



Commercial Motor Vehicle Policy wording



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INTRODUCTION

Congratulations and thank You for choosing Delta Insurance for Your motor vehicles insurance protection.

Your Commercial Motor Vehicle Policy consists of:

- 1 Your proposal form,
- 2 this Policy document,
- 3 the Policy Schedule, and
- 4 any endorsements or warranties added by Us to Your Policy.

OUR PROMISE TO YOU

In consideration of You paying the required premium set out in the Schedule, in reliance upon the contents of the proposal which are considered incorporated in the Policy and subject to the limits and sublimits of liability in the Schedule and the terms and conditions in this Policy, We will provide You with the cover set out in this Policy.

IMPORTANT INFORMATION

Reading this Policy

Words and phrases appearing in capital letters have the meaning defined in the list of definitions of the Policy. In addition:

- the definitions apply to the plural and any derivatives of the words in capitals;
- the headings are for descriptive purposes only;
- “person” includes individuals, partnerships, bodies corporate, and associations.

Where headings are used in this Policy, they are purely descriptive and not to be used for interpretation purposes.

If any portion of the Policy is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

About the Insurers – Several Liability

This insurance is underwritten by Certain Underwriters at Lloyd’s referred to as Us, Our or We. Delta Insurance New Zealand Limited is a Lloyd’s Coverholder. An underwriter is liable only for the proportion of liability it has underwritten. An underwriter is not jointly liable for the proportion of liability underwritten by any other underwriter. Nor is an underwriter otherwise responsible for any liability of any other underwriter that may underwrite this Policy.

The proportion of liability under this Policy underwritten by an underwriter (or, in the case of a Lloyd’s syndicate, the total of the proportions underwritten by all members of the syndicate taken together) is shown in the Schedule.

In the case of a Lloyd’s syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member’s proportion. A member is not jointly liable for any other member’s proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract.

You can obtain further details of the syndicate numbers and the proportions of this insurance for which each of the Lloyd’s Underwriters is liable by requesting them from Us.

The Fair Insurance Code

Lloyd’s is a member of the Insurance Council of New Zealand, and is committed to comply with the Council’s Fair Insurance Code.

For further information on the Code, please visit www.icnz.org.nz

Complaints and Dispute Resolution process

We view seriously any complaint made about Our products or services and will deal with it promptly and fairly. Any enquiry or complaint relating to this Policy should be referred to Delta Insurance New Zealand Limited in the first instance.

Complaints Officer
Delta Insurance New Zealand Limited
complaints@deltainsurance.co.nz
Level 2, 204 Quay Street, Auckland, 1010
PO Box 106 276, Auckland 1143
+64 9 300 3079

We will acknowledge receipt of Your complaint within 5 business days and do Our utmost to resolve the complaint to Your satisfaction within 10 business days, unless We require further information in which case, We will agree an alternate time frame with You.

If this does not resolve the matter or You are not satisfied with the way the complaint has been dealt with, You should write to:

Lloyd's General Representative in New Zealand
C/O Hazelton Law
Level 29 Plimmer Towers
2-6 Gilmer Terrace,
Wellington 6011
P O Box 5639, Wellington 6145
New Zealand

Following receipt of Your complaint, You will be advised whether Your dispute will be handled by the Complaints team at Lloyd's Australia or the Lloyd's Complaints team in the UK, or what other avenues are available to You.

A final decision will be provided to You within two months of the date on which You first made the complaint unless certain exceptions apply.

If Your complaint is not resolved in a manner satisfactory to You or We do not resolve Your complaint within two months of originally receiving it, You may refer the matter to the Insurance and Financial Services Ombudsman (IFSO Scheme).

The IFSO Scheme can be contacted as follows:

Telephone: 0800 888 202 or +64 4 499 7612

Email: info@ifso.nz or via their website www.ifso.nz

Post: Insurance & Financial Services Ombudsman Scheme, PO Box 10-845 Wellington New Zealand

Hand: Insurance & Financial Services Ombudsman Scheme, Level 2, Solnet House, 70 The Terrace, Wellington 6143

Your complaint must be referred to IFSO Scheme within 3 months of the final decision, unless IFSO Scheme considers special circumstances apply. If Your complaint is not eligible for consideration by IFSO Scheme, You may be referred to the Financial Ombudsman Service (UK) or You can seek independent legal advice. You can also access any other external dispute resolution or other options that may be available to You.

Governing Law and Jurisdiction

The law of New Zealand applies to this Policy and the New Zealand Courts have exclusive jurisdiction. Any summons, notice or process to be served upon Us for the purpose of instituting any legal proceedings against Us in connection with this Policy must be served upon:

Lloyd's General Representative in New Zealand
c/o Hazelton Law
Level 29 Plimmer Towers
2 – 6 Gilmer Terrace Wellington
New Zealand
P O Box 5639, Wellington 6145
New Zealand

YOUR OBLIGATIONS UNDER THIS POLICY

Duty of Disclosure

Before You take out insurance with Us, You or any party acting for You in placing this Policy, have a duty to tell Us of everything that You know, or could reasonably be expected to know, that may affect Our decision to insure You and on what terms. If You are not sure whether something is relevant You should inform Us anyway.

You have the same duty to inform Us of those matters before You renew, extend, vary, or reinstate Your Policy. The duty applies until the Policy is entered into, or where relevant, renewed, extended, varied or reinstated.

If You do not comply with Your duty of disclosure, We may:

- refuse to pay all or part of Your claim;
- cancel the Policy; or
- cancel Your insurance from the start date of the Policy.

After the Policy is entered into, ongoing disclosure obligations can apply. These are set out in the Conditions Section of the Policy.

POLICY COVER OPTIONS

The Insured Vehicles will be covered as specified on Your Schedule for one of the following Cover Options.

Full Cover All applicable cover under:

Section 1: Cover for the Insured Vehicle

Section 1: Automatic Extensions

Section 1: Optional Extensions, where selected and noted in the Schedule

Section 1: Exclusions

Section 2: Cover for Third Party Liability

Section 2: Automatic Extensions

Section 2: Optional Extensions, where selected and noted in the Schedule

Section 2: Exclusions

Sections 1 and 2: Automatic Extensions

Sections 1 and 2: Optional Extensions, where selected and noted in the Schedule

Sections 1 and 2: Exclusions, and

Sections 1 and 2: Conditions

The Schedule

Third Party, Fire and Theft Cover is provided under:

Section 1: Cover for the Insured Vehicle limited to a Loss or Damage caused by fire, lightning, explosion, theft or illegal conversion

Section 1: Exclusions

Section 2: Cover for Third Party Liability

Section 2: Automatic Extensions

Section 2: Optional Extensions, where selected and noted in the Schedule

Section 2: Exclusions

Sections 1 and 2: Automatic Extensions

Sections 1 and 2: Optional Extensions, where selected and noted in the Schedule

Sections 1 and 2: Exclusions, and

Sections 1 and 2: Conditions

The Schedule

Third Party Only Cover is provided under:

Section 2: Cover for Third Party Liability

Section 2: Automatic Extensions

Section 2: Optional Extensions, where selected and noted in the Schedule

Section 2: Exclusions

Sections 1 and 2: Automatic Extensions (for Sections 2 only)

Sections 1 and 2: Optional Extensions, where selected and noted in the Schedule (for Sections 2 only)

Sections 1 and 2: Exclusions (for Sections 2 only), and

Sections 1 and 2: Conditions.

