TOWER Insurance

Commercial vehicle insurance



Contents

Compare your benefits 4

How your policy works 6
- Words with special meaning. 6

The claims process. 7

What your vehicle is insured for 8
- If you've chosen Comprehensive cover 8
- If you've chosen Third party cover 8

What your cover includes 8
- What we include 8
- What we do not include 9
- What your vehicle can be used for . . . 9
- Who can drive your vehicle. 9
- We do not cover vehicles with other insurance. 10
- We do not cover vehicles transporting dangerous goods 10

Section 1: Damage to your vehicle 11

You have other benefits under Section 1. 11
- Accidents caused by an uninsured third party 11
- Claims that were not your fault 12
- Disability modifications 12
- Employees' vehicles. 12
- Expediting expenses 13
- Fatal injury to you. 13
- Goods in transit. 14
- Keys and locks lost or stolen 14
- Natural disaster damage 15
- New vehicle replacement 15
- No claims bonus. 16
- One event – one excess 16
- Repair guarantee 16
- Replacement and additional vehicles. 16
- Road clearing and salvage costs 17
- Signwriting 17
- Tower recommended repairer 17
- Towing and temporary storage costs .18
- Transport costs 18
- Vehicle misuse protection 19

You can choose optional benefits under Section 1. 20
- Accessories and modifications 20
- Additional signwriting cover 20
- Rental vehicle hire for loss of use 21
- RoadWise® roadside breakdown service 21
- Trailer. 21
- Windscreen and window glass excess buyout 22

Section 2: Liability protection 23

You have other benefits under Section 2 23
- Bodily injury 24
- Cleaning up costs and hazardous substance emergency. 24
- Defence costs 24
- Exemplary damages. 24
- Legal expenses for certain criminal charges 25
- Marine general average 25
- Movement of other vehicles 25
- Reparation 26

What you're not covered for. 28
- These are your policy exclusions 28

You have certain responsibilities. 33

How to make a claim 36
- You have certain responsibilities at claim time 36
- How we'll look after your claim 38
- What excesses you may need to pay. 38
- How we'll settle your claim 39
- Replacement parts 41

Other important information. 42
- You can cancel this policy 42
- Making changes to this policy 42
- Other parties with a financial interest .43
- This policy is under New Zealand law. 43
- How we'll communicate with you. . . . 43
- Talk to us if you have a concern. 44

Glossary. 45

Welcome to Tower Insurance.

Thanks for putting your trust in us to help look after your valuable assets.

This is your **Commercial vehicle cover** policy wording, underwritten by Tower Insurance Limited.

We want to make insurance simple and easy.

That's why we've removed all the confusing language and made it easier to see what is (and isn't) covered under each section.

We've also included a handy table that shows you how our different policies compare.

It's just one thing we do to give you a little more confidence in your insurance cover.

1. **Start here**
   These are the basics of your policy.
2. **These are your benefits**
   What you're covered for - page 11.
3. **Responsibilities and exclusions**
   What you must do, and what isn't covered - page 28.
4. **Making a claim**
   Information about making your claim with us - page 36.
5. **Other stuff**
   This is important too, like what to do if you have a concern - page 42.
6. **Glossary**
   Some words have special meanings - page 45.

As part of our commitment to you, this document meets the WriteMark Plain Language Standard. The WriteMark is an internationally recognised plain language quality mark.

WriteMark
Plain Language Standard

Compare your benefits

If you'd like to change your level of cover, please call us on 0800 808 808

Choosing what's right for you can be difficult, but we've made it easy with this comparison table.

The cover that you've chosen (comprehensive or third party) will be shown on your certificate of insurance.

This is a summary only. You can find full details of your cover beginning from *page 8* of this document. Unless stated otherwise, the sums in this table and in the policy wording are the limits of cover per event.

	Comprehensive cover	Third party only cover
Section 1		
Collision cover	✓ Market	✗
Fire and theft cover	✓ Market	✗
Accidents caused by an uninsured third party	✓ Market	✓ Lesser of market or $4,000
Claims that were not your fault	✓	✓
Disability modifications	✓ $5,000	✗
Employees' vehicles	✓ $50,000	✗
Expediting expenses	✓	✗
Fatal injury to you	✓ $10,000	✗
Goods in transit	✓ $5,000	✗
Keys and locks lost or stolen	✓ $1,000	✗
Natural disaster damage	✓	✗
New vehicle replacement	✓	✗
No claims bonus	✓	✓
One event – one excess	✓	✗

	Comprehensive cover	Third party only cover
Repair guarantee	✓	✗
Replacement and additional vehicles	✓ Market	✗
Road clearing and salvage costs	✓ $5,000	✗
Signwriting	✓ $1,000	✗
Tower recommended repairer	✓	✓
Towing and temporary storage costs	✓	✗
Transport costs	✓ $500	✗
Vehicle misuse protection	✓	✗
Section 1: Optional benefits		
Accessories and modifications	✓ Optional up to $2,000 or $5,000	✗
Additional signwriting cover	✓ Optional up to $5,000 or $10,000	✗
Rental Vehicle	✓ Optional up to $2,500	✗
RoadWise roadside breakdown service	✓ Optional	✓ Optional
Trailers	✓ Optional up to $3,000	✗
Windscreen and window glass excess buyout	✓ Optional	✗
Section 2		
Legal liability protection	✓ $25m	✓ $25m
Bodily injury	✓ $1m	✓ $1m
Clean up costs and hazardous substances emergency	✓ $20,000 for cleaning and $5,000 for hazardous substances	✓ $20,000 for cleaning and $5,000 for hazardous substances

	Comprehensive cover	Third party cover
Defence costs	✓ $500,000	✓ $500,000
Exemplary damages	✓ $500,000 for each event up to $1m	✓ $500,000 for each event up to $1m
Legal expenses for certain criminal charges	✓ $5,000	✓ $5,000
Marine general average	✓	✓
Movement of other vehicles	✓	✓
Reparation	✓ $1m	✓ $1m

How your policy works

Your Tower Commercial vehicle cover consists of two documents: this policy wording and your certificate of insurance.

