

# Mercedes-Benz Insurance

Together, with the insurers NZI (a division of IAG New Zealand Limited), a review of the policy offerings has been conducted.

As a result, we are pleased to advise a number of updates to the policy offering to include guidelines on claim settlements, legislation requirements and enhancements.

CLAIM SETTLEMENT GUIDELINES	
Excess structure - effective from:  <u>21<sup>st</sup> April 2018</u> for all new business  <u>1<sup>st</sup> May 2018</u> for existing annual policies as they renew  <u>20<sup>th</sup> May 2018</u> for existing monthly policies (accepted prior to 21 <sup>st</sup> April 2018)	This policy is subject to a standard excess of 1% of the vehicle sum insured with a minimum of \$500.  The following excesses apply in addition to the standard excess. All excesses are cumulative. <ul style="list-style-type: none"> <li>- Drivers aged under 21 years of age = additional 3% of the vehicle sum insured with a minimum of \$1,000</li> <li>- Drivers aged between 21 and 25 years of age = additional 2% of the vehicle sum insured with a minimum of \$750</li> <li>- Inexperienced Driver excess (drivers who have not held a NZ full licence for the preceding 24-month period) = 3% of the vehicle sum insured with a minimum of \$1,000</li> <li>- Unnamed Driver excess (where the named driver discount is shown on this schedule as included and the driver is unnamed) = additional 2% of the vehicle sum insured with a minimum of \$750</li> </ul> Claims for replacement of windscreens, windows, sun-roofs, headlight glass and/or protectors, tail light glass or driving lights which exceed \$2,300 (GST inclusive) are subject to an excess of 1% of the vehicle sum insured with a minimum of \$500.
Genuine Parts	We will pay the reasonable costs of genuine new parts for vehicles that are less than 36 months old.
Incorrect Fuel Type	For mechanical, electrical and electronic breakdown, we will pay reasonable costs where the car is being accidentally operated with the incorrect fuel type. i.e Diesel in a petrol engine or petrol in a diesel engine. This does not include operating the car with the fuel of the correct type which is contaminated.

LEGISLATIVE CHANGES - Effective 1 <sup>st</sup> May 2017	
Sentencing Amendment Act 2014	<p>Before, if you caused an accident like a car crash by driving carelessly, a court could only order you to pay for the property damage or emotional harm you caused. Now, you can also be ordered to pay for loss of income or treatment costs not covered by ACC. This won't replace ACC, but means that anyone injured can get a 'top up' if a court approves it. Because of this change to the Act, we've updated your Private Motor Policy to now include a benefit for reparation costs that you may be ordered to pay.</p> <p><b>For a full breakdown of changes to your policy wording specific to the 'Sentencing Amendment Act 2014', please refer to the additional documentation available at <a href="http://stylecover.co.nz/mercedes">stylecover.co.nz/mercedes</a></b></p>

ENHANCEMENTS - Effective 1 <sup>st</sup> May 2016	
Claim Free Recognition	If, at any time you make a claim, you have been claims free on your full (comprehensive) motor vehicle insurance over the last five consecutive years <u>we will not</u> affect your no claims bonus grading. This recognition could then be applied again after a further five consecutive years claims free.
Disablement Benefit	If you suffer an injury in direct connection with the insured vehicle which results in total and permanent loss of the use of a hand, foot or limb, we will pay up to \$10,000 toward the cost of modifying the vehicle to enable you to continue driving.
Keys and Locks Benefit	The limit for replacing keys and locks following the loss, theft or duplication without permission has increased from \$2,000 to \$5,000. A \$300 excess will apply.

**All other terms and conditions will remain the same.**

**Important Note:** Mercedes-Benz Insurance refers to the insurance policy, and is arranged by Aon New Zealand as the broker with NZI, a business division of IAG New Zealand Limited as the insurer.





Mercedes-Benz Insurance

# Motor Vehicle Insurance Policy Wording



Mercedes-Benz

## Welcome

Congratulations on choosing to insure **your** motor vehicle with Mercedes-Benz Insurance. As a valued client it is **our** aim to provide **you** with efficient service and prompt claim settlement.

