

# MAXI MECHANICAL BREAKDOWN INSURANCE POLICY

## MOTORHOME

### WELCOME TO YOUR MECHANICAL BREAKDOWN INSURANCE POLICY

This is Your Insurance Policy which sets out what You are covered for and explains what You will receive, Your responsibilities and how to make a claim. We have authorised Protecta Insurance and their agents to administer this Policy.

You are important to Us and We welcome You as a valued customer.

### IMPORTANT INFORMATION FOR YOU

1. This is Your policy which consists of this wording, Your proposal, Certificate of Insurance and declaration. Please read it so You know exactly what You are covered for. If You do not fully understand this Insurance 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. Please phone 0800 776 832.
2. Please examine this Insurance Policy 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.
3. Words and phrases that have special meaning will be found at the rear of this Insurance Policy under the heading **DEFINITIONS**.

### MECHANICAL BREAKDOWN

This means any sudden and unforeseen mechanical or electrical failure.

### WHAT YOU ARE COVERED FOR

In the event that a Mechanical Breakdown occurs and falls within the terms and conditions of this Insurance Policy, Protecta Insurance agrees to contract with the Authorised Repairer for the repair of the Vehicle. Payment shall include the reasonable cost required to repair the Vehicle to a condition in no way inferior to that at the Policy Start Date. Protecta reserves the right to source and supply parts to repair the failure. Protecta at its option can choose whether to repair the Vehicle or pay the cash value of these repairs, limited in both cases to this Insurance Policy limits of liability.

### LIMITS OF LIABILITY

#### 1. Maximum limits of liability:

- a. Maximum liability during the Policy Period is limited to the Current Market Value of the Vehicle at the time of the claim less the Excess as described in the Certificate of Insurance.
- b. Maximum liability in respect of any one Mechanical Breakdown is detailed in the Certificate of Insurance
- c. Maximum cover for factory fitted audio and visual entertainment systems is \$400. A \$100 excess applies.
- d. The Limits of Liability stated above shall include any amounts that We may become liable to pay for Travel Costs, Accommodation Costs and Towing Costs as set out below.
- e. For electric and hybrid Vehicles with factory fitted lithium-ion batteries Protecta will contribute towards the repair or replacement of those batteries on the following basis:

From the vehicle year of manufacturer	Contribution	Up to a maximum Payment of
Up to 2 Years	100%	\$4,000
Up to 4 Years	80%	\$3,200
Up to 6 Years	60%	\$2,400
Up to 8 Years	40%	\$1,600
Up to 10 Years	20%	\$800

Over 10 Years	0%	\$0
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**Note:**

- I. This contribution table will not apply to claims where the lithium-ion battery requires repair or replacement due to the failure of another covered part. In this case, Protecta will pay the claim based on the limits of liability described in the Certificate of Insurance; and
- II. There is no cover for lithium-ion batteries for the first 90 days from the Policy Start Date.

**2. Protecta Insurance will reimburse You (subject to an acceptable claim) for:**

- a. **Travel costs** - The cost of hiring a rental vehicle of a similar size to the Vehicle covered by this Insurance Policy or the cost of an alternative (more economical) form of transport, up to a maximum of \$300 in respect of any one Mechanical Breakdown. This cover will only apply when the Vehicle breaks down more than 100km from Your current residential address and the Vehicle is unable to be used due to repairs being effected for a period exceeding (72) seventy two hours. Protecta shall not be liable for the normal running costs (e.g. insurance, mileage, petrol, oil) of the rental vehicle.
- b. **Accommodation costs** - The cost of reasonable accommodation expenses incurred by You to a maximum of \$300 per claim as a result of the Vehicle sustaining a Mechanical Breakdown when such Mechanical Breakdown occurs more than 100km from Your current residential address.
- c. **Towing costs** - The cost of towing the Vehicle arising from the Vehicle sustaining a Mechanical Breakdown covered by this Insurance Policy up to a maximum of \$100 on any one claim.

**Please Note:** The costs in Clause 2. above can only be considered following presentation to Protecta of a detailed relevant GST invoice or receipt.

**3. Excess:**

The Excess as shown in the Certificate of Insurance applies to each and every unrelated claim accepted by Protecta. Unrelated claims are those repairs where one component has not directly caused the failure of another and therefore each repair is treated as a separate and unrelated claim.