Make sure you read your policy wording and your certificate of insurance so you understand what you're covered for and what your responsibilities are.

This policy wording describes the benefits, exclusions, responsibilities and limits of your cover.

Your certificate of insurance tells you what assets are covered, what level of cover applies and whether any special terms and conditions apply.

We agree to cover you according to the terms outlined in these two documents, as long as you've paid the premium due.

Please check we've got things correct. If there is an error of any sort, if your needs are not met or if you're in doubt then please contact us on 0800 808 808 or at insurance@tower.co.nz.

Words with special meaning

In this policy some words have a special meaning, for example, 'loss'. You can find out what all of those words are and what they mean in the *Glossary on page 45*.

The claims process

Here's hoping you never have to claim. But if life doesn't go to plan, we'll be ready. Here's what to do and when.

What you do

1.

- Make sure you're safe
- Make sure your property is safe
- Take photos of the damage if you can
- Call the police if required
- Call us if you need immediate assistance

2.

- Check your policy wording
- Collect up any documents required
- Start an inventory of losses
- Call us or go online to tower.co.nz

What we'll do

3.

- Explain how the claims process works
- Lodge the claim with you
- We may ask for more information
- Tell you what's going to happen next
- Arrange an assessor if required
- Decide whether the claim fits the terms of your policy
- Clearly explain why if it doesn't fit

4.

- Process your claim as fast as we can
- Keep you informed of what's happening
- Settle your claim as soon as we can

What your vehicle is insured for

Your vehicle will be insured under one of the following covers. The cover that applies will be shown on your certificate of insurance.

If you've chosen Comprehensive cover

You have cover under:

- Section 1: Damage to your vehicle
  All benefits
- Section 2: Liability protection
  All benefits

This is an important part of your policy wording. Please read and understand it. If any of this document doesn't make sense, please call us on 0800 808 808 and we'll explain it to you.

If you've chosen Third party only cover

You have cover under:

- Section 1: Damage to your vehicle
  Limited to the following benefits:
  1. Accidents caused by an uninsured third party
  2. No claims bonus
  3. Claims that were not your fault
  4. Tower recommended repairer
- Section 2: Liability protection
  All benefits

What your cover includes

What we include

We cover the vehicle shown on your certificate of insurance, including:

1. any of the following supplied by the manufacturer:
   a. attached equipment and options
   b. tools and breakdown equipment
2. accessories as described in the optional benefit *Accessories and modifications on page 20*

3. any trailer you own as described in the optional benefit *Trailer on page 21*.

What we do not include

Your vehicle does not include:

1. any accessories and modifications from the maker's standard specifications for the model and year of manufacture unless we've agreed to this and it is noted on your certificate of insurance
2. any trailer unless we've agreed to this and it is noted on your certificate of insurance
3. any cover for tyres, unless the loss is malicious or it occurs at the same time as other loss to your vehicle and we've accepted your claim
4. personal effects and other contents left in your vehicle. These will need to be covered under a separate business or contents policy
5. any business or professional tools or items left in your vehicle. These will need to be covered under a separate business policy.

What your vehicle can be used for

Your vehicle is covered while it is being used:

1. in the course of the business or occupation you've disclosed to us
2. for private, social or domestic purposes.

Who can drive your vehicle

We cover your vehicle while it is being driven or used by:

1. you
2. any person with your permission

provided the driver or user is legally allowed to operate your vehicle.

We do not cover vehicles with other insurance

This policy does not cover any loss or liability if you're covered for that same loss or liability to any extent under a policy with another insurer. We'll not contribute towards a claim under any other policy with another insurer.

We do not cover vehicles transporting dangerous goods

This policy does not cover you if you're transporting any dangerous goods above the limits in Schedule 1 of the Land Transport Rule: Dangerous Goods 2005 or any amendment or replacement.

Dangerous goods are substances that have explosive, flammable, toxic, infectious, corrosive or environmentally hazardous properties.

You can find a copy of Schedule 1 on the NZTA website.



Section 1: Damage to your vehicle

If you've chosen Comprehensive cover you're covered for loss that happens to your vehicle.

Loss means sudden and accidental physical loss or sudden and accidental physical damage occurring during the period of insurance in New Zealand.

You have other benefits under Section 1

Your policy also covers you for the benefits listed below unless the benefit expressly says it does not apply to the cover you've chosen.

The most we'll pay is the maximum amount detailed in each benefit. Unless the benefit expressly says otherwise, the maximum amount is per event and included within your vehicle's market value sum insured and not in addition to it.

Accidents caused by an uninsured third party

If you've chosen Third party cover (shown on your certificate of insurance), we'll pay for repairs to your vehicle if it is damaged in an accident, we've accepted your claim and:

1. you've identified the party at fault (name, phone number and registered number of that other party's vehicle), and
2. we're satisfied that the other party was more than 50% at fault, and
3. their vehicle was uninsured.

Limits

We'll pay the lesser of:

1. the market value
2. $4,000.

You're only covered under this benefit if you have Third party cover.

Claims that were not your fault

You'll keep your no claims bonus and you won't pay an excess if you've been involved in an accident during the period of insurance, and:

1. you've identified the party at fault (name, phone number and registered number of that other party's vehicle), and
2. we're satisfied that the other party was more than 50% at fault.

Disability modifications

We'll pay for the necessary modifications to your vehicle, or your employee's vehicle, if you or one of your employees becomes permanently disabled. That disability must directly result from a loss covered under Section 1 of this policy.

Limits

We'll pay in excess of any amount payable by the Accident Compensation Corporation up to $5,000.

You're only covered under this benefit if you have Comprehensive cover.

