

AutoProtect Motor Vehicle Policy Wording

This AutoProtect Motor Vehicle Insurance (hereinafter referred to as this Policy) is between the Insured named in the Proposal Form and Allianz New Zealand Limited which has authorised PROTECTA Insurance New Zealand Limited (hereinafter referred to as PROTECTA Insurance) and its agents to administer this Policy.

You are important to Us and We welcome You as a valued customer. You have entrusted Us with the insurance of Your car – one of Your most valuable possessions. We value that trust.

Important Information for Policy Holders

- This is Your Motor Vehicle Insurance Policy which consists of this wording, Your proposal and declaration and the Certificate Of Insurance. Please read it so you know exactly what you are covered for. If you do not fully understand this Policy please contact PROTECTA Insurance, who will be able to explain it to you. Any claims and general enquiries should be directed to PROTECTA Insurance.
- Unless otherwise stated, all cover is subject to the proviso that the Loss or Damage occurs during the period of insurance for which a premium has been received by Us.
- Please examine this wording and the Certificate Of Insurance and if they do not meet Your requirements or if any information is not correctly stated, please return them at once and ask for the correction to be made.

Definitions

Whenever these words are used this is what they mean:

“**YOU**” or “**YOUR**” means the insured person(s), company or other entity named in the Certificate Of Insurance.

“**WE**”, “**OUR**” or “**US**” means Allianz New Zealand Limited

“**INJURY**” means bodily Injury (including death), illness, disability, disease, shock, fright, mental anguish or mental Injury.

“**EXCESS**” means the first amount of any claim which You must bear as You are not insured for this amount.

“**VEHICLE**” means the Vehicle(s) described in the Certificate Of Insurance (and any trailer as herein defined) including spare parts and accessories while in or about the Vehicle.

“**CERTIFICATE OF INSURANCE**” means the certificate of insurance, renewal invitation and/or endorsement certificate(s).

Description of use

“Type A” (Private):

If You have this type of cover noted on Your Certificate Of Insurance, We insure Your Vehicle only whilst it is being used:

- for Social Domestic and Pleasure purposes.
- for Professional Business or Farm purposes including carriage of goods for farm purposes.
- by Religious, Social Welfare or Youth Organisation Workers in the course of that work.

But excluding:

- use in connection with motor trades, any form of selling and/or collecting, insurance assessing, motor driving instructing for reward, carriage of goods or

Motor Vehicle Insurance

samples in connection with any trade or business, hire and carriage of fare paying passengers, or stock and station agents.

“Type B” (Business)

If You have this type of cover noted on Your Certificate Of Insurance, We insure Your Vehicle only whilst it is being used:

- for Social Domestic and Pleasure purposes and also for any Business or Trade purposes.

But excluding:

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

You are Insured for Section 1 – Your Vehicle

We will cover Your Vehicle against sudden and unforeseen accidental physical loss or damage occurring in New Zealand and subject to the terms and conditions of this Policy and the Certificate Of Insurance.

Additional Cover Beyond The Sum Insured:

(a) Salvage Costs:

If Your Vehicle cannot be driven following an accident, We will pay the reasonable cost of removing it to the nearest repairer or place of safety.

(b) Trailer:

We will automatically cover free of Excess any trailer owned by You or in Your custody or control provided not otherwise covered by another policy.

This extension **will not** cover any:

- boat trailer.
- caravan or camper trailer.
- horse float.
- contents of any trailer.

(c) “Marine General Average” (this is deliberate loss or damage incurred in time of peril to prevent the loss of a ship and/or cargo):

We will pay for any contributions and/or expenditure which may become legally payable by You as a result of Your Vehicle being carried by ship between ports in New Zealand.

(d) Hire Vehicle

If Your Vehicle is “stolen”, We will pay for the expense of hiring a similar Vehicle, limited to a maximum of 10 days or \$500 whichever is the lesser. No hire charges incurred after the date of recovery of Your Vehicle in a driveable condition will be paid.

