

Power Alliance Motor Vehicle Insurance Policy



POWER ALLIANCE
INSURANCE

Table of Contents

INTRODUCTION	3
You're in safe hands	3
How to contact us	3
KEY FEATURES AND BENEFITS	4
KEY INFORMATION	5
YOUR POLICY	7
About your insurance contract	7
Words with special meaning	7
Our agreement with you	7
The privacy of your personal information.....	8
Our definition of 'motor vehicle'.....	9
Who can drive your motor vehicle	10
What your motor vehicle can be used for	10
SECTION 1: COMPREHENSIVE MOTOR VEHICLE	
INSURANCE	11
1.1 Cover for your motor vehicle	11
1.2 Repairing your motor vehicle.....	11
1.3 Settling your total loss claim.....	11
1.4 What we will not pay.....	12
SECTION 1A: ADDITIONAL BENEFITS	13
1A.1 Power Alliance repair guarantee.....	13
1A.2 Courtesy/Rental motor vehicle after accident/theft	13
1A.3 Glass cover.....	14
1A.4 Emergency trip continuation.....	15
1A.5 Re-deliver costs.....	15
1A.6 Taxi fares	15
1A.7 Towing and storage	15
1A.8 Temporary cover when you replace your motor vehicle	16
1A.9 Keys and locks	16
1A.10 Personal injury cover.....	16
1A.11 Medical expenses.....	17
1A.12 Personal items.....	17
1A.13 Baby capsules and motor vehicle child seats.....	18
1A.14 Finance gap.....	19
1A.15 Trailers, boats, caravans	19
1A.16 Marine transportation cover.....	19

SECTION 2: LIABILITY PROTECTION.....	19
2.1 Legal liability	19
2.2 Legal costs	20
2.3 Reparation	20
2.4 Manslaughter defence	21
2.5 What we will not pay	21
SECTION 3: WHAT IS NOT COVERED BY THIS POLICY	22
3.1 General exclusions	22
3.2 Protecting your property	23
3.3 No cover for certain events.....	23
3.4 No cover for accidents involving alcohol or drugs	24
3.5 No cover for certain kinds of damage.....	24
3.6 No cover for damaged or unsafe motor vehicles	24
3.7 No cover for intentional or reckless conduct.....	25
3.8 No cover for unlicensed drivers	25
SECTION 4: GENERAL CONDITIONS	25
4.1 Goods and Services Tax.....	25
4.2 Jurisdiction.....	25
4.3 Changing your policy	26
4.4 Renewing your policy	26
4.5 If you change your mind	26
4.6 Cancellation by you	26
4.7 Cancellation by us	27
4.8 Overdue instalments and cancellation.....	27
4.9 Interest in your motor vehicle ceases	28
SECTION 5: MAKING A CLAIM	28
5.1 To make a claim on this policy.....	28
5.2 Deciding who is at fault.....	29
5.3 Your promise to us.....	29
5.4 Financially interested parties	29
5.5 If you have other insurance	29
SECTION 6: YOUR EXCESS.....	29
6.1 What you must pay in the event of a claim....	29
6.2 Reimbursing your excess	30
SECTION 7: GENERAL POLICY INFORMATION	31
7.1 If you have a concern	31
SECTION 8: DEFINITIONS.....	31
8.1 Words with special meanings	31

INTRODUCTION

You're in safe hands

Thank you for choosing to insure your motor vehicle with Power Alliance Insurance.

Since 2001, we have built a solid and trustworthy reputation with New Zealanders. We are committed to delivering you the best possible customer service by meeting your motor vehicle insurance needs. Our customers are our number 1 priority. Our Power Alliance Motor Vehicle Insurance Policy helps you drive with confidence, safe in the knowledge that if your motor vehicle suffers accidental damage, is stolen or if someone is claiming against you, we'll be there to help.

If you need to make a claim, please call us immediately and we'll take away the stress and inconvenience by looking after things for you.

How to contact us

It's all about you! If there is anything you are unsure of, or you need to make a claim or to find out more about our other insurance products, simply call Power Alliance Insurance on **0800 333 019** or visit poweralliancefinance.co.nz.

KEY FEATURES AND BENEFITS

This table is a guide only. Terms and conditions apply. For a full explanation of the cover provided, please carefully read each section of this document.

Motor Vehicle Insurance	See page
Section 1: Comprehensive Motor Vehicle	11
Section 1A: Additional Benefits	13
1A.1 Power Alliance repair guarantee	13
1A.2 Courtesy/Rental motor vehicle after an accident	13
1A.3 Glass cover	14
1A.4 Emergency trip continuation	15
1A.5 Re-delivery costs	15
1A.6 Taxi fares	15
1A.7 Towing and storage	15
1A.8 Temporary cover when you replace your motor vehicle	16
1A.9 Keys and locks	16
1A.10 Personal injury cover	16
1A.11 Medical expenses	17
1A.12 Personal items	17
1A.13 Baby capsules and motor vehicle child seats	18
1A.14 Finance gap	19
1A.15 Trailers, boats, caravans	19
1A.16 Marine transportation cover	19
Section 2: Liability Protection	19

KEY INFORMATION

For full details of the policy cover, benefits and conditions, you must read the entire policy.

The purpose of this insurance	This policy provides cover for accidental loss or damage to your motor vehicle, and cover for accidental loss or damage to other people's property for which you are liable.
Your privacy	We are committed to protecting the privacy of your personal information as detailed in our privacy policy. Refer to the policy section 'Your Policy – The privacy of your information' to find out more.
Your promise to us	You must provide honest, correct and complete answers to the specific questions we ask to enable us to decide whether to insure you or pay your claim. If the information you provide us with is not honest, correct or complete we may reduce or deny any claim you make, cancel your policy, or treat your policy as never been entered into.
21 day cooling off period	If you change, your mind you can cancel your policy within the cooling off period of 21 days from the day cover began provided you have not made a claim. We will then refund in full any premium you have paid. See section 4.3
Cancellation at other times	If you cancel your policy, we will refund the balance of premium in respect of any unexpired period of insurance (provided you have not made a claim) less any processing charge to cover our reasonable administrative and transaction costs. If we have paid a total loss claim under this policy, you will not be entitled to any refund. Furthermore, if your premium is paid by instalments and/or has not been paid in full for the period of insurance in which the claim occurred, you will be required to pay the balance of any remaining premium owing for that period of insurance. See sections 4.6, 4.7 and 4.8
Duration of cover	The duration of your cover is set out under the "Period of Insurance" in your policy schedule. This is the time for which you are able to make a claim for cover under your policy.