The Schedule

SECTION 1: COVER FOR THE INSURED VEHICLE

When Cover Applies

You are covered for Accidental Loss or Damage to an Insured Vehicle.

Cover under this Policy only applies when an Insured Vehicle is being used:

- for the Insured's Business, or
- for the Insured's or Authorised Drivers' private, social or domestic purposes.

SECTION 1: BASIS OF SETTLEMENT

Unless specified otherwise, subject to any Excess We will at Our option indemnify the Insured as follows:

- if We deem the Insured Vehicle economically repairable, We will, at Our option:
 - pay the reasonable cost of repairs to the Insured Vehicle to bring it back to its pre Accident condition; or
 - pay the cash equivalent of the reasonable cost of repairs to the Insured Vehicle to bring it back to its pre Accident condition; and
 - pay for the portion of signwriting and wraps that has suffered Loss or Damage
- if any component, Accessory or part of the Insured Vehicle is no longer manufactured at a reasonable cost, or locally available at a reasonable cost, Our settlement will not exceed the supplier's or manufacturer's list price. Where no such list price is available, the most We will pay will be the lesser of:
 - the last known list price in New Zealand;
 - the price of the part's closest equivalent in New Zealand; or
 - the cost of manufacturing a new part.
- if We consider the Insured Vehicle uneconomical to repair, We will at Our option:
 - replace it with a Vehicle of the same age, make and model and in similar condition; or
 - pay the Market Value of the Insured Vehicle stated in the Vehicle Schedule or Declaration.

Where Your Schedule shows an Agreed Value We will pay the value as specified in the Schedule.

We shall not pay for any portion of the cost which results in the Insured Vehicle being in a better condition than it was before the Loss or Damage or any portion of the Insured Vehicle which did not suffer Loss or Damage due to the Event.

The applicable Excess (as per the Schedule or any relevant Extension) together with any Excess payable under any Section 1: Automatic Extension or Section 1: Optional Extension will be deducted from the loss claimed for each Event. The Excess will be cumulative where there is more than one Excess applicable and it is stated as such on the Schedule, including the under 25 years old Excess.

The Excess shall be refunded for a No Fault claim unless specified in the Schedule or related extensions.

SECTION 1: AUTOMATIC EXTENSIONS

The following Automatic Extensions apply where there is a Claim accepted by Us under Section 1 – Cover for the Insured Vehicle for Accidental Loss or Damage to an Insured Vehicle. The Automatic extensions are in addition to the Sum Insured under the main insuring clause of Section 1.

Any limit specified in the extension or the Sublimit section of this Policy is in addition to the Basis of Settlement but will not exceed the Sum Insured under Section 1 or Section 2.

The most We will pay for an Event under any extension is the limit shown in the Sublimits and Excesses section in the Schedule subject to any applicable Excess.

Authorised Drivers Personal Effects

We will cover Accidental Loss or Damage to an Authorised Driver's baggage and personal effects directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1.

Claim Preparation Costs

We will cover reasonable costs incurred by the Insured (excluding the Insured's internal and usual administration costs) for having a claim prepared for Accidental Loss or Damage covered under Section 1 or proving that Loss or Damage is covered under Section 1 (excluding costs incurred in disputing any declined claim under this Policy or where any claim is declined by Us or withdrawn by You).

Completion of Journey Costs

When the Insured's journey cannot be completed for reasons directly arising out of Accidental Loss or Damage involving the Insured Vehicle covered under Section 1, We will cover the reasonable costs for:

- hiring a similar Vehicle to complete the journey, or return the Insured or Authorised Driver to where the journey commenced from; and
- returning the Insured Vehicle to its usual location following its repair, or the reasonable cost of recovering it in the Event of theft or conversion.

Death by Accident

In case of death of the Insured, Authorised Driver, or the Immediate Family of the Insured or the Authorised Driver, directly arising out of an Accident involving the Insured Vehicle for which Loss or Damage is covered under Section 1, We will pay the specified amount in the Schedule to the Insured.

We will also pay the funeral expenses associated with the burial or cremation of said deceased, in excess of any amount payable by the Accident Compensation Corporation or any other insurer up to the specified amount in the Schedule.

Diesel Exhaust Fluid

If an Insured Vehicle has been Accidentally operated with Diesel Exhaust Fluid this Policy will cover the costs of repairs directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1, up to the amount shown on the Schedule.

Disability Modifications

If the Insured or Authorised Driver becomes permanently disabled due to Bodily Injury sustained directly arising out of an Accident involving the Insured Vehicle for which Loss or Damage is covered under Section 1, We will pay

reasonable costs of any necessary Modifications to the Insured Vehicle, where the Modifications would enable that driver to legally drive the Insured Vehicle. This benefit is in excess of any amount payable by the Accident Compensation Corporation.

Electric / Hybrid / Hydrogen Vehicle Cover

If the Insured Vehicle is electric, hybrid, or hydrogen We will cover You for Loss or Damage directly caused by Accidental:

- power surges to the vehicle battery;
- faults in any charging equipment that is used to charge the Insured Vehicle;
- faults in the refilling process of hydrogen; or
- battery fire or explosion.

Emergency Services

We will pay the reasonable cost of New Zealand emergency services that are charged to You directly arising out of Loss or Damage covered under Section 1 and, requiring the attendance of the Fire Service, Police, Ambulance, or other regulatory or municipal authority directly arising from an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1.

Expediting Expenses

Subject to prior written agreement from Us this Policy is extended to cover reasonable additional costs of express freight and overtime to expedite repairs to the Insured Vehicle directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1.

Family Expenses On Hospitalisation

Where the Authorised Driver or a passenger of an Insured Vehicle requires hospitalisation directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1, We will pay reasonable expenses up to the maximum amount specified in the Schedule, for the reasonable costs of transport, accommodation, meals and related expenses (within New Zealand only) incurred by an Immediate family member to attend the hospital.

The benefit under this extension is only payable where:

- the Insured Vehicle was being used in connection with undertaking the Insured's business; and
- the Authorised Driver or passenger(s) was hospitalised more than 100km from his or her primary place of residence.

Financial Charge

We will cover the balance of any outstanding charge on an Insured Vehicle directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1 where:

- the Insured Vehicle is covered under Additions and Deletions in the Period of Insurance,
- the Insured has made proper enquires in relation to the existence of any charge before making the purchase, and
- the Insured is liable to pay the outstanding charge.