(e) Completion Of Journey

We will pay the reasonable costs of accommodation and travel expenses incurred to complete Your journey or return to Your home immediately following an accident to Your Vehicle and the reasonable costs of also returning Your repaired Vehicle to Your home provided:

- Our total liability is limited to \$500 any one accident and \$1,000 during any one period of insurance.
- cover applies only to You, Your spouse and children travelling with You; or You, an employee or authorised driver when Use Type B (Business) Vehicles are

involved.

(f) Medical Expenses

We will pay Your medical, surgical and dental expenses (but not denture repair costs) following Injury to You, Your spouse and children travelling with You arising directly from an accident to Your Vehicle provided:

- such expenses are not recoverable from any other source.
- Our total liability is limited to \$300 any one accident.

(g) Legal Defence

If as a result of driving Your Vehicle You or any member of Your family permanently residing with You is charged with manslaughter or reckless or dangerous driving causing death, We will cover the legal costs of defence up to a limit of \$1,000.

(h) Death Benefit

If You or Your spouse residing with You die as a result of Injury arising solely and directly from an accident to Your Vehicle but not including a motor cycle/tricycle or motor scooter, We will pay \$5,000 to Your legal representative provided:

- death occurs within 90 days of the accident.
- death is not caused by suicide (whether felonious or not) or attempted suicide.
- Our liability is limited to \$5,000 any one accident.

(i) Keys And Locks

Where Your keys and/or combinations have been stolen or illegally duplicated We will pay up to \$500 to replace Your keys and/or locks. The Excess applicable under this extension will be \$100.

We also agree that any such payment will not affect Your no claim bonus entitlement.

Conditions Applying To These Extensions

- The cover provided by (f), (g) and (h) above will only apply when the Insured is a private individual and does not apply to partnerships, companies and/or their employees or persons acting on their behalf.
- The cover provided by the above extensions will only apply provided We have accepted a claim under this Section of the Policy.
- The additional Clauses (a) - (i) only apply subject to the terms, conditions and exceptions contained within this Policy.

Variations To The Cover

(1) Optional Benefit – Rental Vehicle

If You have paid the additional premium and this extension is noted on Your Certificate Of Insurance and Your Vehicle is unable to be driven, or repairs have commenced, following an accident for which a claim is payable We will pay the costs of hiring a similar Vehicle up to \$2,500 or a higher amount noted on Your Certificate Of Insurance while Your Vehicle is being repaired. No hire charges will be paid after repairs have been completed or after We have paid Your claim.

The hired Vehicle will automatically be covered by this Policy on the same terms and conditions as apply to Your Vehicle.

(2) Named Driver Warranty

If You have selected this benefit and it is noted on Your Certificate Of Insurance it is agreed that should Your Vehicle be driven by any person other than those specifically

noted on the proposal and Certificate Of Insurance, You are not insured for the first \$250 of each and every claim under Section 1, such amount to be additional to any Excess otherwise stated in the Certificate Of Insurance. This additional amount however, shall not be payable by You:

- When breakage of windscreen or window glass including sun roofs is sustained without other damage to the Vehicle.
- When loss or damage by fire occurs without impact or collision.
- If the Vehicle is stolen or illegally converted or when left in the hands of a repairer or sales outlet for service, repairs or sale purposes.

(3) Optional Benefit – Breakage of Windscreen

If You have paid the additional premium and this extension is noted on Your Certificate Of Insurance, and We agree to pay a claim for damage to windscreen or window glass (including sunroofs) as a result of breakage from any cause, under Section 1 of this Policy.

We agree that any such payment will not be subject to any Excess, and Your no claims bonus entitlement will not be affected. This extension only applies if the broken windscreen or window glass is the only damage to Your Vehicle.

(4) Restricted Drivers

When the current schedule shows that the restricted driver option applies We will not cover any accidental loss, damage or liability, which results in a claim, when the driver of Your Vehicle was a person under 25 years of age.

We will not refuse to pay Your claim if the driver of Your Vehicle:

- (a) was found guilty of theft or illegal use of Your Vehicle;
- (b) was a person paid by You to repair, service or test Your Vehicle; or
- (c) was an attendant at a car park.

