

TOWER Cover4Car Policy

Welcome

We welcome **you** as a valued client of TOWER Insurance. **You** have entrusted **us** with the insurance of **your vehicle**. **We** value that trust.

This policy consists of this wording, proposal and declaration and **certificate of insurance** completed on the basis of information which **you** have provided to **us**.

Please read this wording and the **certificate of insurance**. If there is an error of any sort, if **your** needs are not met or if **you** are in doubt then please call **us** on **0800 808 808**.

The extra cover provided under the special benefits and optional special benefits for each section is also subject to the general conditions, exclusions, obligations and limits of this policy.

In this policy some words are in bold, eg **you**. This may indicate that the words have a special meaning. To find out the meaning, please refer to the Section – *Meanings of words* on page 6.

Our guarantee

If **you** are not completely happy with **your** policy, please tell **us** within 30 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** can as long as **you** have not made any claims. **We** will then refund any premium **you** have paid and **we** will both regard this policy as never commencing.

Underwritten by TOWER Insurance Limited

What you must tell us

We would like to point out some of the important obligations **you** have.

The correctness of all statements made in relation to this policy or any claim under this policy is essential before **we** have any liability under this policy or pay **your** claim. It is important **we** receive all relevant information. This means that **we** need **you** to tell **us** everything **you** know, or could reasonably be expected to know, that may influence **our** decision to insure **you**. If any circumstances change or may change during the time **we** provide **your** insurance it is important **you** tell **us**. This applies at inception and renewal of **your** policy and also during the term of **your** policy.

Examples of a change in circumstances or any other information may include:

- any **modifications** or changes to **your vehicle** that are different from the manufacturer's standard specifications;
- if anyone becomes a new regular driver of **your vehicle**;
- if **you** or any person who may drive **your vehicle** commits, is charged with, or convicted of, any criminal offence or traffic offence, other than parking infringements.

These examples are a guide only. If **you** are in any doubt **you** should disclose information, whether or not **we** have asked questions that relate to it. If **we** are not told **we** have the option to decline any claim, or avoid this policy from the date of change.

Some of your other important obligations

You or the person in charge of **your vehicle** must:

- allow **us** to complete all necessary documents and authorities in respect of any claims under this policy as **your** authorised agent;
- allow **us** to inspect the damaged **vehicle** and deal with any salvage in a reasonable manner. No property may be abandoned to **us**;
- allow **us** to take over for **our** own benefit and settle any legal right of recovery **you** may have and **you** must co-operate fully in any recovery action;
- comply with all **our** requests relating to **your** claim including providing all co-operation, information and assistance;
- ensure that **your vehicle** is securely locked when unattended;
- establish that **you** have complied with all of **your** obligations under this policy and that none of the exclusions apply;
- inform the Police if it appears that there has been arson, theft, burglary or malicious damage;
- not cause or facilitate loss or damage to any property covered by this policy or incur liability by any unreasonable, reckless or wilful act or omission;
- not discuss a claim made on **you** by another person with them. Instead, refer them to **us**;
- not make a claim that is false or fraudulent in any way or make any false or incorrect statement in connection with any claim;
- not start repairs to **your vehicle** without **our** prior approval;
- provide **us** immediately with full particulars of any claim made against **you** by another person and all legal documents served on **you** and allow **us** to instruct a solicitor of **our** choice to conduct **your** defence. **You** must follow the recommendations of that solicitor as to the conduct or continuation of **your** defence. That solicitor shall be entitled to confer with **us** when necessary as to the details of the case and the conduct or continuation of **your** defence;
- take all steps which **we** consider reasonable to prevent further loss or damage;
- take reasonable care to protect **your vehicle**;
- tell **us** if any lost or stolen property which was part of the claim is found or recovered and hand it over to **us** or at **our** option refund any money paid by **us** if **we** request it;
- tell **us** if any person is ordered to make reparation to **you** for any loss or cost which was part of the claim and reimburse **us** for that payment as soon as **you** receive any reparation.

