

Business Vehicles

Policy wording

The Insurance

1. This part applies while the vehicle insured is being used
 - a. for private, social, domestic or pleasure purposes including community work
 - b. in connection with any trade or business specified in the Schedule

This part will not apply while the vehicle insured is let out on hire unless being driven by the Insured or Insured's driver during such hire.

2. If the Schedule names more than one person as the Insured
 - a. Sections 1 and 2 of this Part insure all the named persons jointly and in respect of the application of all terms provisions exceptions and conditions of the Policy such persons shall be deemed jointly to constitute one Insured and be deemed to have knowledge of all such terms provisions exceptions and conditions;
 - b. we will treat a breach, whether express or implied, of any part of this Policy by any one of the named persons as a breach by all of them. Any such breach shall result in all benefit under this Part being forfeited.

Definitions

1. Your Vehicle is any vehicle described in the Schedule, including
 - a. any standard tool supplied by the vehicle's manufacturer or a similar substitute tool;
 - b. any Accessory or spare part whilst in or on your Vehicle;
 - c. any Accessory which is away from your Vehicle if it is designed for use in a vehicle and has been temporarily removed for security purposes or servicing.
2. An Accessory is a part of your Vehicle not directly related to its function as a vehicle including
 - a. any radio, audio equipment or other in-vehicle entertainment and communication equipment forming an integral part of your Vehicle;
 - b. any portable telephone which connects to a power source in your Vehicle;
 - c. any detachable and fixed equipment such as radar detectors, on board computers, or heating and/or cooling units, tarpaulins, chains and twitches, bearers and load securing and lifting equipment, ropes, signwriting and artwork and the like;

- d. LPG, CNG or other fuel conversion or performance improvement installations
- e. any car seat covers, child car seats or mats.
3. An Event is any accident, loss, damage, Bodily Injury or legal liability.
4. Liability is legal liability for
 - a. accidental loss of or damage to anyone else's property, or
 - b. accidental Bodily Injury to any person.
5. Bodily Injury is the accidental death of, or accidental bodily injury to, any person, including disability, sickness, disease, shock, fright, mental anguish or mental injury.
6. Reparation is 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.

Section 1 – Loss of or damage to your vehicle

You are insured for

1. Loss of or damage to your Vehicle where a Sum Insured is shown in the Schedule for that Vehicle.
2. Reasonable costs incurred to take care of your Vehicle and its Accessories if it is disabled following an Event for which a claim is payable under Paragraph 1 of this Section.
3. General Average or Salvage charges you are legally required to pay as a result of your Vehicle being carried by ship between the North and South Islands of New Zealand.

The amounts we will pay

1. If we consider your Vehicle is economic to repair, we may
 - a. arrange to repair your Vehicle, or
 - b. pay the cost of repairs as estimated by our assessor.
2. If we consider your Vehicle is uneconomic to repair or if your Vehicle is stolen and not recovered, we may
 - a. replace your Vehicle with a new vehicle of the same model and specification, if available in New Zealand, following an Event within 12 months of purchase new by you, or
 - b. replace your Vehicle with an equivalent vehicle, if available in New Zealand, following an Event when your Vehicle is over 12 months old or if you did not purchase your Vehicle new, or
 - c. pay the market value up to the current Sum Insured.

3. We will pay the market value at the time of the Event for any new parts, accessories or tools that are unobtainable in New Zealand but not more than the last selling or list price in New Zealand.
4. If the Schedule names other interested parties we may
 - a. get their agreement if replacing your Vehicle, or
 - b. make any payment to them.

Automatic Extensions

Signwriting

1. You are insured for loss of or damage to signwriting (including artwork and vinyl graphics) affixed to your Vehicle.
2. If we consider your Vehicle is economic to repair, we will pay the reasonable costs to reinstate the damaged signwriting.
3. If we consider your Vehicle is uneconomic to repair or if your Vehicle is stolen and not recovered we will pay the reasonable costs to have a replacement vehicle signed to the same specification, provided that the work is completed within 3 months of the loss.
4. The most we will pay under this extension is \$5,000 for any event.
5. The excess shown in the schedule will apply to every claim under this extension.

Employees' vehicles

1. We insure, on the same terms we insure your Vehicle, loss of or damage to vehicles owned by your employees provided that:
 - a. the vehicle is at the time of the Event used in connection with your business, and
 - b. the employee has personal motor vehicle insurance insuring the vehicle, and
 - c. the business use of their vehicle results in the employee's personal motor vehicle insurance no longer applying.
2. The most we will pay under this extension is \$50,000 for any Event.
3. An excess of \$500 (plus any additional driver excess) applies to every claim under this extension

You are not insured for

1. The Excess shown in the Schedule except when
 - a. the only damage sustained by your Business Vehicle is breakage of glass in the windscreen or windows.
 - b. the damage to your Business Vehicle is caused by an identified uninsured driver of another vehicle and we are satisfied full liability is admitted by or established against that driver.
2. Loss of use, depreciation, wear and tear.
3. Mechanical or electrical breakdowns, failures or breakages or damage to any engine or transmission system resulting from those breakdowns, failures or breakages.
4. Damage to tyres caused by braking or by punctures, cuts or bursts.

