

# Rural Motor Vehicle

POLICY WORDING  
NOVEMBER 2025

AG GUARD LIMITED



**Ag Guard**

POWERED BY



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# CONTENTS

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1. Insurance agreement	3
2. Policy cover options	3
3. When cover applies	4
4. Section 1: Cover for the insured vehicle	4
5. Section 1: Automatic extensions	4
6. Section 1: Optional extensions	11
7. Section 1: Exclusions	12
8. Section 1: Basis of settlement	13
9. Section 2: Liability cover	15
10. Section 2: Automatic extensions	16
11. Section 2: Exclusions	19
12. Section 2: Basis of settlement	20
13. Automatic extensions applicable to Sections 1 & 2	21
14. General exclusions	22
15. How to claim	26
16. General conditions	27
17. Definitions	30

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## Introduction

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### About this policy

**Your** Rural Motor Vehicle policy consists of:

- (a) this policy document,
  - (b) the **schedule**,
  - (c) any endorsements or warranties that **we** apply.
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### Reading this policy

The headings in this policy wording are for reference only and must not be used when interpreting the policy wording.

The examples and comments, which are in *italics*, have been included to make parts of this policy wording easier to understand. They do not affect or limit the meaning of the section they refer to.

If a word is shown in **bold**, it has a specific meaning. There is a list of these words and what they mean at the end of this policy wording.

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## 1. INSURANCE AGREEMENT

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### Our agreement

**You** agree to pay **us** the premium and comply with this policy. In exchange, and in reliance on the **application**, **we** agree to insure **you** as set out in this policy.

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## 2. POLICY COVER OPTIONS

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**Your insured vehicles** will be covered under one of the cover options below. The type of cover that applies to each individually specified **insured vehicle** will be shown in the **schedule**.

Where 'Unspecified vehicles' cover has been selected and is shown in the **schedule**, such **vehicles** will be covered as an **insured vehicle** with 'Comprehensive' cover.

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### TYPE OF COVER:

### PROVIDES:

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#### Comprehensive

- (a) Cover under 'Section 1: Cover for the insured vehicle'
  - (b) Cover under 'Section 1: Automatic extensions'
  - (c) Cover under 'Section 2: Liability cover'
  - (d) Cover under 'Section 2: Automatic extensions'
  - (e) Cover under '13. Automatic extensions applicable to Sections 1 & 2'
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#### Third party, fire and theft

- (a) Cover under 'Section 1: Cover for the insured vehicle' but only for **accidental loss** to the **insured vehicle** caused by: fire, lightning, explosion, theft or conversion (including attempted theft or conversion)
  - (b) Cover under 'Section 1: Automatic extensions', but only in respect of a claim covered under (a) above
  - (c) Cover under 'Section 1: Automatic extension 5.6 Damage caused by an uninsured third party'
  - (d) Cover under 'Section 2: Liability cover'
  - (e) Cover under 'Section 2: Automatic extensions'
  - (f) Cover under '13. Automatic extensions applicable to Sections 1 & 2'
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#### Third party only

- (a) Cover under 'Section 1: Automatic extension 5.6 Damage caused by an uninsured third party'
  - (b) Cover under 'Section 2: Liability cover'
  - (c) Cover under 'Section 2: Automatic extensions'
  - (d) Cover under '13. Automatic extensions applicable to Sections 1 & 2'
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## 3. WHEN COVER APPLIES

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### 3.1 When cover applies

There is only cover under this policy when any **insured vehicle** is being **used** in any of the following circumstances:

- (a) for **your farming business**,
- (b) for **your rural lifestyle purposes**,
- (c) for **your** private, social or domestic purposes including any community work,
- (d) when temporarily lent out by **you**, with or without a **driver**, for purposes comparable with **your farming business**, provided that:
  - (i) all policy terms and conditions are observed at the time that any **accidental loss** to the vehicle occurs,
  - (ii) no other insurance covers the **accidental loss**.

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### 3.2 When cover does not apply

There is no cover under this policy when any **insured vehicle** is being **used** in any of the following circumstances:

- (a) on rails,
- (b) on a racetrack,
- (c) for pace making, any form of racing, any reliability, speed or other trial, including in preparation for any of these activities.

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## 4. SECTION 1: COVER FOR THE INSURED VEHICLE

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### 4.1 Accidental loss to the vehicle

**We** will cover **you** for **accidental loss** to an **insured vehicle** that happens anywhere in New Zealand during the **period of insurance**.

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## 5. SECTION 1: AUTOMATIC EXTENSIONS

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In addition to the cover under 'Section 1: Cover for the insured vehicle', **we** also provide the following Automatic extensions.

Where a limit is specified in an Automatic extension, unless otherwise stated, that limit is payable in addition to any amount payable for **accidental loss** to the **insured vehicle** described under '8. Section 1: Basis of settlement'.

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### 5.1 Alternative transport

**We** will contribute towards the reasonable hire costs incurred if **you** require a rental vehicle as a result of **accidental loss** to an **insured vehicle** covered under Section 1 while that **insured vehicle** is either:

- (a) stolen,
- (b) being repaired or is not fit to drive until it is repaired.

Provided:

- (i) the **insured vehicle** was registered and licensed for use on the road at the time of the **accidental loss**,
- (ii) **we** arrange the rental vehicle through **our** approved supplier,
- (iii) the rental vehicle is a passenger vehicle up to 2000cc,
- (iv) **you** contribute \$20 per day (paid to **our** supplier when the rental vehicle is obtained),
- (v) **you** pay any bond or deposit required by the rental vehicle supplier,
- (vi) **you** pay for all running costs.

**We** will contribute towards these costs for a maximum of 14 days.

If the **insured vehicle** is a **total loss**, cover under this benefit ends when **we** settle **your** claim.

This cover is not available if the **insured vehicle** is a mobile home, motorcycle, caravan or trailer.

For any one claim for an **insured vehicle**, **you** may claim rental vehicle hire costs under either this Extension or Extension 5.20 'Loss of use', but not both.

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### 5.2 Borrowed, hired or rented vehicles

Where **you** borrow, hire, or rent a **vehicle** for **use** in connection with **your farming business** or for **rural lifestyle purposes**, **we** will cover that **vehicle** as if it were an **insured vehicle** under this policy.

Provided that:

- (a) **you** had the owner's permission to **use** the **vehicle**,
- (b) **your use** of the **vehicle** is not insured under any other policy.

General exclusion 14.4 'Borrowed, hired or rented vehicles' does not apply to this Extension.

Any **vehicle** covered under this Extension will be covered under 'Comprehensive' cover.

The most **we** will pay for any **event** for a **vehicle** covered under this Extension is its **market value** or \$50,000, whichever is the lesser.

The **excess** applicable under this Extension will be the **excess** that would have applied had the **vehicle** been an **insured vehicle**.

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### 5.3 Child car seats

**We** will pay the reasonable cost incurred to replace a child car seat or baby capsule where **we** accept a claim for an **event** involving a **vehicle** which has suffered **loss** covered under Section 1, and in the same **event**, either:

- (a) there is **loss** to the child car seat or baby capsule,
  - (b) in **our** opinion, the safety of the child car seat or baby capsule is compromised.
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### 5.4 Claim preparation costs

**We** will cover the reasonable external costs **you** incur to have a valid claim prepared for **accidental loss** covered under Section 1. **We** do not cover costs incurred in disputing the claim if it is declined.

The most **we** will pay for any **event** under this Extension is \$20,000.

An additional **excess** of \$500 applies to any claim under this Extension.

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### 5.5 Completion of journey costs

If **your** journey cannot be continued as a result of an **accidental loss** to a **vehicle** covered under Section 1, **we** will pay the reasonable costs **you** incur for any of the following:

- (a) Temporary repairs required to make the **vehicle** roadworthy again.
- (b) Emergency accommodation for the **driver** and any passengers, farm dogs or domestic pets in the **vehicle**.
- (c) Hiring another **vehicle** of similar make and model to complete the journey, or to return the **driver**, and any passengers, farm dogs or domestic pets to where the journey first started.
- (d) Returning the **vehicle** to the place it is normally based, or to another place if **we** agree, following its repair.
- (e) Emergency costs for veterinary care or stabling or feeding **your** horses, if the **vehicle** is a horse float or horse truck transporting horses at the time the **loss** happened. The most **we** pay is up to \$1,000 for an **event**.

The most **we** will pay under this Extension for any **event** is \$5,000.

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### 5.6 Damage caused by an uninsured third party

If an **insured vehicle** has 'Comprehensive' cover and **we** accept a claim for **loss** covered under Section 1 caused by an identifiable and at-fault uninsured **driver** of another **vehicle**, **we** will cover uninsured consequential losses arising from that **loss**.

If an **insured vehicle** has 'Third party, fire and theft' cover or 'Third party only' cover, **we** will cover **loss** to that **vehicle** that is caused by an identifiable and at-fault uninsured **driver** of another **vehicle**.

Cover under this extension applies provided that all the following conditions are met:

- (a) the **loss** happens during the **period of insurance** in New Zealand, including in transit between places in New Zealand,
- (b) **you** give **us** sufficient information to identify the uninsured **driver** (*such as the correct registration, their name and address*),
- (c) the uninsured **driver** admits liability in full, or **we** have sufficient evidence to establish their liability in full,
- (d) **you** have taken all reasonable steps to prevent or mitigate any uninsured losses,
- (e) the uninsured **driver** would be legally liable for the consequential losses **you** claim under this extension.

The most **we** will pay under this extension for any one **event** is \$5,000.

No **excess** applies to claims under this extension.

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### 5.7 Death payment and funeral costs

If **you**, **your** partner, a member of **your** immediate family or **your** employee dies as a direct result of an **injury** sustained in an **event** for which a claim is accepted under this policy, **we** will:

- (a) pay **you** \$15,000,
- (b) pay funeral costs and expenses, in excess of any amount payable by the Accident Compensation Corporation, up to a maximum of \$5,000.

However, there is no cover for death that happens more than 12 months after the **event** which gave rise to the death.