This booklet contains important information on the details and benefits of **your** Mercedes-Benz Insurance Motor Vehicle Policy so **we** recommend that **you** read it carefully. **Your schedule** containing details particular to **your** Policy is inside the front cover. When **you** have finished reading this booklet, store it in a safe place with **your** other important documents.

If **you** have any questions about this Policy or any aspect of Mercedes-Benz Insurance, please call Mercedes-Benz Insurance toll free on 0800 506 606.

### Money back guarantee

If you are not completely satisfied with this Motor Vehicle Policy, simply return to Mercedes-Benz Insurance within 30 days of the commencement date. Your entire premium will be returned if no claims have been made and we will both regard this policy as never commencing.

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## Introduction

This is **your** Mercedes-Benz Insurance Motor Vehicle Policy wording. It is important **you** read and understand **your** policy. It is written in plain English so **you** know what it does cover and what it does not. If there is anything **you** do not understand in **your** policy, please ask **us** to explain it to **your** satisfaction.

Estimated reading time = 15 minutes.

## About this policy

**Your** Mercedes-Benz Insurance Motor Vehicle Policy consists of:

1. this policy document, and
2. the **schedule**, and
3. the information **you** have provided in the **application**.

## 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. 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** break this duty **your** Policy will be cancelled as if it had never existed. Please ask **us** if **you** are not sure whether **you** need to tell **us** something.

## Examples

**We** have sometimes used examples and comments to make the parts of this policy document easier to understand. These examples and comments, *which are printed in italics*, do not effect or limit the meaning of the section they refer to.

## Headings

The headings in this policy document are for reference only and do not form part of it. They must not be used when interpreting the policy document.

## Defined words

If a word is shown in **bold**, it has a special meaning. There is a list of these words and what they mean at the back of this policy document in the section 'Definitions'.

## Renewing your policy

### Annual policies

Before **your** Policy expires **we** will invite **you** to renew it. Before renewing, it is very important that **you** check all the information on the renewal invitation to confirm that **your** insurance details are still correct.

### Monthly policies

Monthly Policies do not have an annual renewal date. Monthly Policies expire every month on the same day that **you** took out **your** Policy. To maintain cover under the Policy **you** need to make sure that **you** continue to make monthly premium payments otherwise **you** will be without cover. **You** should review **your** cover once a year to make sure it still meets **your** requirements and to do this **you** should call Mercedes-Benz Insurance toll free on 0800 506 606.



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## Use of your vehicle

### Private use

#### **When cover applies:**

This Policy applies only when any **vehicle** is being **used**:

1. for private, domestic, social or pleasure purposes, including community work, or
2. in connection with any business, profession or occupation other than:
  - a. salesperson, commission agent, service person or commercial traveller, or
  - b. insurance representative, insurance agent or insurance broker, or
  - c. land or real estate agent, or
  - d. mortgage broker or mobile mortgage manager, or
  - e. stock or station agent, or
  - f. courier driver, delivery person or taxi driver, or
  - g. motor trade.

### Business use

#### **When cover applies:**

If **your schedule** shows “Type of Cover: Full Cover” and “Business Use” is selected **you** are covered:

1. for private, domestic, social or pleasure purposes including community work, or
2. in connection with any business, profession or occupation other than as a courier driver, delivery person or taxi driver.

#### **When cover does not apply:**

This Policy does not apply when any **vehicle** is being **used**:

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

## Type of cover that applies

### Type of cover options:

The type of cover that applies will be shown in **your schedule**.

### Full cover

1. If **your schedule** shows: 'Type of Cover: Full Cover', then **you** are:
  - a. fully insured under 'Section One – Loss to Your Vehicle', and
  - b. fully insured under 'Section Two – Your Legal Liability'.

### Third party, fire and theft

2. If **your schedule** shows: 'Type of Cover: Third Party, Fire & Theft', then **you**:
  - a. have limited cover under 'Section One – Loss to your Vehicle'.  
It only covers **accidental loss** to the **vehicle** caused by:
    - i. fire, or
    - ii. theft or attempted theft, unlawful conversion, or
    - iii. earthquake, volcanic eruption, hydrothermal activity or tsunami, and
  - b. are fully insured under 'Section One: Automatic Additional Benefits – Protection against uninsured drivers', and
  - c. are fully insured under 'Section Two – Your Legal Liability',  
  
during the **period of cover** in New Zealand (including transit between places in New Zealand).