The most We will pay under this extension for any one Insured Vehicle is the amount shown in the Schedule.

First Aid Kits

We will cover the reasonable costs to replace or restock any first aid kits or equipment in the Insured Vehicle which was Lost or Damaged directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1.

General Average

Where an Insured Vehicle is being transported by sea within New Zealand and where the Insured Vehicle is part of a cargo at sea that is Lost or Damaged, any contribution to general average and salvage charges incurred by the Insured as a direct result is included when such maritime conditions apply, whether or not there has been a Loss or Damage to an Insured Vehicle.

Property In Transit – Your Own Property

We will pay for any Loss or Damage to the Insured's owned physical property directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1 which were being carried in the Insured Vehicle and which were owned by You at the time of the Loss or Damage. This does not cover the personal property and effects of the driver.

Incorrect Fuel

Notwithstanding there is no claim under Section 1, where an Insured Vehicle has been accidentally operated with the incorrect fuel type (diesel in a petrol engine or petrol in a diesel engine) this Policy will cover the cost of repairs directly arising out of the operation with incorrect fuel. It is further agreed that fuel that is contaminated is not deemed to be incorrect fuel.

Keys And Locks

Notwithstanding that there is no claim under Section 1, if any key for the Insured Vehicle is lost or stolen by a third party during the Period of Insurance, We will cover the costs reasonably incurred to replace that key and any recoding required.

Load Recovery

We will cover the reasonable costs of recovering any load carried by an Insured Vehicle directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1, where, at the time of the Accident:

- the Insured Vehicle was being used in the course of the Insured's Business,
- driven by an Authorised Driver, and
- the load was lost while driving on a public road, and salvaging the load is reasonable in all the circumstances.

Such costs will include reloading onto the Insured Vehicle where possible or transporting the load to the nearest place of safe storage.

This extension excludes any fines or penalties incurred by the Insured.

New Replacement Vehicle

If an Insured Vehicle suffers a "Total Loss" directly arising out of an Accident covered under this Section 1, and within 12 months of it being first registered as a new Vehicle in New Zealand or where it has travelled less than 50,000km, and it is a car, station wagon, utility, van or SUV Vehicle, under 3,500kgs We will replace it with one of the same make, model and specification, subject to local availability.

If the Insured elects not to have the Insured Vehicle replaced in accordance with this extension, We will indemnify the Insured in accordance with Section 1: Basis of Settlement clause above.

Premium Credit

Where an Insured's Vehicle is declared a Total Loss by Us and directly arising out of an Accident to an Insured Vehicle covered under this Section 1 and You subsequently insure Your replacement Vehicle with Us, We will credit the unused premium under the cancelled Insured Vehicle against the premium due for Your replacement Vehicle, provided You were No Fault for the Accident that was the cause of the Total Loss.

Psychological Counselling

We will pay reasonable costs incurred by You or the Authorised Driver for professional counselling directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1.

This extension does not cover any costs covered by any government scheme or private health insurance or that We are not permitted by law to provide.

Recovery Costs

If an Insured Vehicle is stolen and subsequently recovered and it suffers Loss or Damage covered under Section 1, We will pay reasonable costs of returning it to Your place of business.

This extension does not apply if the Salvage and Safety extension applies.

Repair Authority

Where there is a claim accepted by Us under Section 1 the Insured may authorise reasonable repairs to an Insured Vehicle, directly arising out of an Accident involving the Insured Vehicle that results in Loss or Damage covered under this Section 1, for the purposes of getting the Insured Vehicle to its destination or repairer without prior notice to Us. The most We will pay under this extension for any one Event is the limit shown in the Sublimits and Excesses section for this extension. If the estimated repair costs exceed this limit, repairs must not be commenced without Our prior written consent or the assessor's prior written consent and We or the assessor must be provided with reasonable access to inspect the Insured Vehicle before any repairs.

Salvage And Safety

We will cover the reasonable costs incurred in salvaging or recovering the Insured Vehicle for a claim covered under Section 1, including ensuring its safety and delivery to a place of suitable repair or inspection.

This extension does not apply if the Recovery Cost extension applies.

Signwriting / Vehicle Wraps

If an Insured Vehicle is repairable then We will pay reasonable costs incurred for repair or reinstating signwriting or Vehicle wraps, that were in place on the Vehicle before the Accidental covered under Section 1.

If the Insured Vehicle is a Total Loss We will pay the reasonable cost to have a replacement Vehicle sign written or wrapped to an equivalent standard required by Us, and We will pay to remove any of Your company identification signwriting from the Insured Vehicle before disposing of it as a result of a Total Loss.

This extension does not cover any art work, licensing or other intellectual property charges or costs.

THEFT – HIRE OF ALTERNATIVE VEHICLE

If an Insured Vehicle suffers Loss or Damage directly arising from theft or illegal conversion covered under Section 1, then this Policy is extended to cover the reasonable costs of hiring another Vehicle of a similar make, model and specification, provided that:

- cover under this extension begins 7 days from the date the Insured Vehicle was stolen/converted and notified to the police;
- cover under this extension ends once:
 - the Insured Vehicle is recovered, repaired and returned to the Insured, or
 - We have settled the Insured's claim under this Policy.
- this extension does not cover the costs of maintenance or running costs of the hire Vehicle.
- this extension does not apply in the Event the Loss of Use / Loss of Profit extension applies.

TOWING AND VEHICLE RETRIEVAL COSTS

We will cover reasonable costs incurred for recovery, or removal of any Insured Vehicle following an Accident that has caused Loss or Damage covered under Section 1 to its usual location or the nearest suitable repairer and to re-deliver the Insured Vehicle to its usual location after repair.

Windscreens And Window Glass

This Policy is extended to cover Accidental Loss or Damage to windscreens, sunroofs, or window glass (including scratching or damage to bodywork resulting solely from broken glass) installed in the Insured Vehicle:

- unless specified on the Schedule no Excess applies to the claim, and
- if there was tinting or signwriting attached to the windscreens or window glass, We will cover the cost to have the tinting or signwriting repaired, however, We will not cover the costs associated with joining associated tinting, wraps or signwriting on other parts of the Insured Vehicle for which there was no Loss of Damage to those parts.

SECTION 1: OPTIONAL EXTENSIONS

If an Insured Vehicle suffers Loss or Damage covered under Section 1, these optional extensions only apply where specified in the Schedule for the Insured Vehicle.

Any limit specified in the extension or the Sublimit section of this Policy is in addition to the Basis of Settlement but will not exceed the Sum Insured under Section 1 for the Policy or said Insured Vehicle.

The most We will pay under any extension is the limit shown in the Sublimits and Excesses section in the Schedule and is subject to any applicable Excess.

Loss Of Use / Loss Of Profit

Following the acceptance of a claim payable under Section 1 of this Policy, for an Insured Vehicle that has this extension specified for its benefit in the Schedule We will reimburse You for reasonable costs to rent or hire a similar Vehicle as the Insured Vehicle. This benefit is payable up to the daily limit, and maximum any one Event loss limit as specified in the Schedule.

