

This car insurance policy, issued by IAG New Zealand Limited and underwritten for customers referred by Bank of New Zealand (BNZ), delineates the coverage, exclusions, and obligations of the insured. The policy comprises three main components: the policy wording, the policy schedule detailing specific coverage and premium information, and any applicable addendums or endorsements. Coverage options include Comprehensive, Third Party, Fire and Theft (TPFT), and Third Party Only (TPO), providing benefits such as protection against sudden loss or damage to the vehicle, legal liability, and automatic benefits like replacement of child car seats and towing. Optional benefits, including excess-free glass coverage and roadside rescue, are available for purchase.

Key exclusions encompass unreported modifications, certain vehicle uses, and claims arising from non-payment of premiums. The policyholder must notify IAG of any changes affecting coverage or claims, including vehicle modifications or usage changes. A 15-day cooling-off period allows for policy cancellation or amendments without penalty, provided no claims have been made. The insured is responsible for paying an excess on claims, which is deducted from the settlement amount. Premium payments can be made annually or in installments, with late payments potentially leading to policy cancellation. Renewal notices will be sent at least 14 days before expiration, and the insured must ensure the sum insured is adequate. Personal information collected during the application process is used for policy management and claims, with the right to access and correct this information. A complaints process is available for addressing dissatisfaction.

The policy specifies requirements for notifying the insurer about vehicle modifications, such as changes to the engine or chassis, while aftermarket stereo changes do not require reporting. Coverage applies for personal or business use of the vehicle but is suspended in certain circumstances, including carrying fare-paying passengers (except for non-profit carpooling), courier work, motor trade activities, motorsport, and towing for financial gain. The policyholder must inform the insurer if the vehicle will be used in any of these excluded circumstances, as no coverage will be provided for incidents occurring during such use.

Comprehensive coverage protects against sudden and accidental loss to the vehicle, while TPFT covers loss due to fire, theft, and attempted theft. TPO provides limited coverage under the 'Uninsured motorist damage' benefit. In the event of a claim, if the vehicle is repairable, the insurer may arrange repairs or reimburse the policyholder for repair costs, with a maximum payout based on the reasonable cost to restore the vehicle to its pre-loss condition. The insurer may cover aftermarket or used parts but will not cover wear and tear. In cases of total loss, the insurer will pay the sum insured for agreed value policies or the market value for market value policies. If the vehicle is stolen and later recovered, the policyholder must notify the insurer. After settling a total loss claim, the vehicle and any salvage become the insurer's property, and the policy is canceled without a premium refund.

Automatic benefits include coverage for items such as baby capsules, completion of journey costs, excess protection, fire extinguisher replacement, and accidental use of incorrect fuel, each with specific conditions and limits. The policy covers contamination damage from methamphetamine under Comprehensive and TPFT policies, with the insurer having the option to remediate the vehicle or declare it a total loss, though contamination caused by the policyholder or their family members is excluded. The policy also covers reasonable costs for replacing lost or stolen keys and locks under Comprehensive coverage, with no excess for claims up to \$500. Driver restrictions apply under certain conditions but do not apply in cases of fire, theft, or when a vehicle is used for professional repairs or medical emergencies.

In the event of a claim, necessary storage costs for the vehicle until it can be repaired or the claim is settled are covered. Temporary coverage is provided for additional or replacement vehicles involved in an incident within 14 days of purchase, provided they are not yet insured. Towing costs are covered if the vehicle is undriveable, and uninsured motorist damage is covered under specific conditions, with a maximum payout of \$5,000 for such claims. Optional benefits include excess-free

glass coverage for sudden and accidental loss to windscreen or window glass, and hire vehicle arrangements while the insured vehicle is being repaired or awaiting settlement of a total loss claim. The policy also covers sudden and accidental loss to trailers under Comprehensive coverage, with a maximum payout of \$750 and a \$100 excess.

