

Rural Statutory 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	1
3. Automatic policy extensions	2
4. Exclusions	4
5. Managing your claim	5
6. General conditions	7
7. Definitions	9

Rural Statutory Liability

Policy wording



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

Introduction

About this policy

Your Rural Statutory 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 Statutory liability

You are insured for any **fine** that a New Zealand court or tribunal imposes on **you** arising out of a **prosecution** for an **event**.

Provided that all the following conditions are met:

- (a) **you** first knew about, or out to have known about, the **prosecution** during the **period of insurance**,
- (b) **you** notified **us** of the **prosecution** as soon as possible, but no later than 30 days after the **period of insurance** ends,
- (c) **we** are not legally prohibited from indemnifying **you**.

2.2 Limit of indemnity

The most **we** will pay in the aggregate during the **annual period** for all **finances**, monetary penalties, damages, enforceable undertakings or **reparations** covered under this policy 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 by **you** with **our** prior written consent to defend any claim covered by this policy.

The most **we** will pay in the aggregate for all **defence costs** incurred during the **annual period** is \$1,000,000, or an amount equal to the **limit of indemnity** shown in the **schedule**, whichever is less.

2.4 Separate limits The limit for **defence costs** is a separate limit and cannot be used to meet liability for **fin**es, monetary penalties, damages, enforceable undertakings or **reparations**.

2.5 Excess **You** must pay the excess specified in the **schedule** in respect of each claim including **defence costs**.
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.

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 Continuous cover **You** are insured for any claim that would be covered under this policy but for the operation of Exclusion 4.10 ‘Known claims and circumstances’, provided that all the following conditions are met:

- (a) **we** were **your** statutory liability insurer at the primary level under a policy (“the former policy”) at the time **you** first became aware of the circumstances, that subsequently gave rise to the claim, and
- (b) **we** continued without interruption as **your** statutory liability insurer at the primary level from the time when **you** first became aware of the circumstances up until such time as the claim was made against **you** and notified to **us**, and
- (c) **our** liability is limited to the amount **we** would have been liable for at the time referred to in (a) above in accordance with the terms and conditions of the former policy, and
- (d) **our** liability will be reduced by the amount that fairly represents the extent to which liability for the claim could have been reduced had the circumstances been reported under the former policy.

3.2 Defence costs if acquitted **We** will reimburse the reasonable **defence costs you** incur to defend a **prosecution** alleging that **you** acted, or omitted to act, knowingly, wilfully, recklessly or intentionally, if **you** are subsequently acquitted.
For the purposes of this Automatic policy extension “acquitted” means the dismissal of charges before or after a defended hearing, or the entry of a not guilty verdict. “Acquitted” does not include the disposition of a charge pursuant to a plea bargain.

3.3 Enforceable undertakings **You** are insured for:

- (a) an amount **we** agree to pay as part of an enforceable undertaking under the Health and Safety at Work Act 2015 in respect of a **prosecution** arising out of an **event** in connection with the **business**,
- (b) **defence costs** necessarily and reasonably incurred by **you** with **our** prior written consent.

Provided that:

- (i) the **prosecution** could result in an order for **reparation** if **you** were convicted,
- (ii) the amount **we** pay is no greater than the amount **we** would reasonably expect to pay as **reparation** had **you** been convicted.

You are not insured for any:

- (a) amounts in respect of an undertaking or agreement **you** make without **our** prior written consent,
- (b) costs in connection with compliance, training or remedial actions,
- (c) costs of compliance monitoring activities or meeting any non-financial terms of the enforceable undertaking,
- (d) amount payable to any party other than a person who would be a victim under the definition of “victim (a)” under the Sentencing Act 2002 had the **event** resulted in a conviction (or their estate in the event of death),
- (e) amount or **defence costs** that may result from **your** failure to comply with or contravention of any of the terms of the enforceable undertaking.

3.4 Extended reporting period If **we** elect to cancel or refuse to offer renewal of this policy, then **you** have the right to extend cover under this policy for another 12 months, provided **you** pay **us** an additional premium (being 90% of the last premium).

However, **we** will only provide cover in respect of an **event** or act or omission otherwise covered under this policy that happened before the cancellation or non-renewal takes effect.

This right of extension will lapse unless **we** receive written notice of such election, together with payment of the additional premium due, within 30 days following the effective date of cancellation or non-renewal. If the right of extension lapses, then cover under this policy ceases as at the effective date of the cancellation or non-renewal.

