

// POLICY WORDING

WHEELS

Car Comprehensive Policy



PLEASE KEEP THIS DOCUMENT IN A SAFE PLACE

This document is your NAC Wheels Car Comprehensive Policy wording. Please make sure you read it carefully, as it contains important information you should know, including what your insurance covers – and what it doesn't.



Thank you for choosing NAC to insure your car. You've made a great choice – we are car insurance specialists and have been helping New Zealanders with their car insurance needs for more than a decade and are proud to be doing the same for you.

This document is your NAC Wheels Car Comprehensive Policy wording. Please make sure you read it carefully, as it contains important information you should know, including what your insurance covers and what it doesn't.

If you have any questions about your policy or think it doesn't provide the cover you need, please ring us straight away – we'll be happy to help.

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CONTACTING US

If **you** ever have a question, need help or want to make an insurance claim, **you're** welcome to phone **us**.

In New Zealand, simply call **0800 501 508**.

If **you're** calling from overseas, **you** can call **us** on **64 9 985 0112**.

If **you'd** prefer to email **us**, it's easy. Just follow the link in the 'Contact Us' section at www.nac.co.nz.

READING YOUR POLICY

Words in bold

You'll notice that some words in **your** policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean on page 17.

Examples and headings

To make it easy for **you** to understand **your** policy, **we've** included some examples and comments in *italics*. Note, these don't affect or limit the meaning of the section they refer to.

Please also note that the headings in this policy wording are designed to help **you** find **your** way around it. **You** mustn't use them when interpreting the policy wording.

WHAT YOUR POLICY CONSISTS OF

Your NAC Wheels Car Comprehensive policy consists of this policy wording, the **schedule** and the information provided in the **application**.

YOU CAN CHANGE YOUR MIND

If **you're** not happy with this policy **you're** welcome to change **your** mind, but **you** must tell **us** within 15-days of the date the policy started. **We'll** then cancel the policy and refund in full any premium **you've** paid. This doesn't apply if **you** have made a claim on **your** policy.

OUR COMMITMENT TO YOU

We'll do **our** best to:

- provide **you** with helpful, professional service
- act on **your** requests promptly
- provide **you** with policies that suit **your** needs
- give **you** information that will help **you** reduce the risk of **loss**
- make **you** aware of policy conditions and obligations.

OUR AGREEMENT WITH YOU

Together, **you** and **we** have an agreement. **You** agree to pay **us** a premium for **your** cover and, in exchange, **we** agree to cover **you** as stated in this policy wording.

KEEPING US INFORMED

When **you** apply for insurance with **us**, **you** have an important 'duty of disclosure'. This means that **you** must:

- give **us** all the information that a prudent insurer needs to decide whether to accept or decline **your application** for insurance. If **we** accept **your application**, it includes information that a prudent insurer needs to decide the cost of **your** insurance and the terms and conditions that will apply (including the **excess**), and
- provide **us** with true, accurate and complete information, even if **you** think it isn't important.

You must also tell **us** about changes that occur during the policy period – see 'Changes in circumstances' on page 16.

If **you** don't tell **us** all relevant information, this policy may not be valid and **you** may not be covered if **you** make a claim.

If **you're** not sure whether **you** should give **us** some information, simply call **us** on **0800 501 508** – **we'll** talk the matter over with **you** and let **you** know if the information is relevant to the policy.

We treat all information **you** give **us** in accordance with the Privacy Act 1993.

A prudent insurer uses good judgement and carefully considers consequences and acts accordingly.



TIPS

Remember to drive inside your licence restrictions.

SO WHAT MUST YOU TELL US?

You must tell **us** about anything that could affect **your** insurance with **us**. For example, **you** must tell **us**:

- *if the car has been modified in any way*
- *if you, or any named driver, have had their drivers licence suspended or cancelled in the last 7-years*
- *if you, or any named driver, have had any traffic offences, including speed camera fines (not parking tickets) in the last 5-years*
- *if you have been convicted of a criminal offence in the last 7-years*
- *if your car will be used for business purposes*
- *if there are any changes to who the drivers will be*
- *if you move to a different address*
- *if you have been declined or refused insurance in the last 5-years*
- *if there has been any material change in circumstances since the policy started*
- *if you insure the car with another insurer*

These *examples* are only a guide.

Remember, **we** provide **your** insurance based on the information **you** give **us**. If anything changes, or if **you** expect something to change, **you** must let **us** know or **your** policy may be unenforceable.

Please ask **us** if **you're** not sure if **you** should tell **us** about something.

WE MUST TELL YOU ABOUT...

We must keep **you** updated on **your** insurance. For *example*, **we** must tell **you**:

- *if we change the terms of the policy*
- *if we add new terms to the policy*
- *about any other changes to the policy*
- *before the policy renews, how much your new premium will be*

OUR OTHER RESPONSIBILITIES TO YOU

- *We'll answer your questions honestly and accurately*
- *We'll provide you with information and advice to help you understand the policy and its terms and exclusions*
- *If you need it, we'll give you a copy of the information you gave us when you applied for the policy*
- *When you first insure with us, and when you renew the policy, we'll tell you about the financial rating on our ability to pay for any claims our customers make*

If **you** have any questions please call **us** on **0800 501 508**.