Where the Insured Vehicle is used to generate revenue for Your business and a similar Vehicle cannot be hired, We will reimburse Your loss of profit directly arising from the Accidental Loss or Damage, subject to validation of the loss of profit, up to the daily limit, and maximum any one Event loss limit as specified in the Schedule.

The following conditions apply:

- the loss of profit period will start from when the Insured Vehicle is delivered to the repairer to commence repairs or the date when the Insured Vehicle is determined to be a Total Loss, subject to the time excess specified in the Schedule, whichever is earlier;
- the loss of profit period will end once repairs have been completed to the Insured Vehicle and it is available for Your collection or if a Total Loss the date when the Insured Vehicle has been replaced subject to validation that a replacement Vehicle has been ordered and is waiting for delivery, whichever is earlier; and
- no reimbursement will be paid where You have access to a similar Vehicle at no cost or surplus Vehicle.

This extension does not cover the running costs, the cost of insurance or expenses not included in the hire of the Vehicle.

In the Event of theft, this extension only applies once the Theft – Hire of Alternative Vehicle extension has been exhausted for the claim, and only one Excess period shall apply.

SECTION 1: EXCLUSIONS

The following exclusions apply to Section 1: Cover For The Insured Vehicle, Section 1: Automatic Extensions, and Section 1: Optional Extensions.

Accessories

Notwithstanding the “write back” in the Vehicle Parts exclusion, this Policy does not cover Loss or Damage to any Accessories.

Consequential Loss

This Policy does not cover:

- any Loss or Damage, costs or expenses that result from loss of use;
- consequential loss including loss of profit; or,
- depreciation or any loss in value,

howsoever arising.

Drilling Equipment

This Policy does not cover Loss or Damage to any part or component of a drilling rig or machinery whilst being used for drilling below ground level.

Vehicles Hired, Rented Or Lent Out

This Policy does not cover Loss or Damage to any Insured Vehicle that has been hired, rented or lent out by the Insured, Authorised Driver or an employee.

Vehicle Parts

This Policy does not cover Loss or Damage to the following parts of an Insured Vehicle:

- any and all engine and any and all engine parts, this includes any and all, cooling systems, including but not limited to radiators, heat exchangers,
- cooling systems and their components, pressure caps, water pumps, thermostats and hoses,
- hydraulic systems and their components, including but not limited to shock absorbers and suspension systems and their components,
- transmission systems, including but not limited to gearbox, drive shafts, axles, differentials, clutches, and wheel hubs,
- fuel systems,
- braking systems,
- electrical/electronic systems, computer systems, all software, and mechanical systems,
- pumping and vacuuming systems,
- any fixed plant machinery (including but not limited to food /drink preparation equipment), and
- underground exploratory devices.

However, this exclusion does not apply to any Loss or Damage to the Insured Vehicle as the direct result of an Accident caused by a:

- fire,
- impact or collision with an external object,
- being partly or fully immersed in a body of water,
- being stolen or converted,
- being maliciously damaged,
- hail, snow, storm or lightning,
- impact by animals, and
- natural disaster (the “write back”).

Vehicles While Being Used

This Policy does not cover Loss or Damage where any vehicle covered under this Policy is being used on a racetrack, or for pacemaking, speed tests, reliability trials, hill climbs, motorsport events or targas, rallies or while being used in preparation for any one of these activities.

Wear And Tear

This Policy does not cover Loss or Damage connected with:

- wear and tear;
- rust or corrosion; and/or
- any failure of, or any defect in, design, specification, construction or materials of the Insured Vehicle.

However, this exclusion is limited to the part of the vehicle immediately affected and does not apply to any resultant loss to any other part of that vehicle from a secondary event.

SECTION 2: COVER FOR THIRD PARTY LIABILITY

We will indemnify You for Your legal liability to a third party due to an Event resulting in an:

- Accidental Bodily Injury, or
- Accidental Loss or Damage to any property

directly caused by or in connection with the use of an Insured Vehicle.

Cover under this Policy only applies when any Insured Vehicle is being used:

- for the Insured's Business, or
- for the Insured or Authorised Drivers private, social or domestic purposes.

SECTION 2: BASIS OF SETTLEMENT

Maximum Amount Payable

The limit of Our liability for any one Event:

- for legal liability is the limit for Section 2 'Third Party Liability' as stated on Your Schedule; and
- the reasonable legal defence costs up to the limit provided for in for Section 2 'Litigation Defence Costs', as stated on Your Schedule and is included as part of the Sum Insured.

Legal Liability Of Authorised Drivers

We will indemnify an Authorised Driver for their legal liability directly caused by or in connection with their use of an Insured Vehicle or a vehicle covered under 'Section 1 and 2: Optional Extensions, Employee's Vehicles', or Rental Vehicles as if it was an Insured Vehicle, subject to,

- the vehicle being used with the knowledge and consent of the Insured; and
- the vehicle being used to carry out the Insured's Business; or the Authorised Drivers private, social or domestic purposes, and
- their liability is not covered by any other insurance; and
- all other policy conditions are met.

Litigation Defence Costs

We will pay reasonable defence costs necessarily and reasonably incurred with Our prior written consent, which is not to be unreasonably withheld, in relation to any claim against the Insured or Authorised Driver for which there is cover under Section 2 of this Policy.

We may investigate, negotiate and settle any claim as We deem expedient; however, We shall not be obligated to pay any claim or judgment or to defend any suit after the limit of liability has been exhausted by payment of judgments or settlements.

SECTION 2: AUTOMATIC EXTENSIONS

The following Automatic Extensions apply in addition to cover under Section 2 – cover for third party liability of this Policy.

Any limit specified in the extension or the Sublimit section of this Policy is in addition to the Basis of Settlement but will not exceed the maximum liability under Section 1 or Section 2.

The most We will pay under any extension is the limit shown in the Sublimits and Excesses section in the Schedule subject to any applicable Excess.

Airside Liability

Notwithstanding the Airside Liability exclusion, this Policy will indemnify the Insured for any liability arising out of the operation of any Insured Vehicle within the restricted area of an aerodrome, provided the Insured Vehicle is entitled to operate in the area and has obtained any required permission to do so.

Clean Up Costs

We will indemnify the Insured's liability for costs legally charged to it by any local government body or authority, or any other entity for cleaning the Accident scene as a result of Loss or Damage covered under Section 1.

Electric / Hybrid / Hydrogen Vehicle Liability Cover

If the Insured Vehicle is electric, hybrid, or hydrogen We will indemnify the Insured's liability for Accidental Damage to third party property directly arising out of and caused by Loss or Damage:

- power surges from the Insured Vehicle to any charging unit;
- faults in charging equipment that is used to charge the Insured Vehicle;
- faults in the refilling process of hydrogen for the Insured Vehicle; or
- battery fire or explosion from the Insured Vehicle.