Any claim made during the extended reporting period will be treated as if it had been made during the last **period of insurance** and is subject to the remaining **limit of indemnity** and limit on **defence costs** as at the effective date of cancellation or non-renewal.

The entire premium for the extended reporting period is deemed fully earned and non-refundable on payment.

3.5 New subsidiary companies

This policy is extended to insure a subsidiary company created or acquired by **you** during the **period of insurance**, provided that all the following conditions are met:

- (a) the operations and activities of the new subsidiary company are the same as the **business**,
- (b) **you** give **us** notice that **you** wish to extend cover within 30 days of the acquisition or creation of the new subsidiary company,
- (c) **we** are entitled to vary the policy terms, conditions and exclusions and charge an additional premium.

We will only cover **events** or acts or omissions that occur after the acquisition of the subsidiary company.

3.6 Official investigations cover

You are insured for **defence costs** necessarily and reasonably incurred in connection with an **official investigation**, provided that:

- (a) the **official investigation** arises out of an **event**, or potential **event**,
- (b) **you** first knew, or ought to have known, of the **official investigation** during the **period of insurance**,
- (c) **you** give **us** notice of the **official investigation** as soon as possible, but no later than 30 days after the **period of insurance** ends.

There is no cover under this Extension for any **official investigation** investigating matters that broadly affect the industry in which **you** operate.

3.7 Previous subsidiary companies

The definition of **you** is extended to include any entity that ceased to be **your** subsidiary company before or during the **period of insurance**.

However, **we** will only cover the previous subsidiary for **events** or acts or omissions that occurred before it ceased to be **your** subsidiary.

3.8 Private prosecutions

You are insured for **defence costs** necessarily and reasonably incurred by **you** with **our** prior written consent, to defend a private prosecution under section 144 of the Health and Safety at Work Act 2015 arising out of an **event**.

Provided that both the following conditions are met:

- (a) **you** first knew, or ought to have known, of the private prosecution during the **period of insurance**,
- (b) **you** give **us** notice of the private prosecution as soon as possible, but no later than 30 days after the **period of insurance** ends.

There is no cover under this Extension for **defence costs** in respect of a **prosecution** arising from **your** failure to comply with or contravention of any of the terms of an enforceable undertaking.

Exclusion 4.15 'Private prosecutions' does not apply to this Extension.

3.9 Reparation

You are insured for **your** legal liability to pay an order of **reparation** made under the Health and Safety at Work Act 2015 in respect of a **prosecution** arising out of an **event**.

Exclusion 4.17 (b) 'Pecuniary penalties or damages' does not apply to this Extension.

4. Exclusions

- 4.1 Asbestos** **You** are not insured for liability in connection with asbestos.
- 4.2 Commerce Act** **You** are not insured for any liability in connection with a breach of the Commerce Act 1986. However, this Exclusion does not apply to any individual person(s) covered under this policy.
- 4.3 Compliance costs** **You** are not insured for:
- (a) costs incurred in complying with any abatement, compliance, enforcement or remedial notice or order, or enforceable undertaking,
 - (b) costs incurred in challenging any abatement, compliance, enforcement or remedial notice or order,
 - (c) liability in connection with a failure to comply with any abatement, compliance, enforcement or remedial notice or order or enforceable undertaking.
- 4.4 Communicable diseases** **You** are not insured for any actual or alleged loss, liability, claim, cost or expense that is either:
- (a) caused by or attributable to a **communicable disease**,
 - (b) 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**.
- 4.5 Continuing offences** **You** are not insured for any part of a **fine, reparation** or any other monetary penalty imposed for a continuing offence under an **Act** that relates to any period after **you** knew or ought to have known an offence was being committed.
- 4.6 Dishonesty or fraud** **You** are not insured for liability in connection with any:
- (a) wilful breach of duty or wilful breach of an **Act**,
 - (b) dishonest, fraudulent or malicious act or omission,
 - (c) act or omission committed with criminal intent,
 - (d) unlawful profit or advantage,
 - (e) insider trading.
- 4.7 Excluded Acts** **You** are not insured for any liability under the following Acts:
- (a) Anti-Money Laundering and Countering Financing of Terrorism Act 2009
 - (b) Arms Act 1983
 - (c) Aviation Crimes Act 1972
 - (d) Crimes Act 1961
 - (e) Land Transport Act 1998
 - (f) Misuse of Drugs Act 1975
 - (g) Criminal Proceeds (Recovery) Act 2009
 - (h) Summary Offences Act 1981
 - (i) any other Act specified in the **schedule** as an excluded Act.
- 4.8 Infringement fees** **You** are not insured for any liability for any infringement notices or infringement fees.
- 4.9 Intentional or reckless conduct** **You** are not insured if **you** intentionally or recklessly disregard the provisions of an **Act**.
- 4.10 Known claims and circumstances** **You** are not insured for liability in connection with any claim that **you** first knew of, or ought to have known of, prior to the start of the **period of insurance**.
- 4.11 Legal jurisdiction** **You** are not insured for liability in connection with:
- (a) a **prosecution** that is brought, or may be brought, in a court or tribunal outside New Zealand,
 - (b) a **prosecution** that is brought, or may be brought, in a court or tribunal within New Zealand to enforce a judgment made by a court or tribunal outside of New Zealand,
 - (c) legal liability arising under the proper law of a country other than New Zealand.
- 4.12 Monetary amounts paid or offered before sentence** **You** are not insured for any amount paid, or offered to be paid by **you** prior to sentencing by the court, where the amount is paid or offer is made without **our** prior written consent. This Exclusion does not apply to any payment made with **our** prior written consent by way of a negotiated compromise to avoid a prosecution or settle a claim.