### Third party only

3. If **your schedule** shows: 'Type of Cover: Third Party only', then **you**:
  - a. have no cover under 'Section One – Loss to your Vehicle', and
  - b. are fully insured under 'Section One: Automatic Additional Benefits – Protection against uninsured drivers', and
  - c. are fully insured under 'Section Two – Your Legal Liability'.

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## Loss to your vehicle

### Section 1

What you are covered for:

**You** are covered for:

1. sudden **accidental loss** to the **car** during the **period of cover** in New Zealand (including transit between places in New Zealand), and
2. General Average or Salvage Charges that **you** are legally required to pay as a result of the **car** being carried by ship between places in New Zealand during the **period of cover**.

What you are not covered for:

#### **Types of loss not covered**

**You** are not covered for:

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

#### **Breakdown or failure not covered**

**You** are not covered for damage or failure that is:

1. mechanical, or
2. electrical, or
3. electronic.

However, this exclusion does not apply:

- a. to the above types of loss to the **car** where it results in or from: fire, collision, overturning, immersion in water, flood, malicious damage, theft or illegal conversion, earthquake, volcanic eruption, hydrothermal activity or tsunamis, or
- b. to the extent that cover is provided by NZI Roadside Assist Additional Benefit.

#### **Tyres**

**You** are not covered for:

1. damage to tyres caused by braking, or punctures, cuts or bursts to **your** tyres. However, this does not apply to tyre damage that arises in connection with:
  - a. a **loss** for which a claim is otherwise payable under this Policy, or
  - b. malicious damage.

#### **Please note:**

*Please also read "Policy Exclusions that apply to all parts of this Policy".*

What we will pay:

### **Repairable damage**

If **we** consider the **car** is economic to repair, **we** will at **our** option:

1. arrange to repair the **car** to substantially the same condition as it was in before the **loss** occurred, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

Repairs will be carried out by **our** Approved Repairer Network using approved parts.

**Our** Approved Repairer Network can start repairs before assessment by **our** assessor to avoid delays.

### **Total loss (New Vehicles)**

If **we** consider the **car** is **uneconomic to repair**, **we** will:

1. pay **you** the **market value** up to the **sum insured**, or
2. replace the **car** with a new vehicle of the same model and specification, provided that:
  - a. the **loss** occurred within 36 months or 100,000 kilometers of **you** purchasing the **car** new, and
  - b. it is available in New Zealand.

### **Total loss (Used Vehicles)**

If **we** consider the **car** is **uneconomical to repair** and the **loss** occurred within 12 months of **you** purchasing the **car** from a franchise dealer, **we** will pay the amount **you** paid to purchase the **car** where this is higher than the **market value**.

### **Parts obtained overseas**

**We** will pay the **market value** at the time of **loss** for any new parts, **accessories** or tools that are unobtainable in New Zealand. The most **we** will pay is the last known selling or list price in New Zealand plus the reasonable cost of fitting.

### **Repair guarantee**

**We** provide a quality guarantee on all repairs to the **car** undertaken by **our** Approved Repairer Network while **you** own the **car**.

## Automatic additional benefits – full cover

### Accidental death and permanent disablement

If **you, your partner** or member of **your family** suffers an **injury**, following a **loss** covered by this Policy, during the **period of cover**, we will pay the amounts below if **you, your partner** or member of **your family** suffers any or a combination of the events below within 90 days from the date of an **injury**.

Event	Amount
1. Death	\$20,000
2. Permanent total loss of sight of an eye	\$2,500
3. Permanent total loss of use of a hand	\$2,500
4. Permanent total loss of use of a foot	\$2,500

If **you, your partner** or member of **your family** suffer from a combination of Events 2, 3 or 4 the amount payable under each **Event** will be cumulative. However, the most we will pay during the **period of cover** is the Death Amount.

This Automatic Additional Benefit also provides cover for **you, your partner** or member of **your family** when **you** drive any other motorcar with the owner's permission, provided this **use** meets all the requirements that **you** would have to meet for this Policy to cover **loss** involving the **car**.

We will not pay for death, resulting from suicide, or any self-inflicted **injury**.

