

Rural General Liability.

Policy wording.



About your policy



We've designed this document to help you clearly understand the terms of your policy, but if you're unsure about anything, please call us on **0800 100 200** and we'll be happy to explain.

Contents

Introduction	1
1. Insurance agreement	1
2. What you are insured for	2
3. Automatic policy extensions	2
4. Exclusions	6
5. Managing your claim	9
6. General conditions	11
7. Definitions	13

Rural General Liability

Policy wording



This Rural General Liability policy wording only applies when shown in **your schedule**.

Introduction

About this policy

Your Rural General Liability Policy consists of:

- (a) this policy wording,
- (b) the **schedule**,
- (c) any endorsements that **we** apply.

Your duty of disclosure

When **you** apply for insurance, **you** have a legal duty of disclosure. This means **you** or anyone acting on **your** behalf 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:

- (a) to accept or decline **your** insurance,
- (b) 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** or anyone acting on **your** behalf breaches this duty, **we** may treat this 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.

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.

It is important to read this policy in full to understand what it means and how it operates.

1. Insurance agreement

1.1 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.

2. What you are insured for

- 2.1 Public and product liability** **You** are insured for all amounts that **you** become legally liable to pay arising from **injury** or **damage** that happens anywhere in New Zealand during the **period of insurance**, caused by an **event** in connection with the **business**.
- 2.2 Limit of indemnity** The most **we** will pay for **your** legal liability for each **event** is the lesser of either:
- (a) the **limit of indemnity** shown in the **schedule**,
 - (b) the specified sub-limit for any Extension or Endorsement that applies.
- However, whenever **your** legal liability arises in connection with **your products**, the most **we** will pay per **event** and in the aggregate during the **annual period** is the **limit of indemnity** shown in the **schedule**.
- 2.3 Defence costs** In addition to the **limit of indemnity**, **we** will pay all reasonable and necessary **defence costs** incurred with **our** prior written consent in relation to any civil legal action (or threat of civil legal action) that, if proven, would be covered by this policy.
- 2.4 Excess** The excess shown in the **schedule** applies for each **event**, unless a different amount is shown in an Extension or Endorsement. No excess applies to **defence costs**, unless specifically stated otherwise in an Extension or Endorsement or in the **schedule**.
- If **you** are entitled to cover for an **event** under more than one part of the policy, then only the highest applicable excess applies.
- If a single **event** results in claims being accepted under more than one Rural policy that **you** hold with **us**, only one excess will be applied, being the highest applicable individual policy excess. This does not apply to any loss caused by natural disaster.

3. Automatic policy extensions

In addition to the cover under 2. 'What you are insured for', **we** also provide the following Automatic policy extensions. These are subject to the terms and conditions of the policy.

Unless expressly stated otherwise, any amounts payable under these Automatic policy extensions are included within 2.2 'Limit of indemnity' and are not payable in addition to the **limit of indemnity**.

- 3.1 Advertising liability** **You** are insured for all amounts that **you** become legally liable to pay for **advertising liability** that happens during the **period of insurance** in connection with the **business**.
- You** are not insured for liability in connection with:
- (a) **advertising liability** that arose with **your** knowledge that it was illegal or false,
 - (b) incorrect description of **products**, goods or services,
 - (c) a mistake in the advertised price of **products**, goods or services,
 - (d) an alleged failure of the **products**, goods or services to conform with advertised performance, quality, fitness or durability.
- No cover is provided for any **advertising liability** where **your business** includes advertising, broadcasting, marketing, publishing, podcasting, streaming or webcasting.
- Exclusion 4.8 'Defamation' does not apply to this Extension.
- The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$500,000.
- An excess of \$1,000 applies for each **event** under this Extension.
- 3.2 Agrichemical liability** **You** are insured for all amounts that **you** become legally liable to pay for **injury** or **damage** that happens during the **period of insurance** caused by the use or application by **you**, or on **your** behalf, of **agrchemicals** on **your** farm.
- Exclusion 4.19 'Pollution' does not apply if the **injury** or **damage** caused by the application or use of **agrchemicals** arose from a sudden, identifiable and **accidental** occurrence that takes place in its entirety at a specific time and place.
- Exclusion 4.1 'Aircraft' does not apply to the Named Insured's liability arising from an **aircraft** where the **aircraft** is operated by an independent aerial operator on **your** behalf.
- The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$250,000.
- An excess of \$1,000 applies for each **event** under this Extension.

3.3 Agricultural contracting

You are insured for all amounts that **you** become legally liable to pay for **damage** that happens during the **period of insurance**, caused by **your occasional contracting** on the wrong area of land or the wrong crop.

Exclusions 4.11 'Faulty work' and 4.21 (b) 'Property in your care, custody or control' do not apply to this Extension.

The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$250,000.

An excess of \$1,000 applies for each **event** under this Extension.

3.4 Business advice or service

You are insured for all amounts that **you** become legally liable to pay for **injury** or **damage** that happens during the **period of insurance** arising out of an error or omission in connection with any of the following:

- (a) advice or service by **you** in connection with **your business**, provided that the advice or service is not charged for,
- (b) the provision of or failure to provide emergency medical assistance by a person engaged or employed by **you** to provide first aid or other medical services at **your** farm.

Exclusion 4.4 'Business advice/error or omission' does not apply to this Extension.

3.5 Business travel outside New Zealand

You are insured for all amounts that **you** become legally liable to pay for **injury** or **damage** that happens during the **period of insurance** in a country outside New Zealand, in connection with **your** travel for the purposes of **your business**.