USE OF THE VEHICLE

This policy only applies when the **vehicle** is being **used**:

1. for private, domestic, social or pleasure purposes (including community work), or
2. in connection with a business, profession or occupation, as long as the person **using** the **vehicle** is not using it in their capacity as a:
 - (a) salesperson, commission agent, service person or commercial traveller, or
 - (b) insurance representative, insurance agent or insurance broker, or
 - (c) land or real estate agent, or
 - (d) mortgage broker or mobile mortgage manager, or
 - (e) stock or station agent, or
 - (f) courier driver, delivery person or taxi driver, or
 - (g) member of a motor trade.

You're not covered when the **vehicle** is being **used**:

1. to carry fare-paying passengers (except when car pooling or car sharing) or for hire, or
2. to carry, haul or tow any goods, plant, machinery or samples in connection with any trade or business other than farming, or
3. to practice for, or take part in, any race (whether organised or not), rally, pace-making, reliability trial or speed test, or
4. on any racetrack.

You're probably wondering why we've used the word 'vehicle' in this section and not 'car'. This is because we're not only referring to the car that's shown in the schedule. We're also including any other car that you don't own, but that's used by you, as long as you have the owner's permission to use it.

Please read the definition of 'vehicle' on page 19. It will give you the full meaning of the word.

See also 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

USER OF THE CAR

There is only cover under this policy if, at the time of the loss, the person using of the **car** is:

1. **you**, or
2. a **named driver**.

This means that any person who is not named on the schedule is not covered by this policy, even if they have your permission to use the car.

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

SECTION 1: LOSS TO YOUR CAR

This section explains what **your** policy automatically covers and what it doesn't cover at all. Please read this section carefully – and if **you** have any questions, call **us** on **0800 501 508**.

ACCIDENTAL LOSS

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

What you'll get

See 'What you get if we accept your claim' on page 9 for details on what **we'll** pay.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

EXCESS PROTECTION

You won't have to pay an **excess** if an identifiable driver of another vehicle causes **loss** that is covered by this policy, as long as **you**:

1. give **us** enough information to establish that the driver of the other vehicle was completely at fault, and
2. give **us** the correct registration number of the other vehicle and information **we** need to identify the driver (including name and address), and
3. the other driver admits to **us** that they are at fault, and
4. give **us** reasonable help to recover the amount of **your** claim from the driver of the other vehicle or its owner.

FATAL INJURY

We'll pay \$5,000 to **your** legal representative if **you** die as the result of an **injury** sustained during the **period of cover**, and

1. the **injury** happened while **you** were driving the **car** and
2. **your** death occurs within 90-days of the date of **your injuries**.

The 'Other insurance' exclusion on page 12 doesn't apply to this Fatal injury cover. The **excess** won't apply to this Fatal injury cover.

What you'll get

The most **we'll** pay is \$5,000 for any fatal **injury event**. This will be additional to any maximum payments stated in this policy.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.



Remember to inform us of any changes to your circumstances during the time you are insured with NAC.

NAC ROADSIDE

We'll provide NAC Roadside for the **car** during the **period of cover**.

What you'll get

1. NAC Roadside will:
 - (a) fit the **car's** spare tyre if it has a flat tyre, and
 - (b) access the **car** if the **car** keys are locked inside, and
 - (c) provide 5 litres of fuel if the **car** is out of fuel, and
 - (d) jump-start the **car** if it has a flat battery.
2. NAC Roadside will arrange to tow the **car** to the nearest approved repairer or place of safety if the **car** suffers mechanical or electrical damage or failure and:
 - (a) cannot be easily mobilised at the roadside, or
 - (b) requires replacement parts.
 If, at the time of the damage or failure, the **car** was towing a trailer, that will also be transported.
3. NAC Roadside cover provides two call outs during any 12-month period.

You won't have to pay an **excess** for this NAC Roadside cover.

What isn't covered?

1. NAC Roadside will not assist:
 - (a) with any call outs over the two call out limit during the **period of cover**, or
 - (b) with costs relating to parts, labour and any associated costs from the repair of the **car** under the assistance programme, including but not limited to replacement batteries and tyres, or
 - (c) vehicles used in racing, rallies, speed or duration testing or any practice thereof, or
 - (d) rental vehicles, couriers and taxis, or
 - (e) with loss or damage to the contents of the **car**.
2. NAC Roadside will not assist the **car** if it is:
 - (a) bogged in off-road conditions and not easily accessible by normal two-wheel-drive recovery vehicles, or
 - (b) located off public roads (other than private residence) not accessible by normal two-wheel-drive recovery vehicles, or
 - (c) not accessible due to adverse conditions such as floods, snow affected roads, road slips and the like, or
 - (d) unattended when NAC Roadside arrive to assist **your car**, or
 - (e) more than 3000kg laden weight.