- 4.13 Nuclear** **You** are not insured for liability in connection with either:
- (a) the use of nuclear reactors, such as atomic piles, particle accelerators or generators or similar devices,
 - (b) the use, handling or transportation of any radioactive materials, weapon of war or explosive device employing nuclear fission or fusion.
- 4.14 Personal grievances** **You** are not insured for liability arising out of any contract of employment or service or any intended contract of employment or service, including any personal grievance or similar action by an employee.
- 4.15 Private prosecutions** **You** are not insured for liability or **defence costs** arising from any investigation, proceeding, inquiry, or **prosecution** taken by a person or entity other than the statutory authority or enforcement agency given responsibility for administering enforcement of an **Act**.
- 4.16 Prohibited fines** **You** are not insured for any **fine** under the Health and Safety at Work Act 2015, or any other **fine** that **we** are legally prohibited from insuring.
- 4.17 Pecuniary penalties or damages** **You** are not insured for any of the following imposed by a court or tribunal for the breach of any **Act**:
- (a) pecuniary penalties,
 - (b) damages, including compensatory, punitive, aggravated, liquidated or exemplary damages.
- 4.18 Retroactive date** **You** are not insured for any liability arising out of an **event** that occurred prior to the **retroactive date**.
- 4.19 Sanctions** **We** do not provide any cover or benefit, or pay anything in connection with this policy, if doing so may breach or risk exposure to any of the following:
- (a) sanction, prohibition or restriction under United Nations resolutions,
 - (b) trade or economic sanction, law or regulation of New Zealand, Australia, Singapore, the United Kingdom, the United States of America, or the European Union.
- 4.20 Taxes** **You** are not insured for any **event** or act or omission in connection with a requirement to pay taxes, rates, duties, levies, charges, fees or any other kind of revenue under an **Act**.
- 4.21 Terrorism or war** **You** are not insured for any liability in connection with any of the following:
- (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.

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** or circumstance that may give rise to a claim under this policy.
- 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:
- (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) do or say anything that affects the conduct of a claim, including the defence, compromise or handling of the claim on **your** behalf.
- 5.5 Minimise the loss** **You** must, at **your** own cost, take all reasonable steps to minimise a 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, compromising, admitting or denying any claim against **you**.
- 5.7 Other insurance** **You** must notify **us** as soon as **you** know any other insurance policy that may cover or partially cover them 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**.

Managing your claim

- 5.9 Allocation of defence costs** If a claim is covered only partly by this policy, then **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. 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 a claim has been made 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',
 - (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 the 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 their advice, the lawyer must be instructed to consider all the following:

- (a) any **fine, reparation or prosecution** costs likely to be ordered,
- (b) the likely costs of defending the claim,
- (c) the 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 not be defended then **you** cannot object to **our** decision not to defend the claim, except as set out under 5.15 'Your right to contest compromise of a claim'.