Provided that both the following apply:

- (a) **you** are temporarily visiting and not normally resident in the country to which **you** are travelling,
- (b) **you** do not have a place of **business** in or are not represented by any parent or subsidiary company or joint venture in the country to which **you** are travelling.

You are not insured for liability in connection with any of the following:

- (i) **your** attendance as a stallholder, exhibitor or volunteer at an expo, show or similar event,
- (ii) the supply or provision of products, samples, or goods,
- (iii) activities not directly related to **your business**,
- (iv) work performed in connection with the manufacture, assembly, repair, servicing, maintenance, amendment, alteration or enhancement of any product or property,
- (v) the ownership, possession, control, maintenance or use of any **vehicle** or **watercraft**.

The most **we** will pay under this Extension, including for **defence costs**, per **event** and in the aggregate during the **annual period** is the **limit of indemnity**.

Exclusion 4.24 'Territorial limits' parts (a), (b), (d) and (e) do not apply to this Extension.

3.6 Care, custody or control

You are insured for all amounts that **you** become legally liable to pay for **damage** that happens during the **period of insurance** in connection with **your business**, to property (other than real property) that is in **your** care, custody or control.

Provided that such property is not owned by any person or entity defined under **you**, other than **employees**.

No payment will be made under this Extension where a claim for the same **event** is paid under Automatic policy extension 3.12 'Poisoning of animals'.

Exclusion 4.21 (b) 'Property in your care, custody or control' does not apply to this Extension.

The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$250,000.

An excess of \$1,000 applies for each **event** under this Extension.

3.7 Drones

You are insured for all amounts that **you** become legally liable to pay for **injury** or **damage** that is caused by an **event** in connection with the use or operation of a **drone** in connection with **your business**.

Provided that both the following conditions are met:

- (a) the **drone** does not exceed a gross take-off weight of 5kg,
- (b) **you** comply with all laws, bylaws and Civil Aviation Authority rules and regulations regarding the use of **drones**.

Exclusion 4.1 (a) 'Aircraft' does not apply to this Extension.

The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$1,000,000.

An excess of \$1,000 applies for each **event** under this Extension.

3.8 Landlord's liability

You are insured for all amounts that **you** become legally liable to pay for **injury** or **damage** that happens during the **period of insurance**, in connection with **your** legal ownership, but not physical occupation, of any farm building, including a building used as a residential dwelling.

However, there is no cover for liability in connection with buildings that are not on **your** farm.

3.9 Lost or stolen keys

You are insured for the costs reasonably and necessarily incurred to alter or replace locks, keys or combinations (including any access card or similar device) that are lost, stolen or believed on reasonable grounds to have been duplicated without permission, during the **period of insurance**.

Provided that both the following conditions are met:

- (a) the keys or combinations are in your possession in connection with **your business** and **you** are legally liable for their loss, theft or duplication,
- (b) the keys provide access to premises which **you** do not own, hire, lease or rent.

Exclusion 4.21 (b) 'Property in your care, custody or control' does not apply to this Extension.

3.10 Milk contamination

You are insured for all amounts that **you** become legally liable to pay for **damage** to third party milk caused by it being mixed with **your accidentally** contaminated milk.

Provided that the **damage** happens during the **period of insurance** in connection with **your business**.

The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$100,000.

3.11 Mobile mechanical plant liability

You are insured for all amounts that **you** become legally liable to pay for **injury** or **damage** arising from the use of **mobile mechanical plant**.

Provided that the **mobile mechanical plant** is not being driven as a **vehicle** at the time the **injury** or **damage** happens.

There is no cover for **damage** to any third-party property being lifted, lowered or carried by the **mobile mechanical plant**.

3.12 Poisoning of animals

You are insured for all amounts that **you** become legally liable to pay for death, injury, or illness of animals in **your** care, custody or control, that happens during the **period of insurance**, caused by either:

- (a) **accidental** poisoning,
- (b) **accidental** ingestion of other harmful matter in animal feed or drink.

No payment will be made under this Extension where a claim for the same **event** is paid under Automatic policy extension 3.6 'Care, custody or control'.

Exclusion 4.21 (b) 'Property in your care, custody or control' does not apply to this Extension.

The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$250,000.

An excess of \$1,000 applies for each **event** under this Extension.

3.13 Product withdrawal costs

You are insured for 90% of the costs reasonably and necessarily incurred by **you** to withdraw or recall **your products** from sale in New Zealand.

Provided that the defect in the **product** which caused the withdrawal or recall has already given rise to a claim covered by this policy.

Exclusion 4.20 'Product recall' does not apply to this Extension.

The most **we** will pay under this Extension, including for **defence costs**, per **event** and in the aggregate, during the **annual period** is \$100,000.

An excess of \$2,500 applies for each **event** under this Extension.

3.14 Punitive or exemplary damages

You are insured for punitive or exemplary damages **you** are ordered to pay by a New Zealand Court for **your** legal liability for **injury** that happens in New Zealand during the **period of insurance** in connection with **your business**.

However, **you** are not insured for liability in connection with any:

- (a) dishonest or fraudulent act or omission by **you**,
- (b) trespass to the person, assault, battery, false imprisonment, malicious prosecution, sexual harassment or sexual abuse.

Exclusion 4.12 (b) 'Fines and exemplary damages' and General condition 6.13 'Take reasonable care' do not apply to this Extension.