Employees' vehicles

We'll pay your employees for loss to vehicles owned by them if, at the time of the loss, their vehicle is being used for your business.

Limits

Cover only applies if:

1. your employee has personal motor insurance on their vehicle; and
2. the use of their vehicle for business means their insurance does not apply.

The employee must meet all the same terms that you are required to meet under this policy.

We'll pay the lesser of:

1. the market value of the employee's vehicle
2. $50,000.

We'll pay up to $50,000 for all claims during the period of insurance.

You're only covered under this benefit if you have Comprehensive cover.

Expediting expenses

We'll pay for express freight and overtime to expedite repairs to your vehicle as a result of loss.

Limits

We'll pay the reasonable costs up to an additional 50% of the normal repair costs for any one event.

You're only covered under this benefit if you have Comprehensive cover.

Fatal injury to you

We'll:

1. pay your legal representative; and
2. pay for funeral costs,

if you, or any driver authorised by you, die from injury following a loss to your vehicle and we've accepted your claim.

Limits

We'll pay your legal representative $5,000.

We'll also pay for funeral costs up to $5,000.

Death must occur within three months of the loss.

If more than one individual is entitled to claim under this benefit, through a single event, the amount paid will be divided equally among them.

We pay this benefit in addition to your vehicle's market value sum insured.

You're only covered under this benefit if you have Comprehensive cover.

Goods in transit

We'll pay for loss to your business assets being carried in or on your vehicle when that vehicle suffers loss caused by:

1. fire
2. collision
3. overturning
4. impact.

For the purpose of this benefit business assets means:

1. stock and materials in trade, plant and machinery, such as chattels, equipment, spare parts, tools, moulds, patterns, dyes
2. customers goods in custody
3. tools of trade including any equipment, instruments, tools, devices, machinery, while they are being used in the normal course or scope of your profession, trade or occupation.

Limits

We'll pay reasonable costs up to $5,000.

We pay this benefit in addition to your vehicle's market value sum insured.

You're only covered under this benefit if you have Comprehensive cover.

Keys and locks lost or stolen

We'll pay to replace your vehicle remote, keys, entry card or key codes and replace or re-code the locks if during the period of insurance:

1. they're lost
2. they're stolen
3. you have reasonable grounds to believe they have been illegally duplicated without your permission
4. you have reasonable grounds to believe that the combination number or electronic key codes may have become known to someone else without your permission.

Limits

We'll pay reasonable costs up to $1,000.

Your first claim during the period of insurance will be excess-free and your no claims bonus will be unaffected.

Any additional claims within the same period of insurance will mean you pay your excess and your no claims bonus may be affected.

You're covered under this benefit only if you have Comprehensive cover.

Natural disaster damage

We'll pay for natural disaster damage to your vehicle during the period of insurance.

You're only covered under this benefit if you have Comprehensive cover.

New vehicle replacement

We'll replace your vehicle with a new vehicle of the same make, model and variant, (for example a Toyota Corolla GX) subject to current local availability. We'll do this if your vehicle becomes a total loss as a result of a loss covered by this policy,

Limits

This benefit only applies to cars, station wagons, 4wds, vans, trucks and utility vehicles that are under 3.5 tonnes.

You must have owned the vehicle from new.

You must have insured the vehicle with us from new.

The total loss must occur within two years of you purchasing the vehicle.

If a new replacement vehicle is not immediately available, we'll pay the last listed retail price for that vehicle.

You're only covered under this benefit if you have Comprehensive cover.

No claims bonus

If you're eligible for a no claims bonus, we'll adjust your premium to reflect this.

Your premium may still increase at renewal for other reasons even though you receive a no claims bonus.

One event – one excess

You'll only have to pay one excess if we insure more than one of your vehicles or business assets and we accept more than one claim from the same event. The excess that you pay will be the higher of those excesses.

You're only covered under this benefit if you have Comprehensive cover.

Repair guarantee

If we accept your claim and repairs are carried out by one of our recommended repairers, we'll provide you with a lifetime guarantee on those repairs.

Replacement and additional vehicles

If we insure your vehicle, we'll cover any vehicle you purchase:

1. to replace your vehicle insured under this policy
2. in addition to your vehicle insured under this policy.

We'll insure the replacement or additional vehicle from the date you purchase it under the same terms and conditions as we insure your existing vehicle.

Limits

We'll cover that vehicle for the lesser of:

1. what you paid for it
2. its market value.

We'll cover that vehicle under this benefit for 14 days from the date of purchase.

You're only covered under this benefit if you have Comprehensive cover.

Road clearing and salvage costs

We'll pay for the costs incurred in salvaging any load carried by your vehicle spilled onto a road, carriageway or parking area following a loss to your vehicle and we've accepted your claim.

This includes the costs of removing debris and reloading or trans-shipping the load to the nearest place of safety.

Limits

We'll pay reasonable costs up to $5,000.

We pay this benefit in addition to your vehicle's market value sum insured.

You're only covered under this benefit if you have Comprehensive cover.

Signwriting

We'll pay for loss to signwriting on your vehicle that happens at the same time as other loss to your vehicle and we've accepted your claim.

Limits

We'll pay up to $1,000.

If you've chosen the optional benefit *Additional signwriting cover on page 20*, then we'll pay up to the amount shown on your certificate of insurance.

We pay this benefit in addition to your vehicle's market value sum insured.

You're only covered under this benefit if you have Comprehensive cover.

Tower recommended repairer

We'll arrange for one of our recommended repairers to repair your vehicle if we decide your vehicle is economic to repair and we've accepted your claim.

If you choose to go to a repairer who is not part of our recommended repairer network, we may pay you an amount equal to the reasonable cost of repairs, as assessed by us.

You're only covered under this benefit if you have:

1. Comprehensive cover
2. Third party cover and we've accepted a claim under the benefit *Accidents caused by an uninsured third party on page 11*.

