

Echelon

Motor Vehicle Insurance

Policy wording



Welcome to NZI.

Thanks for selecting us as your insurer. This is your Echelon Motor Vehicle Insurance policy wording.



Why NZI

NZI is one of New Zealand's largest and most well-known insurance brands. We're proudly backed by IAG (Insurance Australia Group) New Zealand. IAG is Australasia's largest general insurer. At IAG, our purpose is to help make your world a safer place.



A nationwide network of repairers

You'll get access to our nationwide network of repairers who'll ensure you get your motor vehicle back on the road quickly.



Get in touch

If you have any questions, or you would like more information on this insurance policy, please contact your broker.

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Introduction

About this policy

Your policy consists of:

1. this policy wording, and
2. the **schedule**, and
3. the information **you** have provided in the **application** and any subsequent information **you** provide.

Your duty of disclosure

When **you** apply for insurance, **you** have a legal duty of disclosure. This means **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

1. whether to accept or decline **your** insurance, or
2. the cost or terms of the insurance, including the **excess**.

You also have this duty, every time **your** insurance renews and when **you** make any changes to it. If **you** breach this duty, **we** may treat **your** policy as being of no effect and to have never existed. Please ask **us** if **you** are not sure whether **you** need to tell **us** about something.

Changing your mind

If **you** are not happy with this policy, **you** are welcome to change **your** mind, provided **you** tell **us** within 15 days of the date this policy started. **We** will treat **your** policy as being of no effect and to have never existed and refund in full any premium **you** have paid. This does not apply if **you** have made a claim on **your** policy.

Reading this policy

Some of the words in this policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean at the back of this policy in the section 'Definitions'.

To make it easy for **you** to understand this policy **we** have included some examples or comments in *italics*. The words in italics do not affect or limit the meaning of the section they refer to.

Please also note that the headings in this policy are designed to help **you** find **your** way around. They should not be used when interpreting this policy wording.

Our agreement

We have an agreement with **you**. **You** agree to pay **us** the premium. In exchange, **we** promise to cover **you** as set out in this policy wording.

Use of your vehicle

When cover applies:

This policy applies only when any **vehicle** is being **used** in New Zealand (including in transit between places in New Zealand) during the **period of cover** for any personal or business purposes not excluded below.

When cover does not apply:

This policy does not apply when any **vehicle** is being **used**:

1. in connection with the following occupations or businesses:
 - (a) salesperson or commission agent,
 - (b) insurance agent or insurance broker,
 - (c) land or real estate agent,
 - (d) stock or station agent,
 - (e) courier driver or delivery person,
2. in connection with the motor trade,
3. to carry fare-paying passengers, e.g. as a taxi (other than private, not-for-profit car pooling or car sharing) or for hire,
4. to carry any goods or samples in connection with any trade or business other than farming,
5. in any race, competitive trial or speed test,
6. on any race track, e.g. in driver training or track days,
7. to tow for financial gain or reward.

Type of cover that applies

Type of cover options:

The type of cover that **you** have is shown in the **schedule**.

Full cover

1. If the **schedule** shows: 'Type of cover: Full cover', then **you** are fully covered under:
 - (a) 'Section one – loss to your vehicle', and
 - (b) 'Section two – your legal liability'.

Third party, fire and theft

2. If the **schedule** shows: 'Type of cover: Third party, fire & theft', then **you**:
 - (a) have limited cover under 'Section one – loss to your vehicle'. It only covers **accidental loss** to the **car** caused by:
 - (i) fire, or
 - (ii) theft or attempted theft, unlawful conversion, or
 - (iii) **natural disaster**, and
 - (b) are fully covered under 'Section one – automatic additional benefits' – 'Methamphetamine contamination' and 'Protection against uninsured drivers', and
 - (c) are fully covered under 'Section one – automatic additional benefits' – 'Towing costs', and
 - (d) are fully covered under 'Section two – your legal liability'.

Third party only

3. If the **schedule** shows: 'Type of cover: Third party only', then **you**:
 - (a) have no cover under 'Section one – loss to your vehicle', and
 - (b) are fully covered under 'Section one – automatic additional benefits' – 'Protection against uninsured drivers', and
 - (c) are fully covered under 'Section two – your legal liability'.

Section one – loss to your vehicle

What you are covered for:

You are covered for sudden and **accidental loss** to the **car** during the **period of cover** in New Zealand (including in transit between places in New Zealand).

