the Vehicle Service Programme outlined in this Policy. A photocopy of this Service Record and All Service Invoices will be required in the event of a claim. Any advice given to the Purchaser concerning the service is to be noted on the Service Invoice for future reference purposes.

1st Service	5th Service
Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record	Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record
2nd Service	6th Service
Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record	Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record
3rd Service	7th Service
Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record	Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record
4th Service	8th Service
Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record	Date of Service _____ / ____ / _____ Rego Number _____ Policy Number _____ Odometer Reading _____ km Invoice Number _____ Authorised Service Centre Must Stamp Record

Service Records

Important: The 1st Service must be carried out prior to the vehicle travelling 5000km since purchase. Thereafter Diesel vehicles are to be serviced every 5000km and Petrol vehicles are to be serviced every 10,000km in accordance with the Vehicle Service Programme outlined in this Policy. A photocopy of this Service Record and All Service Invoices will be required in the event of a claim. Any advice given to the Purchaser concerning the service is to be noted on the Service Invoice for future reference purposes.

9th Service	13th Service
Date of Service _____ / ____ / _____	Date of Service _____ / ____ / _____
Rego Number _____	Rego Number _____
Policy Number _____	Policy Number _____
Odometer Reading _____ km	Odometer Reading _____ km
Invoice Number _____	Invoice Number _____
Authorised Service Centre Must Stamp Record	Authorised Service Centre Must Stamp Record
10th Service	14th Service
Date of Service _____ / ____ / _____	Date of Service _____ / ____ / _____
Rego Number _____	Rego Number _____
Policy Number _____	Policy Number _____
Odometer Reading _____ km	Odometer Reading _____ km
Invoice Number _____	Invoice Number _____
Authorised Service Centre Must Stamp Record	Authorised Service Centre Must Stamp Record
11th Service	15th Service
Date of Service _____ / ____ / _____	Date of Service _____ / ____ / _____
Rego Number _____	Rego Number _____
Policy Number _____	Policy Number _____
Odometer Reading _____ km	Odometer Reading _____ km
Invoice Number _____	Invoice Number _____
Authorised Service Centre Must Stamp Record	Authorised Service Centre Must Stamp Record
12th Service	16th Service
Date of Service _____ / ____ / _____	Date of Service _____ / ____ / _____
Rego Number _____	Rego Number _____
Policy Number _____	Policy Number _____
Odometer Reading _____ km	Odometer Reading _____ km
Invoice Number _____	Invoice Number _____
Authorised Service Centre Must Stamp Record	Authorised Service Centre Must Stamp Record

Fair Insurance Code

Allianz New Zealand Limited supports the principles of the Fair Insurance Code. The purpose of this code is to increase the standards of practice and service within the insurance industry. Brochures on the code are available from the Company office.

This Policy is underwritten by Allianz New Zealand Limited of 45 Queen Street, Auckland.

Allianz New Zealand Limited is one of Australasia's main general insurers with an annual premium volume of over NZ\$1.7 billion. Allianz New Zealand Limited is a wholly owned subsidiary of ALLIANZ AG, one of the worlds largest insurance groups operating out of Munich, Germany with an annual premium of over NZ\$110 billion.

Allianz New Zealand Limited has been assigned an Insurer Financial Strength Rating of:

A *Strong Financial Security*

from Standard & Poor's (Australia) Pty. Ltd. on 8th November 2005.

Standard and Poor's Rating Scale is:

AAA	Extremely Strong Financial Security
AA	Very Strong Financial Security
A	Strong Financial Security
BBB	Good Financial Security (Adequate)
BB	Marginal Financial Security
B	Weak Financial Security
CCC	Very weak Financial Security
CC	Extremely Weak Financial Security
R	Regulatory Action
NR	Not Rated

Plus (+) or Minus (-) signs following ratings from "AA" to "CCC" show relative standings within the major rating categories.