The most that **we** will pay under this Extension for all **events** during the **period of insurance** is \$20,000.

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### 5.8 Diesel exhaust fluid

**We** will pay the reasonable costs **you** incur to repair **accidental loss** to an **insured vehicle** during the **period of insurance** caused directly by the addition of either:

- (a) emission control fluids, including diesel exhaust fluid, into the **insured vehicle's** fuel system,
- (b) fuel into the **insured vehicle's** emission control system.

Exclusion 7.6 'Vehicle parts' does not apply to this Extension.

The most **we** will pay under this Extension for any **event** and in total during the **period of insurance** is either:

- (i) \$10,000 for an **insured vehicle** used for **your farming business** or for **your rural lifestyle purposes**,
- (ii) the **market value** or the **agreed value**, if applicable, of an **insured vehicle** used for private or domestic use.

An **excess** of \$500 or the standard Section 1 **excess** applies, whichever is the greater.

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### 5.9 Disability modifications

If **you** or **your** employee become permanently disabled as a direct result of **injury** sustained in an **event** for which a claim is accepted under Section 1, **we** will pay the reasonable costs **you** incur to modify one **insured vehicle** (*e.g. hand controls*). **We** only pay costs in excess of any amount payable by the Accident Compensation Corporation.

The most **we** will pay under this Extension for any **event** is \$10,000.

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<b>5.10 Employee's accessories and personal effects</b>	<p><b>We</b> will cover <b>accidental loss</b> during the <b>period of insurance</b> to <b>accessories</b> or personal effects owned by <b>your</b> employee, provided that:</p> <ul style="list-style-type: none"> <li>(a) the <b>accidental loss</b> to the <b>accessories</b> or personal effects was suffered in an <b>event</b> which caused <b>accidental loss</b> to an <b>insured vehicle</b> for which a claim is accepted under Section 1,</li> <li>(b) no other insurance policy covers the <b>accidental loss</b>.</li> </ul> <p>The most <b>we</b> will pay under this Extension for any <b>event</b> is the lesser of either:</p> <ul style="list-style-type: none"> <li>(i) the reasonable cost to repair or replace the <b>accessory</b> or personal effects in New Zealand with one of comparable age, quality and capability, and that is in the same general condition as the damaged <b>accessory</b> or personal effects immediately prior to the <b>accidental loss</b>,</li> <li>(ii) \$2,000.</li> </ul>
<b>5.11 Employee's vehicles</b>	<p><b>We</b> will cover <b>accidental loss</b> during the <b>period of insurance</b> to a <b>vehicle</b> owned by <b>your</b> employee as if it was an <b>insured vehicle</b> with 'Comprehensive' cover, provided that:</p> <ul style="list-style-type: none"> <li>(a) the <b>loss</b> is suffered whilst the <b>vehicle</b> is being <b>used</b> in connection with <b>your farming business</b>,</li> <li>(b) the <b>loss</b> is not covered under any other insurance policy,</li> <li>(c) the person <b>using</b> the <b>vehicle</b> meets all the same terms of this policy that <b>you</b> must meet.</li> </ul> <p>The most <b>we</b> will pay under this Extension for any <b>event</b> is the <b>market value</b> of the <b>vehicle</b> or \$50,000, whichever is the lesser.</p>
<b>5.12 Excess free windscreens and window glass</b>	<p><b>You</b> will not have to pay an <b>excess</b> for a claim in relation to an <b>insured vehicle</b> that is only for <b>accidental loss</b> to glass (or its equivalent) in any windscreens, windows, headlights, headlight protectors, external lights and sunroofs.</p> <p>This Extension also applies where <b>your</b> claim involves costs relating to any:</p> <ul style="list-style-type: none"> <li>(a) demisters and sensors fitted to the glass,</li> <li>(b) necessary recalibration of any sensors,</li> <li>(c) scratches or damage to bodywork resulting solely from the broken glass,</li> <li>(d) reinstatement of tinting or signwriting on the glass (but not costs associated with joining the signwriting to other parts of the <b>insured vehicle</b>).</li> </ul>
<b>5.13 Expediting costs</b>	<p>If <b>we</b> accept a claim for <b>accidental loss</b> to an <b>insured vehicle</b> and <b>we</b> agree that an expedited repair is needed, <b>we</b> will pay the reasonable additional costs of express freight and overtime charges <b>you</b> incur to expedite repairs to the <b>insured vehicle</b>.</p>
<b>5.14 First aid, fire or emergency response equipment</b>	<p><b>We</b> will pay the reasonable costs <b>you</b> incur to replace or replenish <b>your</b> first aid, fire or emergency response equipment that was depleted either:</p> <ul style="list-style-type: none"> <li>(a) as a result of an <b>event</b> involving a <b>vehicle</b> which has suffered <b>loss</b> covered under Section 1,</li> <li>(b) to prevent or mitigate <b>loss</b> that would have been covered under Section 1.</li> </ul> <p><b>We</b> will not pay for any item that is past its expiry or mandatory service date.</p> <p>The most <b>we</b> will pay under this Extension for any <b>event</b> is \$5,000.</p>

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### 5.15 Goods in transit

**We** will cover **accidental loss** to goods **you** own if they were being carried, for the purpose of a single relocation, in or on an **insured vehicle** that suffers **accidental loss** during the **period of insurance** arising from any of the following:

- (a) fire,
- (b) collision,
- (c) impact,
- (d) overturning,
- (e) theft,
- (f) loss at sea.

The most **we** will pay under this Extension for any **event** is \$10,000.

An additional **excess** of \$100 applies to any claim under this Extension.

If **you** have other 'Goods in transit' cover with **us**, **we** will only pay a claim under one extension in one policy for an **event**, being the extension most favourable to **you**.

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### 5.16 Hoists

**We** will cover **accidental loss** during the **period of insurance** to hydraulic rams and hoists permanently attached to an **insured vehicle**, where the **accidental loss** is a result of mechanical breakdown or mechanical failure of the ram or hoist. **We** do not cover **accidental loss** that is a result of mechanical breakdown or mechanical failure caused by wear and tear.

Exclusion 7.6 'Vehicle parts' does not apply to this Extension.

The most **we** will pay under this Extension for any **event** is \$20,000.

An **excess** of \$1,000 applies to any claim under this Extension.

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### 5.17 Ingestion or entanglement

**We** will cover **accidental loss** during the **period of insurance** caused by the ingestion, entanglement or entry of any foreign object into an **insured vehicle** provided that the ingestion, entanglement or entry occurs whilst the **insured vehicle** is being **used** in the manner and for the purpose for which it has been designed.

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### 5.18 Keys and locks

**We** will cover the reasonable costs **you** incur to replace or alter an **insured vehicle's** locks or keys if, during the **period of insurance**, a key giving access to that **insured vehicle** is lost, stolen or believed on reasonable grounds to have been duplicated without **your** permission.

The most **we** will pay under this Extension for any **event** is \$5,000.

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### 5.19 Load recovery

If **we** accept a claim for **accidental loss** to an **insured vehicle** and load carried by that **insured vehicle** spills onto a road or parking area, **we** will pay the reasonable costs **you** incur to:

- (a) clean up and clear away any debris or spillage from that **insured vehicle**,
- (b) salvage the load, including the reasonable costs of reloading or trans-shipping to the nearest place of safe storage.

This Extension does not cover any fines or penalties payable by **you**.

The most **we** will pay under this Extension for any **event** is \$50,000.

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## 5.20 Loss of use

Where an **insured vehicle** that is either unregistered or is an Exempt Class B agricultural motor vehicle suffers **accidental loss** for which **we** have accepted a claim, **we** will cover the reasonable costs **you** incur to hire a substitute **vehicle**.

Cover under this extension is subject to the following conditions:

- (a) the substitute **vehicle** is of a similar specification to and capable of performing the same functions as the **insured vehicle** that suffered the **accidental loss**,
- (b) the **insured vehicle** is repaired or replaced as soon as possible (**you** must help **us** achieve this),
- (c) **you** do not have another **vehicle** that can perform the same functions as the **insured vehicle** that suffered the **accidental loss**, and **you** reasonably require a **vehicle** that can perform those functions prior to the **insured vehicle** being repaired or replaced.

There is no cover for petrol, insurance or normal running costs of the substitute **vehicle**.

If there is no suitable substitute **vehicle** available for hire (**you** having consulted with **us** as to the availability of such a **vehicle**), **we** will pay **you** the daily rate specified in the **schedule** from the date cover under this Extension begins to the date cover under this Extension ends.

Cover under this Extension begins on the earliest of the following dates:

- (i) the date the **insured vehicle** is delivered to the agreed repairer,
- (ii) the date of the **accidental loss** if the **insured vehicle** cannot be operated or is a **total loss** from that date,
- (iii) the date **we** declare the **insured vehicle** a **total loss**.

Cover under this Extension ends on the earliest of the following dates:

- (i) the date the repairs are completed and the **insured vehicle** is available to be collected or delivered,
- (ii) the date **we** settle **your total loss** claim in full.

Exclusion 7.1 'Consequential loss' does not apply to this Extension.

The most **we** will pay under this Extension is:

- (i) \$500 per day, unless a different daily rate is specified in the **schedule**,
- (ii) \$10,000 in total for any **event**.

An additional **excess** equal to the first 5 days of rental costs applies to this Extension.

For any one claim for an **insured vehicle**, **you** may claim for rental vehicle hire costs under this Extension or Extension 5.1 'Alternative transport', but not both.

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## 5.21 Medical and related expenses

**We** will cover **you**, or the **driver**, for the reasonable costs actually incurred for medical, dental, hospital, chemist or ambulance expenses in connection with **injury** sustained whilst using an **insured vehicle** at the time of an **event** that gives rise to a claim covered under Section 1.

However, there is no cover for a sum prohibited to be paid under any legislation.

**We** only pay costs in excess of any amount payable by the Accident Compensation Corporation, or any other source.

The most **we** will pay under this Extension for any **event** is \$5,000.