Movement Of Other Vehicles

We will indemnify the Insured's liability arising directly from the movement of any third party Vehicle by the Insured or Authorised Driver occurring in New Zealand during the Period of Insurance that directly results in:

- Accidental Bodily Injury or Accidental death to any person, or
- Accidental Loss or Damage to any property and which:
 - is parked in a location which prevents or impedes the loading or unloading of the Insured Vehicle, or
 - prevents or impedes the passing of the Insured Vehicle.

Punitive Or Exemplary Damages

We will indemnify the Insured's liability for Punitive or Exemplary Damages arising directly from the use of any Insured Vehicle by the Insured or an Authorised Driver in New Zealand during the Period of Insurance that directly results in:

- Accidental Bodily Injury or Accidental death, or
- Accidental Loss or Damage to any property.

However, there is no indemnity under this extension where the liability arises from or in connection with any dishonest, fraudulent or malicious act or omission by the Insured, an Authorised Driver or anyone acting on behalf of the Insured. There is no cover for Punitive or Exemplary Damages or fines that are not indemnifiable by law.

The most We will pay under this extension:

- for any one Event is the amount shown in the Schedule, and
- in total for all claims during the Period of Insurance is the amount shown in the Schedule.

Reparations

We will indemnify the Insured's liability for Reparations payable by it under Section 32 of the Sentencing Act 2002 to a person as a result of the Insured committing an offence during the Period of Insurance directly arising out of the Insured's use of an Insured Vehicle in New Zealand.

Subject to:

- You or the Authorised Driver notifying Us immediately of being charged with any offence in connection with the use of an Insured Vehicle that resulted in the Accidental Loss or Damage, Accidental death or Accidental Bodily Injury, and,
- We must give prior written consent before any offer of reparation is made.

There is no cover under this Extension for any amounts that would be payable under the Accident Compensation Act 2001 or any amendments to the same ("the Act"), or would be covered but for:

- a failure by the victim to notify a claim to the Accident Compensation Corporation within the time required under the Act;
- the victim's decision, for whatever reason, not to claim any amount they would be entitled to under the Act;
- a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Substitute Vehicles

If the Insured or Authorised Driver hires, rents or borrows a Substitute Vehicle during the Period of Insurance, subject to the Insured declining the Substitute Vehicle owner's statutory offer of insurance, this extension covers the Insured's liability:

- to the Vehicle owner for any Damage up to the limit specified in the Schedule; and
- to third parties as provided under Section 2; and
- for consequential loss caused by it arising out of Accidental Loss or Damage to the Substitute Vehicle up to the limit specified under the Sublimits and Excesses clause.

This cover does not apply where the Vehicle is a Rental Vehicle.

Vibration or Weight

Notwithstanding the Vibration or Weight exclusion, this Policy is extended to cover liability for Loss or Damage to any property or Bodily Injury arising from:

- vibration caused by the Insured Vehicle or its load, or
- the weight of the load or the weight of the Insured Vehicle, or
- the combined weight of the Insured Vehicle and its load.

There is no cover where the weight of the Insured Vehicle and/or its load, or in combination, exceeds the recommended manufacturer's weight limits for the Insured Vehicle.

SECTION 2: OPTIONAL EXTENSIONS

These optional extensions only apply where specified in the Schedule for that Insured Vehicle and where there is a claim accepted by Us for Loss or Damage under Section 2.

Any limit specified in the extension or the Limits and Excesses section of this Policy is in addition to the Basis of Settlement but will not exceed the maximum liability under Section 2.

The most We will pay under any extension is the limit shown in the Limits and Excesses section in the Schedule subject to any applicable Excess.

Property In Transit – Third Party Property

We will pay for any Loss or Damage directly arising from an Accident that are physical property:

- owned by a third party, and
- being carried in an Insured Vehicle under a delivery agreement between You and that third party at the time of the Loss or Damage.

This extension does not cover the personal property and effects of the driver.

Hired And Rented Vehicles

If the Insured or Authorised Driver hires or rents a Rental Vehicle during the Period of Insurance from a third party, subject to the Insured declining the Rental Vehicle owner's statutory offer of insurance, this extension covers:

- liability to the Rental Vehicle owner for any damage up to the limit specified in the Schedule; and
- liability to third parties as covered under Section 2; and
- consequential loss caused by Accidental Loss or Damage to a Rental Vehicle.

This is in excess of the Substitute Vehicle extension.

Principal's Indemnity

We will indemnify the Insured's vicarious liability for any construction works project:

- where the liability arises in connection with the use by the Insured or Authorised Driver of an Insured Vehicle on that project where there is a supply contract between the Insured and that third party, and
- the liability of the Insured or Authorised Driver of an Insured Vehicle for Accidental Loss or Damage to property or Accidental Bodily Injury or Accidental death by that third party.

SECTION 2: EXCLUSIONS

The following exclusions apply to Section 2: Cover for Third Party Liability, Section 2: Automatic Extensions and Section 2: Optional Extensions (if applicable).

Airside Liability

This Policy does not insure liability arising out of the ownership or operation of any Insured Vehicle within the restricted area of any airport.

Contractual Liability

This Policy does not cover liability arising out of a contract or agreement unless the Insured would have been liable at common law in New Zealand, in absence of the contract or agreement.

Criminal Offences

This Policy does not cover any legal defence costs, fines or court costs arising from the prosecution of any Criminal offence under any Act or Regulation or rules or by-laws made by an Act of Parliament.

Drivers

This Policy does not cover any liability for:

- death or Bodily Injury to, or
- Loss or Damage to any property owned by, any driver who has made a claim under Section 2 of the Policy.

Punitive Or Exemplary Damages

This Policy does not cover Your liability for Punitive or Exemplary Damages or fines.

Liability Determined By A Court Outside New Zealand

This Policy does not cover liability determined by any Court or tribunal outside New Zealand.

Operation Of Plant Or Machinery

This Policy does not cover any liability caused directly or indirectly while any Insured Vehicle or component of any Insured Vehicle is being used or operated as plant or machinery and not operating solely as a Vehicle.

Property Owned, In Care, Custody Or Control

This Policy does not insure liability for personal property owned by or in the care, custody or control of You or Authorised Driver or employee, other than cover provided under Authorised Drivers Personal Effects.

Vibration Or Weight

This Policy does not insure liability for Loss or Damage to any property or Bodily Injury arising from:

- vibration caused by the Insured Vehicle or its load, or
- the weight of the load or the weight of the Insured Vehicle, or
- the combined weight of the Insured Vehicle and its load.

There is no cover where the weight of the Insured Vehicle and/or its load, or in combination, exceeds the recommended manufacturer's weight limits for the Insured Vehicle.

SECTIONS 1 AND 2: AUTOMATIC EXTENSIONS

The following extensions apply in addition to cover for a claim that is accepted by Us under Sections 1 and 2 of this Policy.

Any limit specified in the extension or the Sublimit section of this Policy is in addition to the Basis of Settlement but will not exceed the maximum liability under Section 1 or Section 2.