- NAC Roadside will not assist **your car** if it is suffering a recurring electrical or mechanical limit resulting from improper maintenance or servicing where a known fault and repair has been neglected.

See also 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

REPLACEMENT CAR

When **you** buy a replacement car for the **car**, **we'll** cover the replacement car under this policy from the date of purchase, as long as:

- you** notify **us** within 10-days of the date of purchase, and
- the replacement car's purchase price does not exceed \$30,000, and
- the replacement car's purchase price will be the sum insured, and
- you** pay any additional premium that is required, and
- you** accept any **excess(s)** and terms that **we** may decide to apply to the replacement car.

ROAD CLEARING COSTS

You're covered for costs incurred for removing debris from any road or parking area following a **loss** covered by the 'Accidental loss' cover on page 6 of this policy.

What you'll get

We'll pay reasonable costs incurred.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

TOWING COSTS

You're covered for towing and rescue costs to remove the **car** to the nearest repairer or place of security if the **car** isn't driveable because of a **loss** covered by the 'Accidental loss' cover on page 6 of this policy.

What you'll get

We'll pay reasonable costs incurred

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

TRAILER COVER

You're covered for sudden and **accidental loss** to any **trailer** that happens during the **period of cover** and in New Zealand (including in transit between places in New Zealand).

What you'll get

We'll have the option to pay either:

- the cost of repairs as estimated by **our** assessor, or
- the **market value** of the **trailer**.

The most **we** will pay during the **period of cover** is \$750.

A \$200 **excess** applies to this Trailer cover.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

TRANSPORT COSTS

You're covered for transport costs for:

1. **you, your partner, your family**, other passengers and pets in the **car** from the place where the **loss** occurred to **your** home or to **your** nearest immediate destination, and
2. returning the **car** to **your** home or to another place **you** and **we** agree after the **car** has been repaired,

if the **car** can no longer be driven following a **loss** covered by the 'Accidental loss' cover on page 6 of this policy.

If the **car** is recovered following theft or conversion, **you're** covered for costs to return the **car** to the place from where it was stolen or to another place that **you** and **we** agree (such as **your** home).

What you'll get

We'll pay for reasonable costs incurred.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

WINDSCREEN & GLASS COVER

If a claim is only for **accidental loss** to windscreens, windows or a sun-roof of the **car**, **you** won't lose **your** no claim bonus.

The windscreen **excess** shown in the **schedule** will apply to this windscreen and glass cover.

What you'll get

See 'What you get if we accept your claim' on page 9 for details on what **we'll** pay.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

WHAT YOU GET IF WE ACCEPT YOUR CLAIM

This section explains when **we'll** repair the **car**, when **we'll** replace it and when **we'll** pay **you** for it, if **we** accept **your** claim.

Please make sure **you** read this section carefully. If **you** have any questions, just phone **us** on **0800 501 508**.

REPAIR, REPLACE OR PAY CASH?

Repairable

If the **car** is economic to repair in **our** opinion, **we** have the option to:

1. arrange for the **car** to be repaired as near as possible to the condition it was in before the **loss** happened, using parts and practices appropriate in the New Zealand repair industry, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

If the repairs will put the **car** in a substantially better condition than before the accident, **you** may be required to make an appropriate contribution towards the cost of repairs if **we** ask **you** to.

Not repairable

If the **car** is **uneconomic to repair** in **our** opinion, **we'll**:

1. pay **you** the lesser of the **market value** of the **car** and the **sum insured**, or
2. replace the **car** with a new one, as long as:
 - (a) the **loss** happened within 12-months of **you** buying the **car** new, and
 - (b) the same model and specification is available in New Zealand.

Whenever **we** take one of these actions, this policy comes to an end and **we** won't refund any premium.

MAXIMUM PAYMENT ON ACCESSORIES

Unless **you've** told **us** and it is noted in the **schedule** that a higher limit applies, the most **we'll** pay in total for all **accessories** for any **event** is \$1,000.



TIPS

Avoid using your cellphone, radio, CD or MP3 player as in-car distractions can lead to accidents and injuries.

PAINTWORK

We will not pay for any additional costs incurred because the:

1. entire **car** has been repainted with a different colour to the original colour, or
 2. paintwork includes graphics or illustrations,
- unless **you've** told **us** and **special paint** is shown in the **schedule**.

PARTS UNAVAILABLE IN NEW ZEALAND

If any new parts, **accessories** or tools cannot be bought in New Zealand, **we'll** pay the last known selling or list price in New Zealand plus the reasonable fitting cost.

REPAIR GUARANTEE

All repairs to the **car** that are done through **our** approved repairer network are quality guaranteed while **you** own it and it is insured with **us**.