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5.22 Repair authorisation	<p>If an <b>insured vehicle</b> requires repairs as a result of <b>accidental loss</b> covered under Section 1, <b>you</b> may authorise reasonable repairs to that <b>insured vehicle</b> up to \$1,000, without prior notice to <b>us</b>.</p> <p>However, if the estimated repair cost exceeds \$1,000:</p> <ul style="list-style-type: none"> <li>(a) the repairs must not be started without <b>our</b> prior consent,</li> <li>(b) <b>we</b> must be given the opportunity to examine the <b>loss</b>.</li> </ul> <p>The most <b>we</b> will pay under this Extension for any <b>event</b> is \$1,000.</p>
5.23 Restricted drivers, vehicle servicing or emergency usage	<p>If only specified <b>drivers</b> are covered or <b>drivers</b> under 25 years of age are excluded, <b>we</b> will not apply those restrictions whilst the <b>insured vehicle</b> is being <b>used</b>:</p> <ul style="list-style-type: none"> <li>(a) by a parking attendant,</li> <li>(b) by a member or employee of the motor trade in connection with the repair, service or testing of the <b>insured vehicle</b>,</li> <li>(c) during a medical emergency,</li> <li>(d) by a professional dial-a-driver in the course of returning the <b>insured vehicle</b> to <b>your</b> home or farm.</li> </ul> <p><i>A medical emergency is a physical injury, condition or illness that places a person's life at immediate risk.</i></p>
5.24 Rewards cover	<p><b>We</b> will cover a reasonable financial reward, offered with <b>our</b> prior approval, to successfully secure the return of a converted or stolen <b>insured vehicle</b> if the theft or conversion is covered under Section 1.</p> <p>The most <b>we</b> will pay under this Extension for any <b>event</b> is \$10,000.</p>
5.25 Salvage, protection, recovery and disposal costs	<p>If an <b>insured vehicle</b> is disabled as a result of <b>accidental loss</b> covered under Section 1 <b>we</b> will cover the reasonable costs <b>you</b> incur in taking reasonable steps to protect the <b>insured vehicle</b>.</p> <p><b>We</b> will also cover:</p> <ul style="list-style-type: none"> <li>(a) any reasonable salvage, recovery, removal or disposal costs <b>you</b> incur as a consequence of <b>accidental loss</b> to an <b>insured vehicle</b> covered by this policy; and</li> <li>(b) any reasonable costs incurred in reducing or avoiding <b>accidental loss</b> that would be covered by this policy.</li> </ul>
5.26 Signwriting	<p>If an <b>insured vehicle</b> with signwriting suffers <b>accidental loss</b> covered by Section 1, then either:</p> <ul style="list-style-type: none"> <li>(a) if that <b>accidental loss</b> is repairable, <b>we</b> will pay the reasonable cost of reinstatement of signwriting, artwork, vehicle wraps or graphics existing at the time of <b>accidental loss</b>,</li> <li>(b) if the <b>insured vehicle</b> is a <b>total loss</b>, <b>we</b> will pay the reasonable cost to have a replacement <b>vehicle</b> sign written to an equivalent standard.</li> </ul>
5.27 Stock crates, tarpaulins, sheets, ropes or chains	<p><b>We</b> will cover <b>accidental loss</b> during the <b>period of insurance</b> to stock crates, dog boxes, tarpaulins, sheets, ropes or chains normally <b>used</b> in connection with an <b>insured vehicle</b>.</p> <p>The most <b>we</b> will pay under this Extension for any <b>event</b> is \$5,000, unless a different amount is shown in the <b>schedule</b>.</p>

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### 5.28 Trailers

**We** will cover **accidental loss** to a trailer **you** own or that is in **your** care or control.

**We** do not cover any of the following under this Extension:

- (a) a trailer that is an **insured vehicle** or that is insured under any other policy,
- (b) caravans,
- (c) boat, horse or camper trailers,
- (d) the contents of any trailer,
- (e) any trailer that cannot legally be towed by an **insured vehicle**.

The most **we** will pay under this Extension for any **event** is \$2,500.

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### 5.29 Tyre damage

**We** will cover **accidental loss** during the **period of insurance** to any tyre (including its inner tube) fitted to an **insured vehicle** provided that:

- (a) the **insured vehicle** is a tractor, an agricultural implement, or a farm truck or ute that is not registered for road use,
- (b) the **insured vehicle** is not primarily **used** for driving on public or private roads,
- (c) the **accidental loss** is not to the inner tube only.

**We** will at **our** option pay one of the following:

- (i) the cost to repair the damage,
- (ii) an amount equal to the reasonable cost of repair,
- (iii) the cost to replace the tyre, less a reasonable deduction for the damaged tyre's wear and tear,
- (iv) an amount equal to the value of the tyre immediately prior to the **accidental loss**.

Exclusion 7.4 'Tyres' does not apply to this Extension.

An **excess** of \$250 applies to any claim under this Extension.

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### 5.30 Vehicle spare parts

**We** will cover the **insured vehicle's** spare parts that **you** have for the purposes of repairing the **insured vehicle**, if they are stored where **you** live or at **your** farm or lifestyle block, and are not covered by any other insurance.

The most **we** will pay under this Extension for any **event** is \$2,000.

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## 6. SECTION 1: OPTIONAL EXTENSIONS

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The following Optional extensions only apply if **you** have purchased a particular Optional extension and it is shown in the **schedule**.

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### 6.1 Agricultural and horticultural contracting in addition

**We** will cover **accidental loss** to the **insured vehicle** during the **period of insurance** while it is being **used** for paid agricultural and horticultural contracting work, where such work represents more than 30% of **your** annual turnover.

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### 6.2 Portable electronic devices

**We** will cover **accidental loss** during the **period of insurance** to any portable electronic device specified in the **schedule** (including electrical or communication equipment, but excluding cell phones), that is not permanently affixed to the **vehicle** or wired into the **vehicle's** electrical system.

**Your** device will be covered for its **replacement value**.

The most **we** will pay for any device is its limit specified in the **schedule**.

An **excess** of \$250 applies to any claim under this Extension.

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## 7. SECTION 1: EXCLUSIONS

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The following Exclusions apply to 'Section 1: Cover for the insured vehicle', 'Section 1: Automatic extensions' and 'Section 1: Optional extensions'.

*IMPORTANT: Please also read '14. General exclusions' which apply to all parts of this policy.*

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### 7.1 Consequential loss

This policy does not cover any:

- (a) loss of use of any kind, or any costs or expenses that result from that loss of use, unless expressly covered under this policy,
  - (b) depreciation or loss reduction in value.
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### 7.2 Drilling equipment

This policy does not cover **loss** to any drill shaft or bit whilst being **used** with any type of drilling rig or machinery for the purpose of drilling below ground or surface level.

However, this Exclusion does not apply to post hole borers **used** for fencing.

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### 7.3 Types of loss not covered

This policy does not cover **loss** connected with:

- (a) wear and tear,
- (b) rust or corrosion,
- (c) action of light or fading,
- (d) the failure of, or any fault or defect in, an **insured vehicle's** design, specification or materials.

However, this Exclusion is limited to the part immediately affected and does not apply to any resultant **accidental loss** to any other part of an **insured vehicle**.

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### 7.4 Tyres

This policy does not cover damage to or destruction of tyres or rubber tracks.

However, this Exclusion does not apply if the damage or destruction results from **accidental loss** otherwise covered under Section 1 of this policy, or from malicious damage.

*Note: Please see Automatic extension '5.29 – Tyre damage'.*

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### 7.5 Vehicles hired, rented or lent out

This policy does not cover **loss** resulting from theft or conversion of an **insured vehicle** by a person to whom **you** hired, rented or lent the **insured vehicle**.

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## 7.6 Vehicle parts

This policy does not cover any **loss** to, or any cost or expense in connection with, any of the following parts (including components of those parts) of any **insured vehicle**:

- (a) engine and all engine parts,
- (b) cooling systems, including radiators, heat exchangers, cooling fans, pressure caps, water pumps, thermostats and hoses,
- (c) hydraulic system, including shock absorbers and suspension systems,
- (d) transmission system, including gearbox, drive shafts, axles, differentials, clutches, and wheel hubs,
- (e) fuel systems,
- (f) braking systems,
- (g) electrical/electronic systems, computer systems, and mechanical systems,
- (h) pumping and vacuuming systems,
- (i) any fixed plant machinery (including food/drink preparation equipment),
- (j) underground exploratory devices.

However, this Exclusion does not apply to any resultant **loss** to any other part of the **vehicle** not excluded by this policy.

This Exclusion also does not apply to any **loss** that is a direct result of any of the following:

- (i) fire,
- (ii) the **insured vehicle** or a conveying **vehicle** overturning,
- (iii) the **insured vehicle** suffering an impact or collision with an external object,
- (iv) the **insured vehicle** being partly or fully immersed in a body of water,
- (v) the **insured vehicle** being stolen or converted,
- (vi) the **insured vehicle** being maliciously damaged by non-electronic means,
- (vii) the **insured vehicle accidentally** having diesel added to a petrol engine or petrol added to a diesel engine,
- (viii) hail, snow, storm or lightning,
- (ix) earthquake, subterranean fire, hydrothermal activity, geothermal activity, volcanic activity, or tsunamis,
- (x) damage by animals,
- (xi) the **insured vehicle** being recovered by a licenced salvage operator, following another **loss** covered under Section 1.

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## 8. SECTION 1: BASIS OF SETTLEMENT

### 8.1 Method of indemnity: Repairable vehicles

If **we** decide an **insured vehicle** is economic to repair, **we** will at **our** option either:

- (a) pay to repair the **insured vehicle** as near as reasonably possible to the condition it was in just before the **loss**,
- (b) pay **you** the reasonable estimated cost to repair the **insured vehicle** as near as reasonably possible to the condition it was in just before the **loss**, as assessed by **our** assessor.

The repair may use new, recycled, aftermarket or reconditioned parts where the safety, performance and quality of the repair will not be affected.