Automatic Uninsured Motor Extension

If Your Certificate Of Insurance shows cover type **Third Party Liability, Fire, Theft & Illegal Conversion** or **Third Party Liability** We will cover Your Vehicle for loss or damage arising from an accident caused by the driver of an Uninsured Vehicle up to a maximum amount of \$3,000 including the cost of protection, removal and towing.

You may only claim under this extension if:

- (a) You can provide Us with the name, address and Vehicle registration number of the person responsible for the accident; and
- (b) We accept You did not contribute to the cause of the accident.

No Blame Bonus and Excess Protection

We will not impose Your Excess or penalise Your no claim bonus entitlement at renewal of this Policy if You have been involved in an accident during the period of insurance and:

- (a) You can provide Us with the name, address and Vehicle registration number of the person responsible for the accident; and
- (b) We accept You did not contribute to the cause of the accident.

Natural Disaster

In respect of the Vehicle(s) specified in the Certificate Of Insurance We will cover You up to the market value or sum insured of the Vehicle(s) specified (whichever is the lesser) for loss or damage caused by Earthquake, Volcanic Eruption, Tsunami or

Hydrothermal Activity.

Section 2 –Third Party Liability

We will cover Your legal liability to pay compensatory damages for Injury or loss or damage to property of others occurring during the period of insurance resulting from the use of Your Vehicle and/or any trailer and/or caravan attached thereto within New Zealand and subject to the terms and conditions of this Policy.

This Liability Cover Is Also Extended:

- (a) To include Your legal liability arising from loss or damage to personal baggage and wearing apparel of any passenger notwithstanding Exclusion 2 of Section 2.
- (b) To You while You are using another Vehicle with the permission of its owner provided it is not:
 - (i) owned by You or being leased to You.
 - (ii) being purchased or hired to You under any form of hire or purchase agreement.
- (c) To any other person using Your Vehicle with Your permission.
- (d) To protect Your employer while Your Vehicle is being used by You (or a fellow employee with Your permission) on Your employer's business or while You are driving another Vehicle as a servant or agent of Your employer.
- (e) To cover defence, inquiry costs and expenses incurred by You with Our consent plus any costs and expenses (excluding fines) awarded against You. Provided that there is no cover under any of these extensions if there is any cover provided for that person, property or Vehicle under any other policy.

Amount of Insurance Payable Section 1 – Your Vehicle

We may choose to repair the damage or to pay You the amount of the loss or damage not exceeding the sum insured shown in the current Certificate Of Insurance or the market value of Your Vehicle at the time of the loss or damage, whichever is the lesser.

Amount of Insurance Payable Section 2 –Third Party Liability

Our liability in respect of any one claim or series of claims arising from one occurrence shall not exceed \$10,000,000. for property damage and \$1,000,000. for personal injury and our total aggregate liability in respect of any one claim or series of claims arising from one occurrence for property damage and personal injury combined shall not exceed \$10,000,000.

You are not Insured for (Exclusions) Section 1 – Your Vehicle

- (1) The following Excess:
 - (i) the amount shown in the Certificate Of Insurance in respect of each and every claim; **plus**
 - (ii) an additional \$750 if the driver is 21 years of age and over but under 25 years of age; **or**
 - (iii) an additional \$1100 if the driver is under 21 years of age; **or**
 - (iv) an additional \$750 if the driver is 25 years of age or over and has not held a valid full New Zealand driver's licence for the 24 months immediately

preceding the date of loss.

- (2) Any loss or damage to tyres unless it occurs at the same time as other damage to the Vehicle for which a claim is payable under the Policy.
- (3) Loss of use of Your Vehicle, depreciation, wear, tear, existing defects.
- (4) Damage to or failure or breakage of the engine, transmission, mechanical, hydraulic, electronic or electrical systems unless it occurs at the same time as other damage to the Vehicle for which a claim is payable under the Policy.