The most **we** will pay under this Extension, including for **defence costs**, per **event** and in the aggregate, during the **annual period** is \$1,000,000.

3.15 Roadside grazing

You are insured for all amounts that **you** become legally liable to pay for **damage** that happens during the **period of insurance** caused by or arising from roadside grazing of **your** animals, or animals in **your** care, custody or control.

3.16 Tenant's liability

You are insured for all amounts that **you** become legally liable to pay for **damage** to any premises (including landlord's fixtures and fittings) occupied, but not owned by **you**, where the **damage** happens during the **period of insurance** in connection with **your business**.

Exclusion 4.21 (b) 'Property in your care, custody or control' does not apply to this Extension.

3.17 Underground services

You are insured for all amounts that **you** become legally liable to pay for **damage** to any existing underground cables, underground pipes or other underground facilities, where the **damage** happens during the **period of insurance** in connection with **your business**.

Provided that before starting any work, **you** have taken all reasonable precautions to prevent **damage**, including verifying the location of the existing underground cables, pipes or facilities with the owner of those services, the appropriate authority, or a competent third party location service.

Exclusion 4.26 'Underground services' does not apply to this Extension.

An excess of \$2,500 applies for each **event** under this Extension.

3.18 Vehicles liability

You are insured for all amounts that **you** become legally liable to pay for any of the following:

- (a) **injury** or **damage** arising from the manual loading or unloading, or getting in, on, off or out of, a **vehicle**,
- (b) **damage** to a **vehicle** in **your** physical or legal control (but not owned or used by **you** or on **your** behalf), where that **damage** occurs while the **vehicle** is in a car parking area owned or operated by **you** (other than for income as a car park operator),
- (c) **damage** to a **vehicle** in **your** physical or legal control (but not owned or used by **you** or on **your** behalf), where that **damage** occurs in connection with **your** valet parking operations,
- (d) **damage** to a bridge, viaduct, culvert, weigh bridge or road beneath the **vehicle**, where the **damage** is caused by vibration or by the weight of the **vehicle** or its load, provided that any designated weight restrictions were not exceeded.

Exclusion 4.21 (b) 'Property in your care, custody or control' does not apply to claims under part (b) and (c) of this Extension.

Exclusion 4.27 (a) 'Vehicles' does not apply to this Extension.

3.19 Vibration and removal of support

You are insured for all amounts that **you** become legally liable to pay for **injury** or **damage** that happens during the **period of insurance** in connection with **your business** arising from the:

- (a) vibration of land, buildings or structures,
- (b) interference with, or removal or weakening of, the support of land, buildings or structures.

Provided that the land, buildings or structures are not owned or occupied by **you**.

Exclusion 4.28 'Vibration and removal of support' does not apply to this Extension.

The most **we** will pay under this Extension, per **event** and in the aggregate, during the **annual period** is \$500,000.

An excess of \$5,000 applies for each **event** under this Extension.

4. Exclusions

4.1 Aircraft

You are not insured for liability in connection with:

- (a) **your** ownership, possession, control, service, **repair**, maintenance, operation, loading, unloading, use, sale or supply of any **aircraft**,
- (b) **products** that **you** know are incorporated in any **aircraft** or aerial device.

4.2 Asbestos

You are not insured for liability in connection with asbestos.

4.3 Building defects

You are not insured for liability in connection with any:

- (a) failure of a building or structure to comply with or perform to the requirements of any building code or standard, or meet the level of performance, quality, fitness or durability required for its intended purpose, in relation to leaks, water penetration, weatherproofing, weathertightness, moisture or any effective water exit or control system,
- (b) mould, fungi, mildew, rot, decay, gradual deterioration, micro-organisms, bacteria, protozoa, or any similar or like forms, in any building or structure.

This Exclusion does not apply to legal liability for **injury** or **damage** arising from any:

- (i) **accidental** release of water or liquid from any internal pipes, internal water systems or internal cisterns,
- (ii) sudden and **accidental** entry of external water to a third party's building or structure **you** are or have been working on, where the entry of water results directly from **your** work.

4.4 Business advice / error or omission

You are not insured for liability in connection with giving, failing to give, or any error or omission in any:

- (a) service or advice given by **you**,
- (b) medical advice or medical treatment provided by **you**.

4.5 Communicable disease

You are not insured for any actual or alleged loss, claim, liability, cost or expense that is either:

- (a) caused by or attributable to a **communicable disease**,
- (b) directly or indirectly attributable to or in connection with any orders, actions or measures of a public authority (including any act, error, or omission by any person in connection with any such order, action or measure) to control, prevent, suppress or respond to any **communicable disease**.

4.6 Contractual liability

You are not insured for liability that **you** have agreed to assume, except to the extent that **you** would have been legally liable in the absence of that contract.

This Exclusion does not apply to any of the following:

- (a) liability assumed by **you** under a warranty of fitness or quality in respect of **your products**, but subject always to Exclusions 4.11 'Faulty work' and 4.16 'Loss of use',
- (b) liability assumed by **you** under any lease or hire of real or personal property.

4.7 Cyber and Information Technology liability

You are not insured for any actual or alleged loss, liability, claim, cost, or expense, in connection with any of the following:

- (a) any **cyber act** or **cyber incident** (including any action taken to control, prevent, suppress, remediate or respond to a **cyber act** or **cyber incident**), or any resultant **loss of data**.