What you are not covered for:

Types of loss not covered

You are not covered for:

1. depreciation, or
2. wear and tear, rust or corrosion, or
3. loss of use, or
4. gradual deterioration, or
5. consequential loss, unless provided for under an additional benefit.

For example, you are not covered for any loss in value of the vehicle following an accident.

Breakdown or failure not covered

You are not covered for damage or failure that is:

1. mechanical, or
2. electrical, or
3. electronic.

However, this exclusion does not apply:

- (a) where the damage results from a sudden, unforeseen and **accidental** cause external to the **car**, or
- (b) to the extent that cover is provided by the 'NZI Roadside Assist' optional additional benefit or the 'Electrical or electronic hardware or system' automatic additional benefit.

Tyres

You are not covered for:

1. damage to tyres caused by braking, or
2. punctures, cuts or bursts to **your** tyres.

However, this does not apply to punctures, cuts or bursts that result in or from:

- (a) fire,
- (b) collision,
- (c) overturning,
- (d) malicious damage,
- (e) theft or illegal conversion, or
- (f) **natural disaster**.

IMPORTANT: Please also read 'Policy exclusions that apply to all parts of this policy'.

What we will pay:

Repairable damage

If **we** consider the **car** is economic to repair, **we** have the option to:

1. arrange to repair the **car** to basically the same condition as it was in before the **loss** occurred, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

Wheels and tyres

If any wheel or tyre fitted to the **car** suffers **loss** covered by this policy and a new wheel or tyre is fitted, **we** may ask **you** to make an appropriate contribution towards this cost.

Total loss

If **we** consider the **car** is **uneconomic to repair**, **we** will:

1. pay **you** the **market value** up to the **sum insured** shown in the **schedule**, or
2. replace the **car** with a new vehicle of the same model and specification, provided:
 - (a) the **loss** occurred within 12 months of **you** purchasing the **car** new, and
 - (b) the model and specification is available in New Zealand.

The applicable **excess** will be deducted before **we** make any claim payment.

Availability of parts

If any new parts, **accessories** or tools are unobtainable in New Zealand, **we** will pay up to the last known selling or list price in New Zealand plus the reasonable cost of fitting.

Repair guarantee

We will give **you** a quality guarantee on all repairs to the **car** undertaken through **our** Approved Repairer Network following a **loss** covered by this policy while **you** own the **car**.

Section one – automatic additional benefits

Accidental death and permanent disablement

If **you**, **your partner** or any member of **your family** suffers an **injury** as a result of **loss** covered by this policy, during the **period of cover**, **we** will pay the amounts below if **you**, **your partner** or any member of **your family** suffer any or a combination of the events below within 90 days from the date of an **injury**.

Event	Amount
1. Death	\$10,000
2. Permanent total loss of sight of an eye	\$2,500
3. Permanent total loss of use of a hand	\$2,500
4. Permanent total loss of use of a foot	\$2,500

If **you**, **your partner** or any member of **your family** suffer from a combination of Events 2., 3. or 4., the amount payable under each Event will be cumulative to a maximum of \$10,000 during the **period of cover**.

This automatic additional benefit also provides cover for **you**, **your partner** or any member of **your family** when **you** drive any other motorcar with the owner's permission, provided this **use** meets all the requirements that **you** would have to meet for this policy to cover **loss** involving the **car**.

We will not pay for death, resulting from suicide, or any self-inflicted **injury**.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