You are not Insured for (Exclusions) Section 2 –Third Party Liability

You or any other person to whom this section has been extended are not covered for:

- (1) The Section 2 Excess shown in the Certificate Of Insurance in respect of each and every claim.
- (2) Loss or damage to property belonging to or under the care, custody or control of any person covered under this Policy or being conveyed or loaded on or unloaded from Your Vehicle or Injury to any person in Your Vehicle. However this exception does not apply to any disabled mechanically propelled Vehicle being towed by Your Vehicle for no financial gain or reward.
- (3) Any responsibility which You or Your driver have agreed with any party to accept in connection with any loss or damage for which the law could not otherwise hold You or the driver responsible.
- (4) Any liability to pay fines and/or other penalties or reparation orders or any punitive, exemplary or aggravated damages awarded against You.
- (5) Liability for personal Injury as defined in The Accident Rehabilitation and Compensation Insurance Act 1992 and/or for which cover is provided under The Accident Rehabilitation and Compensation Insurance Act 1992.

You are not Insured for (Exclusions) Sections 1 and 2

- (A) Any loss or damage or liability while any Vehicle in connection with which insurance is granted under the Policy is:**
- (1) Let out on hire or is used for the business of carrying fare paying passengers.
 - (2) Being tested in preparation for or engaged in racing, pacemaking, hill climbing, reliability trials, rallying or speed tests.
 - (3) Being used otherwise than in accordance with the Description Of Use or not being used for the purpose it was designed or not as a Vehicle as defined in the Transport Act 1962 or any Act in substitution.
 - (4) Being driven by any person who does not have a licence which is in full force and effect at the time and place of the accident or is not complying with the conditions of his or her licence except:
 - (i) if he or she is being taught to drive and is complying with all the requirements of the law and is of an age to obtain a licence to drive the Vehicle.
 - (ii) if he or she has held but not renewed a licence and is not disqualified from holding or obtaining a licence without a further driving test.
 - (5) Being driven in an unsafe condition.
 - (6) Being driven by any person who:
 - (i) at the time of any event giving rise to a claim under this Policy has a proportion of breath/alcohol or blood/alcohol concentration which exceeds the legal limit prescribed by law.

- (ii) following an event giving rise to a claim under this Policy fails or refuses to permit a specimen of blood or breath test to be taken after having been lawfully required to do so.
 - (iii) arising out of the circumstances giving rise to any claim under this Policy is convicted of any alcohol or drug related breach of the law governing the use of motor vehicles.
 - (iv) is under the influence of alcohol or drugs or where alcohol or drugs contribute in any way to the accident.
 - (v) leaves the scene of the accident when it is an offence to do so.
- (B) Any loss or damage or liability caused by or arising from:**
- (1) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, insurrection or military or usurped power.
 - (2) confiscation or requisition by order of any public authority.
 - (3) nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear waste or the combustion of nuclear fuel; for the purpose of this exclusion combustion includes any self-sustaining process of nuclear fission or fusion.
 - (4) Earthquake, Volcanic Eruption, Hydrothermal or Geothermal Activity or Tsunami or any event which is covered under the Earthquake Commission Act 1993, except cover provided under the Natural Disaster Extension.
- (C) Any loss or damage or liability:**
- Which is recoverable under the Accident Rehabilitation and Compensation Insurance Act 1992 or any Act in substitution excepting the cover provided under Section 1 (h) of this Policy.

Change of Vehicle

If You replace Your existing Vehicle, We will automatically cover the replacement Vehicle provided the value of the replacement Vehicle does not exceed \$50,000 and You notify Us within 14 days of replacement and pay any additional premium required by Us. Such cover will be subject to the terms and conditions agreed at the time of notification.

Immediately You sell or agree to sell or in any way transfer Your interest in Your Vehicle, the cover provided by this Policy is automatically cancelled unless We have agreed otherwise in writing.