**WE WILL NOT PAY FOR**

1. Any claim arising from defects which were in existence at the Policy Start Date.
2. Where the Vehicle is not maintained and serviced in accordance with the Vehicle Service Programme outlined in this Insurance Policy.
3. Any Mechanical Breakdown where any repairs have been carried out contrary to the Claims Procedure.
4. Any Mechanical Breakdown caused by the use of fuel grades not recommended by the Vehicle manufacturer.
5. Any costs arising from diagnosing a repair where the repair is not covered by this Insurance Policy.
6. Any Mechanical Breakdown that is the subject of a recall by the Vehicle manufacturer or to any repairs covered by any other form of insurance, warranty or guarantee or to any costs arising from the rectifying of any failure of, or defect or fault in, the design or specification of any component.
7. Any Mechanical Breakdown or liability occurring in whole or in part due to any misuse, or abuse, external damage/cause or act or omission (whether wilful, unlawful or negligent) to the Vehicle.
8. Any claims that are fraudulent.
9. Any costs arising from contamination, corrosion, rust, deterioration or sludge.
10. Any repairs necessitated by the failure of any plastic, rubber or composite components due to gradual deterioration and any resulting damage.
11. Any claim arising from loss of time, loss of use, inconvenience, storage charges, accidental damage, fire, theft, conversion, or any other consequential loss.
12. Any claim arising or liability for incidental or consequential damage caused by the failure of a non-covered component.
13. Any Mechanical Breakdown that has either been contributed to or has arisen as a result of the Vehicle being modified from the manufacturer's original specification.
14. Any costs arising from, or for rectifying, defective or faulty repair or workmanship.

15. Any claim arising from the continued operation of the Vehicle once a fault has occurred, including loss of lubricant or coolant.
16. Any costs associated with the servicing, maintenance, adjustment or tuning of any component.
17. Any general repair expenses including telephone, scan and tool charges, sundry, freight charges and any disposal or environmental charges.
18. Any costs relating to the repair or replacement of brake shoes, disc pads, rotors, mountings, shock absorbers, suspension air bags, drive belts, tyres and wheels, wheel alignment and balancing.
19. Convertible roof and associated mechanisms (other than the convertible roof motor), seats and associated mechanisms (other than the seat motor), sun roofs and associated mechanisms (other than the sun roof motor).
20. Any claim arising from failing to follow the manufacturers recommended procedures for battery charging, jump starting and towing.
21. Any costs relating to the repair or replacement of batteries (other than lithium-ion see Limits of Liability section 1,e), body work, communication systems (including bluetooth, wifi and cellular), locks/remotes and associated mechanisms, lights and associated mechanisms, glass, mirrors and associated mechanisms, handles, hinges, paintwork, rams, satellite navigation systems, seat belts and associated mechanisms, struts, cosmetic items, trim, upholstery, visual and audible parking and pedestrian warning systems, tyre pressure sensors, clutches and flywheel assemblies due to wear and tear, exhaust systems, spark plugs and filters.
22. Any costs relating to the replacement of antifreeze, fluids, lubricants and refrigerant exceeding \$150.00.

### **VEHICLES WE COVER**

This Insurance Policy covers the Vehicle as declared in the Certificate of Insurance, with the exception of those listed below under "VEHICLES WE DO NOT COVER."

### **VEHICLES WE DO NOT COVER**

Any Vehicle with an odometer reading in excess of 250,000kms at the Policy Start Date or over (20) twenty years of age at the expiry of the Policy Period.

1. Taxis, rentals, couriers, shuttles, delivery Vehicles and other Vehicles used for hire or reward.
2. Any Vehicle with a gross weight exceeding 3500kg.
3. Any high performance Vehicle including but not limited to AMG Mercedes Benz, Aston Martin, Bentley, Brabus Mercedes Benz, Dodge Viper, Ferrari, Honda NSX, Jaguar, Lamborghini, Land Rover, Lotus, Maserati, Maybach, Morgan, Nissan GTR, Porsche, Range Rover, Rolls Royce, Schnitzer and M Series BMW, VW Passat W8 and TVR.
4. Any Vehicle used in racing competitions, time trials or rallies.
5. Any hybrid Vehicle manufactured in or prior to 2005.
6. Any electric or hybrid vehicles manufactured in China or by Audi, BMW or Mercedes Benz.

### **VEHICLE SERVICE PROGRAMME**

1. All servicing should be carried out by an approved service facility in accordance with the manufacturer's specifications. Phone 0800 776 832 for assistance.
2. All electric Vehicles must be serviced and repaired by a qualified technician.
3. The first service must be completed prior to the Vehicle travelling 5,000km since the Policy Start Date.
4. The minimum ongoing service requirements are:
  - a. Petrol and electric Vehicles every 15,000kms or within 12 months whichever occurs first.
  - b. Diesel Vehicles every 10,000kms or within 12 months whichever occurs first.
5. The servicing required to be carried out in accordance with the Vehicle Service Programme is Your responsibility and failure to complete the service requirements may result in Your claim being declined.