<p>How we calculate your premium</p>	<p>The amount of your premium will be set out in your policy schedule. We calculate your premium by taking into account a variety of factors including the following:</p> <ul style="list-style-type: none"> - Key pricing factors for the cover such as where you live, the motor vehicle being insured, the purpose for which the motor vehicle is used, whether you have selected a voluntary excess, the age, driving experience, licence type and insurance history of all regular drivers of the motor vehicle, and other key factors which may vary from time to time; - Whether you choose to pay annually or monthly; - Any policy discounts; - Payments made to our intermediaries; and - Government taxes and charges where applicable e.g. GST. <p>Where your premium is financed, there will be an interest fee charged which is not arranged by your insurer. Please refer to your finance terms for further information on the interest that will be charged. Where you pay your premium monthly, there will be an administrative fee. Please refer to your policy schedule.</p>
<p>Making a claim</p>	<p>Please contact us as soon as possible by calling 0800 333 019. See section 5.</p>
<p>Excess</p>	<p>An excess is the amount you must pay when you make a claim on this policy even if you are not responsible for the loss or damage. Your excess will be set out in your policy schedule. See section 6.</p>
<p>Our service commitment to you</p>	<p>We are committed to providing you with the highest standard of service. If you are ever dissatisfied with the outcome of any of your dealings with us, we invite you to use our internal dispute resolution service.</p> <p>If you do not agree with our final decision, you can appeal to the Insurance & Financial Services Ombudsman (IFSO), an external independent dispute resolution scheme, of which we are a member.</p> <p>There is no charge to you for either service. Access to those services is in addition to your rights under law. See section 7.</p>
<p>When we will not pay your claim</p>	<p>Some things are not covered under your policy and some benefits have limits. You need to read your policy to understand what these are. There are important obligations and exclusions that apply to all parts of your policy.</p> <p>The main sections that discuss what is not covered are in section 1.4, section 2.5 and section 3. The section titled "What your motor vehicle can be used for" also has some key information.</p>

YOUR POLICY

About your insurance contract

- a. Your policy consists of:
- this pre-printed motor vehicle insurance policy which sets out the terms, conditions and limits of your cover;
 - the proposal, which is the information provided to us when applying for the insurance cover; and
 - your most recent policy schedule.
- b. Any other written change advised by us in writing such as endorsement or supplementary policy wording. You should read your Power Alliance Motor Vehicle Insurance Policy carefully and retain your insurance policy and your policy schedule. These documents should be read together as they jointly form the contract of insurance between you and us. Unless specifically noted, all exclusions contained in this policy apply to all parts of your policy.
- c. We will send you an updated policy schedule whenever you inform us of a change in your information or details, which may also contain variations to the terms of your policy.
- d. You must pay your insurance premium by the date stated in the policy schedule. If you pay your premium monthly, you must keep your payments up to date. You cannot make a claim until you have paid your premium. If you do not pay your premium by the due date, your policy may end.

Words with special meaning

Some words used throughout this policy document have special meanings. Please refer to section 8 for our definitions.

Our agreement with you

When we agree to insure you as set out in this policy, or to renew or vary your policy, our decision and agreement relies on you having paid or promised to pay your premium and meeting certain promises and conditions. If you (and any other person or entity we cover) do not meet these promises and conditions at all times, we may refuse to pay a claim, reduce the amount we pay you for your claim, cancel your policy, or treat it as though it never existed.

You must:

- a. Pay your premium;
- b. Be truthful and correct in everything you tell us;
- c. Maintain your motor vehicle in a roadworthy condition;
- d. Keep your motor vehicle secure at all times and take all reasonable precautions to prevent loss or damage occurring; and
- e. Tell us as soon as you know of any other insurance policy that covers you for any of the risks covered under this policy.

You must tell us if there are any changes in your circumstances. It is important that you tell us immediately of any changes that have occurred since your policy started or since last renewal.

You must let us know if:

- a. You change your address;
- b. You use your motor vehicle for a different purpose;
- c. You have altered or modified your motor vehicle or added any accessories;
- d. You have incurred any driving infringements such as your licence being endorsed, suspended or cancelled; and
- e. There are any changes of ownership, a change of a main or regular driver or a change in the age of the drivers as noted on your policy schedule.

You must immediately tell us if any of the information shown on your renewal notice or on other notices you may receive from us is incorrect or incomplete or requires updating.

The privacy of your personal information

We are committed to protecting the privacy of your personal information. That commitment is reflected in our compliance with the Privacy Act 2020.

We will, with your help, keep your personal information accurate, complete and up to date. Personal information includes your name, address, age, occupation, insurance profile or driving record. We collect this information for all purposes in connection with this insurance cover, including considering your request for insurance, underwriting, assessing and paying claims or other insurance purposes, evaluating any future insurance

applications, communicating with customers, compiling statistics, providing products and services, and for the purpose of disclosure to parties with a financial or other interest in the subject matter of the proposal.

We will provide your personal information to a third party if required by law. If necessary, we may also disclose your personal information to a third party when processing a claim, confirming information, administering this policy and where customer research is conducted by us or on our behalf.

Intended recipients of the information include Aioi Nissay Dowa Management New Zealand Ltd, Toyota Finance New Zealand Limited trading as Power Alliance Finance and their agents and their agents, other insurance companies, claims assessors, consumer research organisations and finance companies (if noted on your policy documents).