5.15 Your right to contest compromise of a claim

If **you** do not agree with **our** decision not to defend a claim, made in accordance with Condition 5.14 'Requirement to defend a claim', **you** can elect to continue to defend the claim at **your** own expense.

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.

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 | <p>By you</p> <p>You may cancel this policy at any time by notifying us 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.</p> <p>By us</p> <p>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.</p> <p>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.</p> |
| 6.3 Change of terms | <p>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.</p> <p>Unless otherwise specified in the notice the change in terms will take effect from the 30th day after the date of the notice.</p> |
| 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) | <p>Where GST is recoverable by us under the Goods and Services Tax Act 1985:</p> <ul style="list-style-type: none"> (a) the limit of indemnity excludes GST, (b) all sub limits exclude GST, (c) all excesses include GST, (d) GST will be added, where applicable, to claim payments. |
| 6.7 Legislation and Crown entity changes | <p>Any reference to any Act of Parliament or subordinate rules referred to in this policy includes any amendments made or substitutions to that law.</p> <p>Any reference to legislative or official terms includes any amended, replacement, substituted, equivalent or corresponding terms.</p> <p>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.</p> |
| 6.8 Premium payment options | <p>You may choose either an annual or a monthly renewable contract.</p> <p>If you have elected a monthly renewable contract, then:</p> <ul style="list-style-type: none"> (a) you must pay by direct debit using the Direct Debit Authority we require, (b) the policy is for the initial period of insurance stated in the schedule, |

- (c) the policy will be renewed for further monthly **periods of insurance** upon receipt of the renewal premium due under the Deduction Authority,
- (d) the policy terms, including the premium, will be reviewed on the anniversary date stated in the **schedule**.

6.9 Separate insurance

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). Provided that nothing in this Condition increases the amount of cover available under this policy.

6.10 Severability

If a natural person covered under this policy 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:

1. *accepting your application for insurance, or*
2. *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 avoid circumstances that could result in a claim.

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.
agricultural	Any agricultural chemical, including: <ul style="list-style-type: none"> (a) pesticides, herbicides or insecticides, (b) lime or fertilisers, (c) growth regulators and defoliant. It does not include: <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.
annual period	The period of insurance . However, if <ul style="list-style-type: none"> (a) you pay the premium monthly, or (b) the period of insurance 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 to us by you or on your behalf when you purchased this insurance or requested a quotation for this insurance. 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	The business stated in the schedule , and includes: <ul style="list-style-type: none"> (a) using your property for agricultural and/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) 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	Any of the following: <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.
defence costs	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.
event	Any act or omission by you that happened in New Zealand after the retroactive date and in connection with the business , that is the accidental commission of an offence under an Act .

fine	The amount of money that you are ordered to pay as a fine as well as any costs order made against you by the court or tribunal following conviction of any offence under an Act . This does not include compliance or remedial costs.
limit of indemnity	The amount shown in the schedule as 'Limit of Indemnity' or 'Sum Insured'.
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.
official investigation	<p>An investigation:</p> <ul style="list-style-type: none"> (a) by a body empowered under an Act to investigate, and (b) relating to a breach or potential breach of an Act.
period of insurance	The period shown in the schedule , that specifies the start and end dates of this insurance contract.
prosecution	<p>Any of the following arising from an event:</p> <ul style="list-style-type: none"> (a) receipt by you of an official complaint of a breach (or potential breach) of an Act that if proven could give rise to a fine or reparation, (b) service upon you of a prosecution (or notice of intended prosecution) under an Act that if proven could give rise to a fine or reparation, (c) a circumstance that a reasonable person in your position would have considered is likely to lead to either (a) or (b) above.
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. It includes costs you are ordered to pay by the court when making an order for reparation.
retroactive date	The retroactive date shown in the schedule .
schedule	The latest version of the schedule we issue 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 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.
we	<p>AMI, a business division of IAG New Zealand Limited.</p> <p>We may also use the words 'us' or 'our' to describe AMI.</p>
you	<p>Any person or entity named in the schedule as 'Insured'. If the entity is a company then it includes:</p> <ul style="list-style-type: none"> (a) any subsidiary company, (b) any director, officer, partner or employee of the entity or its subsidiaries, but only while they are acting in that capacity. <p>We may also use the word 'Insured' to describe you.</p>

**Thanks
for insuring
with AMI.**

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