Except that this Exclusion does not apply in respect of liability arising out of any:

- (i) **damage** (for clarity, **damage** does not include **loss of data**),
- (ii) **injury**, except that **injury** does not include shock, fright, mental anguish or mental injury.
- (b) **your internet operations**.

4.8 Defamation

You are not insured for liability in connection with defamation.

4.9 Defective design

You are not insured for liability in connection with **your products** that are faulty or defective in formula, pattern, design, plan or specification.

4.10 Employers liability

You are not insured for liability in connection with:

- (a) **your** capacity or obligations as an employer,
- (b) **injury** to an **employee** that arises out of, and in the course of, **your** employment of any person.

4.11 Faulty work	<p>You are not insured for liability in connection with the cost of any of the following:</p> <ul style="list-style-type: none"> (a) performing, completing, repairing, rectifying, correcting or improving any work undertaken by you or on your behalf, (b) rectifying, repairing or replacing any materials used by you, (c) damage to property you are or have been working on, where the damage arises from your work. <p>This Exclusion does not apply to liability for resultant damage to other property.</p>
4.12 Fines and exemplary damages	<p>You are not insured for liability for any:</p> <ul style="list-style-type: none"> (a) fine or penalty, (b) punitive, aggravated, liquidated or exemplary damages.
4.13 Genetically modified organisms	<p>You are not insured for liability in connection with genetically modified or engineered organisms or material, transgenic seeds or any other products of a similar nature.</p>
4.14 Hot work away from your premises	<p>You are not insured for liability in connection with hot work carried out away from your premises.</p>
4.15 Intentionally lit fires	<p>You are not insured for liability in connection with any fire lit by you or on your behalf. Provided that this Exclusion does not apply where you comply with the requirements of any local authority or Fire and Emergency New Zealand (FENZ) in connection with the lighting and management of any fire.</p>
4.16 Loss of use	<p>You are not insured for liability in connection with the loss of use of tangible property that has not suffered physical loss or physical damage, where that loss of use is caused by any:</p> <ul style="list-style-type: none"> (a) delay in, or lack of performance by you or on your behalf, of any contract or agreement, (b) failure of your products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by you. <p>This Exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical damage to or destruction of the products after they have been put to use by any person or entity other than you.</p>
4.17 Nuclear	<p>You are not insured for any liability in connection with:</p> <ul style="list-style-type: none"> (a) the use of nuclear reactors such as atomic piles, particle accelerators or generators or similar devices, (b) the use, handling or transportation of radioactive materials, weapon of war or explosive device employing nuclear fission or fusion.
4.18 Offshore oil or gas platforms	<p>You are not insured for liability in connection with any offshore oil or gas platforms.</p>
4.19 Pollution	<p>You are not insured for any liability in connection with pollution.</p> <p>This Exclusion does not apply if the discharge, dispersal, release or escape of pollutants is caused by a sudden, identifiable and accidental occurrence that takes place in its entirety at a specific time and place.</p> <p>Provided that, this Exclusion stands and there is no cover under this policy for liability in connection with pollution that occurs in North America.</p>
4.20 Product recall	<p>You are not insured for liability in connection with the recall, withdrawal, repair, inspection, replacement, modification or loss of use of your products, or any goods or property that your products form a part of, if such products, goods or property are withdrawn from the market or from use because of any known or suspected defect in them or because of any Government or statutory ban, order or notice.</p>
4.21 Property in your care, custody or control	<p>You are not insured for liability for damage to any:</p> <ul style="list-style-type: none"> (a) property owned by you, (b) property in your care, custody or control.
4.22 Reinstatement, repair or replacement of your products	<p>You are not insured for liability for damage to your products arising out of such product or any part of such product.</p>

- 4.23 Sanctions** **We** do not provide any cover, or benefit, or pay anything in connection with this policy, including any premium refund, if doing so may breach or risk exposure to any:
- (a) sanctions, prohibitions or restrictions under United Nations resolutions,
 - (b) trade or economic sanctions, laws or regulations of New Zealand, Australia, Singapore, the United Kingdom, the United States of America, or the European Union.
- 4.24 Territorial limits** **You** are not insured for liability in connection with:
- (a) an **event** that happens outside New Zealand,
 - (b) any claim made on **you** outside New Zealand,
 - (c) any claim that arises out of any work performed outside New Zealand,
 - (d) any legal action brought in a court or tribunal outside New Zealand, or to which the law to be applied is that of a country outside New Zealand,
 - (e) any legal action brought in a court or tribunal within New Zealand to enforce a judgment handed down in a court or tribunal outside New Zealand, whether by way of a reciprocal agreement or otherwise,
 - (f) liability under the law of any country, state or territory outside New Zealand that requires such liability to be insured or secured with an insurer or organisation in that country, state or territory.
- However, parts (a) and (b) of this Exclusion do not apply to legal liability in connection with **your products** that have been exported outside New Zealand without **your** knowledge.
- 4.25 Terrorism or war** **You** are not insured for liability in connection with any:
- (a) **terrorism**, or controlling, preventing, suppressing, retaliating against or responding to **terrorism**,
 - (b) war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.
- 4.26 Underground services** **You** are not insured for liability in connection with **damage** to any existing underground cables, underground pipes or other underground facilities.
- 4.27 Vehicles** **You** are not insured for liability in connection with:
- (a) **your** ownership, possession, **repair** or use of any **vehicle**,
 - (b) the use or driving of any **vehicle** when **you**:
 - (i) do not hold an appropriate driver's licence or do not comply with the conditions of **your** driver's licence,
 - (ii) have a proportion of alcohol in **your** breath or blood that exceeds the legal limit,
 - (iii) are under the influence of any other intoxicating substance or drug,
 - (iv) fail or refuse to supply a breath or blood sample as required by law,
 - (v) fail or refuse to stop, or remain at the scene, following an accident (as required by law),
 - (vi) are using the **vehicle** outside the manufacturer's recommended specifications,
 - (c) the use or driving of any **vehicle** that is in an unsafe condition if both the following apply:
 - (i) the condition of the **vehicle** causes or contributes to, the **injury** or **damage**,
 - (ii) **you** were, or ought to have been, aware of the unsafe condition of the **vehicle**.
- 4.28 Vibration and removal of support** **You** are not insured for any liability in connection with the vibration of, interference with, weakening of, or removal of support of any buildings, structures or land.
- 4.29 Watercraft** **You** are not insured for liability in connection with any of the following:
- (a) **your** ownership, possession, repair, operation or use of any **watercraft** that exceeds 10 metres in length,
 - (b) **your** operation or use of any **watercraft** while under the influence of alcohol or any other intoxicating substance or drug,
 - (c) **your** operation or use of any **watercraft** outside the manufacturer's recommended specifications.