The information is collected and held by Aioi Nissay Dowa Management NZ Ltd of PO Box 17504, Greenlane, Auckland 1546.

You have rights of access to, and correction of, this information subject to the provisions of the Privacy Act 2020.

In order to keep you informed of special offers, including new products and services, we may share your personal information with the agent who arranged this policy for you and Power Alliance Finance New Zealand and authorised Power Alliance Finance Dealers. If you do not wish to receive this information, you may contact us by calling the number listed on the back cover of this document.

For further information, please visit our website poweralliancefinance.co.nz.

Our definition of 'motor vehicle'

In this policy, your motor vehicle is defined and means the registered and licensed motor vehicle described in the policy schedule including:

- a. The standard tools as supplied by the manufacturer, providing they are in or attached to your motor vehicle; and
- b. Any accessories and modifications that have been fitted to your motor vehicle that we have agreed to cover as described on the current policy schedule.

Who can drive your motor vehicle

Your motor vehicle is insured whilst being driven by non-regular drivers of any age, and any regular driver over the youngest regular driver age. The following applies:

- a. The age of the main driver and their licence type is noted on your policy schedule. The main driver is the person who drives the motor vehicle the most often.
- b. The age of the youngest regular driver is noted on your policy schedule. A regular driver is anyone that will drive the motor vehicle more than 12 times a year.
- c. Your motor vehicle can be driven by a driver who does not hold a NZ full licence, or has not held a NZ full licence for more than two years, provided that inexperienced driver cover is included in your policy and that they are driving in accordance with all conditions of their licence. This is noted on the policy schedule.

What your motor vehicle can be used for

- a. If the policy schedule shows private use then your motor vehicle is covered for domestic, social, recreational or farming usage including driving to and from your regular place of work.
- b. If the policy schedule shows business use then your motor vehicle is covered when used for private use and when used for your business, profession, occupation or income earning purposes provided that is not otherwise excluded by this policy.
- c. There is no cover if your vehicle is being used for any of the following:
 - hire, reward, or to carry fare paying passengers (except private pooling arrangement);
 - rental, security patrol, delivery or courier use;
 - being used for any form of motor sport or contest, experiment, test, trial or demonstration;
 - being used in connection with emergency or law enforcement services;
 - being used for goods carrying use in connection with any trade of business other than farming unless the motor vehicle is insured for business use; or
 - to transport explosives or class 1 dangerous goods (as defined by Land Transport Rules: Dangerous Goods 2005 and its amendments) in bulk unless you have our written agreement and it is noted on the

policy schedule. This exclusion does not apply to the transportation of dangerous goods for domestic or social purposes, or for use as a tool of trade provided the dangerous goods are being transported in a manner and in quantity prescribed by The Land Transport Rule: Dangerous Goods 2005 (and its amendments).

- d. There is no cover for your motor vehicle if it is being used for any purpose other than that stated in the policy schedule.
- e. There is no cover if your motor vehicle is in the custody of a motor vehicle dealer or prospective purchaser for the purpose of sale or consignment.

SECTION 1:

The following section 1, section 1A and section 2 describe what you are insured for under this policy.

COMPREHENSIVE MOTOR VEHICLE INSURANCE

1.1 Cover for your motor vehicle

You are covered for any accidental physical loss or damage to your motor vehicle that occurs anywhere in New Zealand during the period of insurance, including while it is carried by any licensed transport service in New Zealand.

1.2 Repairing your motor vehicle

At our choice, we will:

- a. Arrange for the repair of your motor vehicle; or
- b. Pay you the fair and reasonable cost of repairing your motor vehicle.

1.3 Settling your total loss claim

- a. If we decide that the damage to your motor vehicle is so extensive that it would not be safe or economical to repair, or it has been stolen and not found, we will declare your motor vehicle a total loss.

- b. In the event of a total loss, your motor vehicle wreckage, including any accessories (disclosed or undisclosed) and unexpired registration will become our property and we will retain the proceeds from any sale.

Once we accept your claim and decide your motor vehicle is a total loss, we will settle your claim as follows:

Your motor vehicle	If your motor vehicle becomes a total loss;
New Motor Vehicle purchased from a Power Alliance Insurance dealer.	We will pay you the amount you paid to purchase your motor vehicle as stated on the Vehicle Offer and Sale Agreement if it is less than 12 months old. After 12 months we will pay you the agreed value as at the time your vehicle becomes a total loss.
Used motor vehicle purchased from a Power Alliance Finance dealer	We will pay you the amount you paid to purchase your motor vehicle as stated on the Vehicle Offer and Sale Agreement for the first 12 months. After 12 months we will pay you the agreed value as at the time your vehicle becomes a total loss.
All other motor vehicles	We will pay you either the Agreed or Market value as stated on your policy schedule.

1.4 What we will not pay

When your motor vehicle is repairable, we will not pay:

- Any costs due to the inability to match existing paint, wheels or tyres;
- Costs to replace any part or accessory that has not suffered a loss;
- Any costs associated with repairing faulty workmanship or incomplete repairs previously carried out on your motor vehicle prior to an accident;

- Any costs associated with repairing any existing damage your motor vehicle had prior to an accident which resulted in a claim; or
- Any reduced value of your motor vehicle after your motor vehicle has been damaged and repaired in accordance with this policy.

In addition please also read, "What is not covered by this policy", in section 3.

SECTION 1A: ADDITIONAL BENEFITS

These benefits automatically extend the coverage under section 1 and are only paid if we accept your claim under this policy. Please note that some have special limits that apply.

1A.1 Power Alliance Insurance repair guarantee

- When your motor vehicle is repaired by one of our Power Alliance Insurance Insurance Nominated Repairers, we will guarantee the quality of workmanship, parts and materials used to complete the repairs for your claim.
- The guarantee will remain in place while your motor vehicle is owned by you in New Zealand.