### Accommodation costs

We will pay for reasonable costs of accommodation for **you, your partner, your family**, other passengers and domestic pets in the **car** travelling with **you**, if the **car** can no longer be driven following a **loss** covered by this Policy.

The most we will pay is \$1,500 for any **event**.

### Alternative transport

**We** will contribute towards the reasonable costs incurred if **you** require a rental vehicle following a **loss** covered by this Policy while the **car** is:

1. being repaired, or
2. not fit to drive until it is repaired, or
3. missing after being stolen.

Provided:

- a. **we** have arranged the rental vehicle through **our** approved supplier, and
- b. **you** contribute \$20 per day (paid to **our** supplier when the rental vehicle is obtained), and
- c. **you** pay any bond or deposit, and
- d. **you** pay for all running costs.

**We** will contribute towards these costs for a maximum of 14 days.

The rental vehicle will be a passenger vehicle up to 2000cc.

If the **car** is **uneconomic to repair**, cover under this Additional Benefit ends when **we** settle **your** claim.

**You** do not have this cover if the **car** is a mobile home, motor cycle, caravan or **trailer**.

### Excess and claims free discount protection

1. If the **car** suffers **loss** covered by this Policy caused by an identifiable driver of another vehicle, **we** will not deduct the **excess** or adjust **your** claim-free discount, provided **you**:
  - a. give **us** enough information to establish that the driver of the other vehicle was completely at fault, and
  - b. give **us** the correct registration number of the other vehicle or information **we** need to positively identify the driver (including name and address), and
  - c. give **us** reasonable help to recover **your** claim from the driver of the other vehicle, or from its owner.
2. **We** will not deduct the **excess** if the **loss** to the **car** is from actual or attempted theft or illegal conversion while it was fitted with an activated electronic engine immobiliser approved by **us**.

### Keys and locks

If any of the keys to the **car** are lost, stolen or believed on reasonable grounds to have been duplicated without **your** permission during the **period of cover**, **we** will pay the reasonable cost of replacing the keys and the locks they were for.

The most **we** will pay is \$2,000 for any **event**.

A \$100 **excess** applies to this Additional Benefit.

The loss of claim-free discount does not apply to this Additional Benefit.

### Medical expenses

**We** will pay the reasonable costs incurred by **you, your partner, your family** and other passengers in the **car**, for medical, surgical, therapeutic, dental and nursing treatment (including x-rays) as a result of an **injury** following a **loss** covered by this Policy.

The most **we** will pay is \$500 for any **event**.

**We** will not pay for any expenses that can be claimed from any other source or for any self-inflicted **injury**.

### Passenger property

This Policy is extended to cover **loss** to property that is:

1. owned by, or under the care, custody or control of any passenger in the **car** travelling with **you**, and
2. as a result of an **event** covered by this Policy,

provided such property is not otherwise insured by another party.

**We** will at **our** option pay:

1. the cost to repair the item as near as possible to the condition it was in immediately before the **loss** happened, or
2. the **present value**.

The most **we** will pay is \$5,000 for any **event**.

If **your** claim is solely for passenger property an **excess** of \$50 will apply.

### Protection against uninsured drivers

If **your schedule** shows that **you** have 'Third Party, Fire & Theft cover' or 'Third Party only cover', then this Policy is extended to cover sudden **accidental loss** to **your car** during the **period of cover** caused by an uninsured driver of another vehicle.

**We** will:

1. if **we** consider the **car** is economic to repair and at **our** option:
  - a. arrange to repair the **car** to substantially the same condition as it was in before the **loss** occurred, or
  - b. pay **you** the cost of repairs as estimated by an assessor appointed by **us**, or
2. if **we** consider the **car** is **uneconomic to repair**, pay **you** its **market value**.

Provided **you**:

- a. give **us** enough information to establish that the driver of the other vehicle was completely at fault, and
- b. give **us** the correct registration number of the other vehicle or information **we** need to identify the driver (including name and address), and
- c. give **us** reasonable help to recover **your** claim from the driver of the other vehicle, or from its owner.

The most **we** will pay for any **event** is \$5,000. **We** will not deduct the **excess** or adjust **your** claim-free discount.