5. Managing your claim

Your obligations

- 5.1 Advise us of any event that may give rise to a claim** **You** must notify **us** in writing as soon as possible if **you** become aware of any **event** that may give rise to a claim under this policy, regardless of the anticipated amount.
- 5.2 Co-operation** **You** must, at **your** own cost, provide all information and reasonable assistance to **us** to determine cover under this policy and to enable **us** to investigate, defend or settle a claim.
This includes:
- (a) giving **us** free access to examine and assess the claim,
 - (b) sending any relevant correspondence or document to **us**,
 - (c) completing a claim form or statutory declaration to confirm the claim if **we** request it,
 - (d) providing any other information, proof of ownership or assistance that **we** may require at any time.
- 5.3 Disclosure of information** When making a claim, **you** consent to **your** personal information in connection with the claim being both:
- (a) disclosed to **us**,
 - (b) transferred to the Insurance Claims Register Limited.
- The Insurance Claims Register is a database of insurance claims that participating insurers can access. We may get personal information and details of insurance claims made by you from the Insurance Claims Register.*
- 5.4 Do not admit liability** **You** must not:
- (a) admit liability,
 - (b) say anything that may prejudice **our** ability to defend the claim against **you** or take recovery action in **your** name.
- 5.5 Minimise the loss** **You** must, at **your** own cost, take all reasonable steps to minimise the claim and avoid any further loss or liability arising.
- 5.6 Obtain our agreement** **You** must obtain **our** agreement in writing before doing any of the following:
- (a) incurring any **defence costs** or other expenses in connection with any claim under this policy,
 - (b) negotiating, paying, settling, admitting or denying any claim against **you**,
 - (c) destroying or disposing of anything that is or could be part of a claim.
- 5.7 Other insurance** **You** must notify **us** as soon as **you** know any other insurance policy that may cover or partially cover **you** for any of the risks covered under this policy.
If **you** hold other insurance cover with any other insurer in respect of any claim covered under this policy, then **we** will only pay under this policy once cover under any other policy has been exhausted.
- 5.8 Waiver of legal privilege** The lawyers **we** instruct to act on **your** behalf in relation to any claim against **you**, may disclose to **us** any information they receive in that capacity, including information they receive from **you**. **You** authorise the lawyer to disclose this information to **us**.

How we manage a claim

- 5.9 Allocation of defence costs** If a claim is covered only partly by this policy, **we** will attempt to ensure fair and proper allocation of the **defence costs** for insured and uninsured portions.
If all parties are unable to agree upon the allocation of the **defence costs** then that allocation will be decided by a lawyer that **we** and **you** agree to instruct, whose determination will be binding upon all parties. The cost of the lawyer's determination is to be taken as part of the **defence costs** covered under this policy.
If the parties cannot agree on a lawyer, then a lawyer will be appointed by the President of the New Zealand Law Society.
- 5.10 Claim below the excess** If **we** believe that a claim will not exceed the excess, **we** may instruct **you** to conduct the investigation, defence and settlement of the claim at **your** expense.

If the claim subsequently exceeds the excess, **we** agree to reimburse the reasonable **defence costs** incurred by **you** that exceed the excess, or to pay any additional **defence costs** on **your** behalf. **You** must advise **us** as soon as the total costs of the claim exceed, or are likely to exceed, the excess.

5.11 Claim exceeds the limit of indemnity

If any payment, settlement or judgment in excess of the **limit of indemnity** has to be made to settle or dispose of any claim, **our** liability for **defence costs** is limited to such proportion as the **limit of indemnity** bears to the amount payable to dispose of the claim.

You must refund to **us** all amounts **we** pay for **defence costs** in excess of **our** proportion.

5.12 Defence of a claim

After **you** have made a claim under this policy, subject to condition 5.14 'Requirement to defend a claim', **we** have the sole right (which will be a condition precedent to **your** right to be covered) to:

- (a) act in **your** name and on **your** behalf to defend, negotiate or settle the claim as **we** see fit,
- (b) appoint lawyers of **our** choice to defend or legally represent **you** and the lawyers will report directly to **us**.

5.13 Discharge of a claim

We may elect at any time to pay **you** either:

- (a) the maximum amount payable under Section 2.2 'Limit of indemnity' in relation to a claim,
- (b) any lesser amount that the claim against **you** can be settled for.