1A.2 Courtesy/Rental motor vehicle after accident/theft

- This cover applies if you choose one of our Power Alliance Insurance Nominated Repairers.
- Where necessary we will arrange a courtesy motor vehicle of our choice from one of our Power Alliance Insurance Nominated Repairers or a rental motor vehicle (Toyota Corolla or equivalent) with our agreed supplier.
- This temporary benefit will become eligible from the date you report your claim to us and provided that you do not have use of your vehicle as a direct result of the reported claim. The benefit will cease the earlier of:
 - The date that repairs on your motor vehicle are completed;
 - The date your motor vehicle is found following theft;
 - The date we settle your claim; or

- 21 days from the date you received the temporary motor vehicle.
- d. We do not pay for fuel and running expenses or any additional charges for extras.
 - e. If no such motor vehicles are available in a location suitable to you, we will do our best to arrange a satisfactory alternative motor vehicle. Depending on the circumstances, we may ask you to make a contribution to the cost.
 - f. If we provide a rental motor vehicle you, can choose a different motor vehicle provided you agree to pay any additional costs the rental car company may charge. Alternatively, with our prior approval, you may arrange and pay for a rental motor vehicle of your choice and we will reimburse you up to \$33 per day, up to a maximum of \$700. To claim this reimbursement you will need to provide a copy of your GST invoice and proof that you have paid for it.
 - g. Before a temporary motor vehicle can be provided you must meet any eligibility guidelines of the Power Alliance Insurance Nominated Repairer or the rental car company we choose to use. If you do not meet these guidelines, we will not provide this benefit.
 - h. Courtesy and rental motor vehicles that we have arranged for you are automatically covered under your insurance policy and should you need to make a claim for loss or damage, your normal excess will apply.

1A.3 Glass cover

- a. If we agree to pay a claim for replacement of your glass:
 - you will not have to pay any excess for the first claim per policy year for windscreen or window glass replacement; and
- b. For all second and subsequent claims within the policy year:
 - you will have to pay a basic excess; and
- c. You will not pay an excess for windscreen chip repairs.
- d. Glass means windscreens, side and back window glass. It does not include headlights, taillights, mirrors or sunroofs.
- e. We will replace windscreens and window glass with compatible aftermarket glass that meets all New Zealand safety standards.

1A.4 Emergency trip continuation

- a. If your motor vehicle cannot be safely driven after being stolen and/or damaged in an accident more than 100 kilometres from your home, we will reimburse the reasonable costs for essential:
 - transportation for you and your passengers to your home or destination;
 - transportation to collect your motor vehicle when it has been repaired; and
 - temporary accommodation (room rental only) for you and your passengers, up to a maximum of \$1,000 in total.
- b. Emergency trip continuation costs can be incurred without our prior approval, but we will need you to provide us with receipts and/or invoices relating to these costs.

1A.5 Re-delivery costs

- a. If the accident occurs more than 100 kilometres from your home, we will cover what we consider to be reasonable costs of transporting your motor vehicle to your home once it has been repaired, or transporting your motor vehicle to a repairer of our choosing in your local area prior to its repairs.

1A.6 Taxi fares

- a. Where your motor vehicle cannot be safely driven following accidental damage or theft less than 100 kilometres from home, and you need to arrange a taxi from the scene of the accident, we will reimburse you up to \$100 in total for the costs of a taxi fare to your chosen location.
- b. Receipts for payment of the taxi fares must be produced in support of any claim.

1A.7 Towing and storage

- a. If your motor vehicle cannot be driven safely following an accident we will pay the reasonable costs to tow your motor vehicle to the nearest repairer or other secure place authorised by us.
- b. If your motor vehicle is stolen and then found, we will pay the costs of returning it to the place it was stolen from, or to another place we agree on.

1A.8 Temporary cover when you replace your motor vehicle

- a. If you purchase a replacement motor vehicle, we will provide temporary cover up to 14 days.
- b. The temporary cover is for the purchase price paid for the replacement motor vehicle up to \$100,000.
- c. This policy will not cover two motor vehicles at the same time.
- d. There is no cover if the replacement motor vehicle is covered by any other insurance policy.

1A.9 Keys and locks

- a. If during the period of insurance all of the keys or devices giving access to your motor vehicle are stolen or lost, or you believe on reasonable grounds they have been illegally copied, we will pay for replacement of your motor vehicle's keys or devices and/or recoding of your motor vehicle's locks and barrels.
- b. We will provide this cover if:
 - the theft or loss of the keys/devices has been reported to the police, and the police investigations conclude they are unlikely to be found;
 - the locks and barrels to your motor vehicle are not damaged;
 - the keys or devices were not stolen by a relative, spouse or de facto, invitee, any person ordinarily residing with you or with whom you ordinarily reside, or any other person insured under this policy: and
 - you are not covered under any other insurance policy.
- c. The most we will pay under this benefit is \$1,000 (over and above any basic excess that applies to your policy).

1A.10 Personal injury cover

- a. This cover applies provided such injury occurs as a direct result of the accident for which we have accepted a claim under this policy and within 3 months of the date of that loss.
- b. This cover applies if you, or your spouse or immediate family suffer bodily injury or death in an accident anywhere in New Zealand while traveling in your motor vehicle.

- c. The most we will pay under this benefit is \$5,000 in any one period of insurance. If more than one person is entitled to payment, we will pay proportionately to the number of eligible persons.
- d. The amount we pay will be a percentage of the compensation based on the following table:

- Death.....	\$5,000
- Total and irrecoverable loss of sight to both eyes.....	\$5,000
- Total and irrecoverable loss of sight to one eye.....	\$2,500
- Total and permanent loss of both hands or both feet or of one hand together with one foot	\$5,000
- Total and permanent loss of the use of one hand or one foot	\$2,500
- e. We will not pay this benefit:
 - where the death or bodily injury was caused by suicide or attempted suicide;
 - if the insured named in the policy schedule is not an individual;
 - where the benefit has already been paid (or is payable) under another insurance policy in connection with the same loss; or
 - if you or your spouse or immediate family were not seated in the motor vehicle in accordance with New Zealand law.

