

Introducing your Car policy



Contacting us

In New Zealand, simply call **0800 80 24 24**

If you ever have a question, need help, or want to make an insurance claim, you're welcome to phone us any time, 24 hours a day.

Australia call us free on 1 800 887 863.

United States call us free on 1 800 593 9482.

United Kingdom call us free on 0800 096 5308.

Somewhere else overseas call us direct on 64 9 969 1150.

If you'd prefer to email us, it's easy. Just follow the link in the 'Contact Us' section at www.state.co.nz or call in to your nearest State sales centre or State district agent – you can find the one nearest you by phoning **0800 80 24 24** or visiting 'Contact Us' at www.state.co.nz.

Welcome to State

Thank you for choosing State to insure your car. You've made a great choice – we've been helping New Zealanders with their insurance needs for more than 100 years and are proud to be doing the same for you.



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

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

0800 80 24 24

www.state.co.nz



This icon denotes important information

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Your policy

▶ Reading your policy

Words in bold

You'll notice that some words in **your** policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean on page 16.

Examples and headings

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

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

▶ What your policy consists of

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

▶ You can change your mind

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

▶ Our commitment to you

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

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

▶ Our agreement with you

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



Keeping us informed

When **you** apply for insurance with **us**, **you** have an important 'duty of disclosure'.

This means that **you** must:

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

If **you** don't tell **us**, **your** insurance policy may not be valid and **you** may not be covered if **you** want to make a claim.

You must also tell **us** about changes that occur during the policy period – see 'Changes in circumstances' on page 15.

If **you're** not sure whether **you** should give **us** some information, tell **us** anyway. Simply call **us** on **0800 80 24 24** – **we'll** talk the matter over with **you** and let **you** know if it affects **your** policy. **We** treat all information **you** give **us** in accordance with the Privacy Act 1993.

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

▶ So what must you tell us?

You must tell **us** about anything that could affect **your** insurance with **us**.

For example, **you** must tell **us**:

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

These *examples* are only a guide.

Remember, **we** provide **your** insurance based on the information **you** gave **us** when **you** applied for it. If anything changes, or if **you** expect something to change, **you** must let **us** know or **your** policy may be unenforceable. Please ask **us** if **you're** not sure if **you** should tell **us** about something.

▶ **We must tell you about...**

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

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

▶ **Our other responsibilities to you**

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

If **you** have any questions please call **us** on **0800 80 24 24**.

Make sure you read your policy thoroughly. That way there won't be any surprises when you need to claim.

That's helpful.

Making a claim

When **you** need to make a claim, **we'll** be here to help **you** 24-hours a day, 7-days a week – just call **us** on **0800 80 24 24**.



What you must do

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

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

▶ What we'll do

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

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

What's the Insurance Claims Register?

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

Don't forget about your excess

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

▶ Getting our permission first

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

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

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

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

▶ Honesty is the key

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

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

▶ Things that will help us help you

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

► If you have a problem with your claim

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

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

Step 1

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

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

Step 2

If **you're** not satisfied with the results of step 1, **you** can write to the Head of State Insurance at State Insurance, Private Bag 92130, Auckland.

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

Step 3

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

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

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

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

If you're going to spend a few hours behind the wheel, make sure you take breaks at regular intervals to stretch, freshen up and re-hydrate.

That's helpful.

What you get if we accept your claim



This section explains when **we'll** repair your **car**, when **we'll** replace it and when **we'll** pay **you** for it, if **we** accept **your** claim. Please make sure **you** read this section carefully. If **you** have any questions, just phone **us** on **0800 80 24 24**.

► Repair, replace or pay cash?

Repairable

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

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

Not repairable

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

1. pay **you** the **sum insured**, if the **car** was in a good and well maintained condition in **our** opinion when the **loss** happened, or
2. pay **you** the **market value** up to the **sum insured**, if the **car** was not in a good and well maintained condition in **our** opinion when the **loss** happened, or
3. replace the **car** with a new one, as long as:
 - (a) the **loss** happened within 12-months of **you** buying the **car** new, and
 - (b) the same model and specification is available in New Zealand.