Once **we** have paid this (including any **defence costs** already incurred up to the date of **our** election), **our** responsibility to **you** under this policy for that claim is met in full.

5.14 Requirement to defend a claim

If the lawyer appointed to defend **you** advises that the claim should not be defended, then **we** are not required to defend a claim against **you** unless a second lawyer that **we** and **you** agree to instruct, advises that the claim should be defended.

If the parties cannot agree on a lawyer, then a lawyer will be appointed by the President of the New Zealand Law Society. In formulating his or her advice, the lawyer must be instructed to consider the:

- (a) economics of the matter,
- (b) damages and costs likely to be recovered,
- (c) likely costs of defence,
- (d) prospects of successfully defending the claim.

The cost of the second lawyer's opinion is to be taken as part of the **defence costs** covered under this policy.

If the second lawyer advises that the claim should be settled and if the terms of settlement that **we** recommend are reasonable, then **you** must co-operate with **us** to effect such settlement in accordance with this policy and must pay the applicable excess.

5.15 Your right to contest settlement of a claim

If **you** do not agree with a decision by **us** to settle a claim (including publishing a retraction or apology in the case of defamation proceedings), **you** can elect to contest the claim at **your** own expense.

However, **our** liability will not exceed the amount for which the claim could have been settled in the opinion of the lawyer appointed under Condition 5.14 'Requirement to defend a claim'.

We will pay **defence costs** incurred up to the date **you** notify **us** in writing of **your** election under this clause, and will pay **you** (subject to the excess) the amount for which the claim could have been settled. **You** expressly agree that **our** liability in respect of such a claim will then be at an end.

5.16 Subrogation

We may assume **your** legal right of recovery.

You must fully co-operate with any recovery process. If **you** do not, **we** may recover the amount paid in relation to the claim from **you**.

The proceeds of recovery will be applied first to the costs of effecting the recovery, then to **us** for the amounts paid for a claim.

Any remaining balance will be paid to **you** for uncovered loss, and then **your** excess.

6. General conditions

How we administer this policy

- 6.1 Assignment** **You** may not assign this policy or any interest under this policy without **our** prior written consent.
- 6.2 Cancellation**
- By you
- You** may cancel this policy at any time by giving **us** 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 **you** notice in writing or by electronic means, at **your** last known address. **Your** policy will be cancelled 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 insurance**.
- We** will cancel this policy if the premium is not paid when due. Cancellation will be effective from the date this policy was paid up to.
- 6.3 Change of terms** **We** may change the terms of this policy (including the excess) by giving **you** notice in writing or by electronic means, at **your** last known address.
- Unless otherwise specified in the notice the change in terms will take effect from the 30th day after the date of the notice.
- 6.4 Currency** Any amounts shown in this policy or in the **schedule** are in New Zealand dollars.
- 6.5 Disputes about this policy** The law of New Zealand applies to disputes about this policy and the New Zealand Courts have exclusive jurisdiction.
- 6.6 Goods and services tax (GST)** Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:
- the **limit of indemnity** excludes GST,
 - all sub limits exclude GST,
 - all excesses include GST,
 - GST will be added, where applicable, to claim payments.
- 6.7 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 legislative or official terms includes any amended, replacement, substituted, equivalent or corresponding terms.
- 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.
- 6.8 Premium payment options** **You** may choose either an annual or a monthly renewable contract.
- If **you** have elected a monthly renewable contract, then:
- you** must pay by direct debit using the Direct Debit Authority **we** require,
 - the policy is for the initial **period of insurance** stated in the **schedule**,
 - the policy will be renewed for further monthly **periods of insurance** upon receipt of the renewal premium due under the Deduction Authority,
 - the policy terms, including the premium, will be reviewed on the anniversary date stated in the **schedule**.
- 6.9 Separate insurance (cross liability)** Where the defined word '**you**' consists of more than one legal entity then all the parties are insured separately (as though a separate policy had been issued to each person/entity). However, this Condition does not apply to:
- labour only contractors or sub-contractors who are deemed to be insured by subparagraph (g) of the definition of **you**,
 - any person who is deemed to be insured by sub-paragraph (h) of the definition of **you**.
- Nothing in this Condition increases the amount of cover available under this policy.

6.10 Severability

If a natural person covered under part (c) of the definition of ‘**you**’ fails to comply with their duty of disclosure, makes a misrepresentation or breaches any condition of this policy, **we** will not deny cover to any other natural person covered under this policy on these grounds.

Provided that other person did not breach a policy condition or was unaware of the matter not disclosed or the fact of the misrepresentation.

Your obligations

6.11 Change in circumstances

You must give **us** notice in writing as soon as possible if there is a material increase or change in the risk insured.

Once **you** have told **us** of the change, **we** may then vary the policy terms and charge an additional premium, or **we** may cancel this policy.

If **you** fail to notify **us** about a material change in the risk insured, **we** may do any of the following:

- (a) declare this policy unenforceable,
- (b) decline any subsequent claim either in whole or in part.

These actions will be taken from the date **you** knew, or ought to have known, of the increase or alteration in the risk insured.

Information is ‘material’ where, if we had known that information, we would have made different decisions about either:

- (i) *accepting your application for insurance,*
- (ii) *setting the terms of this insurance,*

If in any doubt, notify us anyway.

6.12 Comply with the policy

You and any other person or entity covered by the 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) the 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.