GOODS AND SERVICES TAX

All amounts in this policy include GST.

**TIPS**

Make sure you keep a safe following distance.

SECTION 2: LIABILITY**WHAT DOES 'LIABILITY' MEAN?**

'Liability' is the legal liability that a person has for loss or damage suffered by someone else.

For example:

If you crash your car through a fence on someone else's property, you may be held legally liable for the damage to their property.

Your legal liability

You're covered for **your** legal liability and legal costs and legal expenses arising from:

1. **accidental loss** to anyone else's property, or
2. **accidental loss** to property where the costs are recoverable from **you** under Section 43 of the Forest and Rural Fires Act 1977, or
3. **accidental bodily injury** to any person,

occurring during the **period of cover** and caused in connection with **your use** of a **vehicle** in New Zealand (including transit between places in New Zealand).

General average

You're covered for general average or salvage charges that **you** must legally pay as a result of the **car** being carried by ship between places in New Zealand during the **period of cover**.

'General average' is a marine term that describes how the cost of losses will be shared between those persons with property on the ship.

Named driver's legal liability

We'll cover the legal liability and legal costs and legal expenses of any **named driver** caused in connection with their **use** of the **car** in the same way as **we** cover **you**, as long as:

1. the **named driver** had **your** permission to **use** the **car**, and
2. the **named driver's** liability is not covered by any other insurance, and
3. the **named driver** meets all the same terms of this policy that **you** must meet.

Vicarious liability

We'll cover **your** employer's vicarious liability while **you**, or any other employee who is a **named driver**, and has **your** permission, **use** the **car** for the business of **your** employer, as long as:

1. **your** employer's vicarious liability is not covered by any other insurance, and
2. the other employee **using** the **car** meets all the same terms of this policy that **you** must meet.

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

WHAT YOU'LL GET

Property damage payment

We'll pay for:

1. liability for **loss** to property, and
2. reasonable legal costs and legal expenses incurred with **our** approval (**we** won't unreasonably withhold **our** approval), and
3. costs awarded against **you** by a Court.

The most **we'll** pay in total for 1, 2 and 3 is \$20,000,000 for any **event** – and **you** won't have to pay an **excess**.

However the most **we** will pay for a claim under 'Your legal liability item 2.' is \$1,000,000 for any **event**.

Bodily injury payment

We'll pay for:

1. liability arising from **bodily injury**, and
2. reasonable legal costs and legal expenses incurred with **our** approval (**we** won't unreasonably withhold **our** approval), and
3. costs awarded against **you** by a Court.

The most **we'll** pay in total for 1,2 and 3 is \$1,000,000 for any **event** – and **you** won't have to pay an **excess**.

Settlement of any claim

If **we** pay:

1. the full amount under this part of the policy, or
2. any lesser amount that **we** can settle **your** liability for plus **your** legal costs and legal expenses,

this will meet all **our** obligations under this part of the policy.

WHAT ISN'T COVERED?

1. **You're** not covered for liability for **loss** to any property:
 - (a) owned by **you** or anyone **we** cover and who claims under this policy, or
 - (b) in **your** care or in the care of anyone **we** insure under this policy other than for:
 - (i) a disabled vehicle being towed without charge by any vehicle, or
 - (ii) clothing, personal effects and luggage being carried by and belonging to any passenger in any vehicle, or
 - (c) being carried by, loaded into, or unloaded from, any **vehicle** or a caravan or trailer attached to any **vehicle** other than specified under (b)(ii) above.
2. **You're** not covered for liability created by a contract or agreement unless **you** would have been liable even without such contract or agreement.
3. **You're** not covered for liability in any way connected with any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up) unless the seepage, pollution or contamination happens during the **period of cover** and is caused by a sudden **accidental event** that also happens during the **period of cover**.
4. **You're** not covered for consequential loss of any kind.
5. **You're** not covered for exemplary damages or fines.

'Damages' in this context refers to money claimed from you as compensation for harm done, or loss or injury. 'Exemplary damages' is money claimed as punishment. The court awards this to punish someone for their outrageous conduct and to deter others.

See 'Exclusions that apply to the whole policy' on page 12 and 'Policy conditions' on page 16.

EXCLUSIONS THAT APPLY TO THE WHOLE POLICY

This section explains things **your** policy doesn't cover that are additional to those already mentioned in the previous sections.

Please read it carefully – and if **you** have any questions, call **us** on **0800 501 508**.

ALCOHOL, DRUGS AND OTHER INTOXICATING SUBSTANCES

There's no cover under this policy if the person **using** the **vehicle**:

1. has a breath alcohol or blood alcohol concentration that exceeds the legal limit, or
2. refuses to undergo a breath or blood test after an accident when they must legally do so, or
3. is under the influence of a drug or any other intoxicating substance to such an extent that they are incapable of having proper control of the **vehicle**.

This doesn't apply if the driver of the **vehicle** stole or converted it, as long as **you** lay a complaint with the police.