Legal liability coverage is provided for loss or injury to another person or their property caused by the use of the insured vehicle, including towing, with defense costs and reparation included. Coverage extends to legal liability when using another person's vehicle with permission, provided the liability is not covered by other insurance. The policy does not cover loss to the vehicle being used or any excess under other insurance. It also covers the legal liability of another person using the insured vehicle with permission, as well as the employer's vicarious liability when the vehicle is used for business purposes. The maximum payout for legal liability is \$20,000,000 for property loss and \$1,000,000 for injury, with a total cap of \$20,000,000 for events involving both. Comprehensive policyholders do not pay an excess for legal liability claims, while those with TPFT or TPO must pay applicable excesses.

Exclusions include depreciation, wear and tear, loss of use, and consequential losses, such as lost wages due to vehicle theft. Mechanical breakdowns and defects are excluded unless directly caused by an external source covered under the policy. Pre-existing damage and certain types of tire damage are not covered, and costs related to undamaged parts are excluded unless necessary for repairs. Liability exclusions specify that the policy does not cover loss to property owned or in care of the insured, with exceptions for disabled vehicles being towed, personal effects of passengers, and hire vehicles under specific conditions. General exclusions include incidents involving alcohol or drugs, communicable diseases, computer system failures, confiscation by authorities, fines, illegal vehicle use, and incidents occurring outside New Zealand or outside the insurance period. Intentional or reckless acts, unreported modifications, and nuclear contamination are also excluded from coverage.

The policyholder must adhere to specific responsibilities when filing a claim, including taking steps to mitigate further loss, notifying the insurer promptly, and preserving evidence related to the claim. Prior approval from the insurer is required before incurring expenses related to a claim or negotiating settlements. Breaching any policy conditions may result in claim denial, and any dishonest acts can lead to policy avoidance. The policy can be canceled by either party, with refunds applicable for unutilized coverage periods. Policyholders must report any changes in circumstances that could affect coverage or claims. All amounts are in New Zealand dollars and include Goods and Services Tax, with the governing law being that of New Zealand. Joint insurance coverage requires all parties to comply with the policy terms, and failure by one can affect the entire policy. Reasonable care must be taken to avoid situations leading to claims, and the definitions section clarifies key terms used throughout the policy.

In the event of a total loss, the settlement process involves paying the towing company \$300 and providing the insured with \$32,980, calculated from the agreed value of \$34,700, minus a vehicle excess of \$1,000, a driver excess of \$500, and any unpaid monthly installments totaling \$220. After settling the claim, the vehicle and any salvage become the insurer's property, and the vehicle will be deregistered. The policyholder must remove personal belongings not permanently attached to the vehicle, and the policy will be automatically canceled at the end of the day of the loss, prompting the need to apply for a new policy for a new vehicle.

In a scenario where the vehicle is stolen and later recovered with damages and missing accessories, under TPFT coverage with an agreed value of \$4,000, the policyholder can claim for repairs estimated at \$2,000 and missing accessories valued at \$750. The insurer will cover the repair costs and pay the policyholder \$250 for the accessories after deducting the vehicle excess of \$500. Additionally, a hire car will be provided for up to 21 days, with the insurer covering the hire costs of \$600, while the policyholder is responsible for running costs.

For liability claims, if the policyholder damages someone else's property, such as a fence, under TPO coverage with a liability limit of \$20,000, they will pay a vehicle excess of \$500. The insurer will handle the claim on their behalf, paying the homeowner \$8,000 for repairs, while the policyholder covers the excess. In cases involving crashes with uninsured drivers, under TPO coverage, the policyholder can claim for damages if the other driver admits fault. The insurer will cover the vehicle's market value, up to \$5,000, including towing and storage costs. If the vehicle is a total loss, the policyholder will receive \$3,000 without paying an excess, and the vehicle will become the insurer's property post-settlement. If the cost to repair the vehicle is less than the excess, the policyholder may choose not to proceed with the claim and instead pay for the repairs themselves.