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Accommodation costs	<p>We will pay for reasonable costs of accommodation for you, your passengers and domestic pets in the car if the car cannot be driven following loss covered by this policy.</p> <p>The most we will pay is \$750 for any event.</p> <p>This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.</p>
Alternative transport	<p>We will contribute towards the reasonable hire costs incurred if you require a rental vehicle following a loss covered by this policy while the car is:</p> <ol style="list-style-type: none">1. being repaired, or2. not fit to drive until it is repaired, or3. stolen. <p>Provided:</p> <ol style="list-style-type: none">(a) we have arranged the rental vehicle through our approved supplier, and(b) you contribute \$20 per day (paid to our supplier when the rental vehicle is obtained), and(c) you pay any bond or deposit, and(d) you pay for all running costs. <p>We will contribute towards these costs for a maximum of 14 days.</p> <p>The rental vehicle will be a passenger vehicle up to 2000cc.</p> <p>If the car is uneconomic to repair, cover under this automatic additional benefit ends when we settle your claim.</p> <p>You do not have this cover if the car is a mobile home, motor cycle, caravan or trailer.</p>
Electrical or electronic hardware or system	<p>Where any electrical or electronic hardware component or system (excluding electronic data) of the car has suffered loss covered by this policy, we will pay for the necessary and reasonable cost of restoring, re-setting or re-programming:</p> <ol style="list-style-type: none">1. software, programs and other coded instructions to restore manufacturer's settings, and2. where work is required on any hardware component or system as part of repairing loss to other parts of the car. <p>We will not pay any cost or expense incurred for any data stored on any hardware component or system (this includes data affected as part of any repair to the car).</p> <p>If the electrical or electronic hardware or system is a key or a lock, the most we will pay is \$1,000 as per the 'Keys and locks' automatic additional benefit.</p>
Excess and no claims discount protection	<ol style="list-style-type: none">1. If the car suffers loss covered by this policy caused by a driver of another vehicle, we will not deduct the excess or adjust your no claims discount, provided you give us:<ol style="list-style-type: none">(a) enough information to establish that the driver of the other vehicle was completely at fault, and(b) the correct registration number of the other vehicle or information we need to positively identify the driver (including name and address), and(c) reasonable help to recover costs incurred through your claim.2. We will not deduct the excess or adjust your no claims discount if the loss to the car results from actual or attempted theft or illegal conversion while it had a manufacturer-installed or professionally-fitted, activated electronic engine immobiliser.
If the vehicle is a caravan	<p>Contents of the caravan</p> <p>If the car shown in the schedule is a caravan, this policy is extended to cover:</p> <ol style="list-style-type: none">1. any fixture, fitting or furnishing that would normally be expected to be sold with the caravan, and2. any utensils, supplies, appliances and personal effects in the caravan belonging to you, your partner or any member of your family. <p>The most we will pay is \$1,000 for any event.</p>
Keys and locks	<p>If any of the keys to the car are lost, stolen or believed on reasonable grounds to have been duplicated without your permission during the period of cover, we will pay the reasonable cost of replacing the keys and the locks.</p> <p>The most we will pay during the period of cover is \$1,000.</p> <p>A \$100 excess applies to this automatic additional benefit.</p> <p>The loss of no claims discount does not apply to this automatic additional benefit.</p>

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Medical expenses	<p>We will pay the reasonable costs of medical, surgical, therapeutic, dental and nursing treatment (including x-rays) for you or your passengers in the car following an injury as a result of a loss covered by this policy.</p> <p>The most we will pay is \$500 for any event.</p> <p>This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.</p> <p>We will not pay for any expenses that can be claimed from any other source.</p>
Methamphetamine contamination	<p>This policy is extended to cover contamination damage to the car, provided such contamination damage occurred in connection with the theft or illegal conversion of the car during the period of cover.</p> <p>There is no cover for any contamination damage that is caused or contributed to, directly or indirectly, by or in connection with you or your partner, or any member of your or their family (including the theft or illegal conversion by any of them).</p> <p>For the purposes of this exclusion, you includes any trustee or beneficiary of the trust if the car is owned by the trust, or any director or shareholder of the company if the car is owned by the company.</p> <p>We will at our option:</p> <ol style="list-style-type: none">1. arrange to remediate the car, or2. pay you the reasonable costs to remediate the car as estimated by our assessor. <p>The most we will pay is the sum insured for any event.</p> <p>If the cost of remediation will put the car in a substantially better condition, you may be required to make an appropriate contribution towards this cost if we ask you to.</p>
Protection against uninsured drivers	<p>If the schedule shows that you have 'Third party, fire & theft' cover or 'Third party only' cover, then this policy is extended to cover sudden and accidental loss to your car during the period of cover caused by an uninsured driver of another vehicle.</p> <p>If we consider the car is economic to repair we will at our option:</p> <ol style="list-style-type: none">1. arrange to repair the car to basically the same condition as it was in before the loss occurred, or2. pay you the cost of repairs as estimated by an assessor appointed by us. <p>If we consider the car is uneconomic to repair, we will pay you its market value, provided you give us:</p> <ol style="list-style-type: none">1. enough information to establish that the driver of the other vehicle was completely at fault, and2. the correct registration number of the other vehicle or information we need to identify the driver (including name and address), and3. reasonable help to recover costs incurred through your claim. <p>The most we will pay for any event is \$3,000. We will not deduct the excess or adjust your no claims discount.</p>
Replacement vehicle	<p>When you buy a replacement car for the car, we will automatically provide cover for that replacement car under this policy from the date of purchase, provided:</p> <ol style="list-style-type: none">1. you notify us within 30 days of the date of purchase, and2. the purchase price does not exceed \$100,000, and3. the purchase price will be the sum insured, and4. you pay any additional premium that is required.
Road clearing costs	<p>We will pay the reasonable costs of removing debris from any road or adjacent area, following loss covered by this policy.</p> <p>This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.</p>
Temporary repairs	<p>We will pay the reasonable cost of temporary repairs to the car needed to make it roadworthy, to enable you to get to your destination or to a repairer following loss covered by this policy.</p> <p>This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.</p>
Towing costs	<p>We will pay the necessary and reasonable towing and rescue costs to move the car to the nearest repairer or place of security if the car can no longer be driven following a loss covered by this policy.</p> <p>This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.</p>

