



Motor Insurance

Provider

Motor

(Thrifty Protection)

Policy

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

Provider

Motor

(Thrifti Protection)

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, e.g. **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 14.

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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. **We** must receive all relevant information. This means that **you** must tell **us** everything **you** know, or could reasonably be expected to know, that may influence **our** decision to insure **you** or pay **your** claim. If any circumstances change or may change during the time **we** provide **your** insurance **you** must tell **us**. 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 the change.

WHAT YOUR VEHICLE IS INSURED FOR

Sudden and unforeseen accidental physical loss or damage caused by fire, theft or illegal conversion, unless excluded by this policy.

WHAT SPECIAL BENEFITS YOU ARE INSURED FOR



CHOICE OF REPAIRER

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



DAMAGE BY AN UNINSURED VEHICLE

We will pay up to \$3,000 for repairs to **your vehicle** if it is damaged in an accident and **we** have accepted **your** claim if:

- **you** have identified the party at fault, i.e. 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 and their vehicle was uninsured.



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** and that will be the highest **excess** applicable.



REPLACEMENT VEHICLE

If **you** replace **your vehicle**, **we** will automatically cover the replacement vehicle, 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.



SALVAGE 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.



SECURITY ALARM

If **your vehicle** is stolen and at the time of theft it has an activated security alarm or electronic engine immobiliser, **we** will not deduct any **excess** and **you** will not lose **your** No Claims Bonus.

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.



WINDSCREEN AND WINDOWGLASS

If **you** have selected this benefit and **your vehicle** suffers accidental breakage of its windscreen, windowglass 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 \$500,000 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 vehicle not owned by **you** that **you** are using with the owner's permission.

We will only pay for claims 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 5 years;
- has not had a policy cancelled or claim declined by any insurance company in the last 5 years.

If **you** have liability cover with **us** under any other policy then **our** maximum combined liability under all policies is \$500,000.

WHAT SPECIAL BENEFITS YOU ARE INSURED FOR UNDER LIABILITY PROTECTION



BODILY INJURY

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

If **you** have this cover with **us** under any other policy then **our** maximum combined liability under all policies is \$100,000.



MARINE GENERAL AVERAGE

We will pay for 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 their blood or breath which exceeds the legal limit prescribed;
 - is convicted of any alcohol or drug related offence arising from 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 that **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 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 (e.g. 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 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 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.

Any loss or damage to:

- any **accessory** or set of **accessories** if their total value is over \$1,000 unless shown in the **certificate of insurance**;
- 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 there is 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 has 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, acts 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 of or influencing of any de jure or de facto government by terrorism or by any other 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 can call **us** on **0800 808 808**.

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

SOME OF YOUR OTHER IMPORTANT OBLIGATIONS ARE

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 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 **your vehicle** is securely locked when left unattended;

- 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.

You must establish that **you** have complied with all **your** obligations under this policy and that none of the exclusions apply.

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

HOW WE WILL LOOK AFTER YOUR CLAIM

Once we receive advice of your claim we:

- may appoint an assessor to look after **your** claim;
- 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 to pay the amount of the loss up to:

- an amount equal to the reasonable cost of repairs; or
- the **market value** of **your vehicle**; or
- the sum insured 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.

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**.

In all cases **we** will not pay more than the **market value** or the sums insured shown in the **certificate of insurance**.

WHAT YOUR VEHICLE WILL BE USED FOR

We 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 instructions for reward, carriage of goods or samples in connection with any trade or business, hire and 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.

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 contain at least 14 days' notice. **We** will refund **your** unused premium.

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

If **you** make a claim which is false or fraudulent in any way or make any false statement to **us**, **we** may avoid **your** 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**.

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 Bio Gas 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 less. **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 damage.

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 **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**.
- **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 excess in **your** policy or in the **certificate of insurance**. The amounts are shown in the **certificate of insurance** and this wording.
- **Market value** means the reasonable cost at which a vehicle of the same make, model, kilometers 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 specification, including but not limited to engine, sound system, steering, suspension, tyres and wheels.
- **Period of insurance** means the period shown in the **certificate of insurance**.

- **Vehicle** means the vehicle (including trailers and caravans provided they are not otherwise insured) shown in the **certificate of insurance** including spare parts, attached equipment, **accessories**, tools and breakdown equipment supplied by the manufacturer.
- **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 a complaints procedure in place that is intended to resolve any problem quickly and fairly.

In order to avoid delay in solving a problem to **your** satisfaction please follow the steps below:

1. In the first instance call:
TOWER Insurance Service Centre
Freephone **0800 808 808**
2. 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 New Zealand
22 Fanshawe Street
PO Box 90347 Auckland
Freephone **0800 808 808**
Facsimile (09) 369 0546
3. 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 arbitrate.



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