

Wheels Car Fire, Theft & Storage

POLICY WORDING



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**.

Your policy

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 6.

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 Fire, Theft and Storage Policy consists of this policy wording, the **schedule** and the information **you** provided in the **application** and any subsequent information **you** provide.

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 AGREEMENT WITH YOU

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

YOUR DUTY OF DISCLOSURE

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

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

You also have this duty every time **your** insurance renews and when **you** make any changes to it.

If **you** breach this duty, **we** may treat **your** policy as being of no effect and to have never existed.

Please ask **us** if **you** are not sure whether **you** need to tell **us** about something.

What your policy covers

ACCIDENTAL LOSS

You're covered for sudden and **accidental loss** to the **car** that happens during the **period of cover** and is caused by:

1. (a) fire,
(b) theft or attempted theft, conversion or attempted conversion,
provided the **car** is kept in a locked garage or building when unattended by **you**,
(c) **natural disaster**,
(d) malicious damage,
at the situation shown in the **schedule**, or
2. an accident involving a vehicle that is towing or transporting the **car** within New Zealand.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 3 and 'Policy conditions' on page 5.

METHAMPHETAMINE CONTAMINATION

You're covered for **contamination damage** to **your car** provided that it occurs in connection with the theft or illegal conversion of **your car** during the **period of cover**.

You're not covered for any **contamination damage** that is connected in any way with **you** or **your partner**, or any member of **your** or their family (including the theft or illegal conversion by any of them).

For the purposes of this exclusion, **you** includes any trustee or beneficiary of the trust if the **car** is owned by the trust, or any director or shareholder of the company if the **car** is owned by the company.

What you'll get

Where there's cover under this benefit, **we'll** at **our** option:

1. arrange to **remediate** the **car**, or
2. pay **you** the reasonable costs to **remediate** the **car** as estimated by **our** assessor.

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

The most **we'll** pay is the **sum insured**.

Please note the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 3 and 'Policy conditions' on page 5.

REPLACEMENT CAR

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

1. **you** notify **us** within 10-days of the date of purchase, and
2. the replacement car's purchase price does not exceed \$30,000, and
3. the replacement car's purchase price will be the sum insured, and
4. **you** pay any additional premium that is required, and

5. **you** accept any **excess(s)** and terms that **we** may decide to apply to the replacement car.

What you get 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** or 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.

TIPS

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

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.

PAINTWORK

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

1. entire **car** has been repainted in 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**.

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 driving the vehicle that is transporting or towing the **car**:

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 transporting or towing vehicle stole or converted it, as long as **you** lay a complaint with the police.

CONFISCATION

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

ELECTRONIC DATA AND PROGRAMS

You're not covered for any liability or loss of or damage to **electronic data** from any cause whatsoever including, but not limited to, a **computer virus**.

This includes loss of use, reduction in functionality or any other associated loss or expense in connection with **electronic data**.

However, this exclusion does not apply to physical damage to other insured property that results from that loss of or damage to **electronic data**, and which is not otherwise excluded.

EXCESS

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

INTENTIONAL OR RECKLESS ACTS

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

MODIFIED VEHICLE

There'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

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

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

OTHER INSURANCE

You must tell **us** if the **car** is (or becomes) covered by another insurance policy. This policy does not cover **your loss** or liability at all if it is insured to any extent under any other insurance policy. **We** will not contribute towards any claim under any other insurance policy.

TERRORISM

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

TYPES OF LOSS NOT COVERED

You're not covered for:

1. depreciation, or
2. wear and tear, rust or corrosion, or
3. loss of use, or
4. gradual deterioration, or
5. consequential loss, unless stated otherwise.

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

UNLAWFUL SUBSTANCES

You're not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with contamination from any 'controlled drug' as defined in the Misuse of Drugs Act 1975. This exclusion does not apply to **loss** covered under 'Methamphetamine contamination' cover on page 2.

UNLICENSED DRIVERS

You're not covered if the driver of any vehicle transporting or towing the **car**:

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 transporting or towing vehicle stole or converted it, as long as **you** lay a complaint with the police.

WAR

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

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

Making a claim

When **you** need to make a claim, **we'll** be here to help **you** – go to nac.co.nz/claims or 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.

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.

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.

Policy conditions

Your NAC Wheels Car Fire, Theft and Storage 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...

Breach of any condition

If:

1. **you**, or
2. any other person **we** cover under this policy, or
3. anyone acting on **your** behalf, breaches any of the conditions of this policy, **we** may at **our** sole discretion:
 - (a) decline **your** claim, either in whole or in part,
 - (b) decline any claim connected with the same **event** that **you** make on any other policies **you** have with **us**,
 - (c) declare either this policy or all insurance **you** have with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act, or breach.

YOUR OBLIGATIONS

True statements and answers

True statements and answers must be given (whether by **you** or any other person) in all communications with **us**, including, but not limited to, when:

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

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.

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 Fire, Theft & Storage policy is an annual contract and premiums are calculated on such a basis.

Where **we've** agreed to accept payment of premium by instalments,

1. the policy remains an annual contract, and
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**. Unless otherwise specified in the policy, the change in terms will take effect on the 14th day after the date of the notice.

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.

Currency

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

Goods and services tax

All amounts referred to in this policy include any GST that may apply.

Governing law and jurisdiction

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

Joint insurance

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

This means that a breach of this policy by any one person affects everyone's ability to claim under this policy.

Legislation changes

Any reference to any Act of Parliament or subordinate regulations or rules referred to in this policy includes any amendments made or substitutions to that law.

Other 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**.

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 'accident' also applies to 'accidentally', 'accidental' and 'accidents'.

accessory

a part of the **car** not directly related to its function as a vehicle, including any:

- radio, audio equipment or other in-vehicle entertainment and communication equipment forming an integral part of the **car**, and
- portable telephone that connects to a power source in the **car**, and
- car seat covers, floor mats or child car seats.

accident

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

act of terrorism

an act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that:

- involves violence against one or more persons, or
- involves damage to property, or

- endangers life other than that of the person committing the action, or
- creates a risk to health or safety of the public or a section of the public, or
- is designed to interfere with or disrupt an electronic system.

application

the information **you** provided to **us** when **you** purchased this insurance or requested a quotation for this insurance from **us**.

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, 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 code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes, but is not limited to, 'Trojan horses', 'worms' and 'time or logic bombs'.

contamination damage

loss caused by **methamphetamine** contamination that exceeds the **contamination level**.

contamination level

the relevant guideline value for indoor surface contamination as set out in the most recent version of the New Zealand Standard NZS 8510.

electronic data

facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

event

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

excess

the first amount of the claim that **you** must pay, which is shown in either the **schedule** or in this policy wording.

incident

something that occurs at a particular point in time, at a particular place and in a particular way.

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** that was damaged.

methamphetamine

means the Class A controlled drug Methamphetamine or Class B controlled drug Amphetamine as defined by the Misuse of Drugs Act 1975 or any precursor chemicals and by-products.

TIPS

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

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, or*
- *tyres or wheels of the car.*

We do not consider a conversion of the car to run on CNG, LPG or Bio Gas is a modification, provided the car has a current Warrant of Fitness and a current Alternative Fuel Inspection Certificate.

natural disaster

an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the Earthquake Commission Act 1993.

partner

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

period of cover

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

remediate

means to reduce the level of methamphetamine contamination to below the contamination level.

schedule

the latest version of the 'Schedule' 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**.

uneconomic to repair

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

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

use

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

we, us, our

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

you

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

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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