

Motor Policy – Third Party Plus Protection



This is your policy document.

Keep it in a safe place.

Motor Policy

– Third Party Plus Protection



TOWER

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Welcome

Thanks for choosing TOWER. You've made a smart choice by insuring your vehicle with us. We've been helping New Zealanders protect the things they value for over 140 years and look forward to doing the same for you.

The TOWER Motor Policy – Third Party Plus Protection policy consists of this wording, **your** proposal, declaration and **certificate of insurance**, completed on the basis of information **you** 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 15.

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** or the terms on which **we** 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** is charged with, convicted of, or commits 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.

We may change the terms on which **we** insure **you**, or the premium, to reflect the change in circumstances that **you** have disclosed to **us**.

If **you** do not comply with **your** obligations under this section 'What you must tell us', **we** have the option to decline any claim (and recover any claims payment already made). **We** may also cancel or avoid this policy. If **we** cancel **we** will give **you** 14 days' notice sent or emailed to **your** last known address on **our** records. If **we** do this, **we** will refund **your unused premium**.

If **we** avoid **your** policy, it will be treated as if it had never been taken out, and **you** may be required to refund any claims payments **we** have previously paid to **you** under **your** policy (if any). If **we** do this **we** will send notice or an email to **your** last known address on **our** records and **we** will refund **your** entire premium paid.

Some of your other important obligations

You and any person in charge of **your vehicle** with **your** permission 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 cooperate fully in any recovery action
- comply with all **our** requests relating to **your** claim including providing all cooperation, 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 claims 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** may decline **your** claim and recover any payment already made.

All premiums must be paid in full by the due date for payment of such premiums. If any premium payable by **you** remains unpaid 28 days following the due date for payment of that premium, **we** may cancel this policy (effective from the first day of the period to which the unpaid premium relates).

What your vehicle is insured for

Sudden and accidental physical loss or sudden and accidental physical damage caused by fire, theft or illegal conversion that occurs during the **period of insurance**, 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.

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.

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 (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.

Otherwise **your** no claims bonus will be reduced at the renewal following the claim. However, **we** will increase **your** no claims bonus again at the next renewal if no further claims are made.

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 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.

Security alarm

If **your vehicle** is stolen and at the time of the 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.

RoadWise®

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

Windscreen and window glass

If **you** have selected this benefit and **your vehicle** suffers accidental breakage of its windscreen, window glass or sunroof during the **period of insurance** **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** liability for claims made against **you** for physical property damage as a result of accidents in New Zealand involving:

- **your vehicle**
- any trailer or caravan attached to **your vehicle** (provided the trailer or caravan is not otherwise insured)
- any vehicle not owned by **you** that **you** are using with the owner's permission.

We will not cover **your** liability for any vehicle that **you** are hiring or leasing (unless the leasing company is named as an interested party).

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 \$500,000.

What special benefits you are insured for under liability protection

The amounts payable under the special benefits under Liability protection are included within the Liability protection cover of \$500,000 and are not in addition to it.

Bodily injury

Liability protection is extended to cover **your** liability for up to \$100,000 arising from **bodily injury** occurring during the **period of insurance**.

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

Marine 'general average'

Liability protection is extended to cover any costs which **you** may become 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 Land Transport Act 1998 or any amendments or any Act(s) in substitution of the Act
- in an unsafe or unroadworthy condition
- on hire.

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

- aggravated, punitive or exemplary damages, fines and / or other penalties or reparation orders
- any events outside New Zealand
- 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 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 radioactivity 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 Accident Compensation Act 2001 or any amendments or any Act(s) passed in substitution of the Act.

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 unless shown in the **certificate of insurance**
- the engine, transmission, mechanical, electrical or electronic systems due to their own failure, or any loss or damage which their failure may cause to the rest of these systems
- 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, 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 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** when **you** become aware of any circumstances which may result in a claim.

You can call **us** on 0800 808 808 or go to tower.co.nz/claims to fill out an online claim form.

If **you** call **us** and **we** require **you** to complete a claim form, **we** must receive the completed claim form within 30 days.

How we will look after your claim

When **you** contact **us** to make a claim **we** will:

- process **your** claim within the terms of the policy
- explain how the claims process works
- explain what **we** need to go ahead with **your** claim
- if required, arrange for an assessor to inspect the damage and explain the procedure that will be followed
- keep **you** updated on **your** claim's progress
- give **you** all the information **you** need on how **we** will settle **your** claim
- if **we** decline **your** claim, **we** will clearly explain why.

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 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. 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**.

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

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 sudden and accidental physical loss or sudden and accidental physical damage.

Cancelling this policy

You may cancel this policy at any time by notifying **us** either by telephone, email or post. **We** will refund 80% of **your unused premium** (unless the refund is less than \$25 in which case no refund will apply).

We may cancel or avoid this **policy** in accordance with the express rights of cancellation and / or avoidance set out under the headings 'What you must tell us' and 'Some of your other important obligations'.

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 and any other policies **you** have with **us** or cancel them effective immediately from the date of the fraudulent act. If **we** do this, **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.

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 giving **you** at least 14 days' notice sent or emailed to **your** last known address on **our** records in any of the following circumstances:

- to reflect any material changes to relevant law
- to increase the level of existing cover, or add additional cover
- if **we** are no longer able to secure reinsurance protection for perils covered by this policy
- in order to allow for a material change in **your** (or **your** insured property's) risk profile
- in order to allow for a material change in the risk profile of a group of similar policy holders (or similar insured property) that will not be commercially sustainable for **us** under current policy terms.

If **you** do not agree to such alterations to the terms of **your** policy, **you** can cancel the policy (effective from the date of the proposed alteration) by notifying **us** either by telephone, email or post prior to the effective date of the proposed alterations. If **you** cancel on this basis, **we** will refund **your unused premium**.

Other insurance

This policy does not cover any loss, damage or liability if **you** are covered for that same loss, damage or liability to any extent under a policy with another insurer. **We** will not contribute towards any claim under any other policy with another insurer.

Automatic reinstatement

In the case of partial physical loss or partial physical 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 Courts of New Zealand have exclusive jurisdiction in relation to legal proceedings about this policy.

Any compensation awarded or costs or expenses of litigation outside New Zealand are 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.

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 to **your** satisfaction, please follow the steps listed below:

- In the first instance call:
TOWER Insurance Customer Service
Phone: 0800 808 808
- If **we** are unable to resolve the problem, **you** may make a formal complaint to:
Manager – Complaints Investigation and Resolution
TOWER Insurance Limited
PO Box 90 347
Auckland
Phone: 0800 808 808
Facsimile: 09 369 0546
Email: insurance@tower.co.nz
- 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.
Please see the ombudsman's website (ombudsman.org.nz) for disputes it can consider.

Meanings of words

Definition	Meaning
Accessory, accessory's or accessories	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	Bodily injury (including death), illness, disability, disease, shock, fright, mental anguish or mental injury
Certificate of insurance	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	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	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	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
Period of insurance	The period shown in the certificate of insurance
Unused premium	Premium for the days you have paid for, but will not be insured (calculated as at the effective date of cancellation)
Vehicle	The vehicle shown in the certificate of insurance including spare parts, attached equipment, accessories , tools and breakdown equipment supplied by the manufacturer
We, us or our	TOWER Insurance Limited
You or your	The person(s) named in the certificate of insurance as the insured. Where you jointly own the vehicle , this policy insures you jointly

Call us on **0800 808 808** or visit **tower.co.nz**



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