CONFISCATION

You're not covered for **loss** connected in any way with the confiscation, nationalisation, requisition, acquisition or destruction of, or damage to, property by order of government, public or local authority.

EXCESS

For each **event**, **we'll** deduct the **excess** from the amount **we** would otherwise pay for **your loss** – unless specifically stated otherwise under another part of this policy.

LOSS OF ELECTRONIC DATA – COMPUTER VIRUS

You're not covered for **loss** of **electronic data** and any liability arising from it in connection with a **computer virus**. This includes loss of use, reduced functionality or any other associated loss or expense in connection with the **electronic data**.

MECHANICAL OR ELECTRICAL BREAKDOWN

You're not covered for mechanical **loss**, electrical **loss**, or electronic **loss**.

However, this exclusion does not apply:

1. where that **loss** results:
 - (a) in or from a fire, or
 - (b) from a collision, overturning, immersion in water, a flood, intentional damage, theft or conversion, earthquake, volcanic eruption, hydrothermal activity or tsunami, or
2. to the extent that cover is provided by NAC Roadside.

MODIFIED VEHICLE

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

NUCLEAR AND WAR RISKS

You're not covered for **loss**, liability or any defence costs connected in any way with:

1. operations using the nuclear fission or fusion process, or handling of radioactive material. This includes, but is not limited to:
 - (a) the use of nuclear reactors such as atomic piles, particle accelerators or generators and similar devices, or
 - (b) the use, handling or transportation of radioactive material, or
 - (c) the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion, or
2. war, invasion, an act of a foreign enemy, hostilities or war-like operations (whether war is declared or not), civil war, mutiny, rebellion or revolution, or
3. civil commotion assuming the proportions of or amounting to an uprising, insurrection or military or usurped power.

OTHER INSURANCE

You're not covered for any loss or liability covered under any other insurance. **We** will not make any contribution towards any claim made under any other insurance. This exclusion does not apply to 'Fatal Injury' cover on page 7.

RECKLESS, WILFUL OR DELIBERATE ACTIONS

You're not covered for **loss**, damage, death, injury, liability or any legal costs and legal expenses caused or contributed to by any reckless, wilful, or deliberate action by **you** or anyone acting with **your** knowledge or consent.

TERRORISM

You're not covered for any **loss**, damage, death, injury, illness, liability, cost or expense directly or indirectly caused by, resulting from or in connection with:

1. an **act of terrorism**, regardless of any other cause or **event** contributing to the **loss**, damage, **injury**, illness, liability, cost or expense, or
2. any action taken to control, prevent, suppress or do anything else in relation to an **act of terrorism**.

TYRE DAMAGE

You're not covered for:

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

However, this doesn't apply to tyre damage directly caused by:

- (a) a **loss** for which a claim is otherwise payable under this policy, or
- (b) intentional damage.

UNLICENSED DRIVERS

You're not covered if the driver of any **vehicle**:

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

This doesn't apply if the driver of the **vehicle** stole or converted it, as long as **you** lay a complaint with the police.

UNSAFE OR UNROADWORTHY

You're not covered if a **vehicle** is being **used** in an unsafe or unroadworthy condition and:

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

USE OF A VEHICLE

You're not covered when a **vehicle** is being **used**:

1. to carry fare-paying passengers (except when car pooling or car sharing) or for hire, or
2. to carry, haul or tow any goods, plant, machinery or samples in connection with any trade or business other than farming, or
3. to practice for, or take part in, any race, rally, pace-making, reliability trial or speed test, or
4. on any racetrack.

WEAR, TEAR, DEPRECIATION AND LOSS OF USE

You're not covered for:

1. depreciation, or
2. wear and tear or rust, or
3. loss of use.

**TIPS**

Car racing is for the track - always drive in a safe and responsible manner

MAKING A CLAIM

When **you** need to make a claim, **we'll** be here to help **you** – just call **us** on **0800 501 508** and select the Claims option.

WHAT YOU MUST DO

If anything happens that could result in a claim under this policy, **you** must:

- do what **you** can to take care of the **car** and prevent any further **loss** or liability, and
- tell **us** as soon as possible, and
- notify the police as soon as possible if **you** think the **loss** was caused by a criminal act, and
- allow **us** to examine the **car** before any permanent repairs are started, and
- not destroy or dispose of anything that is, or could be, part of a claim, and
- as soon as possible, send **us** anything **you** receive from anyone about a claim or possible claim against **you**, and
- give **us** any information or help **we** ask for, and
- consent to **your** personal information in connection with **your** claim being disclosed to **us** and transferred to Insurance Claims Register Limited.