Towing and temporary storage costs

We'll pay for removing your vehicle to the nearest repairer or place of safety if it is unable to be driven after a loss covered under this policy.

We'll also pay the temporary storage costs for your damaged vehicle after a loss covered under this policy.

Limits

We'll pay reasonable costs.

We pay this benefit in addition to your vehicle's market value sum insured.

You're only covered under this benefit if you have Comprehensive cover.

Transport costs

We'll reimburse travel and accommodation costs to complete your journey or return home following a loss to your vehicle and we've accepted your claim.

This benefit also extends to any driver authorised by you, passengers and domestic pets travelling in your vehicle.

We'll also pay to return your vehicle home or to your place of work after it has been repaired or recovered, or for you to travel to collect it from the repairer.

Limits

We'll pay reasonable costs up to $500.

We pay this benefit in addition to your vehicle's market value sum insured.

You're only covered under this benefit if you have Comprehensive cover.

Vehicle misuse protection

Where certain activities involving your vehicle would invalidate your policy, we'll continue to provide cover. We'll pay for loss when your vehicle is used or driven in circumstances that the following policy sections would usually mean there was no cover:

1. *What your vehicle can be used for on page 9*
2. *Your policy does not cover you if your vehicle is being driven by or is in the charge of anyone who* - numbers 1 to 6, *on page 29*
3. *Your policy does not cover any loss, damage or liability arising from* - numbers 7, 10, 12, 14, 15 and 16 *on page 30.*

Under this benefit, we'll also provide cover under *Section 2: Liability protection on page 23*, but there is no cover for the driver or person responsible for the loss under that section.

Limits

You're only covered under this benefit when:

1. the use of your vehicle was without your knowledge or consent
2. you've not waived any right of recovery against the driver or person using your vehicle
3. you co-operate fully in any recovery action we take against the driver or person using your vehicle.

If you're a legal entity on the certificate of insurance, then any person who has an interest in the legal ownership of the vehicle has no cover under this benefit.

Your knowledge is deemed to include the knowledge of:

1. any person employed and authorised by you to control the conduct of the driver of your vehicle
2. the driver, if they are of such senior capacity in your business that their knowledge is by law your knowledge.

You're only covered under this benefit if you have Comprehensive cover.



You can choose optional benefits under Section 1

Cover is provided under these optional benefits when they are shown as applying on your certificate of insurance.

Accessories and modifications

If you've chosen this optional benefit, we'll cover loss to your accessories and modifications that are installed in or on your vehicle.

We also cover loss to your accessories if that loss occurs while they are stored at home or your place of work.

Limits

We'll pay the least of:

1. the repair cost
2. the current value of the item
3. your chosen accessories and modifications sum insured listed on your latest certificate of insurance.

You can only choose this optional benefit if you have Comprehensive cover.

Additional signwriting cover

If you've chosen this optional benefit, we'll pay for loss to signwriting on your vehicle that happens at the same time as other loss to your vehicle and we've accepted your claim.

Limits

We'll pay reasonable costs up to your chosen signwriting sum insured listed on your certificate of insurance.

You can only choose this optional benefit if you have Comprehensive cover.

Rental vehicle hire for loss of use

If you've chosen this optional benefit, we'll pay for you to rent and insure a similar vehicle to your vehicle after a loss that is covered under this policy.

Limits

We'll pay reasonable costs up to $2,500 for either:

1. the costs to rent and insure a similar vehicle
2. the costs of an alternative mode of transport such as taxi or public transport.

No rental charges will be paid:

1. if your vehicle remains in a legally driveable condition after the loss but prior to repair
2. after your vehicle is recovered in a legally driveable condition
3. after repairs have been completed
4. after we've paid your claim.

You can only choose this optional benefit if you have Comprehensive cover.

RoadWise® roadside breakdown service

If you've chosen this optional benefit you have access to the RoadWise programme. This programme does not form part of this policy. You can refer to our website for the terms and conditions of this programme.

Limit

This optional benefit is not available for vehicles greater than 3.5 tonnes or longer than five metres.

Trailer

If you've chosen this optional benefit we'll pay for loss to your registered and warranted trailer listed on your certificate of insurance.

Limits

We'll pay the least of:

1. the cost to repair
2. the market value
3. $3,000.

You can only choose this optional benefit if you have Comprehensive cover.

Windscreen and window glass excess buyout

If you've chosen this optional benefit and your claim is only for loss to your windscreen or window glass, your claim will be excess-free and you'll keep your no claims bonus.

Limits

This benefit does not cover sunroofs, panoramic roofs, mirrors, lights, indicators or their covers.

You can only choose this optional benefit if you have Comprehensive cover.

This benefit is not available to all vehicles.

Section 2: Liability protection

We'll cover you for your legal liability for claims made against you for accidental physical property damage occurring during the period of insurance in New Zealand involving:

1. your vehicle
2. any vehicle not owned by you that you're using with the owner's permission
3. any trailer or caravan attached to your vehicle
4. the loading and unloading of any of the above.

We'll also cover such legal liability for any driver authorised by you.

We'll cover your employees legal liability while their vehicle is being used for your business provided:

1. your employee has personal motor insurance on their vehicle, and
2. the use of their vehicle for business means their insurance does not apply.

(Legal liability means being responsible for accidentally causing damage to someone else's property.)

Limits

We'll pay up to $25,000,000 in total during the period of insurance.

If you have liability cover with us under any other policy then we'll only pay under one policy for each event.

You have other benefits under Section 2

Your policy also covers you for the benefits listed below.

The most we'll pay is the maximum amount detailed in each benefit. Unless the benefit expressly says otherwise, the maximum amount is included within the liability protection sum insured and is not in addition to it.

Bodily injury

We'll pay for your legal liability arising from bodily injury occurring in New Zealand during the period of insurance.