The most We will pay under any extension is the limit shown in the Sublimits and Excesses section in the Schedule subject to any applicable Excess.

Additions And Deletions

Additions

Any Vehicle purchased or leased by the Insured during the current Period of Insurance is treated as an Insured Vehicle under this Policy from the date of purchase or start of the lease.

The maximum amount We will pay during any Period of Insurance/for any one Event for all vehicles purchased or leased during the current Period of Insurance under 'Section 1: Basis of Settlement' is the amount shown in the Schedule.

Any Insured Vehicle above the limit shown on the Schedule will be covered from the date covered from the date cover has been agreed by Us in writing.

Deletions

For any Insured Vehicle sold or lease ended during the Period of Insurance, cover stops under this Policy for that Insured Vehicle from the date of sale or end of lease.

The premium adjustment, if any, will be pro-rated annual premium of any added or deleted Insured Vehicle.

Autonomous vehicles

This Policy indemnifies the Insured for Loss or Damage or legal liability that arises when the Insured is using an Insured Vehicle that has autonomous features or aids installed by the manufacturer of that Vehicle, provided that You are following all manufacturer's and government or other regulatory body's guidelines and requirements.

Invalidation

This Policy indemnifies the Insured for Loss or Damage or legal liability, that arises when an Insured Vehicle is used by an Authorised Driver, but not the Insured, where the following exclusions apply:

- alcohol, drugs and other intoxicating substances
- excessive loads
- intentional, deliberate or reckless acts
- unlicensed drivers
- unsafe vehicles and unsafe use; and/or
- worktime rules

provided that:

- the driving or the use of the Insured Vehicle in those excluded circumstances was without the knowledge of the Insured
- where one of those exclusions applies due to the driving or acts of the Authorised Driver, but not the Insured, and
- the Insured has not waived any right of recovery against the Authorised Driver, and
- the Insured cooperates fully with Us and the police in any recovery action from the Authorised Driver.

There is no cover for the Authorised Driver or the person responsible under this extension.

For the purposes of this extension, the knowledge of the Insured is extended to include any person employed by the Insured with the authority to control the conduct of the Authorised Drivers of the Insured Vehicle.

This extension does not apply to the Employee Vehicle extension.

SECTIONS 1 AND 2: OPTIONAL EXTENSIONS

These Extensions are optional and only apply when stated in the Schedule.

Any limit specified in the extension or the Sublimit section of this Policy is in addition to the Basis of Settlement but will not exceed the maximum liability under Section 1 or Section 2.

The most We will pay under any extension is the limit shown in the Sublimits and Excesses section in the Schedule subject to any applicable Excess.

Difference In Excess

If during the Period of Insurance for any Rental Vehicle, Substitute Vehicle, hire or loan Vehicle in New Zealand subject to a written agreement; and You have accepted the Vehicle owner's offer of insurance, if there is Accidental Loss or Damage or liability giving rise to a claim which would have been covered by this Policy to an Insured Vehicle, Substitute Vehicle or Rental Vehicle; and You are responsible for paying any Excess under the

Vehicle owner's insurance Policy, We will pay the difference in the Excess or the cost of repair of the damage, whichever is the lesser, up to the amount shown on the Schedule.

If any Excess payable under that Policy is recovered from an at fault third party or its insurers or from the Vehicle owner, You must reimburse Us the excess.

Employees' Vehicles

Section 1 is extended to cover vehicles owned by Your employees, provided that:

- the Vehicle is used, at the time of the Accident or theft or conversion, for the Insured's Business;
- the employee has personal motor Vehicle insurance insuring the Vehicle that excludes any work-related use;
- the employee complies with the terms and conditions of this Policy; and
- the employee or Insured does not regularly use the Vehicle in the course of the Insured's Business

Rental Vehicles

Subject to You declining the Rental Vehicle owner's statutory offer of insurance, We will indemnify Your legal liability in New Zealand for Accidental Loss or Damage to any Rental Vehicle hired or loaned by You during the Period of Insurance in respect of:

- Accidental Bodily Injury or Accidental death,
- Accidental Loss or Damage to any property, or
- consequential loss to the Rental Vehicle owner caused by an Accidental Loss or Damage,

caused by or through connection with use of any Rental Vehicle being driven by the Insured or Authorised driver.

This cover does not apply where the Vehicle is a Substitute Vehicle.

SECTIONS 1 AND 2: EXCLUSIONS

These exclusions apply to all parts and extensions of this Policy.

Accident Compensation Act

This Policy does not insure:

- liability for Bodily Injury that is covered by the Accident Compensation Act 2001 or any amendments ("the Act"), or
- liability for Bodily Injury payable as reparation for any amounts that are covered by the Act, or any amounts that would be covered but for:
 - a failure by the injured person to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
 - the injured person's decision not to claim any amount they would be entitled to claim under the Act,
 - a decision by the Accident Compensation Corporation to decline a claim or limit its liability for any reason whatsoever.

Alcohol, Drugs, And Other Intoxicating Substances

This Policy does not cover any person using the Insured Vehicle or any Vehicle covered by this Policy who, at the time of the Event:

- was under the influence of alcohol, drugs or any other intoxicating substance;
- had a blood or breath alcohol level or drug level is more than the legal limit;
- who, after the Event, refuses to stop for police, or fails or refuses to take any tests to confirm alcohol or drug content when lawfully required to do so;

- fails to provide Us with the information to confirm their breath alcohol level or drug level at the time of the Event.

Confiscation

There is no cover under this Policy for any Loss or Damage, or liability connected in any way with confiscation, destruction, acquisition, designation, or decision by government or local authorities.

Excessive Loads

This Policy does not cover Loss or Damage or liability for any Insured Vehicle, plant or machinery that is:

- loaded or operated in excess to the manufacturer's recommended specifications, or
- illegally loaded or operated.

Hire Liability Charges

We will not cover any charges or costs payable by an Insured party, how so ever arising, to a credit hire or hire reimbursement company or liability for payment to a credit hire or hire reimbursement company, or for any liability for loss of use costs or reimbursements or substitute vehicles to any third party.

Intentional, Deliberate Or Reckless Acts

This Policy does not cover Loss or Damage, or liability arising from any intentional, deliberate or reckless acts or omissions by the Insured or an Authorised Driver.

Modifications

This Policy does not cover Loss or Damage to, or as a result of any Modifications unless such Modifications have been advised by You to Us and noted on the Schedule.

Motor Insurance Cyber

This Policy does not cover any Loss, theft, Damage, impairment, disablement or loss of use of a vehicle, or any legal liability arising from death, bodily injury or third party property damage, caused by:

- the use of, or failure of, any application, software, or programme in connection with Your vehicle, including driver assistance, safety, security, infotainment or software updates whether authorised or unauthorised;
- the use of, or failure of, any electronic device connected to Your vehicle (for example smartphones, tablets or smartwatches used for navigation, infotainment or any other purpose);
- any computer virus, ransomware, code or software;
- theft of, loss of access to, or damage to, any telematic device or any electronic data (for example files, music or images) wherever it is stored;
- any threat, deception or hoax relating to any of the above.