Whenever **we** take one of these actions, this policy comes to an end.

Parts unavailable in New Zealand

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

Repair guarantee

All repairs to the **car** that are done through **our** approved repairer network, are quality guaranteed while:

1. **you** own it, and
2. while it is insured with **us**.

► Goods and services tax

All amounts in this policy include GST.

Make sure you keep a safe following distance.

That's helpful.

What your policy automatically covers

This section explains what **your** policy automatically covers and what it doesn't cover at all.

There are also some optional covers that **you** may have selected. Please read page 12 for information on these.

Please read this section carefully – and if **you** have any questions, call **us** on **0800 80 24 24**.

► Use of the vehicle

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

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

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

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

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

► Accidental loss

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

What you'll get

See 'What you get if we accept your claim' on page 8 for details on what **we'll** pay.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

► Accidental death and permanent disablement

We will pay the amounts shown under 'What you'll get' below, as long as:

1. **you** or **your partner** were **injured** because of a **loss** covered by this policy, and
2. the **injury** happened while **you** or **your partner** were driving the **car**, and
3. any of, or a combination of the **events** happens within 90-days from the date of the **injury**.

What you'll get

EVENT	AMOUNT
1. Death	\$2,000
2. Permanent total loss of sight of an eye	\$1,000
3. Permanent total loss of use of a hand	\$1,000
4. Permanent total loss of use of a foot	\$1,000

If **you** suffer a combination of **events** 2, 3 or 4, the amount **we** pay will be cumulative. The most **we** will pay during the **period of cover** is the death amount. If more than one person is entitled to payment, **we'll** pay proportionately to the number of persons entitled.

What isn't covered?

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

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

► Excess protection

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

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

► Keys and locks

You're covered 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**.

What you'll get

We'll pay the reasonable cost of replacing keys, locks, barrels, coded keypads or coded alarms, up to a maximum of \$300, during the **period of cover** – and **you** won't have to pay an **excess**.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

► Manslaughter defence

You're covered for costs necessarily and reasonably incurred for:

1. legal defence, to defend a charge of manslaughter, or reckless driving causing death, or dangerous driving causing death or careless driving causing death, and
2. legal representation at any inquiry or coroner's inquest in connection with a death,

resulting from:

1. **you** or **your partner** driving the **car**, or
2. any member of **your family** driving the **car** with **your** permission, or
3. **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 motorcar,

during the **period of cover**.

What you'll get

The most **we** will pay is \$5,000 during the **period of cover** – and **you** won't have to pay an **excess**.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

► Medical expenses

You're covered for costs incurred because of an **injury** that **you** or **your partner** suffered during a **loss** covered by this policy.

What you'll get

We'll pay reasonable costs incurred by **you** or **your partner** for medical, surgical, therapeutic, dental and nursing treatment (including x-rays).

The most **we'll** pay during the **period of cover** is \$500 for any **event** – and **you** won't have to pay an **excess**.

What isn't covered?

We won't pay for any expense that can be claimed from any other source or that results from self-inflicted **injury**.

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

► Personal liability

What does 'personal liability' mean?

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

For example:

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

Your legal liability

You're 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 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).

General average

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

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

Other people's legal liability

We'll cover the legal liability of any other person caused by or through or in connection with their **use** of the **car**, in the same way as **we** cover **you**, as long as:

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

Vicarious liability

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

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

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

What you'll get

Property damage payment

We'll pay for:

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

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

Bodily injury payment

We'll pay for:

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

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

Settlement of any claim

If **we** pay the full amount under this part of **your** policy (or any lesser amount that **we** can settle **your** liability for), plus **your** defence costs, this will meet all **our** obligations under this part of **your** policy.

What isn't covered?

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

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

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

▶ Road clearing costs

You're covered for costs incurred for removing debris from any road or parking area, following a **loss** covered by this policy.