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## 8.2 Method of indemnity: Total loss vehicles

If **we** decide an **insured vehicle** is a **total loss**, **we** will indemnify **you** in one of the following ways:

- (a) **we** will pay **you** the **market value** of the **insured vehicle**, or the **agreed value** if applicable,
- (b) **we** will replace the **insured vehicle** with a new **vehicle** of the same model and specification if all of the following apply:
  - (i) the model and specification is available in New Zealand,
  - (ii) the **insured vehicle's** value on the **vehicle declaration** was its purchase price,
  - (iii) either:
    - 1. the **insured vehicle** weighs less than 3,500kg and the **accidental loss** happens within 24 months of the **insured vehicle** first being registered in New Zealand as a new **vehicle**,
    - 2. the **insured vehicle** weighs 3,500kg or more and the **accidental loss** happens within 12 months of the **insured vehicle** first being registered in New Zealand as a new **vehicle**.
- (c) if the **insured vehicle** is leased, **we** will pay **you** an amount equal to the **market value** or **residual value** of the **insured vehicle**, whichever is the greater,
- (d) if the **insured vehicle** is an **unspecified vehicle**, **we** will pay **you** an amount equal to the **market value** of the **unspecified vehicle** or \$5,000, whichever is the lesser.

The most **we** will pay during the **period of insurance** for **unspecified vehicles** is the amount shown in the **schedule**.

If **we** settle **your** claim as a **total loss**, then **we**:

- (a) at **our** option, salvage or dispose of the wreck,
- (b) pass on to **you** any refund **we** receive for any Road User Charges in credit on an **insured vehicle**,
- (c) do not refund any premium for the **insured vehicle**.

*IMPORTANT: Please also see Extension 5.2 'Borrowed, hired or rented vehicles' and Extension 13.1 'Additions and deletions'.*

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## 8.3 Improvements

**We** may require **you** to contribute to the cost of repairs before they start if either:

- (a) the repairs will put the **insured vehicle** in a substantially better condition than it was in just before the **loss**,
- (b) **our** assessor identifies damage to the **insured vehicle** that is not covered under **your** policy but that needs to be repaired to make the **insured vehicle** roadworthy.

**We** will get **your** agreement to this before starting the repairs. If **you** do not agree to pay, **we** will settle **your** claim under '8.1 Method of indemnity: Repairable vehicles (b)', excluding the cost of the improvements or repairs for damage not covered under **your** policy.

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## 8.4 Parts no longer available

If any part or component of an **insured vehicle** is no longer available, the most **we** will pay for that part or component is the supplier's or manufacturer's list price.

Where no such list price is available, the most **we** will pay will be the lesser of:

- (a) the last known list price in New Zealand,
  - (b) the price of the part's closest New Zealand equivalent,
  - (c) the cost of making a new part.
-

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### 8.5 Excess

The **excess** shown in the **schedule**, and any **excess** payable under any Section 1 Automatic extension or Section 1 Optional extension, will be deducted from the amount payable for the **accidental loss** for each **event**.

In addition, where the **driver** of the **insured vehicle** is aged under 25 years, the applicable age **excess** shown in the **schedule** will be deducted from the amount payable for the **accidental loss** for each **event**, unless both the following apply:

- (a) the vehicle is a tractor, farm motorcycle, quad bike, hay baler or harvester, and is being **used** in connection with **your farming business**,
- (b) the vehicle is being **used** on property owned or occupied by **you**.

If more than one **vehicle** insured under this policy suffers **accidental loss** from a single **event**, only one **vehicle excess** will apply, being the highest applicable **excess**. Any driver **excess** or additional **excess** payable under 'Section 1: Automatic extensions' or 'Section 1: Optional extensions' may also still apply.

If a single **event** results in claims being accepted under more than one policy that **you** hold with **us** at the same property address, only one **excess** will be applied, being the highest applicable **excess** of the policies **you** are claiming under. This does not apply to any **accidental loss** caused by earthquake, subterranean fire, hydrothermal activity, geothermal activity, volcanic activity, or tsunami.

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### 8.6 Excess: Theft of a vehicle

- (a) The Section 1 **vehicle excess** shown in the **schedule** will not be deducted from the amount payable for the **accidental loss** for each **event** caused by theft, attempted theft or conversion, unless the **insured vehicle** is a farm motorcycle or quad bike.
- (b) An **excess** of \$1,000 applies to each **event** for **accidental loss** from theft, attempted theft or conversion of an **insured vehicle** that is a farm motorcycle or quad bike, unless any of the following apply:
  - (i) the farm motorcycle or quad bike was contained in a fully enclosed and locked building or secured to a permanently fixed structure at the time of the **loss**,
  - (ii) the theft, attempted theft or conversion is accompanied by violence or threat of violence to **you**.

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## 9. SECTION 2: LIABILITY COVER

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### 9.1 Legal liability cover

**We** will cover **your** legal liability, including liability to pay **reparation**, arising from:

- (a) **accidental bodily injury**,
- (b) **accidental loss** to any property.

Provided that the **accidental loss** or **bodily injury** happens in New Zealand during the **period of insurance**, caused by or in connection with **your use** of an **insured vehicle**.

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### 9.2 Litigation defence costs

**We** will also cover legal defence costs and expenses necessarily and reasonably incurred with **our** consent to defend any civil proceeding (or threat of civil proceeding) brought against **you**, in relation to an alleged liability that, if proven, would be covered under this policy.

*If you are unsure whether we will pay your costs, please talk to us before you agree to any payments.*

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### 9.3 Legal liability of other users of an insured vehicle

**We** will cover the legal liability and litigation defence costs of any other person caused by or in connection with their **use** of an **insured vehicle** or of a **vehicle** covered under Extension 5.11 'Employee's vehicles', that happens during the **period of insurance**. **We** cover that person in the same manner as **we** cover **you**, provided that:

- (a) such **use** has **your** permission,
  - (b) their liability is not covered by any other insurance,
  - (c) they meet the terms of this policy.
- 

## 10. SECTION 2: AUTOMATIC EXTENSIONS

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In addition to the cover under 'Section 2: Liability cover', **we** also provide the following Automatic extensions.

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### 10.1 Airside liability

**We** will cover **your** legal liability arising out of the ownership, operation or maintenance of any **vehicles** within the restricted area of any airport used for scheduled commercial flights.

**We** do not cover any liability arising from refuelling an aircraft at any location.

Exclusion 11.1 'Airside liability' does not apply to this Extension.

The most **we** will pay under this Extension for an **event** is \$2,000,000.

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### 10.2 Borrowed, hired or rented vehicles

Where **you** borrow, hire, or rent a **vehicle** for **use** in connection with **your farming business** or **your rural lifestyle purposes**, **we** will cover **your** legal liability caused by or in connection with **your use** of that **vehicle** as provided under 'Section 2: Liability cover' and 'Section 2: Automatic extensions'.

Provided that:

- (a) **you** had the owner's permission to **use** the **vehicle**,
- (b) the **vehicle** is not insured under any other policy.

Exclusion 11.8 'Property owned, in care, custody or control' and Exclusion 14.4 'Borrowed, hired or rented vehicles' do not apply to this Extension.

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### 10.3 Borrowed, hired or rented vehicles: Consequential loss

**We** will cover **your** legal liability for consequential losses during the **period of insurance** caused in connection with **accidental loss** covered under Extension 5.2 'Borrowed, hired or rented vehicles' provided that:

- (a) where the **vehicle** is rented or hired, **you** rejected the rental vehicle owner's statutory offer of insurance,
- (b) the consequential loss is not insured under any other policy.

Exclusion 11.8 'Property owned, in care, custody or control' and Exclusion 14.4 'Borrowed, hired or rented vehicles' do not apply to this Extension.

The most **we** will pay under this Extension for a borrowed **vehicle** for an **event** is \$5,000, unless a different amount is shown in the **schedule**.

The most **we** will pay under this Extension for a hired or rented **vehicle** for any **event** is \$50,000, unless a different amount is shown in the **schedule**.

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### 10.4 Clean up costs

**We** will cover all costs **you** are lawfully charged by any government body or authority, or any other entity, for cleaning or restoring the site of an accident covered under 'Section 1: Cover for the insured vehicle'.

The most **we** will pay under this Extension for an **event** is \$50,000.

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<b>10.5 Criminal court action / inquiries / inquests</b>	<p><b>We</b> will cover legal defence costs and expenses <b>you</b> necessarily and reasonably incur:</p> <ul style="list-style-type: none"> <li>(a) to defend a charge of manslaughter, or dangerous driving causing death or careless driving causing death,</li> <li>(b) for legal representation at any inquiry or coroner's inquest in connection with that death.</li> </ul> <p>Provided that such defence costs arise from any person covered under Section 2 of this policy <b>using a vehicle</b> insured under this policy.</p> <p>Exclusion 11.3 'Criminal offences' does not apply to this Extension.</p> <p>The most <b>we</b> will pay under this Extension for an <b>event</b> is \$20,000.</p>
<b>10.6 Emergency services</b>	<p>If a <b>vehicle</b> insured under this policy is involved in an accident during the <b>period of insurance</b> requiring the attendance of any emergency service or regulatory authority, <b>we</b> will cover the cost of services lawfully charged to <b>you</b> by each relevant service or authority.</p> <p>However, <b>we</b> do not cover ambulance costs under this Extension.</p> <p>The most <b>we</b> will pay under this Extension for an <b>event</b> is \$10,000.</p> <p><i>Note: See also Extension 5.21 'Medical and related expenses'.</i></p>
<b>10.7 Exemplary damages</b>	<p><b>We</b> will cover punitive or exemplary damages arising from <b>accidental bodily injury</b> or <b>accidental loss</b> to any property, provided the <b>injury</b> or <b>loss</b>:</p> <ul style="list-style-type: none"> <li>(a) happens in New Zealand during the <b>period of insurance</b>,</li> <li>(b) is caused by or in connection with an <b>insured vehicle</b>.</li> </ul> <p>However, there is no cover for liability connected with any dishonest, fraudulent or malicious act or omission by <b>you</b> or anyone acting on <b>your</b> behalf.</p> <p>Exclusion 11.5 'Exemplary damages' does not apply to this Extension.</p> <p>The most <b>we</b> will pay under this Extension is:</p> <ul style="list-style-type: none"> <li>(i) \$500,000 for any <b>event</b>,</li> <li>(ii) \$1,000,000 in total for all <b>events</b> during the <b>period of insurance</b>.</li> </ul> <p>An <b>excess</b> of 10% of the exemplary damages, with a minimum of \$5,000, applies.</p>
<b>10.8 Financial charge</b>	<p><b>We</b> will cover <b>your</b> legal liability for the balance of any outstanding financial charge on an <b>insured vehicle</b> where:</p> <ul style="list-style-type: none"> <li>(a) the <b>insured vehicle</b> is purchased during the <b>period of insurance</b>,</li> <li>(b) the <b>insured vehicle</b> suffers <b>accidental loss</b> which is covered under Section 1,</li> <li>(c) <b>you</b> had made the proper enquires in relation to the existence of any charge before making the purchase,</li> <li>(d) <b>you</b> are liable to pay the outstanding financial charge.</li> </ul> <p>The most <b>we</b> will pay under this Extension for any one <b>insured vehicle</b> is \$5,000.</p>