Otherwise **we** can decline **your** claim and/or recover any payment already made.

Contents of this policy wording

What your vehicle is insured for	3	Liability protection	4
What special benefits you are covered for	3	What special benefits you are covered for under liability protection	4
Choice of repairer	3	Bodily injury	4
Completion of journey.....	3	Legal expenses	4
Fatal Injury	3	Marine 'general average'	4
Medical expenses.....	3	What you are not insured for	4
Natural disaster damage.....	3	How to make a claim	5
New vehicle	3	How we will look after your claim	5
No claims and no blame bonus	3	How we will settle your claim	5
No claims bonus protection.....	3	What your vehicle will be used for	6
One event – one excess	3	Modifications to your vehicle	6
Repair guarantee	3	Replacement parts	6
Replacement vehicle.....	3	Cancelling this policy	6
Road clearing costs.....	3	Making changes to this policy	6
Salvage and storage costs	3	Other insurance	6
Insured value	3	Automatic reinstatement	6
Optional special benefits	4	Jurisdiction	6
No excess	4	Currency and taxes	6
Road Wise.....	4	Meanings of words	6
Under 25 year old driver exclusion.....	4	If you have a concern	7
Windscreen and window glass	4		

What your vehicle is insured for

Sudden and unforeseen accidental physical loss or damage, unless excluded by this policy.

What special benefits you are covered for

Choice of repairer

If **your vehicle** suffers loss or damage for which a claim is accepted (other than windscreen or window glass or sunroof) and **we** choose to repair **your vehicle**, **you** can nominate a repairer of **your** choice to complete the repairs.

Completion of journey

We will pay up to \$500 towards **your** reasonable costs of accommodation and/or travel to complete **your** journey or return home following an accident to **your vehicle** or where **your vehicle** is stolen for which a claim is accepted. In addition, **we** will pay to return **your vehicle** home after it has been repaired or recovered.

Fatal injury

If **you** or **your** husband or wife or de facto partner (provided **you** have been living together in the de facto relationship continually for at least three years) die as a result of injury following an accident to **your vehicle** for which a claim is accepted **we** will pay the deceased(s) estate \$10,000. **We** will not pay more than \$10,000 during any one **period of insurance**. If more than one person is entitled to this benefit, this benefit will be applied proportionally between them.

Medical expenses

If **you** suffer injury following an accident to **your vehicle** for which a claim is accepted **we** will pay **your** medical or dental costs up to \$600 provided **you** have been unable to recover any of those costs from any other party.

Natural disaster damage

This section is extended to include loss or damage to **your vehicle** caused by **natural disaster damage**.

New vehicle

If **your vehicle** becomes a total loss within a year of its original registration from new and **we** have accepted **your** claim, **we** will replace **your vehicle** with a new vehicle of the same make and model, subject to current local availability.

No claims and no blame bonus

If **you** have not had any claims with **us** or with **your** previous insurer for the last year **you** will receive a No Claims Bonus.

In addition, **we** will not penalise **your** No Claims Bonus at renewal of **your** policy or impose **your excess** if **you** have been involved in an accident during the **period of insurance**, and:

- **you** have identified the party at fault (ie name, address, phone number, make, model, registered number of that other party's vehicle); and
- it is proven that the other party was more than 50% at fault.

Otherwise **your** No Claims Bonus will be reduced at the renewal following the claim. However, **we** will reinstate **your** No Claims Bonus again at the next renewal if no further claims are made.

No claims bonus protection

Should **you** have a claim **we** will maintain **your** No Claims Bonus following that claim, provided **you**:

- have held comprehensive motor vehicle insurance with a full No Claims Bonus with **us** for a continuous period of two years or more immediately prior to **your** claim; and
- have had no claims during this period where **your** No Claims Bonus would have been lost but for this benefit.

