

Farm vehicles

Your Farm Vehicles are any vehicles and farm implements used with vehicles (including the standard tools supplied by the manufacturer and accessories and spare parts) for which you are responsible and used by you for the Business stated in the schedule but excluding any vehicle registered or licenced as a private car.

▶ A. What you are insured for

You are insured for:

Section 1

1. Accidental and sudden loss of or damage to your Farm Vehicle.
2. The reasonable costs of ensuring the safety of the disabled Farm Vehicle.

Section 2

1. Your liability at law for accidental damage to anyone else's property or accidental bodily injury to any person caused by your Farm Vehicle.
2. Your liability at law to pay reparation to a victim who has suffered accidental loss of or damage to property or bodily injury as a result of your committing of an offence during the Period of Insurance in connection with use of your Farm Vehicle, including the loading and unloading of your Farm Vehicle, or any trailer or caravan attached to your Farm Vehicle, provided that:
 - (a) you must notify us immediately if you or any other person entitled to cover under this benefit are charged with any offence in connection with the use of your Farm Vehicle, which resulted in loss of or damage to property or bodily injury to another person; and
 - (b) we must give our written approval before any offer of reparation is made.

There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:

- (a) a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
- (b) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
- (c) a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this clause should be taken as providing cover for any defence costs, court costs, levies or costs awards for any offence.

Cover under Section 2, clauses 1 and 2 above also extends to cover any employee or other person driving your Farm Vehicle in connection with your business provided:

- i such use has your permission;
- ii such person or employee shall meet all the terms, limitations and exceptions under the Policy that you have to observe, fulfil and comply with.

In respect of Section 2:

By accidental we mean unexpected and unintended by you and anyone using the Farm Vehicle.

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

By reparation we mean an amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002.

Section 3

The reasonable costs of returning you and/or your employees to their home or place of your Business or such other place which you may agree with State if your Farm Vehicle is involved in an accident for which indemnity is provided under Section 1 and as a result of such loss or damage you and/or your employees are prevented from returning to such place in the Farm Vehicle.

Section 4

Legal costs involved in the defence of a charge of manslaughter or dangerous or careless driving causing death if that death results from your authorised use of your Farm Vehicle.

B. You are not insured for, Section 2, clause 4 (offences) does not apply to this Section.

Section 5

1. Reasonable additional costs incurred, following an accident for which indemnity is provided under Section 1, for the removal of debris, including any property carried by you as a load, from any carriageway or parking area.
2. Any charge made for a hazardous substance emergency pursuant to the Fire Service Act 1975 in respect of any incident involving your Farm Vehicle.

▶ B. What you are not insured for

You are not insured for:

Section 1

1. Wear and tear, depreciation, loss of use.
2. Mechanical or electrical breakdowns, failures or breakages or damage to engine or transmission system resulting from such mechanical or electrical breakdowns, failures or breakages.
3. The Excess shown in the schedule except when:
 - a. the only damage sustained by your Farm Vehicle is breakage of glass in the windscreen or windows.
 - b. the damage to your Farm Vehicle is caused by an identified uninsured driver of another vehicle and State is satisfied full liability is admitted by or established against that driver.

Section 1, 2, 3, 4 and 5

Any bodily injury, loss, damage or liability arising from any intentional or reckless act or omission or while any Farm Vehicle is being driven or used:

1. by you or by any authorised person who:
 - a. does not hold a licence required by law to drive your Farm Vehicle.
 - b. does not comply with any limitation, term or condition of their driver's licence.

This exception 1(a) shall not apply:

- i. if that person does not hold a licence but obtains a licence without a further driving test, or
 - ii. if your Farm Vehicle is being used for the purpose of teaching a learner to drive if all requirements of the law are being complied with.
2. by any person who:
 - a. at the time of the event has a proportion of alcohol in their breath or blood which exceeds the legal limit;
 - b. at the time of the event is under the influence of any other intoxicating substance or drug;
 - c. fails or refuses to supply a breath or blood sample as required by law;
 - d. fails or refuses to stop, or remain at the scene, following an accident (as required by law).

This exception 2 shall not apply to any claim by you arising from theft or conversion of your Farm Vehicle.

3. in an unsafe or unroadworthy condition where that condition caused or contributed to the injury loss damage or liability and it could be reasonably expected that you or the authorised person should have been aware of that condition.
4. whilst let out on hire (but hire whilst being driven by you or the authorised person is not excluded).
5. for the conveyance of passengers for hire fare or reward other than as part of a car sharing agreement.
6. for racing, pace-making, motor events or testing in preparation thereof.

Section 2

1. Bodily injury to, or loss of property belonging to, the driver of your Farm Vehicle including you, who claims under Section 2 of this policy.
2. Damage to any bridge or viaduct or weighbridge or to any road or anything beneath
 - a. by vibration, or
 - b. by the weight of any Farm Vehicle or the load carried by any Farm Vehicle.
3. Any fine or penalty imposed, or any punitive or exemplary damages awarded against you or any person driving your Farm Vehicle.
4. Any legal defence costs, or court costs arising from the prosecution of any offence under any Act of Parliament.

Section 2 and 5

Damage to property which is covered under any other Part of this Policy.

► C. The amounts you can claim

Section 1

1. If State considers your Farm Vehicle is economic to repair, State
 - a. may arrange to repair your Farm Vehicle;
 - b. will pay the cost of repairs as estimated by State's assessor.
2. Where your Farm Vehicle is a car, station wagon, van or light truck (having a gross laden weight of less than 2 tonne) and State considers your Farm Vehicle is uneconomic to repair or your Farm Vehicle is stolen and not recovered, State may:
 - a. with the agreement of any Interested Party, replace your Farm Vehicle with a new equivalent vehicle, if available in New Zealand, where the loss of or damage to your Farm Vehicle happens within twelve months of purchase new by you, or
 - b. with the agreement of any Interested Party, replace your Farm Vehicle with an equivalent vehicle, if available in New Zealand, when your Farm Vehicle is over twelve months old or if you did not purchase the vehicle new, or
 - c. pay the market value for that Farm Vehicle but not more than \$75,000 unless any other amount is shown in the schedule.
3. Where your Farm Vehicle is not described in C. 2. and State considers your Farm Vehicle is uneconomic to repair or if your Farm Vehicle is stolen and not recovered, the maximum amount you can claim is the market value or the current Limit for that Farm Vehicle, whichever is the less.
4. If you are legally required to pay any General Average or Salvage Charges as a result of your Farm Vehicle being carried by ship between New Zealand ports then State will compensate you for those costs.

Section 2, 3, 4 and 5

The maximum amount you can claim for any one happening is:

Section 2	\$20,000,000 but not more than \$2,000,000 for bodily injury (both inclusive of claimant's costs and expenses)
Section 3	\$1,000
Section 4	\$2,000
Section 5	\$5,000

► D. Claims conditions

You or anyone else entitled to cover under this policy must notify us immediately if you or they are charged with any offence in connection with the use of your Farm Vehicle or another vehicle which resulted in loss of property or bodily injury to another person.

You and anyone entitled to cover under this policy must not negotiate, or offer to pay reparation, including but not limited to, offers made as part of any case management conference or sentencing hearing.

Please also see the Business Insurance Policy wording.

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