<b>10.9 Hired and rented vehicles: Supplementary cover</b>	<p>If <b>you</b> hire or rent a <b>vehicle</b> during the <b>period of insurance</b> and <b>you</b> accept the rental vehicle owner's statutory offer of insurance, this Extension covers the following for any <b>event</b>:</p> <ul style="list-style-type: none"> <li>(a) the difference between the Section 1 <b>excess</b> under this policy and any deductible applicable under the rental vehicle owner's insurance,</li> <li>(b) <b>your</b> liability to third parties as provided under 'Section 2: Liability cover' and 'Section 2: Automatic extensions', but only for the difference between the amount payable for liability under the statutory offer of insurance, and the maximum amount payable under 'Section 2: Liability cover'.</li> </ul> <p>Exclusion 11.8 'Property owned, in care, custody or control', Exclusion 14.4 'Borrowed, hired or rented vehicles' and Condition 16.12 'Other insurance' do not apply to this Extension.</p>
<b>10.10 Marine liability</b>	<p><b>We</b> will cover general average and salvage charges that <b>you</b> are liable to meet as a result of the <b>insured vehicle</b> being carried by ship between places in New Zealand during the <b>period of insurance</b>.</p>
<b>10.11 Movement of other vehicles</b>	<p><b>We</b> will cover <b>your</b> legal liability for <b>accidental loss</b> to any property or <b>accidental bodily injury</b> arising from the movement by <b>you</b> or any of <b>your</b> employees, of any <b>vehicle</b> not otherwise insured that is either:</p> <ul style="list-style-type: none"> <li>(a) parked in a position which prevents or impedes the loading or unloading of an <b>insured vehicle</b>,</li> <li>(b) preventing or impeding the legitimate passage of an <b>insured vehicle</b>.</li> </ul> <p>Provided that the <b>loss</b> or <b>injury</b> happened in New Zealand during the <b>period of insurance</b>.</p> <p>Exclusion 11.8 'Property owned, in care, custody or control' does not apply to the <b>vehicle</b> being moved.</p>
<b>10.12 Principal's indemnity</b>	<p><b>We</b> will cover the principal of any construction or works project for their vicarious legal liability for <b>accidental loss</b> to property or <b>accidental bodily injury</b>.</p> <p>Provided that their liability arises in connection with <b>your use</b> or <b>your</b> operation of an <b>insured vehicle</b> on that project and the <b>loss</b> or <b>injury</b> happens in New Zealand during the <b>period of insurance</b>.</p>
<b>10.13 Towing</b>	<p><b>We</b> will cover <b>your</b> legal liability for <b>accidental loss</b> to property or <b>accidental bodily injury</b> arising from an <b>insured vehicle</b> being <b>used</b> while towing any:</p> <ul style="list-style-type: none"> <li>(a) single trailer or caravan,</li> <li>(b) single mechanically propelled <b>vehicle</b> that is disabled.</li> </ul> <p>Provided that the <b>loss</b> or <b>injury</b> happens in New Zealand during the <b>period of insurance</b>.</p> <p>However, there is no cover if the towing is for payment or reward.</p>
<b>10.14 Vicarious liability</b>	<p><b>We</b> will cover <b>your</b> vicarious legal liability caused by or in connection with any:</p> <ul style="list-style-type: none"> <li>(a) <b>vehicle</b> owned by or in the control of any director, partner, executive officer, consultant, employee or elected member or official (whether or not the <b>vehicle</b> is covered by this policy),</li> <li>(b) <b>vehicle</b>, together with <b>driver</b>, hired-in by <b>you</b>.</li> </ul> <p>Provided that the accident occurs whilst the <b>vehicle</b> is being used in connection with <b>your farming business</b> or for <b>rural lifestyle purposes</b>.</p>

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### 10.15 Weight damage

We will cover **your** legal liability for **accidental loss** to any property (including roads) during the **period of insurance** caused by any of the following:

- (a) the weight of the load carried by an **insured vehicle**,
- (b) the weight of the **insured vehicle**,
- (c) the combined weight of the load and the **insured vehicle**.

Exclusion 11.11 'Vibration or weight' (b) (c) and (d), do not apply to this Extension.

The most **we** will pay under this Extension for an **event** is \$500,000.

An **excess** of \$1,000 applies to this Extension.

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## 11. SECTION 2: EXCLUSIONS

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The following Exclusions apply to 'Section 2: Liability cover' and 'Section 2: Automatic extensions'.

*IMPORTANT: Please also read '14. General exclusions'.*

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### 11.1 Airside liability

There is no cover under this policy for liability arising from any of the following:

- (a) the ownership, operation or maintenance of any **vehicle** within the restricted area of any airport used for scheduled commercial flights,
  - (b) refuelling any aircraft.
- 

### 11.2 Contractual liability

There is no cover under this policy for liability arising out of a contract or agreement unless **you** would have been liable even without such contract or agreement.

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### 11.3 Criminal offences

There is no cover for any legal defence costs, fines or court costs arising from the prosecution of any offence under any Act of Parliament including any Regulations, Rules or By-Laws made under any Act of Parliament.

*Note: Please see Extension 10.5 'Criminal court action / inquiries / inquests'.*

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### 11.4 Drivers

There is no cover under this policy for any **driver**, including **you**, for liability for or arising from:

- (a) **bodily injury** to themselves,
  - (b) **loss** of property belonging to that **driver**.
- 

### 11.5 Exemplary damages

There is no cover under this policy for any exemplary damages.

*Note: Please see Extension 10.7 - 'Exemplary damages'.*

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### 11.6 Liability determined by a foreign court

There is no cover under this policy for liability determined by any court outside New Zealand.

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### 11.7 Operation of mechanical plant or machinery

There is no cover under this policy for liability arising out of the operation of any mechanical plant component while it is being **used** for the purpose for which it was designed (*e.g. the operation of a crane or backhoe*).

This Exclusion does not apply to the operation of any **vehicle** mounted crane whilst being **used** to load or unload to or from that **vehicle**, or of any fork hoist.

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### 11.8 Property owned, in care, custody or control

There is no cover under this policy for liability for **loss** to property that belongs to **you**, or is, or was in **your** care, custody or control, other than:

- (a) a passenger's personal effects,
  - (b) a building leased or rented by **you**,
  - (c) a **vehicle** (which is not insured under Section 1 of this policy or owned by **you**), which is being towed by a **vehicle**.
-

<b>11.9 Transporting of a load</b>	There is no cover for liability arising from the transporting of a load to, or away from the <b>vehicle</b> .
	However, this Exclusion does not apply to liability arising from the actual loading and unloading of the <b>vehicle</b> .
<b>11.10 Vehicles</b>	There is no cover for liability arising from <b>accidental loss</b> to any: <ul style="list-style-type: none"> <li>(a) <b>vehicle</b> insured by this policy,</li> <li>(b) property being carried in or on a <b>vehicle</b> insured by this policy.</li> </ul>
	<i>Note: Please also read 14 'General exclusions'.</i>
<b>11.11 Vibration or weight</b>	There is no cover for liability for <b>loss</b> to any property (including roads) arising from any of the following:
	<ul style="list-style-type: none"> <li>(a) vibration caused by the <b>vehicle</b>,</li> <li>(b) the weight of the load carried by the <b>vehicle</b>,</li> <li>(c) the weight of the <b>vehicle</b>,</li> <li>(d) the combined weight of the load and the <b>vehicle</b>.</li> </ul>
	<i>Note: Please see Extension 10.15 'Weight damage'.</i>

## 12. SECTION 2: BASIS OF SETTLEMENT

<b>12.1 Maximum amount payable</b>	The maximum amount payable in total for all legal liability under 'Section 2: Liability cover' and 'Section 2: Automatic extensions', arising from an <b>event</b> is \$20,000,000, unless a different amount is shown in the <b>schedule</b> .
	The most <b>we</b> will pay in total for all legal defence costs and expenses arising from an <b>event</b> is \$1,000,000. This limit is in addition to the limit available for legal liability.
	If <b>our</b> maximum amount payable is insufficient to cover both <b>you</b> and any other party entitled to cover under Section 2, it will apply first to <b>you</b> .
<b>12.2 Excess</b>	The <b>excess</b> shown in the <b>schedule</b> and any <b>excess</b> payable under any Section 2: Automatic extension will apply to any claim under Section 2.
	If a single <b>event</b> results in claims being accepted under more than one Rural policy that <b>you</b> hold with <b>us</b> only one <b>excess</b> will be applied, being the highest applicable <b>excess</b> of the policies <b>you</b> are claiming under. This does not apply to any <b>accidental loss</b> caused by earthquake, subterranean fire, hydrothermal activity, geothermal activity, volcanic activity, or tsunami.
<b>12.3 Sub limits</b>	The most <b>we</b> will pay under any Automatic extension is the higher of:
	<ul style="list-style-type: none"> <li>(a) the amount specified in this policy wording,</li> <li>(b) the amount specified in the <b>schedule</b>.</li> </ul>

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## 13. AUTOMATIC EXTENSIONS APPLICABLE TO SECTIONS 1 & 2

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### 13.1 Additions and deletions

(a) Additions

Any **vehicle** purchased or leased by **you** during the **period of insurance** is an **insured vehicle** under this policy from the date of purchase or commencement of the lease. Any **vehicle** added under this extension will be covered under 'Comprehensive' cover unless **you** advise **us** at the time the **vehicle** is added that **you** want to insure the **vehicle** under a different cover type.