Section 2 – Liability

You are insured for

1. Legal liability for
 - a. accidental loss of or damage to anyone else's property, or
 - b. accidental Bodily Injury to any person
 arising in connection with
 - i. your Vehicle, including the loading and unloading of your Vehicle;
 - ii. any trailer or caravan attached to your Vehicle;
2. The legal liability of
 - a. any other person;
 - b. your employee
 for
 - i. accidental loss of or damage to anyone else's property, or
 - ii. accidental Bodily Injury to any person
 arising in connection with the use of your Vehicle, including the loading and unloading of your Vehicle, or any trailer or caravan attached to your Vehicle in connection with your business by any person in your employment provided
 - i. such use has your permission.
 - ii. such person or employee shall meet all the terms limitations and exceptions under the Policy that you have to observe, fulfil and comply with.
 - iii. the liability is not insured under any other policy.
3. The legal liability of
 - a. you
 - b. any other person
 - c. your employee to pay Reparation to a victim who has suffered accidental loss of or damage to property or Bodily Injury as a result of committing an offence in connection with use of your Vehicle, including the loading and unloading of your Vehicle, or any trailer or caravan attached to your Vehicle in connection with your business by any person in your employment provided:
 - i. such use has your permission;
 - ii. such person or employee shall meet all the terms, limitations and exceptions under the Policy that you have to observe, fulfil and comply with;
 - iii. the Reparation is not insured under any other policy;
 - iv. we must give our written approval before any offer of Reparation is made; and
 - v. your employee or any other person entitled to cover under this benefit must notify us immediately if they are charged with any offence in connection with the use of your Vehicle, which resulted in loss of or damage to property or Bodily Injury to another person;

This cover also extends to cover the liability of your employee to pay Reparation to a victim who has suffered accidental loss of or damage to property or accidental Bodily Injury as a result of committing an offence in connection with use of any other vehicle with the owner's consent and in connection with any trade or business specified in the Schedule, subject to provisos (i)-(v) above and provided that your employee must notify us immediately if they are charged with any such offence.

There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 (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,
- b. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
- 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 clause should be taken as providing cover for any defence costs, court costs, levies or costs awards for any offence.

The amounts we will pay

1. For liability, including liability for Reparation, for loss of or damage to property we will pay up to \$20,000,000 for any one Event including costs and expenses incurred with our approval or awarded against you by a Court.
2. For liability, including liability for Reparation, for Bodily Injury we will pay up to \$2,000,000 for any one Event including costs and expenses incurred with our approval or awarded against you by a Court.
3. We may pay the full amount under this Section for any claim or series of claims arising from one Event and give up any claim defence or proceedings.

You are not insured for

1. Liability for loss of or damage to property owned by you or anyone we insure under this Part who claims under this Section.
2. Liability for loss of or damage to property in your care or in the care of anyone we insure under this Part who claims under this Section other than for
 - a. a disabled motor vehicle being towed without charge by any vehicle insured;
 - b. clothing, personal effects and personal luggage being carried by any vehicle insured that belongs to a passenger in the vehicle.
3. Liability for loss of or damage to any property being carried by or loaded into or loaded from any vehicle insured (other than property as set out in Paragraph 2 above).
4. Liability for loss of or damage to any property caused by vibration or the weight of any vehicle insured.
5. Liability for loss of or damage to underground installations of any description caused by the use of any vehicle insured.
6. Liability arising while in transit between the North and

South Islands of New Zealand if the person in charge of any vehicle insured did not comply with all the requirements of the carrier.

7. Liability for Bodily Injury to any driver we insure who claims under this Section.
8. Liability for Bodily Injury covered by the Accident Compensation Act 2001 or any Act in substitution thereof.
9. Any fine, penalty, punitive or exemplary damages.
10. Any consequent damage, loss, liability or consequent costs incurred by you or any other person after we have paid the full amount of our liability under Paragraph 3 of 'The Amounts We Will Pay'.
11. All references to liability in these exclusions includes any liability for Reparation.

Section 3 – Transport costs

You are insured for

1. Reasonable costs incurred following an Event for which a claim is payable under Section 1 for
 - a. transport by rail or bus from the place where the Event happened to your home or normal place of business in New Zealand or to your next immediate destination in New Zealand for
 - i. you,
 - ii. your employee(s)if such persons are prevented from returning in the vehicle to their home or normal place of business as a result of the Event.
 - b. returning your Vehicle to your place of business in New Zealand or to another place you and we both agree upon after your Vehicle has been repaired.
2. Reasonable costs incurred for the return of your Vehicle to the place from where it was stolen or to another place you and we both agree upon when it is recovered following theft or conversion.

You are not insured for

Expenses covered by the Accident Compensation Act 2001 or any Act in substitution therefor.

The amounts we will pay

We will pay the actual reasonable costs incurred up to \$2,000 for any one Event.