### Replacement vehicle

When **you** buy a replacement vehicle for the **car**, **we** will automatically provide cover for that replacement vehicle under this Motor Vehicle Policy from the date of purchase, provided that:

1. **you** notify **us** within 45 days of the date of purchase, and
2. the replacement vehicle's purchase price will be the sum insured, and
3. the replacement vehicle's purchase price does not exceed \$100,000, and
4. **you** pay any additional premium that is required.

### Road clearing costs

**We** will pay reasonable costs incurred for removing debris from any road or parking area, following a **loss** covered by this Policy.

### Temporary repairs

**We** will pay the reasonable cost of temporary repairs to the **car** that are essential to make it roadworthy, to enable **you** to get to **your** destination or to a repairer following a **loss** covered by this Policy.

### Towing costs

If the **car** can no longer be driven following a **loss** covered by this Motor Vehicle Policy, **we** will pay for necessary and reasonable towing and rescue costs to remove the **car** to the nearest repairers or place of security.

### Trailer cover

This Policy is extended to cover **accidental loss** to any **trailer** during the **period of cover**.

**We** will at **our** option pay:

1. the cost of repairs, or
2. the **market value**.

The most **we** will pay during the **period of cover** is \$2,000.

A \$50 **excess** applies to this Additional Benefit.

The loss of claim-free discount does not apply to this Additional Benefit.

## Transport costs

We will pay for reasonable costs of:

1. transport for **you, your partner, your family**, other passengers and domestic pets in the **car**, from the place where the **loss** occurred to **your** home or to **your** nearest immediate destination, and
2. returning the **car** to **your** home or to another place **you** and **we** agree, after the **car** has been repaired, if the **car** can no longer be driven following a **loss** covered by this Policy.

If the **car** is recovered following theft or conversion, **we** will pay the reasonable costs incurred to return the **car** to the place from where it was stolen or to another place that **you** and **we** agree.

The most **we** will pay is \$2,000 for any **event**.

## Windows

The **excess** and loss of claim-free discount do not apply to a claim that is solely for **accidental** damage to windscreens, windows, sun-roofs, headlight glass, headlight protectors, tail light glass or driving lights of the **car**.



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## Optional additional benefits - full cover

The following benefit is an Optional Additional benefit. Cover applies only if **you** have purchased the benefit and it is shown in **your schedule**.

### NZI Roadside Assist

This Policy is extended to provide NZI Roadside Assist for the **car** during the **annual period**.

1. NZI Roadside Assist will:
  - a. fit the **car's** spare tyre if it has a flat tyre, and
  - b. access the **car** if car keys are locked inside, and
  - c. provide 5 litres of fuel if the **car** is out of fuel, and
  - d. jump-start the **car** if it has a flat battery.
2. NZI Roadside Assist will arrange to tow the **car** to the nearest approved repairer or place of safety if the **car** suffers mechanical or electrical damage or failure and:
  - a. cannot be easily mobilised at the roadside, or
  - b. requires replacement parts.
3. NZI Roadside Assist will not assist where the **car**:
  - a. has been left unattended, or
  - b. requires specialised salvage equipment, or
  - c. is not within easy access of a public road that is negotiable by a two wheel drive vehicle, or
  - d. cannot be accessed due to extreme conditions such as snow, ice, flooding, road slips or the like, or
  - e. was being used for competitions or off-road activity, or
  - f. was involved in an **accident** or collision, or
  - g. was being misused.
4. NZI Roadside Assist will not assist:
  - a. for towed vehicles such as boats, trailers and caravans, or
  - b. for **cars** exceeding 3,000 kg.

NZI Roadside Assist Additional Benefit provides six call outs during the **annual period**.

Extra call outs can be made, however, all extra call outs will be charged to **you** at **our** standard fee, and further assistance is at **your** expense.

The **excess** and loss of claim-free discount do not apply to this Additional Benefit.

## Your legal liability

### Section 2

What you are covered for:

#### Your legal liability

**You** are covered for **your** legal liability and defence costs arising from:

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

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

#### Other person's legal liability

**We** will cover the legal liability of any other person caused by or through or in connection with their **use** of the **car** or **trailer** occurring during the **period of cover**, in the same manner as **we** cover **you**, provided:

1. such **use** has **your** permission, and
2. their liability is not covered by any other insurance, and
3. the person using the **car** meets all the same terms of this Policy that **you** must meet.