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Trailer cover	<p>This policy is extended to cover sudden and accidental loss to any trailer during the period of cover. We will at our option pay:</p> <ol style="list-style-type: none">1. the cost of repairs, or2. the market value. <p>The most we will pay during the period of cover is \$1,000. This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'. A \$100 excess applies to this automatic additional benefit. The loss of no claims discount does not apply to this automatic additional benefit.</p>
Transport costs	<p>We will pay the reasonable costs of:</p> <ol style="list-style-type: none">1. transport for you, your passengers and domestic pets in the car, from the place where the loss occurred to your home or to your nearest immediate destination, and2. returning the car to your home or to another place you and we agree, after the car has been repaired, <p>if the car cannot be driven following loss covered by this policy. If the car is recovered following theft or conversion, we will pay the reasonable costs incurred to return the car to the place from where it was stolen or to another place that you and we agree. This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.</p>
Windows	<p>The excess and loss of no claims discount do not apply to a claim that is solely for accidental damage to windscreens, windows, sun-roofs, or driving lights of the car.</p>

Optional additional benefit

The following benefit is an optional additional benefit. Cover applies only if **you** have purchased the benefit and it is shown in the **schedule**.

NZI Roadside Assist	<p>This policy is extended to provide NZI Roadside Assist for the car during the annual period.</p> <ol style="list-style-type: none">1. NZI Roadside Assist will:<ol style="list-style-type: none">(a) fit the car's spare tyre if it has a flat tyre, and(b) access the car if its keys are locked inside, and(c) provide 5 litres of fuel if the car is out of fuel, and(d) jump-start the car if it has a flat battery.2. NZI Roadside Assist will arrange to tow the car to the nearest approved repairer or place of safety if the car suffers mechanical or electrical damage or failure and:<ol style="list-style-type: none">(a) cannot be easily mobilised at the roadside, or(b) requires replacement parts.3. NZI Roadside Assist will not assist where the car:<ol style="list-style-type: none">(a) has been left unattended, or(b) requires specialised salvage equipment, or(c) is not within easy access of a public road that is negotiable by a two wheel drive vehicle, or(d) cannot be accessed due to extreme conditions such as snow, ice, flooding, road slips or the like, or(e) was being used for competitions or off-road activity, or(f) was involved in an accident or collision, or(g) was being misused.4. NZI Roadside Assist will not assist:<ol style="list-style-type: none">(a) for towed vehicles such as boats, trailers and caravans, or(b) for cars exceeding 3,000 kg. <p>You are entitled to six call outs during the annual period. Extra call outs can be made, however, these will be charged to you at our standard fee, and further assistance is at your expense. The excess and loss of no claims discount do not apply to this optional additional benefit.</p>
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Section two – your legal liability

What you are covered for:

Your legal liability

You are covered for:

1. **your** legal liability and defence costs, caused by **your use** of a **vehicle** in New Zealand (including in transit between places in New Zealand) occurring during the **period of cover**, arising from:
 - (a) **accidental loss** to anyone else's property (including loss of use), or
 - (b) **bodily injury** to any one else.
2. General Average or salvage charges that **you** are legally required to pay as a result of the **car** being carried by ship between places in New Zealand during the **period of cover**.

Reparation

You are covered for **your** legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** committing an offence during the **period of cover** in connection with **your use** of a **vehicle** in New Zealand (including in transit between places in New Zealand) provided:

1. **you**, or any other person entitled to cover under this benefit, tell **us** immediately if **you** or they are charged with any offence in connection with the **use** of the **car** or a **vehicle**, that resulted in **loss** of property or **bodily injury** to another person, and
2. **we** give **our** written approval before any offer of **reparation** is made.