Radioactive Contamination And Explosive Nuclear Assemblies

This Policy does not cover:

- Loss or destruction of or damage to any property whatsoever or any Loss or expense whatsoever resulting or arising therefrom or any consequential loss
- Any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Sanctions

This Policy does not cover any Loss for which We would:

- be required to provide any cover; or
- be liable to pay any claim or provide any benefit,

under this Policy, to the extent that doing so would expose Us or the Underwriters to any legally enforceable sanction, prohibition, restriction, measure, ban or imposition under the laws or regulations of New Zealand, Australia, the United Kingdom, the European Union, the United States of America and/or the United Nations Resolutions.

Terrorism Exclusion

Notwithstanding any provision to the contrary within this Policy or an endorsement it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or Event contributing concurrently or in any other sequence to the loss. For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear. This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism. If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured. In the Event that any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Unlicensed Drivers

Notwithstanding the Invalidation extension clause, this Policy does not cover Loss or Damage or liability when any Insured Vehicle is being used by a person who does not hold a valid New Zealand driver's licence appropriate for the class or operation of the Insured Vehicle and the Insured Vehicle's components and/or is not complying with the conditions of the license.

Unsafe Vehicles And Unsafe Use

Notwithstanding the Invalidation extension clause, this Policy does not cover Loss or Damage or liability if the Insured Vehicle is being used in an unsafe or unroadworthy condition including, but not limited to where the Vehicle is used on a race track, or for pace making, reliability trials, hill climbs or speed tests, or while being used in preparation for any one of these activities.

War Exclusion

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Work Time Rules

Notwithstanding the Invalidation extension clause this Policy does not cover Loss or Damage or liability to any Insured Vehicle where it is being used in breach of any work time or logbook rules or regulations.

SECTION 1 AND 2: CONDITIONS

Alteration of Risk The Insured must notify Us in writing as soon as practicable of any material alteration to the risk covered by this Policy that occurs during the Period of Insurance. This includes:

- Modifications to an Insured Vehicle, or
- change in the use of an Insured Vehicle, or
- material changes that might alter or increase the chance of a claim under this Policy or where We would have made different decisions about either:
 - accepting Your insurance, or
 - deciding the terms of Your insurance, if We had known that information.

The information relates to the Insured Vehicle, its use and the Insured or Authorised Driver.

Breach of any Condition

If the Insured, or Authorised Driver or anyone acting on the Insured's behalf, breaches any conditions of this Policy, We may:

- decline the claim either in whole or in part, and/or
- declare either this Policy or all insurance the Insured has with Us to be unenforceable.

Plant and Machinery Equipment

It is a condition of this Policy for any Plant and Machinery, including but not limited to cranes, forklifts, excavators, lifting machinery/platforms, log haulers, skidders, rollers, graders, bull dozers that:

- all persons operating such vehicles must be fully trained and qualified to operate the Plant and Machinery; and
- all persons operating such vehicles must not operate the Vehicle beyond the manufacture's specifications or recommendations; and
- all persons operating such vehicles comply with all Health and Safety In Employment (Pressure Equipment, Cranes, And Passenger Ropeways) Regulations 1999 or any subsequent amendment.

Reasonable Care

Anyone using an Insured Vehicle, must take reasonable care at all times to avoid circumstances that could result in Loss or Damage, Bodily Injury, Loss or Damage to Property or a claim.

Vehicle Values

All values of Insured Vehicles stated in the Vehicle Schedule or Declaration must represent, as nearly as possible, their Market Value and are exclusive of GST. If an Insured Vehicle is Insured on the basis of an Agreed Value, a written valuation may be requested by Us or Underwriters.

GST

All amounts referred to in this Policy, and Your Schedule are exclusive of any Goods and Services Tax (GST). We will pay all claims in New Zealand currency inclusive of GST.

POLICY CONDITIONS

How We Administer This Policy

Cancellation

You may cancel this Policy at any time with immediate effect by notifying Us in writing. If You do, We will refund any premium that is due to You based on the unused portion of the Period of Insurance. You must pay any outstanding premium due for the used portion of the Period of Insurance.

We may cancel or modify the Policy at any time by advising You (or Your broker or agent) by letter or email. Cancellation will take effect at 4pm on the 30th day after the date of Our letter or email. We will refund any premium that is due to You based on the unused portion of the Period of Insurance.

Other Insurance

This Policy does not cover Loss or Damage or business interruption loss if it is Insured to any extent under any other insurance Policy. We will only pay the amount of any Accidental Loss or Damage or consequential losses including loss of profit that is in excess of any amount recoverable under the other insurance Policy.

Interests of Other

Parties If We know of interests of other parties then We can pay them part or all of any claim proceeds. Any claim payment goes towards meeting Our obligations under the Policy to anyone who has a financial interest over an Insured Vehicle.

Laws And Acts That Govern This Policy

The law of New Zealand applies to this Policy and the New Zealand Courts have exclusive jurisdiction.

CLAIMS CONDITIONS

For any claim, or Event that may lead to a claim, the Insured and/or Authorised Driver must:

- to the best of its ability take care of the Insured Vehicle and to minimise any loss, expense or liability, and
- advise Us as soon as possible of the claim, and
- for any Loss or Damage caused through a suspected illegal act notify the authorities such as New Zealand or Fire and Emergency as soon as possible, and
- allow Us or Our agents to examine and assess the Insured Vehicle before any repairs are started, and
- give all such information, co-operation and assistance, and forward all documents and any other information as requested to enable Us to investigate, settle or resist any claim, as We may reasonably require;
- attend court in respect of any proceedings arising from the Vehicle or liability that is the subject of the claim and provide sworn statements or affidavits in such proceedings; and
- consent to the Insured's or Authorised Drivers personal information in connection with the claim being provided to Us or Our agents;
- advise Us if any Authorised Driver is charged with any offence in connection to the claim.
- obtain Our agreement before You incur any cost or expense relating to a claim, and/or
- not admit, deny, agree, or negotiate to any claim made against You or anyone else entitled to cover under this Policy, or
- not do anything that may prejudice Our rights of recovery.

Fraudulent Claims or Occurrences

If the Insured shall give any notice to Us or Our agents or make any request in respect of any claim or occurrence, knowing such notice or request to be false or fraudulent as regards amount or otherwise, this Policy shall become void and all entitlements to any indemnity under this Policy shall be forfeited. As an alternative and at Our discretion, We shall also have the ability to choose to deny a claim.

After We Pay A Claim

Subrogation

Once We have accepted any part of a claim under this Policy, We may assume the legal rights of the Insured (or any other person entitled to cover under this Policy) to pursue recovery for any loss paid under this Policy, including the Excess.