What you are not covered for:

1. **You** are not covered for liability for **loss** to any property:
  - a. owned by **you** or anyone **we** cover and who claims under this Policy, or
  - b. in **your** care or in the care of anyone **we** cover under this Policy other than for:
    - i. a disabled vehicle being towed without charge by any **vehicle**, or
    - ii. clothing, personal effects and luggage being carried by and belonging to any passenger in any **vehicle**, or
  - c. being carried by or loaded into or unloaded from any vehicle or a caravan or trailer attached to any **vehicle** other than specified under (b) (i) above.
2. **You** are not covered for liability arising out of a contract or agreement unless **you** would have been liable even without such contract or agreement.

3. **You** are not covered for:
  - a. any fine or penalty, or
  - b. any punitive or exemplary damages.
4. **You** are not covered for liability, in any way connected with, any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination happens during the **period of cover** and is caused by a sudden **accidental event** that happens during the **period of cover**.

**Please note:**

*Please also read “Policy Exclusions that apply to all parts of this Policy”.*

What we will pay:

**Amount payable for property damage**

We will pay for:

1. liability for **loss** to property, and
2. reasonable costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a Court.

The most **we** will pay is \$20,000,000 for any **event**.

The **excess** does not apply to this Benefit.

**Amount payable for bodily injury**

We will pay for:

1. liability for **bodily injury**, and
2. reasonable costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a Court.

The most **we** will pay is \$1,000,000 for any **event**.

The **excess** does not apply to this Benefit.

Settlement of any claim

**We** may pay the full amount under this part of **your** Policy, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of **your** Policy.

## Automatic additional benefits

### Manslaughter defence costs

We will pay:

1. legal defence costs necessarily and reasonably incurred, to defend a charge of manslaughter, or reckless driving causing death, or dangerous driving causing death or careless driving causing death, and
2. costs necessarily and reasonably incurred for legal representation at any inquiry or coroner's inquest in connection with a death, resulting from:
  - a. **you** or **your partner** driving the **car**, or
  - b. any member of **your family** driving the **car** with **your** permission, or
  - c. **you** or **your partner** driving any motorcar that **you** or **your partner** do not own and are not purchasing, provided that **you** or **your partner** has the owner's permission to drive the vehicle,during the **period of cover**.

The most **we** will pay is \$20,000 during the **period of cover**.

The **excess** does not apply to this Additional Benefit.



## Policy exclusions that apply to all parts of this Policy

### Alcohol, drugs and other intoxicating substances

There is no cover under this Policy if the driver of the **vehicle** or the person **using** the **vehicle**:

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

This exclusion does not apply if the driver of the **vehicle** has stolen or illegally converted it, provided **you** lay a complaint with the police.

### Confiscation

This Policy does not insure **loss** connected in any way with confiscation, nationalisation, requisition or destruction of, or damage to property by order of government, public or local authority (unless the order is given to control any **accidental** loss that is covered by this Policy).

### Excess

For each **incident**, the **excess** will be deducted from the amount of **your** claim unless stated otherwise under an Additional Benefit.

If **you** have multiple vehicles insured under this Policy, the **excess** applies individually to each **vehicle**.

### Electronic data and programs

This policy excludes 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.

### Modified vehicle

There is 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 to those **modifications** in writing.

### War

This Policy does not insure any **loss**, liability, prosecution or expense 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.

### Nuclear

This policy does not insure any **loss**, liability, prosecution or expense 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 use of your vehicle

**You** are not covered for any **loss** or liability where the **vehicle** or anything attached to the **vehicle** is not being **used** in accordance with the description in Use of the Vehicle (as described in Section One of this policy).

### Terrorism

This policy does not insure any **loss**, liability, prosecution or expense 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**.

### Unlicensed drivers

There is no cover under this Policy if the driver of any **vehicle**:

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

This exclusion does not apply if the driver of the **vehicle** has stolen or illegally converted it, provided **you** lay a complaint with the police.