There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 ('the Act'), or would be covered but for:

- (a) a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- (b) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act, or
- (c) a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this benefit should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

Other person's liability

We will cover the legal liability, including legal liability to pay **reparation**, of any other person caused by or through or in connection with their **use** of the **car**, occurring during the **period of cover**, in the same manner as **we** cover **you**, provided:

1. such **use** has **your** permission, and
2. their liability is not covered by any other insurance, and
3. they meet the terms of this policy.

Vicarious liability

This policy is extended to cover **your** employer's vicarious liability while **your car** is being **used** for the business of **your** employer by **you**, or by any other employee who has **your** permission, provided:

1. the liability is not covered by any other insurance, and
2. they meet the terms of this policy, and
3. the **use** of the **car** meets all the same terms of this policy that **you** must meet.

Vicarious liability means that your employer may be held responsible for injury or damage, even if they were not actively involved in the incident.

What you are not covered for:

1. **You** are not covered for liability, including liability for **reparation**, for **loss** to any property:
 - (a) owned by or in the care of **you** or anyone **we** cover under this policy, other than:
 - (i) a disabled vehicle being towed without charge by any **vehicle**, or
 - (ii) personal effects being carried by and belonging to any passenger in any **vehicle**, or
 - (b) being carried by or loaded into or unloaded from any **vehicle** or a caravan or **trailer** attached to any **vehicle** other than specified under (a) (ii) above.
2. **You** are not covered for liability connected in any way with any contract or agreement unless **you** would have been liable even without a contract or agreement.

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3. **You** are not covered for any fine, penalty, or punitive or exemplary damages.
4. **You** are not covered for legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any regulations, rules or bylaws made under any Act of Parliament.
5. **You** are not covered for liability connected in any way with any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination occurs during the **period of cover** and is caused by a sudden **accidental event** that occurs during the **period of cover**.

IMPORTANT: Please also read 'Policy exclusions that apply to all parts of this policy'.

What we will pay:

Amount payable for property damage

We will pay for:

1. liability, including liability for **reparation**, for **loss** to property, and
2. reasonable legal costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a court.

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

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Amount payable for bodily injury

We will pay for:

1. liability, including liability for **reparation**, for **bodily injury**, and
2. reasonable legal costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a court.

The most **we** will pay is \$1,000,000 for any **event**.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Amount payable for a claim for bodily injury and property damage

The most **we** will pay for property damage and **bodily injury** resulting from one **event** is \$20,000,000.

This is in addition to any payment under 'What we will pay' of 'Section one – loss to your vehicle'.

Settlement of any claim

We may pay the full amount under this part of this policy, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this policy.

Section two – automatic additional benefits

Manslaughter defence costs

We will pay for:

1. legal defence costs and expenses necessarily and reasonably incurred, to defend a charge of manslaughter, or dangerous driving causing death or careless driving causing death, and
2. costs necessarily and reasonably incurred for legal representation at any inquiry or coroner's inquest in connection with a death,

resulting from:

1. **you** or **your partner** driving the **car**, or
2. any member of **your family** driving the **car** with **your** permission, or
3. **you** or **your partner** driving any **vehicle** that **you** or **your partner** do not own and are not purchasing, provided that **you** or **your partner** has the owner's permission to drive the **vehicle**,

during the **period of cover**.

'Section two – your legal liability' – 'What you are not covered for' – Clause 4 (defence costs) does not apply to this automatic additional benefit.

The most **we** will pay is \$10,000 during the **period of cover**.

The **excess** does not apply to this automatic additional benefit.

Towing

We will cover **you** while the **car** is being **used** for towing, provided such towing is not for financial gain or reward (financial gain does not include the reimbursement of normal running costs of the **car**).

Policy exclusions that apply to all parts of this policy

Alcohol, drugs and other intoxicating substances

There is no cover under this policy if the driver of, or the person **using** the **vehicle**:

1. has a breath alcohol or blood alcohol concentration that exceeds the legal limit, or
2. refuses to undergo a breath or blood test after an accident, when legally required to do so, or
3. is under the influence of a drug or any other intoxicating substance to such an extent as to be incapable of having proper control of the **vehicle**, or
4. fails or refuses to stop, or remain at the scene, following an accident (as required by law).

This exclusion does not apply if the driver of the **vehicle** has stolen or illegally converted it, provided **you** lay a complaint with the police.