Makers Specifications

Except as noted by endorsement on the Policy it is agreed by You that Your Vehicle complies with the maker's standard specifications for the model and year of manufacture and has not been modified in any way. A conversion of Your Vehicle to run on CNG, LPG or Bio Gas shall not constitute a breach of the warranty provided such conversion complies with the appropriate New Zealand standard and has a current Certificate of Fitness.

Replacement Parts Warranty

It is agreed that in the event of an accident to Your Vehicle necessitating the manufacture of new parts or the importing of parts or accessories, Our liability shall be limited to the latest list price in New Zealand of such parts or accessories or the price of the closest New Zealand equivalent or the cost of making a new part, whichever is the lesser. It is further agreed We will not be liable for any costs incurred:

Motor Vehicle Insurance

- due to the inability of any repairer to match existing paint.
- to replace any part or accessory that has not suffered accidental damage.

Other Interested Party

Where any Vehicle is mortgaged or subject to a Hire Purchase Agreement or similar contract and such interest is noted in the Certificate Of Insurance, payment in respect of any loss under Section 1 will be made to such Interested Party whose receipt will discharge Us completely.

New for Old

If Your Vehicle becomes a total loss within a year of its original registration when new, We will replace Your Vehicle with a new Vehicle of the same make and model, subject to current local availability.

Section 3 - AA Roadservice

Each vehicle is eligible for the benefits of AA Roadservice 24 hours a day, 7 days a week should your vehicle suffer one of the failures listed below and cannot be driven. Just **telephone 0800 HELP TO U (0800 435 7868)** and advise you are a PROTECTA Insurance AA Roadservice customer and quote your Policy or Registration Number.

The vehicle nominated on the Certificate of Insurance will be covered for the following failures:

- 1. Flat Tyre or Damaged Wheel** – AA Roadservice will change a damaged tyre/wheel with the nominated vehicle's serviceable spare. Where the spare is not serviceable AA Roadservice will arrange towing of the vehicle to the nearest facility at the expense of the driver.
- 2. Flat Battery** – AA Roadservice will provide a battery boost and any other practical assistance to start the vehicle. If the vehicle requires a new battery AA Roadservice will arrange a new battery at the expense of the driver.
- 3. Locked out** – AA Roadservice will assist you to access the vehicle where keys have been accidentally locked inside the vehicle.
- 4. Out of fuel** – AA Roadservice will provide free delivery of \$20.00 worth of liquid fuel. Cost of the fuel will be at the expense of the driver.
- 5. Lost Keys** – AA Roadservice will arrange a locksmith to help get the driver back in the vehicle. Any replacement keys provided will be at the expense of the driver.
- 6. Breakdown (mechanical or electrical)** – AA Roadservice will attempt to provide emergency repairs at the roadside. If AA Roadservice are not able to mobilize the vehicle or it requires parts AA Roadservice will tow it to the nearest authorized repairer to a limit of \$40.00 per tow within Metro area and to a limit of \$100.00 per tow within Rural. (If you want the vehicle to be towed to another authorized repairer then you may be required to pay the towing charges).

Exclusions

- Unattended vehicles.
- Unauthorized repairs.
- Vehicles damaged as a result of an accident.
- Natural disaster areas where the vehicle can not be reached.
- Where special equipment is required.

Motor Vehicle Insurance

- Vehicles that are not on legal constructed roads i.e. Public Legal Roads.
- Vehicles with a gross weight exceeding 3500kg.
- Vehicles that are not roadworthy or operated in an unsafe or illegal manner.
- Vehicles that do not have current Registration or a Warrant of Fitness
- Breakdowns that are covered by other insurance policies.

NB. A maximum of 3 free callouts for any 12 month period of insurance.

Note:

AA Roadservice is provided and controlled by AA Business Vehicle Solutions and is separate from and not in any way part of your Policy with the Company or PROTECTA Insurance.

General Conditions

Claims

Notice of a claim must be given by the Insured or their representative to the Company's authorised agent PROTECTA Insurance immediately upon becoming aware of any circumstances which may give rise to a claim by adopting one of the following procedures: -

- i) Telephone PROTECTA Insurance at Auckland, Phone 0800 4357 868 and ask for the Insurance Claims Department OR Fax your request to (09) 915 7831.
- ii) Write to PROTECTA Insurance, P.O. Box 37-371, Parnell, Auckland, requesting a claim form.