One event – one excess

If **your vehicle** suffers loss or damage for which a claim is accepted and at the same time **we** accept a claim as a result of the same event for loss or damage to **your** house or **your** contents that are also insured by **us**, **we** will only deduct one **excess** or excess refund and that will be the highest **excess** or excess refund applicable.

Repair guarantee

We provide **you** with a lifetime guarantee on any repairs to **your vehicle** carried out by **our** recommended panel beaters resulting from a claim which is accepted.

Replacement vehicle

If **you** replace **your vehicle**, **we** will automatically hold the replacement vehicle covered subject to the terms and conditions of this policy, for 30 days from the date of replacement.

If **you** purchase an additional vehicle, **we** will automatically hold the additional vehicle covered subject to the terms and conditions of this policy, for 30 days from the date of purchase.

Road clearing costs

We will pay up to \$1,000 for the reasonable costs of removing debris from any road or parking area for which **you** are legally liable following an accident to **your vehicle** for which a claim is accepted.

Salvage and storage costs

If **your vehicle** is unable to be driven and **we** have accepted **your** claim, **we** will pay for the reasonable cost of removing it to the nearest repairer or place of safety.

We will also pay for the reasonable costs for the temporary storage of **your vehicle** once **we** have accepted **your** claim.

Insured value

We will insure **your vehicle** at a value agreed between **you** and **us**. In the event of a claim, if **your vehicle** is a total loss, **we** will pay the **insured value** or **market value** whichever is less.

Optional special benefits

No Excess

If **you** have selected this benefit and **your vehicle** is being driven by any driver aged 25 or over or is stolen **we** will not deduct any **excess** in the event of a claim.

RoadWise

If **you** have selected this benefit **you** have access to the RoadWise Programme of roadside assistance. This Programme does not form part of this policy and its terms and conditions are contained in a separate document – RoadWise Programme.

Under 25 year old driver exclusion

If **you** have selected this benefit **you** will receive a discount off **your** premium as **you** have agreed that there is no cover on **your vehicle** while it is being driven by or under the care or control of anyone under 25 years of age.

Windscreen and window glass

If **you** have selected this benefit and if **your vehicle** suffers accidental breakage of its windscreen, window glass or sunroof **we** will pay for their repair or replacement. **We** will not deduct any **excess** and **you** will not lose **your** No Claims Bonus. This benefit does not extend to lights, indicators, their covers or mirrors.

Liability protection

We will cover **you** for up to \$25,000,000 for **your** legal liability for claims made on **you** for property damage as a result of accidents in New Zealand involving **your vehicle**, or any trailer or caravan attached to **your vehicle** (provided the trailer or caravan is not otherwise insured), or any vehicle not owned by **you** that **you** are using with the owner's permission.

We will only pay for claims made during the **period of insurance** relating to accidents which happen during the **period of insurance**.

We will also cover any other person using **your vehicle** with **your** permission provided that person:

- was not insured under another policy;
- has not been refused vehicle insurance in the last five years;
- has not had a policy cancelled or claim declined by any insurance company in the last five years.

If **you** have liability cover with **us** under any other policy **our** maximum combined liability under all policies is \$25,000,000.

What special benefits you are covered for under liability protection

Bodily injury

Liability protection is extended to cover **your** liability for up to \$100,000 arising from **bodily injury**.

Legal expenses

If **you** are charged with manslaughter or dangerous driving causing death arising out of an accident to **your vehicle** for which a claim is accepted **we** will pay **your** legal costs of defence up to \$1,200.

Marine 'general average'

Liability protection is extended to cover any costs which **you** may become legally liable to pay as a result of deliberate loss or damage incurred in time of danger to prevent the loss of a ship and/or cargo while **your vehicle** is being carried by that ship between ports in New Zealand.