Limits

We'll pay up to $1,000,000 during the period of insurance.

If you have this cover, or similar cover, with us under any other policy then our maximum combined liability under all policies is $1,000,000.

Cleaning up costs and hazardous substance emergency

We'll pay cleaning up and hazardous substance emergency costs that you become legally liable for as a result of an accident involving a vehicle covered under this policy. We'll pay such costs once we've accepted your claim.

Limits

We'll pay reasonable costs up to:

1. $20,000 for cleaning up costs
2. $5,000 relating to hazardous substance emergency.

Defence costs

We'll pay for defence costs incurred by you, with our approval, in defending claims. This includes any costs awarded against you.

Limit

We'll pay up to $500,000 during the period of insurance.

Exemplary damages

We'll pay exemplary or punitive damages for bodily injury caused by, or associated with a vehicle covered under this policy and we've accepted your claim.

Limits

We'll pay up to $500,000 for any one event to a maximum of $1,000,000 during the period of insurance.

An additional excess applies to claims under this benefit. This will be the greater of:

1. 10% of the exemplary or punitive damages claim value
2. $5,000.

We do not cover exemplary or punitive damages arising from any dishonest, fraudulent or malicious acts or omissions by you or anyone acting on behalf of you.

Legal expenses for certain criminal charges

We'll pay your defence costs if you or any driver authorised by you are charged with:

1. manslaughter
2. dangerous driving causing death

arising from an accident involving a vehicle covered under this policy.

We'll pay such costs once we've accepted your claim.

Limit

We'll pay up to $5,000.

Marine general average

We'll pay your share of any marine loss costs that you become liable for because of deliberate loss or damage in time of danger to prevent the loss of a ship, cargo or both. This only applies while your vehicle is being carried by that ship between ports in New Zealand waters.

Movement of other vehicles

We'll pay for your liability for:

1. bodily injury to any person
2. loss to any property

occurring in New Zealand during the period of insurance and arising from the movement by you of any vehicle that:

1. is parked in a position that prevents or impedes the loading or unloading of your vehicle, or
2. prevents or impedes the legitimate passage of your vehicle.

Limits

We'll pay up to $1,000,000 during the period of insurance for claims relating to bodily injury.

If you have this cover, or similar cover, with us under any other policy then our maximum combined liability under all policies is $1,000,000 for bodily injury.

Reparation

We'll pay your, or your employees' legal liability for reparation to a victim who has suffered:

1. loss to property
2. bodily injury

as a result of you or your employee committing an offence while using your vehicle.

This includes the loading and unloading of your vehicle, or any trailer or caravan attached to it in connection with your business.

This cover also extends to cover the liability of your employee as above if they are using any other vehicle:

1. with the owner's permission, and
2. for your business.

Limits

We'll pay up to $1,000,000 during the period of insurance.

Cover is only provided under this benefit if:

1. the vehicle is being used with your permission
2. the reparation is not insured under any other policy
3. we've given our written approval before any offer of reparation is made.

You or your employee must notify us immediately if you or they are charged with any offence in connection with the use of your vehicle, that resulted in loss to property or bodily injury to another person.

We do not cover any amounts that are covered under the Accident Compensation Act 2001, or any amendment or replacement Act, or any amount that would be covered but for:

1. a failure by the victim to correctly notify a claim within the time required
2. the victim's decision not to claim any amount he or she would be entitled to claim
3. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason.

We do not cover any defence costs, court costs, levies or costs awards for any offence.

What you're not covered for

These are your policy exclusions

Your policy does not cover liability for:

1. ACC personal injury
   personal injury where cover is provided under the Accident Compensation Act 2001 or any amendment or replacement Act.
2. Airside activity
   the use of your vehicle within the restricted area of any airport used for scheduled commercial flights.
3. Asbestos
   where such liability directly or indirectly arises out of, results from or is a consequence of, or in any way involves asbestos, or any materials containing asbestos in whatever form or quantity.
4. Bodily injury to you
   bodily injury to you or any person who is in charge of your vehicle.
5. Bodily injury or loss from plant and machinery
   any bodily injury or loss or damage to property arising from the use of any plant or machinery attached to or forming part of your vehicle.
6. Digging and excavating
   damage to property arising from the use of your vehicle while it is boring, digging, drilling or excavating.
7. Hire or lease
   any vehicle that you're hiring or leasing (unless the leasing company is named as an interested party).
8. Load transportation
   transporting a load to, or away from, your vehicle. This does not apply to the actual loading or unloading of your vehicle.

9. Loss to other property
   loss or damage to property, including any bridge, viaduct, weighbridge or any road or any other surface that your vehicle may drive on. This includes the material beneath such surfaces or structures, where the damage arises from vibration caused by
   a. your vehicle
   b. the weight of the load carried by your vehicle
   c. the weight of your vehicle
   d. the combined weight of the load and your vehicle.

10. Loss to your property
    loss of or damage to property belonging to you or under the care, custody or control of you or any person who is in charge of your vehicle other than the cover provided under the benefit *Goods in transit on page 14.* This exclusion does not apply while your vehicle is towing any disabled vehicle for no financial gain or reward.

11. Where you've agreed to accept responsibility
    loss or damage if you or the person who is in charge of your vehicle have agreed with any party to accept responsibility for any loss or damage. This applies when the law would not otherwise hold you or that person responsible.

Your policy does not cover you if your vehicle is being driven by or is in the charge of anyone who:

1. Alcohol limit exceeded
   has a blood or breath alcohol level that exceeds the legal limit.

2. Alcohol or drug related convictions
   after a claim event is subsequently convicted of any alcohol or drug related offence associated with driving or being in charge of your vehicle.

3. Intoxication while driving
   is under the influence of intoxicating substances or drugs (either prescribed or not) that has caused or contributed towards the covered loss or liability under this policy.