1A.11 Medical expenses

- a. This cover applies provided such injury occurs as a direct result of the accident for which we have accepted a claim under this policy and within 3 months of the date of that loss.
- b. If you, your spouse or immediate family suffer bodily injury in a motor vehicle accident, we will pay for medical, surgical or dental expenses over and above any accident compensation or private insurance payment.

The most we will pay under this benefit is up to \$500 for any one event.

1A.12 Personal items

- a. We will pay up to \$1,000 if personal property belonging to you, your spouse or dependent children is:
 - stolen from inside your locked motor vehicle;

- stolen with your motor vehicle; or
 - damaged as a result of an accident involving your motor vehicle.
- b. Subject to a claim being accepted on the policy for loss or damage to your motor vehicle at our choice we may:
- repair or replace the item;
 - pay the cost of repairing the item; or
 - pay you an amount that we believe represents a fair market value for the item at the time of the accident or loss.
- c. We will not pay for items recovered in an undamaged condition.
- d. No cover is provided for cash, cheques, negotiable items, credit cards, jewellery, dashboard cameras, radar detector or items used for earning income.
- e. No cover is provided for any form of electronic devices.
- f. We may also require that you provide us with a police report and the relevant receipts and/or invoices relating to the items.
- g. We will not pay for any property that is covered under any other insurance policy.

1A.13 Baby capsules and motor vehicle child seats

- a. Subject to a claim being accepted on the policy for loss or damage to your motor vehicle we will pay up to \$500 each to replace baby capsules or child seats fitted to your motor vehicle which are:
- stolen from inside your locked motor vehicle;
 - stolen with your motor vehicle; or
 - damaged as a result of an accident involving your motor vehicle.
- b. Subject to a claim being accepted on the policy for loss or damage to your motor vehicle at our choice we may:
- replace the item; or
 - pay you an amount that we believe represents a fair market value for the item at the time of the accident or loss.
- c. We will not pay for items recovered in an undamaged condition.
- d. We may also require that you provide us with a police report and the relevant receipts and/or invoices relating to the items.

1A.14 Finance gap

- a. If your motor vehicle is declared a total loss and the amount owing on your finance contract with Power Alliance Finance is more than the amount we agree to pay to settle your claim, we will pay any outstanding loan balance as at the date of the event that caused the total loss of your motor vehicle.
- b. We will not pay for any payment of arrears or penalty interest due prior to the accident or theft.
- c. The most we will pay under this benefit will be 20% of the market value of your motor vehicle.

1A.15 Trailers, boats, caravans

- a. We will pay for accidental loss, damage, or theft to your registered trailer, boat or caravan, which at the time of the accident:
- was attached to your motor vehicle; or
 - became accidentally detached from your motor vehicle as a result of the accident.
- b. We will pay the lesser of:
- the costs to repair your trailer, caravan or boat; or
 - the combined market value of your trailer, caravan, or boat, up to \$1,000 in total.

We will not pay for any property being carried in or on the trailer, boat or caravan, or for any item that is insured elsewhere against loss or damage.

1A.16 Marine transportation cover

- a. If your motor vehicle is being transported by a marine vessel within New Zealand waters, we will pay your contribution for any general average and salvage charges if such maritime conditions apply.

SECTION 2: LIABILITY PROTECTION

Cover for accidental damage to other people's property and reparation.

2.1 Legal liability

- a. We will cover your legal liability for loss of or damage to someone else's property anywhere in New Zealand during the period of insurance, caused by an accident involving:

- your motor vehicle; and
 - a boat, caravan or trailer whilst attached to or accidentally detached from your motor vehicle.
- b. We will also cover your legal liability:
- through or in connection with goods being carried by or falling from the insured motor vehicle and all costs, charges and expenses necessarily and reasonably incurred by you and/or by a public authority to clean up and remove any debris;
 - for passengers who are getting into, or getting out of your motor vehicle with your permission;
 - for the insured motor vehicle being unattended;
 - for the operation of loading and unloading the insured motor vehicle but not the collection or delivery of the load to or from the motor vehicle beyond the limits of any carriageway or thoroughfare; and
 - caused while your motor vehicle is being driven by someone else, with your knowledge and consent.
- c. The maximum amount we will pay for your legal liability arising out of any one motor vehicle accident is \$20,000,000.

This policy will not provide cover for your legal liability in these areas where that cover is provided under any other insurance policy held by you.

2.2 Legal costs

- a. We will pay for all legal costs and expenses, which may be reasonably incurred for any claim or action we have defended in your name in relation to this policy, provided we have given our prior approval for these costs.

2.3 Reparation

- a. We will cover the reparation you are required to pay to a victim who has suffered bodily injury or death as a result of you committing an offence in connection with the use of your motor vehicle, provided that:
- you tell us immediately if you or anyone entitled to cover under section 2.3 is charged with any offence in connection with the use of a motor vehicle which resulted in loss of or damage to property or bodily injury to another person, and
 - we give our written approval before any offer of reparation is made.

- b. This cover is also available for any person driving your motor vehicle provided that they had your permission to use your motor vehicle and they are not otherwise insured for their liability to pay the reparation.
- c. We will not cover any amounts that are covered under the Accident Compensation Act 2001 (the Act), or would be covered but for:
- a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act;
 - the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act; or
 - a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.
- d. The maximum amount we will pay for reparation arising out of any one motor vehicle accident is \$1,000,000.

Reparation means 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.

2.4 Manslaughter defence

- a. We will pay up to \$2,000 for the cost of professional legal advice or representation if you or any insured driver is charged with manslaughter or dangerous driving causing death arising out of an accident involving your motor vehicle for which a claim is accepted under this policy, provided we have given our prior approval for these costs.