What you are not insured for

General exclusions

The **excess**

Any loss, damage or liability while **your vehicle** is:

- being driven by or in the charge of any person who:
 - > does not have a licence which is in full force and effect to drive **your vehicle** at the time and place of the accident;
 - > following an event resulting in a claim under the policy fails or refuses to permit a specimen of blood or breath test to be taken after having been lawfully required to do so;
 - > has a proportion of alcohol in his or her blood or breath which exceeds the legal limit prescribed;
 - > is convicted of any alcohol or drug related offence arising out of the circumstances resulting in any claim under this policy;
 - > is not complying with the conditions of their licence;
 - > is under the influence of alcohol or drugs and where alcohol or drugs contribute in any way to the accident. This means **your** claim may be declined even if the driver of **your vehicle** is under the legal limit prescribed;
 - > leaves the scene of the accident when it is an offence to do so.

This exclusion does not apply to claims for loss or damage to **your vehicle** when the person who is in charge of **your vehicle** has stolen it.

- being tested for or in preparation for or engaged in racing, sprinting, drag racing, pacemaking, hill climbing, off-roading, reliability or time trials, rallying, speed tests or any form of motorsport or high speed driver training;
- being used otherwise than that described in the Section of this policy – 'What **your vehicle** will be used for', or not being used for the purpose it was designed or not as a vehicle as defined in the Transport Act 1962 or any amendments;
- in an unsafe or unroadworthy condition;
- on hire;
- outside New Zealand.

Any loss, damage or liability arising from, or claim for:

- aggravated, punitive or exemplary damages, fines and/or other penalties or reparation orders;
- any time or date device or any item of which it forms a part (including the **vehicle** itself), arising from its failure to recognise any date, character or value as the correct date, character or value (eg Year 2000). However, **we** will pay for any loss or damage which it causes to any other item;

- any unreasonable, criminal, reckless or wilful act or omission by **you** or by anyone in charge of **your vehicle**. This exclusion does not apply to any person who is in charge of **your vehicle** after stealing it
- confiscation, nationalisation or requisition by an order of Government, Local Authority, the Courts or any public authority unless it is to prevent loss or damage covered by this policy;
- geothermal activity;
- loss of use of **your vehicle**, depreciation, wear and tear, action of sunlight or existing defects;
- nuclear weapons material or ionising radiation or contamination by radio-activity from any nuclear waste or from the combustion of nuclear fuel, including any self-sustaining process of nuclear fission or fusion;
- personal injury as defined in and/or for which cover is provided under the Injury Prevention, Rehabilitation and Compensation Act 2001, or any amendments or any Act passed in substitution;
- **vehicle** keys, **vehicle** remote, **vehicle** entry card or **vehicle** key codes which have been lost, stolen or illegally duplicated.

Any loss or damage to:

- any **accessory** or set of **accessories** that are not standard with the vehicle when new if their total value is over \$1,000;
- or failure or breakage of the engine, transmission, mechanical, electrical or computer systems unless it occurs as a result of other damage to **your vehicle** for which a claim is payable;
- tyres, unless malicious or the damage occurs at the same time as other damage to **your vehicle** for which a claim is payable.

Liability for:

- **bodily injury** to **you** or any person who is in charge of **your vehicle**;
- loss of or damage to property belonging to or under the care, custody or control of **you** or **your** driver or being conveyed in or loaded or unloaded from **your vehicle**. However, this exclusion does not apply to any disabled vehicle being towed by **your vehicle** for no financial gain or reward;
- loss or damage if **you** or **your** driver have agreed with any party to accept responsibility for any loss or damage for which the law would not otherwise hold **you** or **your** driver responsible.

Loss, damage or liability arising directly or indirectly from or occasioned by or through or in consequence directly or indirectly of or claim for:

- war, invasion, act of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation or nationalisation or requisition or destruction

of or damage to property by or under the order of any government or public local authority, or any act of any person or persons acting on behalf of or in connection with any organisation the objective of which includes the overthrowing or influencing of any de jure or de facto government by terrorism or by any violent means.