WHAT WE'LL DO

When **you** contact **us** to make a claim under under this policy, **we'll**:

- treat **you** fairly and process **your** claim within the terms of the policy, and
- explain how the claim process works, and
- advise **you** as best **we** can, on how to prevent further damage, and
- if possible, register **your** claim straight away after asking **you** questions and recording **your** responses, and
- explain what **we** need to go ahead with **your** claim, and
- if required, arrange for an assessor to inspect the damage and explain the procedure that will be followed, and
- keep **you** updated on the progress of **your** claim, and
- give **you** all the information **you** need on how **we'll** settle **your** claim, and
- if **we** decline **your** claim, clearly explain why.

TIPS

If you wish to modify your vehicle, always use a certified mechanic. For more tips on this topic, go to www.nac.co.nz.

WHAT'S THE INSURANCE CLAIMS REGISTER?

The Insurance Claims Register (ICR) is an electronic register that holds a central record of claims lodged with participating insurance companies. These companies can access the claims history of a customer, for the specific purpose of checking for fraud. This helps to keep the cost of insurance affordable to **you**.

We may obtain details of **your** claims history from the ICR. Details of any claims **you** make under this insurance policy will be supplied to the ICR.

DON'T FORGET ABOUT YOUR EXCESS

When **you** make a claim for **loss** to **your car** or **trailer**, **we'll** deduct the **excess** from the amount **we** would otherwise pay for **your loss**. The **excess** applies to each **event** – unless specifically stated otherwise in another part of this policy.

There are different **excesses** that apply to different **events**. All **excesses** that apply to **your** policy will be shown in the **schedule**.

For example, a claim for theft will attract a different excess than a claim for windscreen damage.

GETTING OUR PERMISSION FIRST

You must ask for **our** permission before **you**:

- incur any expenses in connection with a claim under this policy, or
- negotiate, pay, settle, or admit any allegation that **you** are legally liable, or
- do anything that may prejudice **our** rights of recovery.

'Rights of recovery' means that we can claim the money that we paid out on your claim back from the responsible person (if someone else that is not insured under this policy was responsible for the loss). You must not do anything that prevents us from doing that, or that disadvantages us when doing that.

It is best that you allow us to manage your claim on your behalf. We'll let you know how you can help us when we talk to you about your claim.

HONESTY IS THE KEY

You and **we** have an agreement. As part of that agreement, **you** agree to be honest in all **your** dealings with **us**, just as **we'll** be honest with **you**. If **your** claim is dishonest or fraudulent in any way, **we** have the discretion to:

- decline **your** whole claim or part of it, and/or
- declare that this policy or all the policies **you** have with **us** are unenforceable from the date of the dishonest or fraudulent act.

THINGS THAT WILL HELP US HELP YOU

- Keep **your** insurance documents in a safe and easily accessible place.
- Have **your** policy number handy when **you** contact **us**.
- Have any relevant information ready when **you** contact **us**, such as brand names, special features, names and addresses of drivers of other vehicles involved and registration numbers.
- Let **us** know if **your** contact details change.
- Ask **us** if there's something **you're** not sure about.

IF YOU HAVE A PROBLEM WITH YOUR CLAIM

We'll always do **our** very best to get things right and provide **you** with the service **you** expect from **us**. However, sometimes things do go wrong – so when they do, **we** want to resolve the problem as quickly as possible.

Here's how **you** can help, in three easy steps:

Step 1:

Talk the problem over with the person **you've** been dealing with.

If they can't resolve the problem, or if **you're** unhappy with their response, contact their Claims Team Leader. It's best to put **your** complaint in writing, but if **you** prefer **you** can phone the Claims Team Leader instead. They'll confirm that they've received **your** complaint, investigate the matter and update **you** on the outcome.

Step 2:

If **you're** not satisfied with the results of Step 1, **you** can write to **our** General Manager at NAC Insurance, PO Box 1840, Whangarei.

We'll acknowledge **your** complaint within three working days of receiving it and make sure it's fully investigated. Within 10-days of receiving **your** complaint, **we'll** write to **you** with the outcome of the investigation – or, if it's not complete, **we'll** give **you** an update on progress.

Step 3:

If **we** can't resolve **your** complaint to **our** General Manager within 2-months of receiving it, **we'll** let **you** know and advise **you** of **your** rights under the independent Insurance & Savings Ombudsman scheme, which considers complaints free of charge.

The Insurance & Savings Ombudsman can only consider complaints that have been investigated by the insurance company involved and that have resulted in a deadlock.

You can contact the Insurance & Savings Ombudsman by phoning 0800 888 202 or (04) 499 7612, by fax at (04) 499 7614 or by writing to PO Box 10 845, Wellington.

You'll find additional information and contact details on the web at www.iombudsman.org.nz.

POLICY CONDITIONS

Your NAC Wheels Car Comprehensive policy has some important conditions. This section explains what they are and what happens if **you** don't follow them. Please read it carefully and if **you** have any questions phone **us** on **0800 501 508**.

If you don't comply with the policy...

You and anyone else covered under this policy must comply with this policy.

If any of the terms of this policy are breached, **we** have the sole discretion to decline any claim **you** make – either the whole claim or part of it.