### **Minimum service requirements are:**

1. Change engine oil and oil filter
2. Change the fuel filters every 20,000km's (diesel Vehicles only)

3. Check air cleaner and replace if necessary
4. Check clutch operation for slippage
5. Check turbo oil feed pipe for blockages and leaks
6. Check camshaft belt and all drive belts and replace if necessary
7. Check all fluid and oil levels and top up if necessary
8. Check CV joints and boots
9. Check cooling system for leaks and pressure test
10. Check transmission oil and filter and service transmission if required
11. Check engine tuning and spark plugs adjust and replace as required
12. Check braking, steering and suspension system
13. Check charging port and sealing cap and clean as necessary (electric vehicles only)
14. Check reduction gear oil level and top up as necessary (electric vehicles only)

**Notes:**

1. The camshaft belt needs to be checked if there is no proof that it has been replaced within the last 40,000km. (Proof will be required in the event of a claim).
2. Please record all servicing on the “service record” page at the rear of this Insurance Policy.
3. Electric Shock Hazard – Electric vehicles operate high voltages and should only be serviced and repaired by trained personnel.

**CLAIMS PROCEDURE**

1. In the event of a Mechanical Breakdown - Phone 0800 776 832.
2. All repairs must be carried out by an Authorised Repairer. Failure to comply may result in the claim being declined.
3. In the event of a claim You must supply a copy of the relevant invoice relating to the servicing requirements as outlined in the Vehicle Service Programme.
4. You will be required to authorise any dismantling required to determine if there is a valid claim under the Insurance Policy. Costs for dismantling are covered subject to the Limits of Liability and terms and conditions contained in this Insurance Policy should a subsequent acceptable claim arise.
5. A claim form may need to be completed prior to the acceptance of a claim.
6. In the event of an acceptable claim Protecta 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.
7. Any repairs commenced or carried out without prior approval will not be covered.

**GENERAL CONDITIONS**

**Cool-off period**

If You are not satisfied with the cover provided in this Insurance Policy, please advise Protecta in writing within (15) fifteen days of the date this Insurance Policy was purchased. Protecta may agree to change this Insurance Policy. If You are still not satisfied You can cancel this Insurance Policy. However both the Certificate of Insurance and Insurance Policy must be returned to Protecta Insurance before any refund of the paid premium will be made. No refund will be paid if a successful claim has been made. Where a refund applies this is forwarded to the sub agent who will forward the refund to You in the circumstances where the cost of the Insurance Policy was not included as part of the Vehicle purchase.

**Your duty of disclosure**

You have a duty, at law, to disclose to Us all material information before entering into an Insurance Policy.

Material information is information that may influence a prudent insurer in deciding whether or not to accept the proposal, and if so, on what terms and conditions and for what premium.

Examples of information You may need to disclose include but are not limited to:

1. Anything that increases the risk of an insurance claim.
2. Any criminal conviction or offence.
3. If another insurer has cancelled or refused to insure or renew insurance, has imposed special terms, or refused any claim.
4. Any insurance claim or loss made or suffered in the past.

These examples are a guide only. All material information must be complete and correct and if there is any doubt as to whether a particular piece of information needs to be disclosed, this should be referred to Protecta Insurance.

#### **Non-disclosure**

If You fail to comply with Your duty of disclosure We may avoid this Insurance Policy from the beginning and/or reject any claim under it.

#### **Cancellation**

You may at any time ask Us to cancel this Insurance Policy by giving notice in writing to Protecta Insurance. Where you request cancellation, this Insurance Policy will end. This Insurance Policy is not refundable unless the request meets the criteria of the Cool-Off Period where we will make a full refund. In the following circumstances we will make a pro-rata refund:

1. The Vehicle is repossessed; or
2. The Vehicle is written off.

We have the right to cancel Your Insurance Policy where permitted by law. For example, We can cancel Your Insurance Policy:

1. where You have failed to comply with a provision of Your Insurance Policy, or
2. where You have failed to pay the premium payment for the Insurance Policy, or
3. if You have made a fraudulent claim under Your Insurance Policy or under some other insurance policy that provides cover during the same period of insurance as Your Insurance Policy.

The cancellation provisions 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.

#### **Assignment**

To assign this Insurance Policy, please contact either your selling dealer or Protecta, presenting a copy of your service record. The Vehicle must have been serviced in accordance with the Vehicle Service Programme. At our sole discretion We agree to assign the Insurance Policy to the new owner of the Vehicle once the appropriate fee is paid.