The most **we** will pay under 'Section 1: Basis of settlement' for each purchased or leased **vehicle** covered under this extension is \$300,000.

*Note: Please also see General condition 16.6 'Declaring vehicle values'.*

(b) Deletions

If an **insured vehicle** is sold or the lease ends during the **period of insurance**, it ceases to be an **insured vehicle** under this policy from the date of sale or the date the lease ends.

(c) Premium adjustments

**We** will pro-rata the applicable annual premium for each **vehicle** from the date of its acquisition or disposal.

**You** will pay and **we** will refund any adjusted premium for the addition or deletion of these **vehicles**.

(d) Pre-Renewal Period

If a **vehicle** was purchased or disposed of during the prior **period of insurance**, but after **you** had begun the renewal process for this **period of insurance**, if **you** have met the requirements of General condition 16.6 'Declaring vehicle values' the **vehicle** will be treated in accordance with (a) and/or (b). Premium adjustments for these **vehicles** will be calculated in accordance with (c).

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### 13.2 Counselling costs

**We** will cover **you** or **your** employee for the reasonable costs incurred for professional counselling following **accidental loss** or liability covered under this policy that resulted in the death of a person.

However, **we** will only cover the costs that exceed any amount payable under the Accident Compensation Act 2001.

The most **we** will pay under this Extension for an **event** is \$5,000.

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### 13.3 Invalidation

**We** will cover **accidental loss** or legal liability that would have been excluded under this policy by reason of any of the following Exclusions:

- (a) General exclusion 14.2 'Alcohol, drugs and other intoxicating substances'
- (b) General exclusion 14.8 'Excessive loads'
- (c) General exclusion 14.9 'Intentional or reckless acts'
- (d) General exclusion 14.14 'Unlicensed drivers'
- (e) General exclusion 14.15 'Unsafe vehicles'
- (f) General exclusion 14.17 'Work time rules'.

Provided that:

- (i) the **driving** in those excluded circumstances was without **your** knowledge,
- (ii) **you** have not waived any right of recovery against the **driver**,
- (iii) **you** co-operate fully with **us** and the police if required, in pursuit of **reparation** or recovery from the **driver**.

The liability of the **driver** or the person responsible for the **accidental loss** or legal liability is not covered under this Extension.

For the purposes of this Extension only, 'your knowledge' is deemed to include the knowledge of:

- (a) any person employed by **you** with **your** authority to control the conduct of the **driver** of the **vehicle** concerned,
- (b) the **driver**, if the **driver** is of such senior position within **your farming business** that their knowledge is by law deemed to be **your** knowledge.

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### 13.4 Non-renewal

If **we** intend to refuse renewal of this policy, **we** will notify **you** of that intention not less than 30 days before the expiry of the current **period of insurance**.

If the required notice is not provided, **we** will, if so required by **you**, extend the current **period of insurance** so that it will expire not less than 30 days after the notice is provided to **you**.

**You** will pay a pro-rata proportion of the existing annual premium (duly adjusted in accordance with the terms of this policy) for the period of any such Extension.

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## 14. GENERAL EXCLUSIONS

These Exclusions apply to all parts of this policy.

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### 14.1 Accident Compensation Act

This policy does not cover:

- (a) liability for **bodily injury** which is covered by the Accident Compensation Act 2001 ('Act'),
- (b) liability for **bodily injury** payable as **reparation** for any amounts which are covered by the Act, or would be covered but for:
  - (i) a failure by the victim of offending to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
  - (ii) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
  - (iii) a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason.

<b>14.2 Alcohol, drugs and other intoxicating substances</b>	<p>This policy does not cover loss or liability when the <b>vehicle</b> is being <b>used</b> by any person, including <b>you</b>, who:</p> <ul style="list-style-type: none"> <li>(a) has a proportion of alcohol in their breath or blood that exceeds the legal limit,</li> <li>(b) is under the influence of any other intoxicating substance or drug,</li> <li>(c) fails or refuses to supply a breath or blood sample as required by law,</li> <li>(d) fails or refuses to stop, or remain at the scene, following an accident (as required by law).</li> </ul>
	<p>This Exclusion does not apply to any claim for <b>accidental loss</b> arising from theft, attempted theft or conversion of an <b>insured vehicle</b>.</p>
<b>14.3 Amphibious vehicles</b>	<p>This policy does not cover any loss or liability arising from the <b>use</b> of an amphibious <b>vehicle</b> while it is operating in, floating on, or located over, water.</p>
	<p>This exclusion does not apply to any claims for <b>accidental loss</b> or liability arising from the theft, attempted theft or conversion of an <b>insured vehicle</b>.</p>
<b>14.4 Borrowed, hired or rented vehicles</b>	<p>This policy does not cover loss or liability caused by or in connection with any <b>vehicle</b> borrowed, hired or rented by <b>you</b>.</p>
	<p><i>Note: Please see Extensions 5.2 'Borrowed, hired or rented vehicles', 10.2 'Borrowed, hired or rented vehicles', 10.3 'Borrowed, hired or rented vehicles: Consequential loss' and 10.9 'Hired and rented vehicles: Supplementary cover'.</i></p>
<b>14.5 Communicable disease</b>	<p><b>We</b> do not cover any:</p> <ul style="list-style-type: none"> <li>(a) 'Contamination Costs' directly or indirectly arising out of or attributable to the presence or potential presence, or threat or fear of the presence, of any of the following: <ul style="list-style-type: none"> <li>(i) a disease stated to be a quarantinable disease under the Health Act 1956,</li> <li>(ii) a disease in respect of which a state of emergency has been declared under the Civil Defence Emergency Management Act 2002,</li> <li>(iii) a disease in respect of which a pandemic or epidemic has been declared by the World Health Organisation or the New Zealand government agency or lawful authority,</li> <li>(iv) a disease declared by the World Health Organisation to be a Public Health Emergency of International Concern.</li> </ul> </li> <li>(b) liability directly or indirectly arising from any actual or alleged <b>bodily injury</b>, impairment, incapacity or emotional distress resulting from the transmission of any communicable disease.</li> </ul>
	<p>In this Exclusion, 'Contamination Costs' means all costs to clean, neutralise, disinfect, treat, decontaminate, restore, rectify, destroy, remove, dispose of, repair, replace or reinstate any property, and any loss of value or loss of use of any property, and includes any liability for or arising from such costs or loss of value or loss of property.</p>
<b>14.6 Confiscation</b>	<p>This policy does not cover loss or liability in connection with confiscation, nationalisation, requisition or destruction of, or damage to property by order of government, public or local authority (unless the order is given to control any immediate and imminent threat of <b>accidental loss</b> provided that the <b>accidental loss</b> would be covered by this policy if it did occur).</p>

<b>14.7 Electronic data</b>	<p>This policy does not cover any loss, liability, cost or expense arising from or in connection with Loss of Data or Loss of Data Value.</p> <p>This exclusion does not apply to Loss of Data that results directly from <b>loss</b> that is covered under Section 1.</p> <p>For the purpose of this exclusion:          Loss of Data includes any of the following, whether actual or alleged:</p> <ul style="list-style-type: none"> <li>(a) loss of, alteration of, or damage to any Electronic Data,</li> <li>(b) cost in correcting or reprogramming any Electronic Data,</li> <li>(c) reduction in the functionality, availability or operation of any Electronic Data,</li> <li>(d) cost involved in retrieving Electronic Data.</li> </ul> <p>Loss Of Data Value means any actual or alleged loss in the value (whether financial or otherwise) of any Electronic Data.</p> <p>Electronic Data means information, facts, concepts, code or any other information of any kind and whether owned by <b>you</b> or not that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.</p> <p>Computer System includes any computer operating system, hardware, programme, software, communications system, information repository, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, including any similar system or configuration of the aforementioned, whether <b>your</b> property or not.</p>
<b>14.8 Excessive loads</b>	<p>This policy does not cover loss or liability while any <b>vehicle</b> is:</p> <ul style="list-style-type: none"> <li>(a) loaded or operated contrary to the manufacturer’s recommended specifications,</li> <li>(b) loaded or operated contrary to the law, or its ancillary plant or machinery being operated contrary to the law.</li> </ul> <p>This Exclusion does not apply to any claim for <b>accidental loss</b> arising from theft, attempted theft or conversion of any <b>vehicle</b>.</p>
<b>14.9 Intentional or reckless acts</b>	<p>This policy does not cover loss or liability caused by or in connection with any intentional or reckless act or omission.</p>
<b>14.10 Nuclear</b>	<p>This policy does not cover any loss or liability caused by or in connection with any:</p> <ul style="list-style-type: none"> <li>(a) ionising radiation or contamination by radioactivity from any:             <ul style="list-style-type: none"> <li>(i) nuclear fuel,</li> <li>(ii) nuclear waste from the combustion or fission of nuclear fuel,</li> </ul> </li> <li>(b) nuclear weapons material.</li> </ul>
<b>14.11 Sanctions</b>	<p>This policy does not provide any cover, and <b>we</b> will not make any payment or provide any benefit, to the extent that the provision of such cover, payment or benefit may breach or risk exposure to any:</p> <ul style="list-style-type: none"> <li>(a) sanction, prohibition or restriction under any United Nations resolutions,</li> <li>(b) trade or economic sanction, law or regulation of New Zealand, Australia, Singapore, the United Kingdom, the United States of America or the European Union.</li> </ul>

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#### 14.12 Seepage, pollution and contamination

This policy does not insure loss or liability of any kind in connection with seepage, pollution or contamination, unless caused by a sudden, identifiable and **accidental** occurrence that takes place in its entirety at a specific time and place, during the **period of insurance**.