What you'll get

We'll pay reasonable costs incurred.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

▶ Towing costs

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

What you'll get

We'll pay for necessary and reasonable towing and rescue costs.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

▶ Trailer cover

You're covered for **accidental loss** to any **trailer** during the **period of cover**.

What you'll get

We'll have the option to pay either:

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

The most **we** will pay during the **period of cover** is \$750. A \$100 **excess** applies to this Trailer cover.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

▶ Transport costs

You're covered for transport costs for:

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

What you'll get

We will pay for reasonable costs incurred.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

Additional cover if you've paid extra



This section explains what additional cover **you** may be able to add onto **your** policy if **you've** paid extra. The additional cover may not apply to **your car**. **You** are only covered for these if **you** have paid the extra premium and the cover is printed on the **schedule**. Please read this section carefully – and if **you** have any questions, call **us** on **0800 80 24 24**.

▶ Hire car

You're covered if **you** need a hire car while the **car** is:

1. being repaired, or
2. not driveable until it is repaired, or
3. stolen and not found,

after a **loss** that is covered by this policy, as long as:

- (a) **we** arranged the hire car using **our** approved supplier, and
- (b) **you** pay for all running costs, and
- (c) the hire car is a passenger vehicle up to 1800cc.

What you'll get

We'll contribute towards the reasonable costs of a hire car, up to a maximum of 14-days. If **we** are unable to arrange a hire car, **we** will pay **you** \$50 per day, up to a maximum of 14-days or until the **car** is repaired, whichever comes first.

What isn't covered?

You're not covered if the claim is only for **accidental** damage to windscreens, windows, sun-roofs or driving lights.

This cover is only for the costs of the hire car. This policy doesn't insure the hire car while it is being used.

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15

▶ State Roadside Rescue

We'll provide State Roadside Rescue service for the **car** during the **period of cover**.

What you'll get

1. State Roadside Rescue will:
 - (a) fit the **car's** spare tyre if it has a flat tyre, and
 - (b) access the **car** if the **car** keys are locked inside, and
 - (c) provide 5-litres of fuel if the **car** is out of fuel, and
 - (d) jump-start the **car** if it has a flat battery.
2. State Roadside Rescue 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. State Roadside Rescue cover provides two call outs during any 12-month 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** does not apply to this State Roadside Rescue cover.

What isn't covered?

State Roadside Rescue will not assist where the **car**:

1. has been left unattended, or
2. requires specialised salvage equipment, or
3. is not within easy access of a public road that is negotiable by a two wheel drive vehicle, or
4. cannot be accessed due to extreme conditions such as snow, ice, flooding, road slips or the like, or
5. was being **used** for competitions or off-road activity, or
6. was involved in an **accident** or collision, or
7. was being misused, or
8. is a towed vehicle such as a boat, trailer and caravan, or
9. exceeds 3,000kg.

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

▶ Windscreens and windows

If a claim is only for **accidental** loss to windscreens, windows, sun-roofs, or driving lights of the **car**, **you** won't have to pay an **excess**, and **you** won't lose **your** no claim discount.

What you'll get

See 'What you get if we accept your claim' on page 8 for details on what **we'll** pay.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 13 and 'Policy conditions' on page 15.

Exclusions that apply to the whole policy



This section explains things **your** policy doesn't cover that are additional to those already mentioned in the previous sections. Please read it carefully – and if **you** have any questions, call **us** on **0800 80 24 24**.

▶ Alcohol, drugs and other intoxicating substances

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

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

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

▶ Confiscation

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

▶ Excess

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

▶ Loss of electronic data – computer virus

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

▶ Mechanical or electrical breakdown

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

However, this exclusion does not apply:

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

▶ Modified vehicle

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

▶ Nuclear and war risks

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

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

▶ Terrorism

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

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

▶ Tyre damage

You're not covered for:

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

However, this doesn't apply to tyre damage that arises in connection with:

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

▶ Unlicensed drivers

There's no cover under this policy if the driver of any **vehicle**:

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

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

▶ Unsafe or unroadworthy

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

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

▶ Use of the vehicle

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

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

▶ Wear, tear, depreciation and loss of use

You're not covered for:

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



Policy conditions



Your Car Comprehensive policy has some important conditions. This section explains what they are and what happens if **you** don't follow them. Please read it carefully and if **you** have any questions phone **us** on **0800 80 24 24**.