4. Leaving the scene of the accident
   did not stop at or leaves the scene of an accident when it is an offence to do so.
5. Refusing testing
   fails or refuses to permit a specimen of blood or breath test to be taken when lawfully required to do so.
6. Unlicensed drivers
   does not have a legal licence to drive in New Zealand, or is not complying with the conditions of their licence.

These exclusions do not apply if the person who is in charge of your vehicle has stolen it.

Your policy does not cover any loss, damage or liability arising from:

1. 48 hour stand-down
   any loss that occurs within 48 hours of the start date of your policy caused by storm, flood, wildfire or landslip.

   This exclusion does not apply if this policy:
   a. started immediately after another policy that covered these risks, or
   b. was taken out at the same time you purchased the vehicle.
2. Accessories and modifications that are not listed
   any accessory or set of accessories or modifications unless you've chosen the optional benefit *Accessories and modifications on page 20*.
3. Activities in the air
   airborne activities while being towed by your vehicle.
4. Confiscation by an authority
   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.
5. Controlled drugs pollution or contamination
   the pollution or contamination of your vehicle by the manufacture, storage or use in the vehicle of a 'precursor

substance' or 'controlled drug', as defined in the Misuse of Drugs Act 1975 or any amendment or replacement Act.

6. Criminal and reckless acts
   any criminal or reckless act or omission by you or by anyone in charge of your vehicle. This exclusion does not apply to acts by any person who is in charge of your vehicle after stealing it.
7. Defending any charges
   the cost of defending any charge or charges relating to any offence under any Act of Parliament other than cover provided under the benefit *Legal expenses for certain criminal charges on page 25*.
8. Driving hours
   the vehicle being used in breach of the law relating to the maximum driving hours allowable for any one driver.
9. Driving unsafely
   a. the vehicle being used or driven in an unsafe or dangerous way, condition or both, for example by overloading the vehicle or texting while driving
   b. the vehicle being driven in an un-roadworthy condition where that condition causes or contributes to the loss.
10. Entanglement of objects
    any object drawn, cast into or entangled in your vehicle by any means. However, you're covered for resulting loss that occurs by fire, collision or overturning resulting from such an event.
11. Fines and damages imposed by the courts
    aggravated, punitive or exemplary damages, fines and/or penalties other than the cover provided under the benefit *Exemplary damages on page 24*.
12. Hireage of the vehicle
    the vehicle being on hire or carrying fare paying passengers.
13. Nuclear and radiation risks
    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.

14. Operating the vehicle outside of specifications
loading or operating the vehicle in excess of the manufacturer's recommended specifications or loading contrary to the law.
15. Use of the vehicle
the inability to use your vehicle unconnected with the loss covered by this policy.
16. Using the vehicle for a purpose it was not designed for
a purpose other than the purpose it was designed for, or not as a motor vehicle as defined in the Land Transport Act 1998 or any amendment or replacement Act.
17. Using the vehicle for racing
racing, sprinting, drag racing, pace-making, hill climbing, reliability or time trials, rallying, speed tests or any form of motorsport or high speed driver training.
18. Using the vehicle off-road
being used for recreational off-roading, such as driving over open land, on beaches, riverbeds and sand dunes.

Your policy does not cover any claim for:

1. Faults and defects
the cost of remedying or repairing any faults or defects in the vehicle's design, specifications or materials.
2. Mechanical failure of the vehicle
failure, breakage or breakdown of any part of the vehicle, unless it occurs as a result of loss to your vehicle and we've accepted your claim.
3. Wear and tear
unrepaired damage, wear and tear, rot, mould, rust or corrosion, loss caused by the action of sunlight, or depreciation.

However, resulting loss is covered. By resulting loss we mean secondary damage that occurs as a direct result of the excluded causes above 1 to 3.

Your policy excludes war and terrorism

Your policy does not cover any loss, damage or liability arising directly or indirectly from or occasioned by or through or in consequence directly or indirectly of or claim for:

1. war, invasion, act of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war
2. mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law
3. confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public local authority
4. 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.

Terrorism is the use of violence, or the threat of violence, in order to achieve a political, social or religious goal.



You have certain responsibilities

Here is a list of what you and any person in charge of your vehicle with your permission must do.

1. You must be honest and fair with us. All your statements made about this policy and any claim must be honest, correct and complete.
2. You must provide us with all relevant information. This means you must tell us everything you know, or could reasonably be expected to know, that may influence our decision to insure you or the terms that we insure you.
3. You must keep your vehicle well maintained and in roadworthy condition. This means that the vehicle must be maintained to a level where it would pass a warrant of

fitness test by someone else who is authorised to conduct that test.

4. You must tell us immediately if any circumstances change or may change while we're insuring your vehicle. This applies when the policy starts, while it is in force and when it renews.

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

   a. any modifications or changes are made to your vehicle that are different from the manufacturer's standard specifications
   b. you or anyone who drives 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're in any doubt, tell us the details, even if we've not asked questions that relate to it.

   We may change the terms that we insure you on, or the premium, to reflect the change in circumstances that you've told us about.

   We may cancel your policy if what you tell us is, in our opinion, a substantial change in risk.

5. You and any person in charge of your vehicle with your permission must:

   a. take reasonable care to protect and maintain your vehicle
   b. ensure that your vehicle is securely locked when unattended
   c. take reasonable care to avoid legal liability.

6. You must pay all premiums in full by the due date. If any premium remains unpaid 28 days following the due date for payment, we may cancel this policy (effective from the first day of the period that the unpaid premium relates).

If you do not comply with your responsibilities under this section *You have certain responsibilities on page 33* we can decline

any claim (and recover any claims payment already made). We can also cancel or avoid this policy.

If we cancel your policy we'll give you seven days notice emailed or posted to your last known address on our records. If we do this, we'll refund your unused premium.