Confiscation

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with confiscation, nationalisation, requisition, acquisition, or destruction of or damage to property by order of government, public or local authority or under any statute or regulation, unless such order is required to prevent or control **loss** that would otherwise have been covered by this policy.

Electronic data and programs

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with **electronic data** arising from any cause whatsoever including, but not limited to, a **computer virus**. This includes loss of use, reduction in functionality or any other associated loss or expense in connection with **electronic data**.

However, this exclusion does not apply to:

1. physical damage to other covered property that results from that loss of or damage to **electronic data**, and which is not otherwise excluded, and
2. any loss covered by the 'Electrical or electronic hardware or system' or the 'Keys and locks' automatic additional benefit.

Excess

For each **incident**, the relevant **excess** will be deducted from the amount of **your** claim unless stated otherwise under an additional benefit.

If **you** have multiple vehicles covered under this policy, the **excess** applies individually to each vehicle.

The **excess** is deducted after any policy limits have been applied.

For example, if a limit of \$1,000 applies and an excess of \$400 is payable by you, the amount we will pay is \$600.

Intentional or reckless acts

You are not covered for any loss, damage, cost, expense, prosecution or liability arising from any intentional or reckless act or omission by **you** or anyone else covered by this policy.

Modified vehicle

There is no cover under this policy if the **car** has been **modified**, unless details of all the **modifications** have been given to **us** and **we** have agreed to those **modifications** in writing.

Nuclear

You are not covered for any loss, damage, cost, expense, prosecution or liability of any type in connection with:

1. ionising radiation or contamination by radioactivity from:
 - (a) any nuclear fuel, or
 - (b) any nuclear waste from the combustion or fission of nuclear fuel.
2. nuclear weapons material.

Other use of your vehicle

You are not covered for any loss, damage, cost, expense, prosecution or liability where the **vehicle** or anything attached to the **vehicle** is not being **used** in accordance with the description in 'Use of your vehicle'.

Terrorism

You are not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with an **act of terrorism**, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an **act of terrorism**.

Unlawful substances

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with contamination from any 'controlled drug' as defined in the Misuse of Drugs Act 1975.

However, this exclusion does not apply to **loss** covered by the 'Methamphetamine contamination' automatic additional benefit.

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Unlicensed drivers

There is no cover under this policy if the driver of any **vehicle**:

1. does not comply with all the conditions of their driver licence, or
2. is not legally allowed to drive in New Zealand.

This exclusion does not apply if the driver of the **vehicle** has stolen or illegally converted it, provided **you** lay a complaint with the police.

Unsafe or unroadworthy

You are not covered if the **vehicle** is being **used** in an unsafe or unroadworthy condition, and:

1. the condition of the **vehicle** contributed to **loss** or liability, and
2. the driver should have been aware of that condition and that the condition could result in damage to the **vehicle**.

War

You are not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with any of the following, including controlling, preventing or suppressing any of the following:

war, invasion, act of foreign enemy, hostilities or war like operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power.

How to claim

What you must do

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

1. do what **you** can to take care of the **car** and to prevent any further loss, expense or liability, and
2. tell **us** as soon as possible, and
3. notify the police as soon as possible if **you** think any **loss** was caused by an illegal act, and
4. allow **us** to examine the **car** before any permanent repairs are started, and
5. send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
6. give **us** any information or help that **we** ask for, and
7. consent to **your** personal information, in connection with the claim, being:
 - (a) disclosed to **us**, and
 - (b) transferred to Insurance Claims Register Limited, and
8. not destroy or dispose of anything that is or could be part of a claim, and
9. tell **us** immediately if **you** are charged with any offence in connection with the **use** of the **car** or a **vehicle** which resulted in **loss** of property or **bodily injury** to another person.

What you must obtain our agreement to do

You must obtain **our** agreement before **you**:

1. incur any expenses in connection with any claim under this policy, or
2. negotiate, pay, settle, admit or deny any claim against **you**, or
3. negotiate, offer to pay or pay any **reparation**, including, but not limited to, offers made as part of any case management conference or sentencing hearing, or
4. do anything that may prejudice **our** rights of recovery.

Actions we may take

We may take action in **your** name to:

1. negotiate, defend or settle any claim against **you** covered by this policy, and
2. recover from any other person anything covered by this policy.

You must assist **us** with these actions. **We** will be responsible for the reasonable legal costs of these actions.