2.5 What we will not pay

We will not pay under section 2:

- a. Any loss or damage that occurs to your own property or to property which is in your possession, custody or control, or is owned by the person driving or in custody of your motor vehicle.
- b. If your vehicle was being used without your permissions at the time of accident.
- c. Any loss or damage caused if you or someone else using your motor vehicle:
- does not observe the terms and conditions of the policy;
 - has other insurance which covers the liability; or

- has agreed to accept liability without our express written consent, and where such liability would not have existed without that agreement.
- d. Any liability which is insurable under a statutory or compulsory insurance or compensation scheme or another insurance policy covering such liability.
- e. Any fines, penalties, reparation or punitive or exemplary damages.
- f. Any defence costs, court costs, levies or costs awarded for any offence under reparation.
- g. If you or any other person driving your motor vehicle with your consent assumes liability or enters a contract, warranty or agreement, unless such liability would have existed if you had not entered into such contract, warranty or agreement.
- h. Any liability for loss to any property (including any road) arising from vibration caused by the insured motor vehicle, or the weight of the insured motor vehicle including the weight of the load being carried.

SECTION 3: WHAT IS NOT COVERED BY THIS POLICY

The exclusions contained in this section apply to all parts and sections elsewhere in the Policy.

3.1 General exclusions

We will not pay for any claim caused by or arising out of:

- a. Any loss, whether financial or otherwise, because you cannot use your motor vehicle;
- b. Any loss in value to your motor vehicle after your motor vehicle has been damaged and repaired in accordance with this policy;
- c. Any other consequential losses unless stated otherwise in this policy;
- d. Costs incurred due to an unreasonable delay in you notifying us of a claim, or demand upon you that may lead to a claim, fines, penalties or liquidated damages;
- e. Any loss or damage to accessories unless such equipment is the manufacturer's standard fitting for the vehicle model, or the accessories and their value are specified in the policy schedule;
- f. Your motor vehicle being altered by modifications from the original manufacturer's specifications, unless you have told us of these modifications, and we have agreed to cover them;
- g. Any loss or liability where cover is already provided by other insurance. We will not contribute towards any claim under any other policy;
- h. Any loss of electronic data and/or liability arising from this, including loss of use, reduction in functionality or any other associated loss or cost in connection with the electronic data;
- i. Any loss or damage to your motor vehicle (including damage to the engine or fuel system in your vehicle) caused by the incorrect type of fuel or additive being used.

3.2 Protecting your property

- a. There is no cover if you fail to take all reasonable steps to safeguard your motor vehicle from loss at all times. For example, if you leave the car unlocked and/or the keys inside while the motor vehicle is unattended.

3.3 No cover for certain events

- a. We will not pay for any claims caused by or arising out of:
 - war, act of terrorism, hostilities or war like activities , invasion, act of foreign enemy (whether war is declared or not), rebellion, civil war, revolution, insurrection, military or usurped power;
 - environmental, biological, chemical radioactive, or nuclear pollution, contaminated fuel including diesel bug or explosion;
 - contamination from natural, organic or corrosive substance (e.g. damage from tree sap or bird excrement);
 - lawful seizure or taking possession of your motor vehicle by any person or organisation lawfully entitled to do so; or
 - being used for any unlawful purpose, including the carrying of hazardous or inflammable goods in excess of that permitted by government regulation, unless you can prove that such use was without your knowledge or consent.

3.4 No cover for accidents involving alcohol or drugs

- a. We will not pay your claim if your motor vehicle was:
- being driven by you or any other person whilst under the influence of alcohol or illicit drugs; or
 - who had a blood or breath alcohol level in excess of the percentage permitted by New Zealand law; or
 - who refused to submit to any test to determine the level of alcohol or drug.
- b. There is no cover if the motor vehicle is being driven by you or any other person, after receiving advice from a medical practitioner not to drive, or whilst under the influence of prescribed medications that impair the ability to drive;
- c. This clause does not apply if the person in charge of driving your motor vehicle, has stolen or illegally converted the motor vehicle provided you lay a complaint with the police.

3.5 No cover for certain kinds of damage

There is no cover for:

- a. Depreciation, wear and tear, rust or corrosion; or
- b. Mechanical, structural, electrical, or electronic breakdown or malfunction, or damage resulting from any software virus or computer chip failure; or
- c. Damage to tyres caused by brake application, punctures, bursting or cuts, except where damage is as a result of an accident or malicious damage; or
- d. Signwriting, decals, motor vehicle wraps and artwork unless these are specified on the policy schedule.

3.6 No cover for damaged or unsafe motor vehicles

There is no cover if:

- a. Your motor vehicle is being used in an unsafe or un-roadworthy condition or does not display a current Warrant of Fitness;
- b. Your motor vehicle was carrying passengers or a load (including towing) in excess of that recommended by the motor vehicle manufacturer, and this contributed to the loss or damage;
- c. You or any other person continues to drive your motor vehicle in a damaged state.

3.7 No cover for intentional or reckless conduct

There is no cover if:

- a. The motor vehicle is being used in a reckless, grossly irresponsible or grossly negligent way by you or anyone in charge of your motor vehicle.
- b. Intentional loss or damage is caused by you or any person acting with your express or implied consent.
- c. The motor vehicle is being driven by you, or any other person who was using a handheld mobile phone, navigation device or other communication device.

3.8 No cover for unlicensed drivers

- a. There is no cover if the motor vehicle is being driven by you, or any other person who was not licensed to drive or the driver was not complying fully with the limitations, terms or conditions of their licence.
- b. This clause does not apply if the person in charge or driving your motor vehicle has stolen or illegally converted the motor vehicle, provided you lay a complaint with the police.

SECTION 4: GENERAL CONDITIONS

4.1 Goods and Services Tax

- a. The motor vehicle purchase price, market value, agreed value, policy sub-limits and excesses are GST inclusive unless otherwise stated.