YOUR OBLIGATIONS

True statements and answers

The **application** is the basis of this policy. True statements and answers must be given, (whether by **you** or any other person) when **you**:

1. apply for this insurance, and/or
2. let **us** know about any change in circumstances, and/or
3. make a claim under this policy,

otherwise **we** can:

- (a) decline any claim **you** make under this policy – either the whole claim or part of it, and
- (b) declare that this policy or all policies **you** have with **us** are unenforceable from the date of the dishonest or fraudulent act.

Changes in circumstances

You must let **us** know straight away if, after the start of this policy, there are any **modifications** to the **car**, or any material increase or change in the risk **we** cover.

We may change the terms of this policy in response to what **you** tell **us**.

Information is 'material' if we would have made different decisions about either accepting your insurance or setting the terms of the insurance, if we had known that information. Tell us if this information changes while we insure your car – as soon as you know that the change will happen.

If you're not sure if information is 'material', tell us anyway.

The 'risk we cover' refers to the actual property or liabilities we insure (known as physical risks), and you or other people covered by this policy (known as moral risks).

Reasonable care

You must always take reasonable care to avoid circumstances that could result in a claim. **You** won't be covered if **you** are reckless or grossly irresponsible.

We can take action in your name

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

1. negotiate, defend or settle any claim against **you** covered by this policy, and
2. make a recovery from anyone else for anything covered by this policy, and **you** must cooperate with **us**.

We'll pay any costs associated with these actions.

ADMINISTERING THIS POLICY

Cancellation

By you...

You can cancel this policy at any time. If **you** do, **we'll** refund any premium due to **you** based on the **period of cover you** haven't used less any administration costs.

You must pay **us** any outstanding payments due to **us**.

By us...

We can cancel this policy by writing to or emailing **you** at the last known address **we** have for **you**. The policy will be cancelled on the 14th day after the date of the notice. **We'll** refund any premium due to **you** based on the **period of cover you** haven't used.

Premium Payment

Your NAC Wheels Car Comprehensive policy is an annual contract and premiums are calculated on such a basis.

Where **we** have agreed to accept payment of premium by monthly instalments,

1. the policy remains an annual contract and does not become a monthly renewed policy,
2. **we** reserve the right in the event of a claim being made to require immediate payment of the balance of any annual premium, and
3. in the event of a total **loss**, **we** reserve the right to deduct any outstanding annual premiums from the final settlement amount.

Changing the terms

We can change this policy's terms (including the **excess**) by writing to or emailing **you** at the last known address **we** have for **you**. The change will take effect on this policy's renewal date.

If the car is uneconomic to repair

If the **car** is **uneconomic to repair** and **we've** paid **your** claim:

1. this policy is automatically cancelled, and
2. **we** won't give **you** any refund of premium, and
3. the **car** will become **our** property.

This means that you will need to make new insurance arrangements on any replacement car.

Joint insurance

If this policy covers more than one person, all persons are jointly covered.

This means that if one person breaches the policy it affects everyone's ability to claim.

Other insurance

You must tell **us** if the **car** is (or becomes) covered by another insurance policy.

Other parties with a financial interest

If **we** know of anyone who has a financial interest over the **car**, **we** can pay them part or all of any claim proceeds. This payment goes towards meeting **our** obligations under the policy. However, anyone recorded as having a financial interest under this policy isn't covered by it and has no right to make a claim.

We're also authorised by **you** to disclose personal information about **you** to anyone who holds a financial interest in the **car**.

For example, if you borrowed money from the bank or finance company to buy the car, then the bank or finance company may have a financial interest in the car until you have repaid the full loan amount.

DEFINITIONS

Here are the special meanings of the words shown in **bold** in this policy. The definitions apply to the plural and any other versions of the words.

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

accessory

a part of the **car** not fitted by the manufacturer or dealer and which can be easily removed from the **car** including any:

- radio, audio equipment or other in-vehicle entertainment and communication equipment forming an integral part of the **car**, and
- alloy wheels not standard to the **car** but purchased separately, and
- portable telephone that connects to a power source in the **car**.

accidental

unexpected and unintended by **you** and anyone **using** the **vehicle**.

act of terrorism

an act by any person or group(s) that includes (but isn't limited to) the use of force or violence and/or the threat of force or violence, whether they are acting alone or on behalf of or in connection with any organisation(s) or government(s). By its nature or context, this act is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to make the public, or any section of the public, afraid.

application

the information **you** provided to **us** when **you** applied for and bought this insurance.

bodily injury

the **accidental** death of, or bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish and mental injury.

car

the vehicle described in the **schedule**, including any:

- standard tool supplied by the vehicle's manufacturer or a similar substitute tool, and
- **accessory** or spare part while it is in or on the specified vehicle (limited to \$1,000 unless **you've** told **us** and it's noted in the **schedule** that a higher limit applies), and
- **accessory** that has been temporarily removed from the specified vehicle for security purposes, or cleaning or servicing.