Salvage

You must not abandon the **car** to **us**. However, after the **car** is declared **uneconomic to repair**, **we** may keep the **car** and retain the salvage.

Dishonesty

If **your** claim is dishonest or fraudulent in any way, **we** may at **our** sole discretion:

1. decline **your** claim, either in whole or in part, and
2. declare either this policy or all other insurance **you** have with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act.

Policy conditions

Breach of any condition

If:

1. **you**, or
2. any other person **we** cover under this policy, or
3. anyone acting on **your** behalf,

breaches any of the conditions of this policy, **we** may at **our** sole discretion:

- (a) decline **your** claim either in whole or in part, and/or
- (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 breach.

True statements and answers

True statements and answers must be given (whether by **you** or any other person) in all communications with **us**, including when:

1. this insurance is **applied** for and renewed, and
2. **we** are notified about any change in circumstances, and
3. **you** make any claim under this policy.

Cancellation

By you

You may cancel this policy at any time by notifying **us** or **your** broker. If **you** do, **we** will refund any premium that is due to **you** based on the unused portion of the **period of cover**. **You** must pay any outstanding premium due for the used portion of the **period of cover**.

By us

We may cancel this policy at any time by giving **you** or **your** broker notice in writing or by electronic means at **your** or **your** broker's last known address. Unless otherwise specified in this policy, cancellation will take effect from the 30th day after the date of the notice.

We will refund **you** any premium that is due to **you** based on the unused portion of the **period of cover**.

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 **your** or **your** brokers last known address. Unless otherwise specified in this policy, the change in terms will take effect from the 30th day after the date of the notice.

Changes in circumstances

You must tell **us** or **your** broker immediately if, after **we** have accepted **your application** for this policy, there are any:

1. **modifications** to the **car**, or
2. material changes that might alter the nature of the risk covered or increase the chance of a claim under this policy.

We may change the terms of this policy in response to any material change in circumstances **you** or anyone else advises **us** of. The change in terms will be effective from the date of the change in circumstances.

Information is 'material' where we would have made different decisions about either: (a) accepting your insurance, or (b) setting the terms of your insurance, if we had known that information. If in any doubt, notify us anyway.

The 'risk covered' refers to both: (a) the actual property or liabilities insured (known as physical hazard), and (b) you or other persons covered by this policy (known as moral hazard).

Currency

Any amounts shown in this policy and in the **schedule** are in New Zealand dollars.

Goods and services tax

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

1. all **sums insured** exclude GST, and
2. all limits and sub limits include GST, and
3. all **excesses** include GST, and
4. GST will be added, where applicable, to claim payments.

Governing law and jurisdiction

The law of New Zealand applies to this policy and the New Zealand courts have exclusive jurisdiction.

Echelon Motor Vehicle Insurance / Policy wording

Joint insurance	If this policy covers more than one person, then all persons are jointly covered. <i>This means that a breach of this policy by any one person affects everyone's ability to claim under this policy.</i>
Legislation changes	Any reference to any Act of Parliament or subordinate regulations or rules referred to in this policy includes any amendments made or substitutions to that law.
Other insurance	You must tell us if the car is or becomes covered under any other insurance. This policy does not cover your loss or liability 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. This does not apply to the 'Accidental death and permanent disablement' automatic additional benefit.
Other parties with a financial interest	If we know of any financial interest over the car , we may: <ol style="list-style-type: none">1. pay part or all of any claim settlement to that other party and this will go towards meeting the obligations we have under this policy for the loss, and2. disclose information about the claim to that other party if required. Any other party who has a financial interest under this policy is not covered by this policy and does not have rights to claim under this policy.
Reasonable care	You , and anyone driving the car with your permission, must take reasonable care at all times to avoid circumstances that could result in a claim. Your claim will not be covered if you are reckless or grossly irresponsible.
Uneconomic to repair	If we have paid your claim for a car that is uneconomic to repair : <ol style="list-style-type: none">1. this policy is automatically cancelled, and2. the car will become our property, and3. we will credit any unused premium towards insurance arranged with us on a replacement car. If you do not arrange insurance for a replacement car with us , we will not refund any premium.

Definitions

The definitions apply to the plural and any derivatives of the words.