## How to claim

### What you must do

If anything happens that may lead to a claim under this Policy, **you** must:

1. do what **you** can to take care of the **car** and to prevent any further **loss** or liability, and
2. tell **us** as soon as possible, and
3. notify the Police as soon as possible if **you** think any **loss** was caused by an illegal act, and
4. allow **us** to examine the **car** before any permanent repairs have commenced, and
5. send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
6. give **us** any information or help that **we** ask for, and
7. consent to **your** personal information in connection with the claim being:
  - a. disclosed to **us**, and
  - b. transferred to Insurance Claims Register Limited.

### What you must obtain our agreement to do

**You** must obtain **our** agreement before **you**:

1. incur any expenses in connection with any claim under this Policy, or
2. negotiate, pay, settle, admit or deny any claim against **you**, or
3. do anything that may prejudice **our** rights of recovery.

### Actions we may take

At **our** expense **we** may take action in **your** name:

1. to negotiate, defend or settle any claim against **you** covered by this Policy, and
2. to make a recovery from any other person for anything covered by this Policy, and **you** must cooperate with **us**.

### Salvage

**You** must not abandon the **car** to **us**. However, after the **car** is declared **uneconomic to repair**, **we** may keep the **car** and retain the salvage.

### Dishonesty

If **your** claim is dishonest or fraudulent in any way, **we** may:

1. decline **your** claim, either in whole or in part, and/or
2. declare either this Policy or all insurance **you** have with IAG New Zealand Limited to be unenforceable from the date of the dishonest or fraudulent act.

This is at **our** sole discretion.



## Policy conditions

### 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:
  - a. decline **your** claim either in whole or in part, and/or
  - b. declare either this Policy or all insurance **you** have with **us** to be unenforceable.

This is at **our** sole discretion.

### True statements and answers

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

1. apply for this insurance, and/or
2. notify **us** regarding any change in circumstances, and/or
3. make any claim under this policy.

### Reasonable care

**You**, and anyone driving the **car** with **your** permission, must take reasonable care at all times to avoid circumstances that could result in a claim.

**Your** claim will not be covered if **you** or the person driving with **your** permission are reckless or grossly irresponsible.

### Other insurance

**You** must tell **us** if the **car** is or becomes covered under any other insurance. If **you** can claim under any other insurance, **we** will only pay the amount of any **loss** over and above the limit payable by the other insurance. This does not apply to Accidental Death and Permanent Disablement Additional Benefit (as described in Section One of this Policy).

### Changes in circumstances

**You** must tell **us** immediately if there are any:

1. **modifications** to the **car**, or
2. material changes that might alter the nature of the risk insured or increase the chance of a claim under this Policy.

*Information is 'material' where we would have made different decisions about either:*

*(a) accepting your insurance, or (b) setting the terms of your insurance, if we had known that information. If in any doubt, notify us anyway.*

*The 'risk covered' refers to both: (a) the actual property or liabilities covered (known as physical hazard), and (b) you or other persons covered by this Policy (known as moral hazard).*

### Cancellation by you

**You** may cancel this Policy at any time. If **you** do, **we** will refund any premium that is due to **you** based on the unused portion of the **period of cover**.

### Cancellation by us

**We** may cancel this Policy by giving **you** notice in writing or by electronic means at **your** last known address. **Your** Policy will be cancelled from 4pm on the 30th day after the date of the notice. **We** will refund **you** any premium that is due to **you** based on the unused portion of the **period of cover**.

### Change of terms

**We** may change the terms of this Policy (including the **excess**) by giving **you** notice in writing or by electronic means at **your** last known address. **Your** Policy will be changed from 4pm on the 30th day after the date of the notice.

### Uneconomic to repair

If **we** have paid **your** claim for a **car** that is **uneconomic to repair**:

1. this Motor Vehicle Policy is automatically cancelled, and
2. the **car** will become **our** property, and
3. **we** will credit any unused premium towards insurance arranged with **us** on a replacement vehicle, provided
  - a. **you** or anyone authorised to drive the **car** was not at fault, and
  - b. the identity of the other party who caused the **loss** is established.

### Goods and Services Tax

Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:

1. all sums insured exclude GST, and
2. all limits and sub limits include GST, and
3. all **excesses** include GST, and
4. GST will be added, where applicable, to claim payments.