Statements

The correctness of all statements made in relation to this Policy or any claim is essential before We have any liability under this Policy.

Changes in Circumstances

If any relevant circumstances change or may change during the period of cover, You must advise Us.

Changes to the Policy

We can change the terms of this Policy by writing to You at Your postal address for this Policy shown on Our records. The change will take effect 30 days after the date of that letter.

Cancellation of the Policy:

- 1) You may at any time cancel Your Policy by giving notice in writing to Us. After such cancellation, We will refund whatever sum is owing (if any) as a matter of law.
- 2) We may at any time cancel Your Policy by giving seven days notice in writing to You. After such cancellation, We will refund whatever sum is owing (if any) as a matter of law.

3 The cancellation provisions in clause 2) above shall be effective as from 4pm on the seventh day after posting or personal delivery of the notice of cancellation to You at Your last known address.

Cool-Off Period

If You are not satisfied with the cover provided by Your policy, please tell us within 15 days of its commencement date. We may agree to change the policy to suit You. If not, and You wish to cancel the policy, You may as long as You have not made any claims and, if the vehicle is subject to finance, Your finance company agrees to its cancellation. We will then refund any premium You have paid.

Obligations

You and any person in charge of the Vehicle at any time must:

- not cause or facilitate loss or damage or incur liability by any unreasonable, reckless or wilful act or omission;
- inform the Police if it appears that there has been arson, theft, burglary or malicious damage and co-operate fully with the Police in investigation and prosecution;
- tell Us immediately and return the claim form properly completed within 30 days of becoming aware of any circumstances which may give rise to a claim;
- provide Us immediately with full particulars of any claim made against You by another person, all legal documents served on You and allow Us the sole option to negotiate settlement of, or defend the claim in Your name;
- allow Us to take over for Our own benefit and settle any legal right of recovery You may have and You must cooperate fully in any recovery action;
- take all steps which We consider reasonable to prevent further loss or damage;
- comply with all Our requests relating to Your claim including providing all co-operation, information and assistance;
- not start repairs without Our prior approval;
- not discuss any claim made on You by another person with them. Otherwise We may decline any claim and/or recover any payment already made.

Joint Insureds

If any of the property specified in the Certificate Of Insurance is owned jointly, then the cover under this Policy on such property shall also be provided jointly.

Other Insurance

If any loss or damage or liability covered by this Policy is also covered by any other policy, We will only pay over and above the cover provided by the other policy.

Automatic Reinstatement

The cover provided under Section 1 will not be reduced by any claims paid by Us provided You pay an appropriate additional premium requested by Us.

Goods and Services Tax

Where any part of this Policy specifies any sum insured this amount includes GST.

Jurisdiction

The law of New Zealand shall apply to and the Courts of New Zealand will have exclusive jurisdiction in respect of any litigation arising out of this Policy. Any compensation awarded or costs or expenses of litigation outside New Zealand are not covered.

Your Duty of Disclosure

Before entering into a contract of insurance, the Insured has a duty, at law, to disclose to the Company all material facts.

A material fact is one which may influence a prudent Insurer in deciding whether or not to accept the cover, and if so, on what terms and conditions and for what premium.

Examples of information an Insured may need to disclose include:

- i) Anything that increases the risk of an insurance claim.
- ii) Any criminal conviction or offence.
- iii) If another insurer has cancelled or refused to insure or renew insurance, has imposed special terms, or refused any claim.
- iv) Any insurance claim or loss made or suffered in the past.

These examples are a guide only. If there is any doubt as to whether a particular piece of information needs to be disclosed, this should be referred to the Company.

Non-Disclosure

If an Insured fails to comply with their duty of disclosure, the Company may be entitled to avoid the contract of insurance and reject any claim under it.

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

Motor Vehicle Insurance

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.