4.2 Jurisdiction

- a. This policy is issued by Aioi Nissay Dowa Insurance Company Limited in New Zealand.
- b. This insurance contract is governed by New Zealand law. The New Zealand courts and tribunals will have exclusive jurisdiction over any legal proceeding or action arising from, or in relation to, this insurance contract. The exclusions and conditions in this insurance contract are subject to your rights under the Insurance Law Reform Act 1977 and the Insurance Law Reform Act 1985.

4.3 Changing your policy

- a. We can change the terms of your insurance by writing to you or emailing you at the last known address or email address that we have for you. Any changes will become effective from the 14th day after the date of notice or our email.
- b. You can ask to change your policy at any time. We must agree in writing to any changes before they become effective. We will also advise if a different premium applies, plus any processing charge to cover our reasonable administrative and transaction costs.
- c. If there is a change in your circumstances, or you fail to tell us about a change immediately and we become aware of this, or you fail to pay us any additional premium, we may:
 - change your policy terms and make alterations to your premium;
 - reduce cover or change limits; or
 - cancel your policy.

4.4 Renewing your policy

- a. Before the expiry of your insurance cover, we will send a renewal offer to you at the email or postal address we have recorded for you.
- b. We may adjust the agreed value each year on renewal. Your motor vehicle's agreed value will be recorded in the policy schedule.
- c. Paying your premium means that you have accepted the new policy terms.

4.5 If you change your mind

- a. If you change your mind you can cancel your policy within the cooling off period of 21 days from the day cover began provided you have not made a claim. We will then refund in full any premium you have paid.

4.6 Cancellation by you

- a. You may ask us to cancel this policy at any time. If you cancel your policy, this will be effective from the date we receive your request and we will refund the balance of premium in respect of any unused portion of the period of insurance less any processing charge to cover our reasonable administrative and transaction costs. You must pay any outstanding premium due for the used portion of the period of insurance.

- b. If you have obtained finance for any premium, payments of refunded premium or any proportionate rebate as referred to in the Credit Contracts and Consumer Finance Act 2003, if applicable, will be made to the credit provider or whoever the credit provider directs us to pay.

4.7 Cancellation by us

- a. We can cancel your policy for any reason in accordance with relevant insurance law, by writing to you at your last known address or email address that we have recorded. Cancellation is from the day after the date of our notice or email.
- b. If we cancel your policy by writing to you, we will refund the balance of premium paid in respect of any unused portion of the period of insurance, less any processing charge to cover our reasonable administrative and transaction costs.
- c. We will refund the premium in accordance with section 4.6b, if you have obtained finance for any premium.
- d. If your motor vehicle is determined by us to be a total loss following a claim, then the cover provided under this policy will cease with no refund of premium paid for the period of insurance. Furthermore, if your premium is paid by instalments and/or has not been paid in full for the period of insurance in which the claim occurred, you will be required to pay the balance of any remaining premium owing for that period of insurance.

4.8 Overdue instalments and cancellation

- a. If you pay your premium by instalments and your instalment is overdue, we can do one or all of the following:
 - refuse to pay a claim for an accident that occurs after your payment due date if an instalment is 14 days (or more) overdue;
 - cancel your policy without notifying you in advance if an instalment is 1 month (or more) overdue. Cancellation is from the first day of the period to which the unpaid premium relates;
 - deduct the overdue amount within 1 month or with your next monthly payment; including from any payments on renewal of your policy.

4.9 Interest in your motor vehicle ceases

If you dispose of your motor vehicle or your interest in your motor vehicle ceases, this policy will immediately cease. If this happens we will refund the unused part of your premium for the current policy period, less any administrative and transaction costs.

SECTION 5: MAKING A CLAIM

5.1 To make a claim on this policy

These are your responsibilities when making a claim. If you do not fulfil these responsibilities, we can decide not to accept a claim.

- a. Ensure that you take all reasonable steps to secure or recover your property, and to minimise the risk of further loss, damage or liability.
- b. Unless extenuating circumstances apply, we ask that claims are notified as soon as reasonably possible after the accident occurred.
- c. Obtain details of any other person or motor vehicle involved and any witnesses.
- d. Provide us with all the information that we request from you, so that we can properly assess your claim, and give us access to examine and assess any loss, damage or liability.
- e. Refer any communication from other parties to us so that we can respond on your behalf.
- f. Do not admit liability, guilt or make a promise or offer to settle the matter or defend the matter.
- g. Do not dispose of or abandon any property for which you intend to claim for.
- h. Present your motor vehicle for inspection to a repairer that we have agreed will be used.
- i. Contact the police immediately and complete a police report where people are injured in the accident or if your motor vehicle is stolen, broken into or maliciously damaged.
- j. You must provide us with any further information, documents or authorities that we may ask for.
- k. You must get our permission before you arrange for repairs to the insured motor vehicle, unless it is necessary to prevent further loss, damage or liability.

- l. You must help and cooperate with us as we reasonably require, including after your claim is settled. This may involve attending court to give evidence.

5.2 Deciding who is at fault

- a. We will be solely responsible for deciding whether you or your driver contributed to the cause of an accident.

5.3 Your promise to us

- a. We may have the right to recover amounts from other persons. We will have full control in the conduct, defence or settlement of any claim, and to take any action in your name.

You authorise us to complete all necessary documents and authorities relating to the claim as your agent.

5.4 Financially interested parties

- a. If we know of anyone with a financial or security interest over your motor vehicle, we may, at our option, partially or fully make payment in settlement of any claim direct to the interested party to the extent of their interest.
- b. Any person shown on the policy schedule as an interested party is not covered by this policy and has no right to make a claim.
- c. You authorise us to transfer any of your personal information to the interested party.

5.5 If you have other insurance

- a. If you make a claim under this policy and there is another policy that covers any loss or liability, we will not contribute towards any claim under any other policy.