How to make a claim

It is important that **you** tell **us** immediately **you** become aware of any circumstances which may result in a claim.

You may be asked to complete a claim form. If **you** are, **we** must receive the completed claim form within 30 days.

You can call **us** on **0800 808 808**.

How we will look after your claim

Once **we** receive advice of **your** claim **we**:

- may appoint an assessor to look after **your** claim;
- may ask **you** to fill in a claim form;
- will acknowledge that **we** have received **your** claim and ask **you** for any further information or assistance **we** may require to enable **us** to consider **your** claim.

How we will settle your claim

We will arrange for the repair, replacement or pay for the loss, once **your** claim has been accepted.

We may choose to repair the damage or pay the amount of the loss up to:

- an amount equal to the reasonable cost of repairs as assessed by **us**; or
- the **market value** of **your vehicle**; or
- the **insured value** shown in the **certificate of insurance** whichever is less.

If **you** pay **your** premium by instalments and **your vehicle** is a total loss **you** must pay the rest of the annual premium before **we** settle **your** claim. However, if **you** insure **your** replacement vehicle with **us**, **we** will credit the rest of the annual premium to **your** new policy.

We may make payment to an interested party (finance company, etc) if **you** have one registered on **your vehicle**. Their receipt will discharge **us** completely.

We will also pay for all costs and expenses incurred by **you** with **our** approval in defending claims under liability protection plus any costs and expenses awarded against **you**.

What your vehicle will be used for

We will insure **your vehicle** only while 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 collection, insurance assessing, motor-driving instruction for reward, carriage of goods or samples in connection with any trade or business, hire, carriage of fare-paying passengers or a stock and station agency. However, this exclusion does not apply to any **vehicle** which is shown in the **certificate of insurance** as being covered for business use and for which we have received the appropriate business use premium.

Modifications to your vehicle

Unless shown in the **certificate of insurance** 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 BioGas will not be a breach of this policy as long as the conversion complies with the appropriate New Zealand Standard and has a current Certificate of Fitness.

Replacement parts

We will pay for any part or **accessory** not currently available in New Zealand up to the last known price list in New Zealand, when the part or **accessory** was available, or for the part's or **accessory's** closest New Zealand equivalent whichever is the lesser.

Your vehicle is not covered for:

- freight and other costs to import parts or **accessories** from outside New Zealand;
- any costs due to the inability to match existing paint;
- costs to replace any part or **accessory** that has not suffered accidental physical loss or damage.

Cancelling this policy

You may cancel this policy at any time by writing to **us**. **We** will refund 80% of **your** unused premium.

We may cancel this policy at any time by writing to **your** postal address for this policy on **our** records. The letter will provide at least 14 days' notice. **We** will refund **your** unused premium.

Your policy is automatically cancelled following settlement of a claim for a total loss of **your vehicle** and no refund of premium is given. However, **you** may apply to **us** to insure **your** replacement vehicle.

If **you** make a claim that is false or fraudulent in any way or make any false statement to **us**, **we** may avoid this policy or cancel it effective immediately.

Making changes to this policy

You can have this policy altered at any time as long as **we** agree in writing to such alteration before it takes effect. **We** can alter the terms of this policy by writing to **your** postal address for this policy on **our** records and the change will take effect 14 days after the date of that letter from **us**.

Other insurance

We will only pay over and above the cover provided by any other policy.

Automatic reinstatement

In the case of partial loss or damage to **your vehicle** **we** will pay the premium to reinstate **your** insurance after **we** meet any claim.

Jurisdiction

The laws of New Zealand apply to this policy. The New Zealand Courts have exclusive jurisdiction in relation to legal proceedings about this policy.

Any judgement for costs or damages awarded by any court outside New Zealand, or any judgement or order obtained in New Zealand for the enforcement of a judgement obtained outside New Zealand is not covered.