The coverage under this policy is limited to costs and expenses reasonably and necessarily incurred to:

- (a) remove, store and/or dispose of debris or the decontamination, demolish, dismantle, dewater, shore up, prop, underpin or carry out other temporary repairs consequent upon damage which is covered by the policy and caused by an insured **event**,
- (b) demolish and remove any property belonging to **you** which is no longer useful for the purpose it was intended for, provided such demolition and removal is necessary for the purpose of the reinstatement or replacement,
- (c) clean up and remove pollutants from land confined to insured premises if the discharge, dispersal, seepage, migration, release or escape of the pollutants is caused by an insured **event**.

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#### 14.13 Terrorism

This policy does not cover loss, liability, cost or expense in connection with Terrorism, including in connection with controlling, preventing, suppressing, retaliating against, or responding to Terrorism.

For the purpose of this exclusion:

Terrorism means any act, threat of action or preparation for action, which from its nature or context is designed to influence any rightful or actual government or intimidate the public, or is in pursuit of political, religious, ideological or similar purposes, and which involves any of the following:

- (a) violence against any person,
- (b) damage to property,
- (c) danger to life, other than the life of the person committing the action,
- (d) risk to the health or safety of any person,
- (e) planned interference with or disruption to an electronic system.

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#### 14.14 Unlicensed drivers

This policy does not cover loss or liability when a **vehicle** is being **used** by a person who:

- (a) does not hold a driver's licence appropriate for the class or operation of the **vehicle** (or the **vehicle's** components), unless either:
  - (i) the **driver** has held, (and is not disqualified from holding or obtaining) and actually obtains such a licence without a further driving test,
  - (ii) the **vehicle** is being **used** for the purpose of teaching a learner to drive, and all the requirements of the law are being complied with,
- (b) breaches any licence conditions that apply when driving the **vehicle** or the **vehicle's** components.

This Exclusion does not apply to any claim for **accidental loss** arising from theft or illegal conversion of an **insured vehicle**.

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#### 14.15 Unsafe vehicles

This policy does not cover loss or liability if a **vehicle** is being **used** in an unsafe condition when **you** or any **driver** were (or should have been) aware of that condition. This includes any condition:

- (a) which is contrary to any recommendation by the manufacturer of the **vehicle**,
- (b) as a result of which the **vehicle** is not fit to deal with any peril likely to be encountered during the course of its operation.

This Exclusion does not apply to any claim for **accidental loss** arising from theft, attempted theft or conversion of the **vehicle**.

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#### 14.16 War

This policy does not cover any loss or liability in connection with war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, insurrection, rebellion, revolution, military or usurped power.

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#### 14.17 Work time rules

This policy does not cover loss or liability when any **vehicle** is being **used** in breach of any enactment or regulations relating to work time or logbook rules.

This Exclusion does not apply to any claim for **accidental loss** arising from theft, attempted theft or conversion of the **vehicle**.

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## 15. HOW TO CLAIM

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#### 15.1 What you must do

If anything happens that may lead to a claim under this policy, **you** must:

- (a) do what **you** can to take care of the **vehicle** and to prevent any further **accidental loss**, expense or liability,
  - (b) tell **us** as soon as possible,
  - (c) notify the police as soon as possible if it is believed any **accidental loss** was caused by an illegal act of a person other than a person covered by this policy,
  - (d) allow **us** to examine the **vehicle** before any permanent repairs are started,
  - (e) as soon as possible, send **us** anything received from anyone about a claim or possible claim against **you** or anyone else entitled to cover under this policy,
  - (f) give **us** any information or help that **we** ask for,
  - (g) consent to **your** personal information in connection with the claim being:
    - (i) disclosed to **us**,
    - (ii) transferred to Insurance Claims Register Limited,
  - (h) tell **us** as soon as possible if **you** or anyone else entitled to cover under this policy are charged with any offence in connection with the **use** of a **vehicle** which resulted in **accidental loss** of property or **bodily injury** to another person.
- 

#### 15.2 What you must obtain our agreement to do

**You** and anyone else entitled to cover under this policy must obtain **our** agreement before doing any of the following:

- (a) incurring any expenses in connection with any claim under this policy,
  - (b) negotiating, paying, settling, admitting or denying any claim made against **you** or anyone else entitled to cover under this policy,
  - (c) negotiating, making or agreeing any offer of amends to a victim of offending by any person covered by this policy,
  - (d) doing anything that may prejudice **our** rights of recovery.
- 

#### 15.3 Dishonesty

If a claim is dishonest or fraudulent in any way, **we** may:

- (a) decline the claim, either in whole or in part,
- (b) declare either this policy or all insurance **you** have with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act.

This is at **our** sole discretion.

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#### 15.4 Things you must do after we pay a claim

**You** and anyone else entitled to cover under this policy must:

- (a) tell **us** if any lost or stolen property which was part of the claim is found or recovered, and hand it over to **us** if **we** request it,
  - (b) tell **us** if any person is ordered to make payment to **you** for **accidental loss** to a **vehicle** that **we** have paid a claim for under this policy. Any payments **you** receive from any other source must first reimburse **our** claims payment, up to the amount of any payment **you** subsequently receive.
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## Actions we may take

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### 15.5 Subrogation

Once **we** have accepted any part of **your** claim under this policy, **we** may assume **your** legal right of recovery. If **we** initiate a recovery **we** will include **your excess**, and any other uninsured losses suffered by **you**. Where **we** do this, **you** agree to pay **your** proportional share of the recovery costs, and subsequently the proceeds of the recovery will be shared on the same proportional basis, except that **we** will reimburse **your excess** first. **You** must fully co-operate with any recovery process. If **you** do not, **we** may recover from **you** the amount paid in relation to the claim.

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### 15.6 Conduct of defence

**We** have the sole right to act in the name of **you** or any other person insured under this policy, and on their behalf to defend, negotiate or settle any liability covered under 'Section 2: Liability cover' as **we** see fit (this will be done at **our** expense).

**We** may elect at any time to pay the maximum amount payable under this policy, or any lesser sum that the liability can be settled for. Once **we** have paid this (plus any defence costs and expenses covered by this policy and already incurred, but less any applicable **excess**) **our** responsibility to **you** or any other person covered under this policy is met in full.

The lawyers **we** instruct to act on behalf of **you** or other person entitled to cover, are authorised by **you** or such other person, to disclose to **us** any information the lawyers receive in that capacity, including information they receive from **you** or another person.

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### 15.7 Waiver of subrogation: Group of related companies

Where **you** are a parent or **subsidiary** in a group of related companies, **we** waive any right of recovery it may have against any other company in the same group.

A 'group of related companies' means a group of companies related to one another by virtue of such ownership.

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### 15.8 Recoveries

**We** have the right to keep the **vehicle** and any property that **we** have paid as a **total loss** under this policy, including any proceeds if it is sold.

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### 15.9 Reparation

If any person is ordered to make **reparation** to **you** for **accidental loss** to an **insured vehicle** that **we** have paid a claim for under this policy, then **you** must tell **us**. Any payments received must first reimburse **our** claims payment up to the amount of any **reparation** received.

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## 16. GENERAL CONDITIONS

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### Your obligations

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#### 16.1 Comply with this policy

**You** and any other person or entity covered by this policy must comply with the terms and conditions of this policy. If **you**, any other person or entity covered under this policy, or anyone acting on **your** behalf, breaches any of the terms or conditions of this policy, **we** may decline both:

- (a) **your** claim, either in whole or in part,
  - (b) any claim in connection with the same **event** that **you** make on any other policies underwritten by IAG New Zealand Limited.
-

16.2 Breach of any condition	<p>Where there is a breach of any condition of this policy, <b>we</b> will not decline a claim based solely on that breach, provided that:</p> <ul style="list-style-type: none"> <li>(a) the breach of condition happens without <b>your</b> knowledge, including where <b>you</b> ought reasonably to have known about the breach had <b>you</b> made reasonable enquiries,</li> <li>(b) <b>we</b> are advised as soon as <b>you</b> become aware of the breach of condition,</li> <li>(c) <b>you</b> pay <b>us</b> any additional premium <b>we</b> require.</li> </ul>
16.3 True statements and answers	<p>The <b>application</b> is the basis of this policy. True statements and answers must be given (whether by <b>you</b> or any other person) when <b>you</b>:</p> <ul style="list-style-type: none"> <li>(a) apply for this insurance,</li> <li>(b) notify <b>us</b> regarding any change in circumstances,</li> <li>(c) make a claim under this policy.</li> </ul>
16.4 Reasonable care	<p><b>You</b>, and anyone using an <b>insured vehicle</b>, must take reasonable care at all times to avoid circumstances that could result in a claim.</p> <p>There is no cover if <b>you</b> are reckless or grossly irresponsible.</p>
16.5 Changes in circumstances	<p><b>You</b> must tell <b>us</b> as soon as practicable about any of the following:</p> <ul style="list-style-type: none"> <li>(a) a modification to an <b>insured vehicle</b> that requires a low volume vehicle certification,</li> <li>(b) a change in the nature of the activities undertaken by an <b>insured vehicle</b>,</li> <li>(c) a change in the number of borrowed, hired, rented or employee's <b>vehicles used</b> in connection with <b>your farming business</b>, or the frequency with which <b>you</b> use them,</li> <li>(d) a change in <b>your</b> occupation or business description already disclosed to <b>us</b>,</li> <li>(e) a change to airside activities <b>you</b> had already disclosed to <b>us</b>,</li> <li>(f) <b>you</b> or an individual within <b>your farming business</b> being charged, prosecuted, or convicted for an offence connected to <b>your farming business</b>,</li> <li>(g) <b>you</b> being declared bankrupt or insolvent.</li> </ul> <p>If the change in circumstances affects any of these, <b>we</b> may change the terms of this policy or charge additional premium. Any change in terms will take effect from the date of the change in circumstances.</p>
16.6 Declaring vehicle values	<p>If <b>we</b> ask <b>you</b> for a <b>vehicle declaration</b> at the start of any <b>period of insurance</b>, <b>you</b> must provide <b>us</b> with a <b>vehicle declaration</b> detailing the <b>vehicles you</b> wish to insure during the coming <b>period of insurance</b>, along with their current <b>market values</b>. The initial premium will be calculated using the <b>vehicle declaration</b>.</p> <p><b>Your vehicle declaration</b> must also include details of any <b>vehicles</b> bought and sold during the last <b>period of insurance</b> for the purposes of calculating any premium adjustment required under 13.1 Additions and Deletions.</p> <p>All <b>vehicle</b> values stated in the <b>vehicle declaration</b> must represent, as nearly as possible, their <b>market value</b>. If any <b>insured vehicle</b> has signwriting, <b>you</b> must also include the value of that signwriting in <b>your vehicle declaration</b>.</p> <p>Values such as book value, depreciated cost, written down value and <b>residual value</b> are not sufficient to comply with this policy condition.</p> <p><b>We</b> may require <b>you</b> to provide declarations showing their book value, depreciated cost, written down value or <b>residual value</b> in <b>your</b> business records.</p>

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## How we administer this policy

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### 16.7 Cancellation

#### By you

**You** may cancel this policy at any time by giving **us**, or **your** broker notice in writing or by electronic means. If **you** do, **we** will refund any premium that is due to **you** based on the unused portion of the **period of insurance**. **You** must pay any outstanding premium due for the expired portion of the **period of insurance**.