If we avoid your policy, it will be treated as if it had never been taken out. We may also avoid any other policies you have with us.

If we ask, you'll have to refund any claims payments we've previously paid to you. If we do this we'll email or post notice of this decision to your last known address on our records. We'll refund your entire premium paid less any claims already paid.



How to make a claim

It is important that you tell us as soon as you become aware of any circumstances that may result in a claim.

Call us on 0800 808 808 or go to *tower.co.nz/claims* to make a claim online.

You have certain responsibilities at claim time

Events leading to a claim can be stressful. Your personal safety is paramount, so make sure you and anyone else involved are safe from harm and if necessary, call the emergency services.

Here's a list of what you and any person in charge of your vehicle with your permission must do at claim time.

Before you lodge your claim

You must:

1. Inform the Police if it appears that there has been arson, theft, burglary or malicious damage and provide details of the complaint to us. For example, the acknowledgement number.
2. Tell us as soon as possible:
   a. if it is likely that you'll make a claim
   b. if you or anyone else who may have cover under this policy is charged with any offence that resulted in loss of property, or caused bodily injury to someone else
   c. about any claim made against you by another person, with full particulars and all legal documents served on you.
3. Take all reasonable steps to prevent further loss or liability.
4. Get our permission before you arrange for any repairs or replacement, or incur any expense for any claim.
5. If we ask you to complete a claim form, return that claim form to us within 30 days.

Once you've lodged your claim

You must:

6. Let us inspect the damaged vehicle and deal reasonably with any salvage. No property may be abandoned to us.
7. Let us complete all necessary documents and authorities for any claims under this policy as your authorised agent.
8. Provide proof of purchase and/or proof of ownership of all items being claimed for.
9. Comply with all our requests about your claim by providing full cooperation, information and assistance.
10. Not discuss a claim made on you by another person with them. Instead, refer them to us.
11. Pay any applicable excess and any additional excess.
12. Let us instruct a solicitor of our choice to conduct your defence. You must follow the recommendations of that solicitor about the conduct or continuation of your defence.
13. Let us talk with that solicitor when necessary about the details of the case and the conduct or continuation of your defence.

After we've accepted your claim

You must:

14. Make sure that any repairs are carried out promptly.
15. Cooperate fully in any action we take to recover money from other parties involved in your claim.
16. Let us take over for our own benefit and settle any legal right of recovery you may have.
17. Tell us if any person is ordered to make reparation to you for any loss or cost that was part of the claim. Reimburse us for that payment as soon as you receive any reparation.
18. Tell us if any lost or stolen property that was part of the claim is found or recovered. Hand it over to us or, at our option, refund any money paid by us if we request it.

If you do not comply with your responsibilities under this section *You have certain responsibilities at claim time on page 36* we can decline any claim (and recover any claims payment already made). We can also cancel or avoid this policy.

If we cancel your policy we'll give you seven days' notice emailed or posted to your last known address on our records. If we do this, we'll refund your unused premium.

If we avoid your policy, it will be treated as if it had never been taken out. We may also avoid or cancel any other policies you have with us.

If we ask, you'll have to refund any claims payments we've previously paid to you. If we do this we'll email or post notice of this decision to your last known address on our records. We'll refund your entire premium paid less any claims already paid.

How we'll look after your claim

When you contact us to make a claim we'll:

1. process your claim within the terms of the policy
2. explain how the claims process works
3. explain what we need to go ahead with your claim
4. if required, arrange for an assessor, investigator or other specialist to inspect the loss and explain the procedure that will be followed
5. keep you updated on your claim's progress
6. give you all the information you need on how we'll settle your claim
7. if we decline your claim we'll clearly explain why.

What excesses you may need to pay

The excess is the amount of any claim that you're responsible for. The excess applies to each event that results in a claim. Where loss has been caused on multiple occasions or events, an excess will apply for each occasion or event.

Unless the benefit being claimed says it's excess-free you'll need to pay your excess.

Additional excesses apply when the vehicle is being driven or in the control of:

1. an inexperienced driver
2. a driver who holds an International drivers licence unless that licence was issued in a country identified by the NZTA as being eligible to apply for an exemption from a practical test. These countries are detailed on their website
3. when an additional underwriting excess has been applied.

Your excess and any additional excesses that apply are detailed on your certificate of insurance.

How we'll settle your claim

We'll settle your claim for loss following the process set out below.

For repairs

If we decide to repair your vehicle, we have the option to:

1. arrange the repair
2. pay you an amount equal to the reasonable cost of repairs as assessed by us.

If your vehicle is repairable, and you've decided to go to a repairer who is not part of our recommended repairer network, then we may choose Option 2 above.

The most we'll pay is the lesser of:

1. the cost of repairs
2. the market value of your vehicle at the time of the loss, and the current value of any listed accessories and modifications.

In the case of partial loss to your vehicle, we'll automatically reinstate your vehicle's market value sum insured to its pre-loss cover value after we meet any claim and repairs are completed.

For a total loss

If we decide your vehicle is a total loss:

1. we'll pay you the market value of your vehicle at the time of the loss, and the current value of any listed accessories and modifications
2. we'll replace your vehicle if it fits within the limits described under the benefit *New vehicle replacement on page 15*, otherwise we'll cash settle under 1 above
3. your vehicle, including its accessories and modifications, will become our property
4. your policy will be automatically cancelled and no refund of premium will be given. If you pay your premium by instalments you must pay the rest of the annual premium before we settle your claim.

If your vehicle is leased at the time of loss, and we decide:

1. your vehicle is a total loss, and
2. the benefit *New vehicle replacement on page 15* does not apply

we'll pay the:

1. reasonable market value, or
2. residual value of your vehicle

whichever is the greater amount, up to an amount no greater than the market value of the vehicle plus 20%.