#### **Goods and service tax (GST)**

All dollar amounts expressed in this Insurance Policy are inclusive of GST (where applicable).

#### **Fair insurance code**

Protecta 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. To the extent the code applies to this product, a copy of the Fair Insurance Code is available from the Insurance Council of New Zealand website ([www.icnz.org.nz](http://www.icnz.org.nz)).

#### **Privacy Act**

This Policy collects personal information about You to enable Protecta Insurance to evaluate Your proposed insurance. The information collected will be held by Protecta Insurance, Virginia Surety Company, Inc., and agents of these entities. Failure to provide this information may result in Your insurance being declined or avoided. You have the right to request access to and correction of Your personal information by applying to Protecta Insurance at 110 Symonds Street, Auckland

### **Dispute Resolution Process**

Virginia Surety Company, Inc. is a member of the Insurance and Financial Services Ombudsman (IFSO). If a complaint should arise, You may contact Protecta Insurance directly. If Your complaint is not able to be resolved immediately by the person You are dealing with, it will initiate Protecta Insurance's Internal Dispute Resolution (IDR) process. There is no cost to use this procedure. If Your complaint cannot be resolved by Protecta Insurance, they may wish to refer the complaint to the IFSO. The IFSO is an independent approved dispute resolution scheme. It will not cost You anything to refer the complaint to the IFSO. Advice on the complaint process can be provided by Protecta Insurance New Zealand Limited, the Virginia Surety Company, Inc. agent in relation to this Insurance Policy.

The IFSO may be contacted:

- by phone on 0800 888 202 (free call);
- by writing to PO Box 10845, Wellington 6143 New Zealand;
- by emailing them at [info@ifso.nz](mailto:info@ifso.nz); or
- on the web [www.ifso.nz](http://www.ifso.nz)

### **DEFINITIONS**

**Authorised Repairer** means;

a vehicle repairer authorised by Protecta Insurance to carry out the repair of the Vehicle.

**Certificate of Insurance** means;

the most recent Certificate of Insurance provided to You, outlining the particulars of the Insurance Policy.

**Current Market Value** means;

the market value of the Vehicle based on the condition and mileage at the time of any claim as determined by an approved vehicle valuation facility.

**Insurance Policy** means;

this Mechanical Breakdown insurance policy and any endorsements (if any) underwritten by VSC.

**Policy Period** means;

the period of the Insurance Policy in months as declared in the Certificate of Insurance.

**Policy Start Date** means;

The start date of the Insurance Policy as declared in the Certificate of Insurance.

**Sub-Agents** means;

an agent approved by Protecta who may be involved in the sale of this Insurance Policy.

**Vehicle** means;

the vehicle declared in the Certificate of Insurance.

**We, Our or Us** means;

Virginia Surety Company, Inc. herein referred to as (VSC).

**You or Your** means;

the insured person(s), company or other entity named on the Certificate of Insurance.

### **INSURER DETAILS**

This Insurance Policy is underwritten by Virginia Surety Company, Inc. (NZ Company No 920 655) of Unit 3, Level 2, 73 Manchester Street, Christchurch, New Zealand 8011.

### **SERVICE RECORD**

**Important:** The 1st Service must be carried out prior to the Vehicle travelling 5,000 km since purchase. Thereafter all Vehicles are to be serviced in accordance with the Vehicle Service Programme outlined in this Insurance Policy. A photocopy of this service record and all service invoices will be required in the event of a

claim. Any advice given to You concerning the service is to be noted on the service invoice for future reference purposes.

**ENDORSEMENTS**

This Insurance Policy is subject to the following endorsement/s. Any endorsement/s is/are only valid where it/they has/have been approved by Protecta Insurance. Further information relating to any endorsements (if any) are available on request - Phone 0800 776 832.

**Note: All advice given to the owner with regards to the radiator, fuel injectors or cambelt is to be noted on the invoice for future reference purposes.**

**Endorsement 1**

**Limits of Liability: The maximum liability in respect of any one Mechanical Breakdown is:**

For all Vehicles with an Odometer reading of up to 350,000kms as at the Commencement Date of the Insurance Contract - \$4,000.

Subject to the Excess as described in the Certificate of Insurance.

**Vehicles Not Covered:**

Any Vehicle with an odometer reading in excess of 350,000km at the Commencement Date of the Insurance Contract or over (20) twenty years of age at the expiry of the Period of Insurance

Any Vehicle with a gross weight exceeding 4,500kg.