computer virus

a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or codes, whether programmatic or not, that propagate themselves through a computer system or network. This includes (but isn't limited to) Trojan horses, worms and time or logic bombs.

electronic data

facts, concepts and information converted to a form usable for interpreting or processing communications by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for processing and manipulating data or directing and manipulating such equipment.

event

any one event or series of events arising from one source or original cause.

excess

this is the amount of **your loss** that **you** must pay. The amount of the excess is shown in the **schedule** or in the policy.

family

any member of **your** family who lives with **you**.

injury

a bodily injury caused solely and directly by violent, **accidental**, external and visible means.

loss

physical loss or physical damage.

market value

the reasonable cost to buy, immediately before the **loss** and on the retail market, a vehicle of comparable:

- year,
- make, model and specification (including fitted equipment covered by this policy),
- mileage,
- general condition,

as the **car** or **trailer** that was damaged.

modification

any change to the **car** that is different to the manufacturer's original specification or recommendations.

Examples include:

- *changes to the engine, steering, performance, suspension, chassis, or*
- *body kits, paintwork, interior modifications*

named driver

any driver listed in the **schedule** as a 'Named Driver'.

partner

your husband or wife or person who **you** are living with in the nature of a marriage.

period of cover

the 'Period of cover' shown in the **schedule**.

schedule

the latest version of **your** 'Policy Schedule' that **we** issued to **you** for this policy.

special paint

any paint work on the **car** that is not factory standard, excluding repair paint work.

sum insured

the 'Sum Insured' shown in the **schedule**. The **sum insured** does not include the value of any **accessories** or modifications listed in the **schedule**.

trailer

any general **use** trailer:

- that **you** own or that is in **your** care, and
- that is not covered by any other insurance, and
- **used** as described in 'Use of the vehicle' on page 6 of this policy.

It does not include:

- a caravan, a boat trailer, a camper trailer or a horse float; or
- the contents, equipment or accessories of any trailer.

uneconomic to repair

a total loss because the **car** is:

- uneconomic or unsafe to repair in **our** opinion, or
- stolen and not recovered.

use

includes driving, parking, garaging or storing of the **car** or **trailer**.

vehicle

- the **car** or **trailer** when it is **used** by **you** or anyone else with **your** permission, and
- any other motorcar that **you** don't own that is **used** by **you**, as long as **you** have the owner's permission to **use** it.

we

NAC Insurance, a business division of IAG New Zealand Limited.

you

the person(s) shown as 'The Insured' in the **schedule**.

FREQUENTLY ASKED QUESTIONS

You'll probably have a few questions to ask us once you have read your policy. We've added a few frequently asked questions that may help you.

Note this section is designed to assist you with possible questions and does not form part of the policy document.

If you can't find your question here, or you want more information, just ring us on **0800 501 508**, we'll be happy to help.

What happens if I drive outside my licence conditions?

You should always drive within the conditions of your current vehicle licence. If you don't, you might not be covered in the event of a claim.

What are assessors, and what do they do?

They help us get the information we need about your claim.

For example:

We may ask an assessor to view the damage to your car. The assessor will provide us with a report on the extent of the damage, if repairs are possible and estimate the overall cost of the claim.

Why does NAC Insurance want to know things that I think are private?

We need certain information to decide whether we'll accept your application for insurance. We also use the information to set your premium and excess.

We treat all the information you give us in accordance with the Privacy Act 1993. You can read more about this in 'Keeping us informed' on page 4.

What happens if I don't give you all the information you ask for?

If we accept your application and the information you've given us is inaccurate or incomplete, your policy may not be valid. You can read more about this in 'Keeping us informed' on page 4.

Will my premium increase if I make a claim?

Your premium won't always increase when you make a claim. However, every claim is different, so we will give you more information on this when you ring us.

Now I have insurance, I'm covered for every event – right?

While you're covered for many major unexpected events, we don't cover everything. You can find out what your policy doesn't cover in 'Exclusions that apply to the whole policy' on page 12 and what your policy covers in 'Section 1: Loss to your car' and 'Section 2: Liability'. You must also comply with the 'Policy conditions' on page 16.

I have friends visiting me for a few weeks. Will they be covered if they drive my car?

Your NAC Wheels Car Comprehensive policy only covers drivers named in your policy schedule. If a person not named in the policy schedule drives your car, you might not be covered in the event of a claim. Please call us if you want to add drivers to your policy.

Do I have to pay an excess for every claim?

You'll pay an excess for most claims.

We'll do our best to recover your excess from any other person responsible for your loss, but sometimes we are unsuccessful, or the circumstances don't allow us to recover any money.

**Broker remuneration statement**

NAC Insurance has relationships with brokers who issue our policies.

NAC Insurance is a business division of IAG New Zealand Limited. IAG New Zealand Limited pays remuneration to brokers when they issue NAC policies, and when these policies are renewed or varied.

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