We will not pay:

1. penalties for early termination
2. penalties for any additional distance travelled
3. penalties resulting from lack of servicing or poor maintenance
4. unpaid obligations or outstandings under the lease at the time of the loss
5. 'balloon' payments
6. the amount by which the residual value of your vehicle exceeds 120% of its market value, where there is a guaranteed buy back agreement.

The residual value for the purpose of this clause means the market value of the vehicle or the final book value at the natural expiry date of the lease contract, as set out under the terms of that contract.

In all cases:

We'll not pay more than the maximum amounts detailed for all benefits in this policy wording or on your certificate of insurance.

We'll pay an interested party (finance company and so on) if we've been notified of their interest in your vehicle. Their receipt will discharge us to the extent of our payment.

If your vehicle includes any set of accessories, we'll firstly try to match the undamaged item or items and, if that is not possible, we'll pay for the nearest equivalent set available.

We have the option to use new, recycled or reconditioned parts in any repair.

Replacement parts

We'll pay for any part or accessory not currently available in New Zealand up to the lesser of:

1. the last known price list in New Zealand when the part or accessory was available
2. the part's or accessory's closest New Zealand equivalent.

We'll pay you the equivalent cost to us for a part or accessory if you ask us not to replace it.

Limits

Your vehicle is not covered for:

1. freight and other costs to import parts or accessories from outside New Zealand
2. any costs due to the inability to match existing paint
3. costs to replace any part or accessory that has not suffered loss.

Other important information

You can cancel this policy

You can cancel this policy by notifying us either online or by email or phone. We'll refund the unused portion of your premium.

We may cancel or avoid this policy in accordance with the express rights of cancellation and/or avoidance set out in the headings:

1. *You have certain responsibilities on page 33*
2. *You have certain responsibilities at claim time on page 36*
3. *Making changes to this policy on page 42.*

If we cancel your policy we'll refund your unused premium.

Free look period

If you're not completely happy with your policy, you can cancel it within 15 days of the start date so long as you've not made any claims.

We'll refund any premiums you paid and we'll both regard this policy as never having started.

Making changes to this policy

You can have this policy altered as long as we agree to that alteration and have confirmed this to you.

We can alter the terms or cancel this policy by giving you at least seven days' notice sent or emailed to your last known address on our records in any of the following circumstances:

1. to reflect any material changes to relevant law
2. to increase the level of existing cover, or add additional cover
3. if we're no longer able to secure reinsurance protection for perils covered by this policy
4. to allow for a material change in your (or your property's) risk profile

5. 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 the alterations to the terms of your policy, you can cancel it (effective from the date of the proposed alteration). You can do this by contacting us online or by email or phone before the effective date of the proposed alterations. If you cancel on this basis, we'll refund your unused premium.

Other parties with a financial interest

You authorise us to disclose personal information about your insurance to any holder of a financial interest in the vehicle.

This policy is under New Zealand law

New Zealand has 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.

New Zealand currency and taxes apply

All sums insured and policy limits are expressed in New Zealand currency and exclude Goods and Services Tax (GST) and all other taxes.

All excesses 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.

How we'll communicate with you

We'll communicate with you to your last notified physical or

email address.

If email is your preferred method of communication, the address you provided to us must be valid and must be checked on a regular basis.

You must tell us if you change your physical or email address.

Talk to us if you have a concern

We always strive to give the best possible service. So, if you're not happy with something – anything – please let us know. We'll aim to get it sorted for you quickly and fairly.

Often a quick conversation with us can help straighten things out. But, every now and then there'll be an issue that can't be easily resolved. If that's the case, we'll talk you through our internal disputes resolution procedure. And if we still can't agree, we'll let you know how you can access our external disputes resolution provider.

If you would like more information check out *tower.co.nz/contact-us/complaints*

Glossary

Please note words in the singular can be in the plural and vice versa.

Accessory
An automotive part installed in or on your vehicle that is not supplied or fitted by the manufacturer of your vehicle as standard equipment for your make and model of vehicle.

Accidental
Unintended and unexpected by you.

Bodily injury
Accidental bodily injury to a person occurring during the period of insurance in New Zealand, including death, illness, disability, disease, shock, fright, mental anguish or mental injury.

Certificate of insurance
The certificate of insurance first issued to you or any further certificate issued following a change to the policy or a renewal of the policy (whichever applies at the time of the event).

Current value
The cost at the time of loss of repairing or replacing listed accessories and modifications to a condition no better than new, less an appropriate allowance for depreciation.

Excess
The amount of any claim that you must bear as shown on your certificate of insurance and/or in this policy wording.

Loss
Sudden and accidental physical loss or sudden and accidental physical damage occurring during the period of insurance in New Zealand.

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

before the loss. The cost will be 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.

Natural disaster damage

Physical damage or destruction as a direct result of earthquake, natural landslip, volcanic eruption, hydrothermal activity or tsunami. This includes damage or destruction 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 damage or destruction where compensation is payable by any other party.

Natural landslip

The movement of ground forming materials that, before movement, formed an integral part of the ground. Such materials might be one or more of natural rock, soil, or artificial fill. 'Movement' means any one or more of falling, sliding, or flowing. Movement of ground due to below-ground subsidence, soil expansion, soil shrinkage, soil compaction or erosion is not natural landslip.

Period of insurance

The period shown on your certificate of insurance. If you select a start date in the future, cover will begin at 12:00am on that day. Otherwise cover begins at the time you purchased this insurance. Cover ends at 11:59pm on the last day shown on your certificate of insurance or at the effective time of cancellation,

Reparation

An amount ordered to be paid under Section 32 of the Sentencing Act 2002, or any amendment or replacement Act, by a New Zealand Court to a victim of an offence.

Unused premium

Premium for the days you've paid for, but will not be insured (calculated as at the effective date of cancellation).

Vehicle

The vehicle or vehicles shown on your certificate of insurance.

We, us or our

Tower Insurance Limited.

You or your

The persons named on your 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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