Currency and taxes

All sums insured and policy limits are expressed in New Zealand currency and include Goods and Services Tax (GST) and all other taxes. All claims will be paid in New Zealand currency.

Meanings of words

'**Accessory, accessory's** or **accessories**' means an automotive part installed in or on **your vehicle** which is not supplied or fitted by the manufacturer of **your vehicle** as standard equipment for **your** make and model of **vehicle**.

'**Bodily injury**' means bodily injury (including death), illness, disability, disease, shock, fright, mental anguish or mental injury.

'**Certificate of insurance**' means the certificate of insurance first issued to **you** or the current renewal certificate whichever applies and any endorsement certificates that have been added during the **period of insurance**.

'**Insured value**' means the value your vehicle that we have agreed to at the time of insuring your vehicle or at renewal and is shown as the sum insured in the **Certificate of Insurance**.

'**Excess**' means the amount of any claim which **you** must bear. The excess applies to each and every event that results in a claim. Where **you** discover damage caused on multiple occasions then an excess will be applied in relation to each occasion or event that occurred. Where a special benefit or optional special benefit specifies an excess, that excess will apply over and above any other excess in **your** policy or in the **certificate of insurance**. The amounts are shown in the **certificate of insurance** and/or in this wording.

'**Market value**' means the reasonable cost at which a vehicle of the same make, model, kilometres travelled, year and condition as **your vehicle** could have been purchased on the retail market immediately prior to the loss or damage, as assessed by a valuer approved by **us**.

'**Modifications**' or '**modified**' means changes or alterations to **your vehicle** from the manufacturer's standard specifications, including but not limited to engine, sound system, steering, suspension, tyres or wheels.

'**Natural disaster damage**' means loss or damage as a direct result of earthquake, **natural landslip**, volcanic eruption, hydrothermal activity or tsunami and includes loss or damage occurring (whether accidentally or not) as a direct result of measures taken under proper authority to avoid the spreading of or to otherwise reduce the consequences of an earthquake, **natural landslip**, volcanic eruption, hydrothermal activity or tsunami. It does not include any loss or damage for which compensation is payable under any Act of Parliament other than the Earthquake Commission Act 1993.

'**Natural landslip**' means the movement (whether by way of falling, sliding, flowing or by a combination thereof) of ground-forming materials composed of natural rock, soil, artificial fill or a combination of such materials, which, before movement, formed an integral part of the ground but does not include the movement of ground due to below-ground subsidence, soil expansion, soil shrinkage, soil compaction or erosion.

'**Period of insurance**' means the period shown in the **certificate of insurance**.

'**Vehicle**' means the vehicle shown in the **certificate of insurance** including spare parts, attached equipment, **accessories**, tools and breakdown equipment supplied by the manufacturer excluding trailers and caravans.

'**We**', '**us**' or '**our**' means TOWER Insurance Limited.

'**You**' or '**your**' means the person(s) named in the **certificate of insurance** as the insured. Where **you** jointly own the vehicle, this policy insures **you** jointly.

If you have a concern

While **we** make every effort to get things right, problems may sometimes occur. **We** have in place a complaints procedure that is intended to resolve any problem quickly and fairly.

In order to avoid delay in solving a problem, please follow the steps listed below:

In the first instance call:

TOWER Insurance Service Centre
Freephone: **0800 808 808**

If the TOWER Insurance Service Centre is unable to resolve the problem, **you** may make a formal complaint to:

Manager – Complaints Investigation and Resolution
TOWER Limited
22 Fanshawe Street
PO Box 90 347
AUCKLAND
Freephone: **0800 808 808**
Facsimile: 09 369 0546

If the complaint has been through all the steps above and **you** are still dissatisfied, **you** may then ask the Insurance and Savings Ombudsman to resolve **your** concern. Please see the Ombudsman's website (www.iombudsman.org.nz) for the disputes it can consider.

Call us on
0800 808 808
or visit our website at
www.tower.co.nz