Conduct of defence

We have the sole right to act in the name of the Insured or any other person Insured under this Policy, and on their behalf to defend, negotiate or settle any liability covered under 'Section 2: Third Party Liability'.

Waiver of Subrogation (Group of Related Companies)

- Where the Insured is a parent or subsidiary in a group of related companies, We waive any right of recovery You may have against any other company which is in the same group at the time of Loss, Damage or Event giving rise to the claim.
- A 'group of related companies' means a group of companies related to one another by virtue of such ownership.

Reparation

You must tell Us of any payments received by the Insured or an Authorised Driver for Reparations for any loss or costs in respect of a claim under this Policy and they are to be paid to Us to Our sole benefit as soon as the payment is received.

Total Loss

If We pay a claim for an Insured Vehicle that We determine is a Total Loss:

- We will retain ownership of that Insured Vehicle, and
- that Insured Vehicle is no longer an Insured Vehicle under this Policy, and
- We will not refund any premium, and where the premium for the Period of Insurance is to be paid in instalments, any unpaid premium for the Period of Insurance may be deducted from any settlement.
- If the Insured Vehicle is stolen and later recovered, We will retain the ownership of that Insured Vehicle.

DEFINITIONS FOR SECTIONS 1 AND 2

Accessory

means a fitting or attachment that does not alter the performance, operation, characteristics of, or use of the Insured Vehicle. Accessories also include spare parts specific to the Insured Vehicle. Accessories must be used exclusively for the Insured Vehicle (including when temporarily removed). The value of all accessories must be included in the Sum Insured of the Insured Vehicle. Accessories do not include Vehicle wraps, signwriting or protectant films. Any items that are interchangeable between vehicles within Your fleet need to be noted as a separate item on the Vehicle Schedule. Also please refer to the Modifications clause.

Accident or Accidental

means sudden, unforeseen, unexpected, and unintended Event occurring in New Zealand during the Period of Insurance.

Agreed Value

means the amount specified on the Schedule.

Authorised Driver

means any driver operating the Insured Vehicle with the Insured's prior consent.

Bodily Injury

means sickness, disease or infection, including death resulting therefrom, and shall include disability, shock, fright, mental anguish or mental injury if arising therefrom first arising during the Period of Insurance and not a pre-existing condition.

Excess

For Section 1, means the applicable Excess shown in the Schedule that will be deducted from the amount payable in respect of each Loss or Damage caused by an Event. Where an Event occurs over a period of more than 72 consecutive hours, one Excess will be deducted for every 72 consecutive hour period.

For Section 2, You shall be liable for the Excess shown in the Schedule in respect of each Loss or Damage caused by an Event and We shall only be liable to cover You in excess of that amount. Where an Event occurs over a period of more than 72 consecutive hours, one Excess will be payable for every 72 consecutive hour period.

Event

means any occurrence or series of occurrences arising from one source or original cause within in 72-hour period.

Immediate Family

means legally related relations of Insured and Authorised Driver up to once removed, commonly known as parents, spouses, and minor children.

Insured means:

- the person(s) or entity/entities named in the Schedule;
- any subsidiary company of the entity/entities named in the Schedule (of which more than half the nominal value of whose equity share capital is owned by the named entities either directly or through other subsidiaries);
- any entity over which an Insured exercises management control; and
- any associated social or sporting club conditional on the association being evidenced by a prior written agreement with the Insured.

Insured's Business

means the business of the Insured specified in the Schedule.

Insured Vehicle means

- All vehicles specified on the Vehicle Schedule or Declaration, and
- any other Vehicle, permanently acquired by the Insured during the Period of Insurance that will be covered under 'Sections 1 and 2: Automatic Extensions – Additions and Deletions';
- any Accessories included in the Sum Insured
- For Section 1 only, it means vehicles that by operation of Section 1 is an Employee Vehicles.
- For Section 2 only, any vehicles that by operation of Section 2 is a Substitute Vehicle or a Rental Vehicle.

Loss or Damage

means physical Loss or physical Damage.

Market Value

means the sale price of the same or a comparable vehicle of similar make, model, age, mileage and condition pre-loss as the Insured Vehicle. The Market Value includes any legal Accessories or Modifications subject to the Policy and not Signwriting.

Modifications

means any change made to a Vehicle from the manufacturer's standard specifications. This includes any performance upgrades or changes, or changes to an Insured Vehicle that alters the use of that Vehicle. The value of all Modifications must be included in the Sum Insured of the Insured Vehicle.

No Fault

- means a claim paid Section 1 where You are not at fault and there is:
- theft by a third party; or
- non-impact fire damage; or
- other Loss or damage where a third party accepts liability and You provide the contact details of that third party to Us.

Period of Insurance

means the Period of Insurance cover from the inception date to the expiry date as specified on Your Policy Schedule, or if the Policy is cancelled, the date of cancellation.

Policy

means this Policy wording, the Schedule, Your proposal form and submissions and any endorsement attaching to and forming part of the Policy either at commencement or during the Period of Insurance.

Punitive or Exemplary Damages

means monetary compensation which is Punitive in nature or an Exemplary award of Damages that is ordered to be paid pursuant to a judgment, tribunal or settlement of any common law action brought, or capable of being brought, in a New Zealand court, including any compensation payable pursuant to any remedy, relief or penalty provided pursuant to any New Zealand statute, whether by way of Damages, fine, reparation or other order.

Rental Vehicle

means any Vehicle hired or loaned under the Insured's name, additional to what has been declared on the Schedule, where the owner's statutory offer of insurance was not accepted during use.

Reparations

means an amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002.

Schedule

means the most recent version of the Schedule issued for the relevant section of the Policy.

Sublimit

means the Sum Insured relating to specified extensions as shown in the Schedule. Any Sublimit shown on the Schedule is in addition to, the total Sum Insured for that Insured Vehicle shown on the Schedule unless noted as otherwise on the Schedule.

Substitute Vehicle

means any Vehicle hired or loaned under the Insured's name, as a substitute for an Insured Vehicle that is temporarily not in use, where the owner's statutory offer of insurance was not accepted during use. The Vehicle must be of similar make, model, and specification and capable of carrying out similar functions as the Insured Vehicle.

Sum Insured

means the sum stated in the Vehicle Schedule, subject to the Insured's entitlement to sub-limits in addition under specified extensions, and representing Our aggregate liability under the Policy.

Total Loss

means an actual Total Loss, or if We determine the Insured Vehicle is uneconomic to repair.

Vehicle

means any type of machine on wheels, tracks or rollers designed to be used on land (but excluding rails or designed to be operated on rails) where its own power is the source of drive, and anything designed to be towed by such a machine.

Vehicle Schedule or Declaration

means the list of Insured Vehicles stating their values where applicable provided to Us by the Insured at the inception, renewal or endorsement to this Policy.

We / Us / Our

means Delta Insurance New Zealand Limited for and on behalf of Certain Underwriters at Lloyd's as noted in the Schedule.

You / Your

means the Insured.