Section 4 – Defence costs for a charge of manslaughter

You are insured for

Your legal costs incurred for defending a charge of

1. manslaughter, or
2. dangerous or careless driving causing death arising in New Zealand from
 - a. you driving your Vehicle.
 - b. your employee driving your Vehicle.
 - c. any other person driving your Vehicle provided they have your permission.

All Sections, You are not insured for, clause 8 (offences) does not apply to this section.

You are not insured for

Any costs arising from a deliberate or wilful act.

The amounts we will pay

We will pay up to \$2,000 for legal costs incurred for any one Event.

Section 5 – Removal of debris/hazardous substance

You are insured for

Reasonable costs incurred following an Event for which a claim is payable under Section 1 for

1. removal of debris, including property carried by you as a load.
2. any charge made for a hazardous substance emergency pursuant to the Fire Service Act 1975 or any Act in substitution therefor.

The amounts we will pay

We will pay the actual reasonable costs incurred up to \$10,000 for any one Event.

Section 6 – Vicarious liability

You are insured for

Liability under Section 2 following an Event where any vehicle owned by your employee is being used in connection with your trade or business specified in the Schedule.

You are not insured for

Liability for loss of or damage to property owned by you or in your care or property owned or in the care of anyone we insure under this Section.

Section 7 – Protection against uninsured drivers

If your vehicle is damaged in an accident caused by an identified, uninsured driver of another vehicle and full liability is admitted by or established against that driver we will –

- a. not deduct the Excess or adjust your No Claim Rebate if a claim is payable under Section 1 or,
- b. indemnify you under Section 1 up to a maximum of \$3,000 and not deduct the Excess or adjust your No Claim Rebate if cover for your vehicle applies under Section 2 only.

For all sections you are not insured for

1. Any Event arising while any vehicle insured is being driven or used by you or by any authorised person who
 - a. does not hold a licence required by law to drive the vehicle.
 - b. does not comply with any limitation, term or condition of their driver's licence.

Paragraph 1 will not apply

- i. if that person does not hold a licence but obtains a licence without a further driving test, or
 - ii. if your Vehicle is being used for the purpose of teaching a learner to drive if all requirements of the law are being complied with; or
 - iii. while the vehicle is parked, garaged or stored.
2. Any Event arising while any vehicle insured is being driven or used by any person who
 - a. at the time of the Event has a proportion of alcohol in their breath or blood which exceeds the legal limit.
 - b. in connection with the Event is convicted of failing or refusing to undergo a breath or blood test.
 - c. at the time of the Event is under the influence of alcohol to such an extent as to be incapable of having proper control of the vehicle. This sub-section shall not apply if the person has a breath or blood test for alcohol.
 - d. at the time of the Event is under the influence of a drug or substance to such an extent as to be incapable of having proper control of the vehicle, or
 - e. in connection with the Event fails or refuses to stop, or remain at the scene, following an accident (as required by law).

Paragraph 2 will not apply

- i. where the claim arises from theft or conversion of your Vehicle, or
 - ii. while the vehicle is parked, garaged or stored.
3. Any Event arising while any vehicle insured is being driven or used by any person in an unsafe or unroadworthy condition where that condition causes or contributes to the Event and you or the driver could reasonably be expected to have been aware of that condition. ('Unsafe or unroadworthy condition' includes any condition that may result in damage to the vehicle or any part of it.)
 4. Any Event arising while any vehicle insured is either practising for or taking part in any race, rally, time trial, speed test, or used on any racetrack.
 5. Any Event if your Vehicle or its engine has been modified since manufacture unless details of all the modifications have been given to us.
 6. Legal liability arising out of a contract or agreement (except where you would have been liable even without such contract or agreement).
 7. Loss or liability arising from any intentional or reckless act or omission.

8. Any legal defence costs 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.

By this extension, you are insured for loss or liability that arises when the vehicle insured is driven under any of the circumstances excluded in paragraphs 1, 2 and 3 above provided that:

- a. those excluded circumstances were unknown to:
 - i. you
 - ii. your employees listed in the schedule, with authority to control the conduct of the driver of the vehicle, and
 - iii. any other person who is of such senior capacity within your business that his or her knowledge is deemed at law to be your knowledge
- b. the claim is otherwise covered under this policy.
- c. you give all information and assistance to us we may require to act on your behalf to recover the claim from other persons (including the driver) responsible for the loss.
- d. this extension is limited solely to loss or liability suffered by your business.
- e. the liability of the driver or the person responsible for the loss or liability is not insured under this extension.
- f. the most we will pay under this extension is
 - i. \$250,000 per event under 'Section 1 – Loss of or damage to your vehicle', and
 - ii. \$1,000,000 per event under 'Section 2 – Liability'
- g. An additional excess of \$2,500 applies to this extension.

An excess of \$2,500 applies to this extension.

Claims conditions

You or anyone else entitled to cover under this policy must notify us immediately if you or they are charged with any offence in connection with the use of your Vehicle or another vehicle which resulted in Loss of property or Bodily Injury to another person.

You and anyone entitled to cover under this policy must not negotiate, or offer to pay Reparation, including but not limited to, offers made as part of any case management conference or sentencing hearing.

Please also see the Business Insurance Policy wording.