For example, the definition of 'accident' also applies to the words 'accidents', 'accidental' and 'accidentally'.

accessory	a part of the car not directly related to its function as a vehicle, including any: <ul style="list-style-type: none">▶ radio, audio equipment or other in-vehicle entertainment and communication equipment forming an integral part of the car, and▶ portable telephone that connects to a power source in the car, and▶ car seat covers, floor mats or child car seats.
accident	unexpected and unintended by you and anyone using the car or any vehicle .
act of terrorism	an act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that: <ul style="list-style-type: none">▶ involves violence against one or more persons, or▶ involves damage to property, or▶ endangers life other than that of the person committing the action, or▶ creates a risk to health or safety of the public or a section of the public, or▶ is designed to interfere with or disrupt an electronic system.
annual period	is the period of cover . However, if: <ul style="list-style-type: none">▶ your premium is paid monthly or quarterly, or▶ the period of cover is for more than 12 months, the annual period is the current 12 month period calculated consecutively from the date this policy first started.
application	the information provided by you to us when you purchased this insurance or requested a quotation for this insurance from us .

Echelon Motor Vehicle Insurance / Policy wording

bodily injury	the accidental death of, or accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.
car	the vehicle described in the schedule , and including any: <ul style="list-style-type: none">▶ standard tool supplied by the vehicle's manufacturer or a similar substitute tool, and▶ accessory or spare part whilst in or on the vehicle, and▶ accessory that has been temporarily removed from the vehicle for security purposes, cleaning or servicing.
computer virus	a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes, but is not limited to, 'Trojan horses', 'Worms' and 'Time or logic bombs'.
contamination damage	loss caused by methamphetamine contamination that exceeds the contamination level .
contamination level	the relevant guideline value for indoor surface contamination as set out in the most recent version of the New Zealand Standard NZS 8510 (and until that is published, the recommended levels for remediation published by the Ministry of Health in its Recommendations for Methamphetamine Contamination Clean-up on 26 October 2016).
electronic data	facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
event	any one event or series of events arising from one source or original cause.
excess	the first amount of the claim that you must pay, which is shown in either the schedule or in this policy wording.
family	any member of your family who permanently resides with you .
incident	something that occurs at a particular point in time, at a particular place and in a particular way.
injury	a bodily injury caused solely and directly by violent, accidental, external and visible means.
loss	physical loss or physical damage.
market value	the reasonable cost of replacing your car with one of the same make, model, year, specification and condition at the time of the loss .
methamphetamine	the Class A controlled drug Methamphetamine or Class B controlled drug Amphetamine as defined by the Misuse of Drugs Act 1975 or any precursor chemicals and by-products.
modification	any change to the car , that is different to the manufacturer's original specification or recommendations. <i>Examples include:</i> <ul style="list-style-type: none">▶ <i>changes to the engine, steering, performance, suspension, chassis, or</i>▶ <i>body kits, paintwork, interior modifications, or</i>▶ <i>tyres or wheels of the car, or</i>▶ <i>a changed sound system valued at over \$1,000.</i> We do not consider a conversion of the car to run on CNG, LPG or Bio Gas is a modification , provided the car has a current Warrant of Fitness and a current Alternative Fuel Inspection Certificate.
natural disaster	an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the EQC Act.
partner	your husband or wife or person with whom you are living in the nature of a marriage.
period of cover	the Period of Cover shown in the schedule .
remediate	to reduce the level of methamphetamine contamination to below the contamination level . <i>Please note, the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination and will not restore the car to its condition when it was new.</i>
reparation	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.

Echelon Motor Vehicle Insurance / Policy wording

schedule	the latest version of the Schedule we issued to you for this policy.
sum insured	the Sum Insured shown in the schedule .
trailer	any general use trailer: <ul style="list-style-type: none">▶ owned by you or in your care, and▶ that is not covered by any other insurance, and▶ used in accordance with 'Use of your vehicle' It does not include: <ul style="list-style-type: none">▶ a caravan, boat trailer, camper trailer or horse float, or▶ the contents, equipment or accessories of any trailer.
uneconomic to repair	a total loss because the car is: <ul style="list-style-type: none">▶ uneconomic or unsafe to repair, or remediate, or▶ stolen and not recovered.
use	includes the driving, parking, garaging or storing of the car or trailer .
vehicle	<ul style="list-style-type: none">▶ the car or trailer when being used by you or anyone else with your permission, and▶ any other motorcar that is not owned by you, being used by you provided you have the owner's permission to use it and the liability is not covered by any other insurance.
we, us, our	NZI, a business division of IAG New Zealand Limited.
you	the person(s) shown as the Insured in the schedule .