6.13 Take reasonable care

You must take reasonable care at all times to reduce the risk of an **event** that could result in a claim. This includes, but is not limited to, ensuring that:

- (a) all employees are properly trained or supervised, and comply with relevant statutory obligations,
- (b) appropriate procedures, equipment, and safety systems, are in place, and that all employees are aware of and comply with these,
- (c) all items of machinery or plant are kept properly maintained.

We will not be liable to provide cover if **you** are reckless or grossly irresponsible.

6.14 True statements and answers

You and any other person covered under this policy must give true statements and answers in all communications with **us**, including when:

- (a) applying for this insurance,
- (b) notifying **us** regarding any change in circumstances,
- (c) making any claim under this policy, including when communicating with **us** or providing any further information regarding the claim.

If **you** or any other person covered under this policy makes any dishonest or fraudulent statement in connection with a claim or any application for cover under this policy, **we** may, at **our** sole discretion, do any of the following:

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

7. Definitions

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

accidental	Unexpected and unintended by you .
Act	Any Act of the New Zealand Parliament and any statutory regulations that the Government makes under such Acts.
advertising liability	<p>The accidental commission of any of the following, in connection with any advertisement, publicity, article, broadcast, podcast, video or communication to the public made in connection with advertising activities by you or on your behalf:</p> <ul style="list-style-type: none">(a) defamation,(b) infringement of copyright or passing off of a title or slogan,(c) unfair competition, or misappropriation of an idea, concept or design,(d) invasion of privacy.
agricultural	<p>Any agricultural chemical, including:</p> <ul style="list-style-type: none">(a) pesticides, herbicides or insecticides,(b) lime or fertilisers,(c) growth regulators and defoliants. <p>It does not include:</p> <ul style="list-style-type: none">(i) any substance or chemical that requires or required regulatory approval, and for which approval has not been given or is no longer current,(ii) 1080, 1081, or other poison with a similar method of action,(iii) any hormone herbicides including phenoxy,(iv) agricultural waste and discharges, animal effluent or manure.
aircraft	Any vessel, craft or thing, including a drone , made or intended to fly or move in or through the atmosphere or space.
annual period	<p>The period of insurance. However, if</p> <ul style="list-style-type: none">(a) you pay the premium monthly,(b) the period of insurance is for more than 12 months, <p>the annual period is the current 12 month period calculated consecutively from the date this policy first started.</p>
application	The information provided by you or on your behalf to us when you purchased this insurance or requested a quotation for this insurance from us . It also includes any subsequent information you provide to us , including when requesting any change to the policy, and at renewal. It does not include publicly available information, for example from your social media or websites or your advertising activities.
business	<p>The business stated in the schedule, including:</p> <ul style="list-style-type: none">(a) using your property for agricultural or horticultural activities,(b) the sale or supply of farm goods and produce including sale at shows, fairs and farmers' markets,(c) occasional contracting,(d) exhibitions and competitions at agricultural or horticultural shows,(e) the use of agricultural at your farm,(f) the ownership, possession or use of any agricultural or horticultural plant and machinery (except aircraft or watercraft) provided that it is used only for:<ul style="list-style-type: none">(i) your own business activities,(ii) occasional contracting.

communicable disease	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) a disease stated to be a quarantinable disease under the Health Act 1956 or in respect of which a state of emergency has been declared under the Civil Defence Emergency Management Act 2002, (b) an outbreak of disease declared as a pandemic or epidemic by the World Health Organisation or the New Zealand government or any New Zealand government agency or lawful authority, (c) a disease declared by the World Health Organisation to be a Public Health Emergency of International Concern.
computer system	<p>Any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller. It includes any configuration of these items and any similar system, including any associated input, output, data storage device, networking equipment or back up facility, whether owned or operated by you or any other party.</p>
cyber act	<p>An unauthorised, malicious, or criminal act, or series of related acts regardless of time and place, or the threat or hoax thereof, involving the processing, use or operation of, or access to, any computer system.</p>
cyber incident	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) an error or omission, or series of related errors or omissions, in creating, amending, entering, deleting or using any data, (b) a partial or total unavailability or failure, or series of related partial or total unavailability or failures, to access or process data.
damage	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) accidental physical loss or accidental physical damage to any tangible third-party property, including its subsequent loss of use, (b) accidental loss of use of any tangible third-party property that has not suffered physical loss or physical damage, provided such loss of use arises out of physical damage to, or destruction or loss of, other tangible property.
data	<p>Any information, facts, concepts, code or any other information of any kind that is recorded or transmitted in electronic or digital form to be used, accessed, processed, transmitted or stored by a computer system.</p>
defence costs	<p>Legal costs and expenses that relate directly to the investigation, defence, compromise or handling of any claim. Defence costs include disbursements and the costs of any witnesses, assessors, adjusters or experts, if required. Defence costs do not include any costs of your time, including any time spent in assisting us or our appointed lawyers with the conduct of any claim.</p>
drone	<p>Any Remotely Piloted Aircraft system (RPAS), Unmanned Aerial Vehicle (UAV), Unmanned Aircraft System (UAS), Remotely Piloted Vehicle (RPV), or model aircraft, or similar, if all the following apply:</p> <ul style="list-style-type: none"> (a) it is not used to carry or deliver cargo or equipment of any nature, other than carrying camera, GPS, or audio equipment, (b) it is operated by you from a ground based controller, (c) it is not powered by an internal combustion engine.
employee	<p>Any person who is employed by you, in connection with the business, under an employment agreement.</p>
event	<p>Any one event (including continuous or repeated exposure to conditions or liability) or series of events arising from one source or original cause.</p>
hot work	<p>Any work involving:</p> <ul style="list-style-type: none"> (a) the use of a heat gun, or the application of heat, a naked flame or an open heat source, or work that produces sparks, (b) the use of gas, welding, arc welding, oxyacetylene welding equipment including cutting with such equipment, (c) cutting involving the use of rotary disc or grinding equipment, soldering, brazing or use of heat guns.