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

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

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

▶ Your obligations

True statements and answers

The **application** is the basis of this policy. All statements and answers that **you** give, or any other person on **your** behalf gives, must be honest and accurate when **you**:

1. apply for this insurance, and/or
 2. let **us** know about any change in **your** circumstances, and/or
 3. make a claim under this policy,
- otherwise **we** can declare that this policy or all the policies **you** have with **us** are unenforceable from the date of the dishonest or fraudulent act.

Changes in circumstances

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

At any time **we** may change the terms of this policy in response to what **you** tell **us**.

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

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

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

Reasonable care

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

We can take action in your name

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

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

We'll pay any costs associated with these actions.

▶ Administering this policy

Cancellation

By you...

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

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

By us...

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

Changing the terms

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

If the car is uneconomic to repair

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

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

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

Joint insurance

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

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

Other insurance

You must tell **us** if the **car** is (or becomes) covered by another insurance policy. If **you** can claim under that insurance, **we'll** only pay the amount of any **loss** that's above the limit payable by the other insurance. This does not apply to the 'Accidental death and permanent disablement' cover on page 9.

Other parties with a financial interest

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

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

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

Definitions

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

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

accessory

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

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

accidental

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

act of terrorism

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

application

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

bodily injury

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

car

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

- standard tool supplied by the vehicle's manufacturer or a similar substitute tool, and
- **accessory** or spare part while it is in or on the vehicle, and
- **accessory** that has been temporarily removed from the vehicle for security purposes, or cleaning or servicing.

electronic data

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

event

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

excess

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

family

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

injury

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

loss

physical loss or physical damage.

market value

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

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

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

modification

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

Examples include:

- *changes to the engine, steering, performance, suspension, chassis, or*
- *body kits, paintwork, interior modifications, or*
- *tyres or wheels of the car.*

We don't consider a conversion of the **car** to run on CNG, LPG or Bio Gas as a **modification**, as long as the **car** has a current Warrant of Fitness and a current Alternative Fuel Inspection Certificate. If the sound system has been changed **we** don't have to be told unless it is valued at more than \$1,000.

partner

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

period of cover

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

schedule

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

sum insured

the 'Sum insured' shown in the **schedule**.

trailer

any general **use** trailer:

- that **you** own or that is in **your** care, and
- that is not covered by any other insurance, and
- **used** as described in 'Use of the vehicle' on page 8 of this policy.

It does not include:

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

uneconomic to repair

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

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

use

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

vehicle

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

we

State, a business division of IAG New Zealand Limited.

you

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

Frequently asked questions

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

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

If you can't find your question here, or you want more information, just ring us on **0800 80 24 24**, we'll be happy to help.

What are assessors, and what do they do?

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

For example:

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

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

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

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

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

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

Will my premium or No Claim Discount be affected, if I make a claim?

If you have a No Claim Discount and you make a claim for an accident caused by the driver of your car, your No Claim Discount will reduce when your policy next renews. You can protect yourself against losing your No Claim Discount, if you: (1) have our 65% Maximum No Claim Discount for Life¹, or (2) purchase a No Claim Discount Protection.

If the claim is for a loss that we agree is not your fault, (such as, your car is stolen or is damaged in a storm), then your No Claim Discount will not be affected.

However, any claims and other losses that you or other drivers named on your policy have (even if you do not claim for them), may affect the conditions of your policy including the calculation of your base premium².

How does No Claim Discount work?

When you first insure with us, you may be entitled to receive a No Claim Discount, of up to 65%. This will be based on the age and driving experience of all the drivers named on your policy, and on any claims or incidents you or any named drivers have had in the past 5-years.