### Joint insurance

If this Policy covers more than one person, then 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.*

### Other parties with a financial interest

If **we** know of any financial interest over the **car**, **we** may pay part or all of any claim proceeds to the holder of that interest.

This payment will meet all obligations **we** have under this policy for the **loss**.

**We** are authorised by **you** to disclose personal information about **you** to any holder of a financial interest.

Any party who is recorded as having a financial interest under this policy, is not covered by this policy and does not have rights to claim under this policy.

## Definitions

The definitions apply to the plural and any derivatives of the words.

*For example, the definition of 'accident' also applies to the words '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
- navigation system, and
- first aid kit, torch, fire extinguisher, maps, and
- portable telephone that connects to a power source in the **car**, and
- car seat covers, floor mats or child car seats, and
- other equipment (not otherwise defined) permanently fitted to the **car**.

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

**act of terrorism** includes any 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:

- a. involves violence against one or more persons, or
- b. involves damage to property, or
- c. endangers life other than that of the person committing that action, or
- d. creates a risk to health or safety of the public or a section of the public, or
- e. is designed to interfere with or disrupt an electronic system.

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

**annual period** the annual period is the **period of cover**. However, if:

- the premium is paid monthly or quarterly, or
- the **period of cover** is for more than 12 months,

the annual period is the current 12-month period calculated consecutively from the date this policy first started.

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

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

- standard equipment for the particular make and model of the vehicle supplied and fitted by the manufacturer, and
- standard tool or breakdown equipment supplied by the vehicle's manufacturer or a similar substitute tool or breakdown equipment, and
- **accessory** or spare part whilst in or on the vehicle, and
- **accessory** or spare part that has been temporarily removed from the vehicle for security purposes, cleaning or servicing, and
- **accessory** or spare part that is not fitted to the vehicle and is stored at home.

**computer virus** means 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'.

**electronic data** means facts, concepts and information converted to a form useable 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** this is the amount of the claim that **you** must pay. The amount of the excess is shown in either the **schedule** or in this policy wording.

**family** any family member who permanently resides with **you**.

**incident** something that happens at a particular point in time, at a particular place and in a particular way.

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

**loss** physical loss or physical damage.

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

- year,
- make, model and specification,
- mileage/hours,
- general condition,

as the **car** damaged, including the value of any fitted equipment covered by this Policy.

**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, or*
- *a changed sound system valued at over \$1,000.*

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

**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**.

**present value** the reasonable cost to replace an item in New Zealand that is of equivalent age, quality and capability, and is in the same general condition.

**schedule** the latest version of the Schedule **we** issued to **you** for this Motor Vehicle Policy.

**sum insured** the Sum Insured shown in the **schedule**.

**trailer** any general use trailer:

- owned by **you** or in **your** care, and
- that is not covered by any other insurance, and
- **used** in accordance with the 'use of your vehicle'.

It does not include:

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

**uneconomic to repair** a total loss because the **car** is:

- uneconomic or unsafe to repair, or
- stolen and not recovered.

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

**vehicle**

- the **car** or **trailer** when being **used** by **you** or anyone else with **your** permission, and
- any other motorcar that is not owned by **you**, being used by **you** provided **you** have the owner's permission to **use** it and the liability is not covered by any other insurance.

**we** NZI, a business division of IAG New Zealand Limited.

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



## Help service emergency assistance

If you are involved in an accident and need help, call us anytime for quick assistance on this number:

0800 506 606

With just one call you can sort out all the hassles which arise if you have an accident or disaster. Ringing Help costs you nothing. The advice is free, but you will have to pay if you ask for a tradesperson to call or for other services. Where the services are covered by your policy, you can claim back any bills paid, subject to the policy excess.

## Mercedes-Benz Insurance Motor Vehicle Policy

Underwritten by NZI, a business division of IAG New Zealand Limited



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**Notes**

## Notes

Mercedes-Benz Financial



[www.mercedes-benzfinancial.co.nz](http://www.mercedes-benzfinancial.co.nz)

Mercedes-Benz Financial is a business name of Mercedes-Benz Financial Services New Zealand Limited  
PO Box 51136, Pakuranga, Auckland, New Zealand

Arranged by AON New Zealand

Underwritten by NZI, a business division of IAG New Zealand Limited