injury	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) the accidental death of, or the accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury, (b) false arrest, false imprisonment, malicious prosecution or malicious humiliation, (c) wrongful entry or eviction, or any other invasion of the right of private occupancy, (d) battery or assault, provided that it is not committed by you or under your direction, unless it is committed to prevent or eliminate danger to persons or property.
internet operations	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) the use of electronic communication tools, for example e-mail, messaging or file-sharing applications, by you, (b) access to your intranet, (c) access to the internet through your network, (d) the operation and maintenance of your website.
limit of indemnity	The amount shown in the schedule as 'Limit of Indemnity' or 'Sum Insured'.
loss of data	Any loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss, or theft of any data , including any amount pertaining to the value of such data .
machinery	A mechanically, electrically, or electronically operated device (other than a vehicle or watercraft) for performing a task.
mobile mechanical plant	A vehicle that has either plant or machinery attached to it, or is primarily designed as mobile plant or machinery , when it is operating that plant or machinery .
North America	The United States of America or Canada, including those territories to which the legal jurisdiction of the United States of America or Canada extends or applies.
occasional contracting	<p>Paid agricultural and horticultural contracting work anywhere in New Zealand, provided that this work represents less than 20% of your annual turnover and does not involve either:</p> <ul style="list-style-type: none"> (a) the spraying, application or release of pesticides, herbicides, insecticides, hormone sprays or any other chemical product, (b) the use of explosives.
period of insurance	The period shown in the schedule , that specifies the start and end dates of this insurance contract.
pollution or pollutant	<p>Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to agricultural waste and discharges, animal effluent or manure, smoke, vapour, soot, fumes, acid, alkalis, chemicals and waste.</p> <p>Waste includes material to be recycled, reconditioned or reclaimed.</p>
products	Anything (including its manuals or instructions) that is manufactured, constructed, erected, assembled, installed, applied, repaired , altered, renovated, serviced, grown, treated, sold, supplied or distributed by you , after it has ceased to be in your possession or under your control. It includes any packaging or container, other than a vehicle .
repair	Repair, alter, renovate, service or clean, including the installation of new or replacement parts as part of a repair, alteration, renovation or service.
schedule	The latest version of the schedule we issued to you for this policy.
terrorism	<p>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 which is in pursuit of political, religious, ideological or similar purposes, that involves any of the following:</p> <ul style="list-style-type: none"> (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.

vehicle

Any:

- (a) motor vehicle, other than when fitted with **machinery** and operating that **machinery**,
- (b) machine on wheels, tracks or rollers (but not on rails or railway tracks) that is propelled by its own power,
- (c) anything, other than a **watercraft**, designed to be towed by either (a) or (b) above.

It includes any accessories, tools, specialised equipment and spare parts of any of the above.

watercraft

Any vessel, hovercraft, craft or thing made or intended to float on or in or travel on or through water.

we

AMI, a business division of IAG New Zealand Limited.

We may also use the words 'us' or 'our' to describe AMI.

you

Any person or entity named in the **schedule** as 'Insured'. This includes any of the following:

- (a) any existing subsidiary company of that entity provided they are incorporated in New Zealand,
- (b) any other organisation over which the Named Insured exercises more than 50% management control and is exercising active management, provided the organisation is incorporated or based in New Zealand,
- (c) any director, executive officer, **employee** or partner of any of the following:
 - (i) that person or entity,
 - (ii) any entity referred to in (a) and (b), but only while acting in that capacity,
- (d) any office bearer or member of a social or sporting club, welfare organisation or an employee superannuation fund formed with the consent of an entity referred to in (a), (b) or (c), but only in respect of claims arising from duties connected with activities of such club or organization,
- (e) any new organisation that the Named Insured acquires through consolidation, merger, purchase of the assets, or assumption of control and active management, provided that:
 - (i) the new organisation is acquired during the **period of insurance**,
 - (ii) the acquisition is notified to **us** within 90 days after it takes effect,
 - (iii) they are incorporated or based in New Zealand,
- (f) any principal who is party to a contract with the Named Insured or an entity referred to in (a) or (b), but only for the principal's legal liability that arises out of that person's or entity's actions under that contract,
- (g) any 'labour only' contractor or sub-contractor but only while they are engaged and working in New Zealand for and on behalf of the Named Insured or any entity referred to in (a) or (b), provided that they are not being held liable by the Named Insured or any other person or entity covered by this policy, and they are not otherwise insured. General condition 6.9 'Separate insurance (cross liability)' does not apply in respect of such contractors or sub-contractors,
- (h) any person who undertakes unpaid work or is a volunteer on **your** farm, and is either under **your** direct supervision or is suitably trained or experienced in the work they are undertaking, but only while they are engaged and working in New Zealand for and on behalf of the Named Insured or any entity referred to in (a) or (b), provided that they are not being held liable by the Named Insured or any other person or entity covered by this policy and they are not otherwise insured.

**Thanks
for insuring
with AMI.**

Call us on 0800 100 200
or visit ami.co.nz/business