SECTION 6: YOUR EXCESS

6.1 What you must pay in the event of a claim

- a. An excess is the amount you must pay when you make a claim on this policy even if you are not responsible for the loss or damage. The amount and types of excess applicable are shown on your policy schedule.

b. There are five types of excess:

- **Basic Excess**

The basic excess is shown on your policy schedule and consists of a mandatory standard amount, plus any voluntary or additional amount you selected in return for a reduction in premium, plus any amount we may impose. The basic excess is the first amount you have to pay on each claim.

- **Age Excess**

The age excess applies if the driver is under 25 years old at the time of the accident.

- **Special Excess**

The special excess applies where your particular circumstances impact the risk covered by your policy and may be imposed.

- **Undisclosed Driver Excess**

The undisclosed driver excess applies to any claim where at the time of an accident, the driver of your motor vehicle was under the age of 30 and was under the age of the youngest driver noted on the most recent policy schedule or renewal notice. For example, if the driver was 23 and the youngest regular driver noted on the most recent policy schedule or renewal notice was 24, then the undisclosed driver excess would apply.

The undisclosed driver excess is payable in addition to other excesses if we accept your claim.

c. You do not have to pay an age excess or undisclosed driver excess if claiming for loss or damage caused by theft, or attempted theft, fire, flood, hail, storm or malicious damage.

6.2 Reimbursing your excess

We will reimburse your excess if:

- a. You provide the correct registration number of the motor vehicle that caused the accidental damage; and
- b. You provide the correct name and contact number or address details of the person who is responsible for the accidental damage; and
- c. The person responsible confirms his or her involvement in the event; and
- d. We decide that you, or a driver of your motor vehicle, are not responsible for the accidental damage to your motor vehicle.

SECTION 7: GENERAL POLICY INFORMATION

7.1 If you have a concern

Talk to us first

We're committed to providing you with the highest standard of service. If you have a concern with any aspect of our service, or decision we have made please bring it to our attention by contacting us on **0800 333 019**.

Our internal review panel

If our Customer Services team have been unable to resolve your problem, you can make a formal complaint in writing to Power Alliance Insurance Internal Complaints Review Panel, PO Box 17504, Greenlane, Auckland 1546 or email: powerallianceadmin@aioi.co.nz.

If our internal process has not worked for you

If the matter is not resolved to your satisfaction by our internal review panel, you can ask the Insurance and Financial Services Ombudsman to review your complaint. The Insurance and Financial Services Ombudsman is an external dispute resolution scheme which you have free access to. Please refer to their website www.ifso.nz for further details of this service.

SECTION 8: DEFINITIONS

8.1 Words with special meanings

Some of the words in your policy have special meanings wherever they appear. These words and their meanings are defined below:

“**accessories**” means an item kept in or on your motor vehicle that is not directly related to the function of the motor vehicle. This includes but is not limited to:

- Removable items such as seat covers, mats, cargo liners, deck liners, tonneau covers, canopies and hard lids
- Roof racks, cargo barriers and tow bars
- Winches, snorkels, fog lights and side steps
- Fire extinguishers
- Decals
- Weather shields and monsoons.

“**accident**” or “**accidental**” means a mishap or series of mishaps that was unintended or unexpected by you or the driver of your motor vehicle, which involves your motor vehicle and arises from a single event.

“**agreed value**” means the amount we determine at the inception of your policy and at each renewal, as stated on the policy schedule. This includes any modifications or accessories that are attached to your motor vehicle.

“**business use**” means your vehicle is covered when used for private use and when used for your business, profession, occupation or income earning purposes provided that use is not otherwise excluded by the policy.

“**driver(s)**” means any person who is driving or in control of your motor vehicle with your express consent.

“**electronic devices**” means mobile phone, iPads, iPods, watch, laptops, digital cameras including any photography equipment, gaming consoles, headphones and any other portable electronic devices.

“**excess**” means the amount you must pay when you make a claim on this policy even if you are not responsible for the loss or damage.

“**market value**” means our determination of your motor vehicle’s value immediately prior to the event that leads to a claim under the policy. Our determination will take into account such things as your motor vehicle’s age, condition and kilometre’s travelled.

“**modifications**” means any changes or alterations from the manufacturer’s specifications to the motor vehicle.

This includes but is not limited to:

- An alteration that changes the performance or handling of the motor vehicle such as a non-standard exhaust, lowered, spoiler, body kit, wide rims or bull bars;
- Changes to the engine, steering, suspension or chassis;
- Changes to the computer or fuel system;
- Custom paint work and cosmetic upgrade such as tinted windows;
- Electrical equipment.

“**period of insurance**” means the period of time commencing on the effective date stated in the policy schedule and ending at 4.00pm on the expiry date stated in the policy schedule.

“**policy schedule**” means your most recent policy schedule and or renewal notice which sets out who is

insured, the cover(s) selected, the period of insurance, the limits of liability, excesses and other important information. This includes the proposal form and temporary policy schedule given to you when you purchased this policy and any other notices we may give you from time to time.

“**private use**” means your motor vehicle is covered for domestic, recreational or farming purposes, including driving to and from your regular place of work.

“**total loss**” means in our opinion the motor vehicle is unable to be repaired economically or it has been stolen and not found, provided we have received or gathered all the information we require to finalise your claim.

“**unattended**” means neither the driver nor any passenger is in the vehicle.

“**we**”, “**us**” or “**our**” means Aioi Nissay Dowa Insurance Company, Limited.

“**you**” or “**your**” means the person(s) named in the policy schedule as the insured.

“**your motor vehicle**” or “the insured motor vehicle” means the registered and licensed motor vehicle described in the policy schedule including:

- the standard tools as supplied by the manufacturer, providing they are in or attached to your motor vehicle; and
- any accessories and modifications that have been agreed to cover as described on the current policy schedule.

0800 333 019

poweralliancefinance.co.nz

Power Alliance Motor Vehicle Insurance is administered by Aioi Nissay Dowa Management New Zealand Limited.

The insurer is Aioi Nissay Dowa Insurance Company, Limited, a company licenced to carry on insurance business in New Zealand.