Each time your policy renews, your discount will increase, up to a maximum of 65%, provided you haven't made a claim in the previous year for an accident caused by the driver of your car. However, if you did make a claim in the past year for an accident caused by the driver of your car, your No Claim Discount will reduce.

If you are not already receiving our 65% Maximum No Claim Discount for Life¹, you can choose to protect the level of No Claim Discount you are currently receiving by purchasing No Claim Discount Protection.

65% Maximum No Claim Discount for Life¹

When:

- (a) you have reached a 65% No Claim Discount on your policy, and
 - (b) you (or other drivers named on your policy) remain claim-free for 1-year, and
 - (c) you're still claim free when the policy renews,
- then you'll qualify for our 65% Maximum No Claim Discount for Life¹.

The discount starts after you have renewed the policy, once you've qualified.

Once you have this 65% Maximum No Claim Discount for Life¹, you retain it, even if you make a future claim. In addition, you'll also qualify for 65% No Claim Discount for Life¹ on any other Car Comprehensive or Motorcycle Comprehensive policy that we issue to you where a No Claim Discount applies.

To receive the 65% Maximum No Claim Discount for Life¹, on your current policies:

- (i) you must have paid your premium in full, or if you pay by monthly or fortnightly instalments, we need to have received your current instalment by the due date before you qualify, and
- (ii) if there is another person(s) shown as 'The Insured' on a policy, together with you, this person(s) must also meet the criteria for 65% Maximum No Claim Discount for Life¹.

Even if you have 65% Maximum No Claim Discount for Life¹, all future claims or incidents you or any drivers named on your policy have, may still affect the conditions of your insurance, including the calculation of your base premium² and your premium could still increase when your policy next renews.

If we cease to offer a No Claim Discount as part of our premium structure, our 65% Maximum No Claim Discount for Life will also change.

1. *"For Life" refers to the lifetime of your car insurance relationship with State.*
2. *The base premium is the premium we calculate before we apply discounts such as the No Claim Discount or 65% Maximum No Claim Discount for Life and before we add any optional extensions you may have chosen. The base premium excludes Fire Service Levies and GST.*

Am I entitled to any other premium discounts?

As a Car Comprehensive policy holder, you may qualify for the following discounts:

Multi Policy Discount

If you have your own contents insured with us, as well as one or more policies to cover your home, car, motorcycle or rental property, you may qualify for a Multi Policy Discount.

Years of insurance discount

This discount is based on how long you have held your policy with us.

Discounts are not deducted from the GST, Fire Service Levy or Earthquake Commission Levy components of your premium or to any additional cover you may have chosen to add to your cover.

If you are currently receiving any premium discounts, they will be shown on your policy schedule. It is your responsibility to ensure that you are receiving all appropriate discounts. If you believe you qualify for a discount that is different to that shown on your policy schedule, or you believe you qualify for a discount not shown on your schedule, and you wish to apply for such a discount please contact us on 0800 80 24 24.

The provision of discounts is at our discretion. If we agree that you qualify for a discount, we reserve the right to determine the date from which the discount will be applied.

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

While you're covered for many major unexpected events, we don't cover everything. You can find out what your policy doesn't cover in 'Exclusions that apply to the whole policy' on page 11 and 'What your policy automatically covers' on page 8. You must also comply with the 'Policy conditions' on page 15.

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

Please ring us first to make sure that your friends will be covered. We must be given the opportunity to ask certain questions. This will help us decide if we are prepared to cover the car while they are driving it.

Do I have to pay an excess for every claim?

You'll pay an excess for most claims.

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

If you have any other questions just call us on 0800 80 24 24.

That's helpful.

State, a business division of IAG New Zealand Limited, has relationships with agents who issue our policies.

IAG New Zealand Limited pays remuneration to agents when they issue State policies and when these policies are renewed or varied.

State Car Comprehensive Insurance Policy

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