#### By us

**We** may cancel this policy by giving notice in writing or by electronic means to **you**, or **your** broker, at **your** or **your** broker's last known address.

The policy will be cancelled from 4pm on the 30th day after the date of the notice. **We** will refund any premium that is due to **you** based on the unused portion of the **period of insurance**.

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### 16.8 Change of terms

**We** may change the terms of this policy (including the **excess**) by giving **you** or **your** broker notice in writing or by electronic means, at **you** or **your** broker's last known address. Unless otherwise specified in the notice the change in terms will take effect from 4pm on the 30th day after the date of the notice.

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### 16.9 Currency

Any amounts shown in this policy or in the **schedule** are in New Zealand dollars, unless otherwise specified in the **schedule**.

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### 16.10 Goods and Services Tax

Where Goods and Services Tax (GST) is recoverable by **us** under the Goods and Services Tax Act 1985:

- (a) all sums insured exclude GST,
  - (b) all sub limits exclude GST,
  - (c) all **excesses** include GST,
  - (d) GST will be added, where applicable, to claim payments.
- 

### 16.11 Interests of other parties

If **we** know of anyone who has a financial interest over an **insured vehicle**, **we** may pay them part or all of any claim proceeds. This payment goes towards meeting **our** obligations under this policy.

**You** consent to **us** transferring **your** relevant personal information to that party.

Any party, who is recorded as having a financial interest under this policy, is not covered by this policy and does not have rights to claim under this policy.

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### 16.12 Other insurance

**You** must notify **us** as soon as **you** know of any other insurance policy that covers **you** for any of the risks covered under this policy.

This policy does not cover **your** liability or **loss** at all if it is insured to any extent under any other insurance policy. **We** will not contribute towards any claim under any other insurance policy.

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### 16.13 Joint insurance

If this policy insures more than one person, then all persons are jointly insured. This means that a breach of this policy by any one person affects everyone's ability to claim under this policy.

**We** may choose to pay any claim in full to the person who is named first in the **schedule**, and this will meet all **our** obligations under this policy for that claim.

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## Laws and Acts that govern this policy

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**16.14 Disputes about this policy** The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.

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**16.15 Legislation and Crown entity changes** Any reference to any Act of Parliament or subordinate rules referred to in this policy includes any amendments made or substitutions to that law.

Any reference to any Crown entity includes any new name given to that entity, and any replacement entity that is responsible for the same or similar functions.

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## 17. DEFINITIONS

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The definitions apply to the plural and any derivatives of the words. *For example, the definition of 'accident' also applies to the words 'accidental', 'accidentally' and 'accidents'.*

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<b>accessory</b>	A minor fitting or attachment that alters the performance, characteristics of, or is designed for use in, a <b>vehicle</b> to which it is attached but without which the <b>vehicle</b> would still operate, spare parts, and emergency aids, each used exclusively for the <b>vehicle</b> (including when temporarily removed from the <b>vehicle</b> ) (e.g. on board computers, telephone installations, load securing or protection equipment in, on or in connection with the vehicle.)
<b>accident</b>	Unexpected and unintended by <b>you</b> .
<b>agreed value</b>	The fixed amount <b>we</b> agree to insure a <b>vehicle</b> for at the start of the <b>period of insurance</b> , and as specified in the <b>schedule</b> as 'agreed value'.
<b>application</b>	The information provided to <b>us</b> by <b>you</b> or on <b>your</b> behalf when <b>you</b> purchased this insurance or requested a quotation for this insurance from <b>us</b> . It also includes any subsequent information <b>you</b> provide <b>us</b> with.
<b>bodily injury</b>	The death of or <b>injury</b> to any person during the <b>period of insurance</b> , including sickness, disease, disability, shock, fright, mental <b>injury</b> .
<b>driver</b>	The person driving the <b>insured vehicle</b> , including the person operating any component of the <b>insured vehicle</b> (for example – a hoist on truck).
<b>event</b>	An event, or series of events, arising from one source or original cause.
<b>excess</b>	The first amount of any claim that <b>you</b> must pay for an <b>event</b> , as specified in the <b>schedule</b> or in this policy.
<b>farming business</b>	<b>Your</b> normal agricultural or horticultural activities, including <b>occasional contracting</b> .
<b>injury</b>	A <b>bodily injury</b> caused solely and directly by violent, <b>accidental</b> , external and visible means.

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<b>insured vehicle</b>	All <b>vehicles</b> individually specified in the <b>schedule</b> and any <b>unspecified vehicles</b> . <i>Note: Additional vehicles purchased or leased during the period of insurance are covered under 13.1 'Additions and deletions'.</i>
<b>loss</b>	Physical loss or physical damage.
<b>market value</b>	The reasonable sale price of the same or a comparable <b>vehicle</b> of similar pre-loss age, condition and specification, including any <b>accessories</b> for the <b>vehicle</b> , but excluding any signwriting, vehicle wraps or artwork on the <b>vehicle</b> .
<b>occasional contracting</b>	Paid agricultural and horticultural contracting work anywhere in New Zealand, provided that this work: <ul style="list-style-type: none"> <li>(a) represents less than 30% of <b>your</b> annual turnover,</li> <li>(b) does not involve the use of explosives,</li> <li>(c) does not involve spraying, application or release of hormone herbicides including phenoxy and growth regulator type herbicides such as (but not limited to) 1080 and 1081, 2, 4-D.</li> </ul>
<b>period of insurance</b>	The period of time stated in the <b>schedule</b> that specifies the start and end dates of this insurance policy.
<b>reparation</b>	An amount ordered by a New Zealand Court to be paid to the victim of an offence under Section 32 of the Sentencing Act 2002.
<b>replacement value</b>	The cost to replace the item as nearly as possible with one equal to its condition when new, where the item is uneconomic to repair or is stolen and not recovered.
<b>residual value</b>	The residual value of a <b>vehicle</b> under a lease, hire purchase or similar agreement, calculated in accordance with that agreement but excluding: <ul style="list-style-type: none"> <li>(a) penalties for early termination,</li> <li>(b) penalties for any additional distance travelled,</li> <li>(c) unpaid obligations under the lease at the time of the <b>accidental loss</b>,</li> <li>(d) penalties resulting from lack of servicing or poor maintenance,</li> <li>(e) 'balloon' payments,</li> <li>(f) the amount by which the residual value of the <b>vehicle</b> exceeds 120% of its <b>market value</b>.</li> </ul>
<b>rural lifestyle purposes</b>	The growing of fruit, vegetables or other crops or the keeping of livestock principally for lifestyle purposes rather than commercial purposes, provided that income generated from these operations does not exceed \$60,000 per annum.
<b>schedule</b>	The most recent schedule issued to <b>you</b> for this policy, setting out the details of <b>your</b> cover, including <b>your vehicle declaration</b> if applicable.
<b>subsidiary</b>	A company with more than half the nominal value of its equity share capital owned by a parent company, either directly or through other subsidiaries.
<b>total loss</b>	Physical loss of the <b>vehicle</b> , or where <b>we</b> determine the <b>vehicle</b> is uneconomic to repair.

<b>unspecified vehicle</b>	<p>Any <b>vehicle</b>, that is not individually specified in the <b>schedule</b>, provided that:</p> <ul style="list-style-type: none"> <li>(a) the <b>schedule</b> shows Unspecified Vehicles as an insured item,</li> <li>(b) the unspecified vehicle is <b>used</b> in connection with <b>your farming business</b> or for <b>rural lifestyle purposes</b>.</li> </ul> <p><i>Note: Cover for unspecified vehicles only applies where 'Unspecified vehicles' cover has been selected and is shown in the schedule.</i></p>
<b>use</b>	Includes driving, operating, parking, garaging or storing the <b>vehicle</b> .
<b>vehicle</b>	Any type of machine on wheels, tracks or rollers (but not rails) that is propelled by its own power, and anything designed to be towed by such a machine, including any <b>accessories</b> .
<b>vehicle declaration</b>	The list of <b>insured vehicles</b> and their <b>market values</b> that <b>you</b> provide to <b>us</b> at the inception of this policy, and at any subsequent endorsement or renewal.
<b>we</b>	<p>NZI, a business division of IAG New Zealand Limited.</p> <p>We may also use the words "us", "our" or "company" to describe NZI.</p>
<b>you</b>	<p>The person(s) or entity named in the <b>schedule</b> as "insured". This includes any:</p> <ul style="list-style-type: none"> <li>(a) <b>subsidiary</b>,</li> <li>(b) associated managed company,</li> <li>(c) associated social or sporting club,</li> <li>(d) new organisation or company formed or acquired by you during the <b>period of insurance</b>.</li> </ul>

AG GUARD LIMITED AGLPF1.0  
NZ COMPANY NUMBER 8835948



**Ag Guard**

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