

FORD PROTECT



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Understanding Your Policy

Introduction

Now that you have insured your vehicle it is important to understand just what you are covered for.

Please make sure you read your policy in full as it explains what is covered, what is not covered and what your responsibilities are.

We have defined certain words and phrases to help explain their specific meaning and to make it easy for you to understand your policy. These are found under the Definitions section of your policy.

Also set out in your policy are the Exclusions. Please make sure you understand these so you know the cover you have and there are no surprises in the event of a claim.

We understand that some things in here may be new to you so please contact us if there is anything you do not understand or are not 100% sure of.

Your Insurance Contract

Your policy is an insurance contract between you and us and consists of:

- this policy document
- your policy schedule or most recent renewal schedule
- the information provided by you in your proposal/application
- any changes that you have requested and we have agreed to
- any changes we have written to you about

Your Responsibilities

To ensure you are aware of your responsibilities as a policy owner and understand the conditions of your policy, please make sure you have carefully read all your insurance documents.

If anything is not correct or there is information that is missing it is your responsibility to let us know.

If you do not comply with the conditions of your policy we can decide not to accept or pay a claim and may cancel or avoid your policy.

Your Cover

Your vehicle is insured for Market Value. This is the total amount we will pay for any one claim.

We will insure your vehicle for accidental loss or damage anywhere in New Zealand during the period of cover shown on your policy schedule.

All limits, amounts and excesses shown in your policy include GST.

There is no cover until your premium has been paid in full or has been set up to be paid by instalments through an authorised direct debit. Please see 'Paying your premium' for full information.

Your current Policy Schedule will show if your vehicle is insured for Private Use or Business Use. If this is not correct please contact us immediately to discuss.

Private Use

If you have chosen Private Use as your cover, your vehicle is covered if it is used for social, domestic and farming purposes only.

Business Use

If you have chosen Business Use as your cover and it is shown on your current Policy Schedule your vehicle is covered if it is used in connection with your business, profession or occupation.

It is important for you to note that this policy only covers the vehicle insured with us. There is no cover for any tools, goods, personal or business equipment or any contents of the vehicle.

There is no cover if your vehicle is being used:

- as a courier/delivery vehicle
- a taxi or to carry any fare-paying passengers
- as a courtesy vehicle
- for driving training
- for security
- in connection with the motor trade
- for hire

Accessories And Modifications

All accessories are insured for their Market Value.

Any accessory or modification that is not standard to your vehicle's manufacture must be noted on your policy schedule to be covered. They will then be covered up to the amount shown.

If they are not shown on your policy schedule it means we do not know about them and therefore they are not covered under this policy. In this instance we may decide to:

- decline your claim
- cancel your policy
- replace with the manufacturers standard item
- cover the accessory or modification and adjust the premium and excess as we would have had we known about them

Third Party Only Insurance

When 'Third Party Cover' is noted on your policy schedule, cover on your vehicle is limited to loss or damage as a result of an accident caused by an uninsured party. Cover will only apply if we are satisfied that:

- the driver of your vehicle was completely free of blame; and
- you have provided us the full details of the vehicle and person who caused the damage; and
- the other party did not have valid insurance

The maximum amount payable for any claim will be the Market Value of your vehicle up to a limit of \$3,000.

Legal Liability Cover

This policy covers your legal liability for the accidental damage to property caused by your vehicle.

We will pay up to \$1 million for any one event. Cover includes your legal costs and expenses incurred with our consent.

This benefit provides the same cover to:

- any driver of your vehicle who is using your vehicle with your consent and is not otherwise insured or excluded from your policy
- an uninsured motor vehicle being driven by you provided it does not belong to you and you are not hiring or leasing it. No cover is provided for damage to the car being driven.
- any trailer or caravan while attached to your vehicle

Liability Exclusions

This cover does not apply to:

- damage to property, including motor vehicles that you or anyone else covered under this policy own or have in your custody or control, however we will cover a disabled vehicle being towed by your vehicle.
- any loss otherwise insured
- any event not covered by this policy

An excess will not apply to any loss claimed for under this benefit where your vehicle is comprehensively insured and you are not claiming for damage to your vehicle arising from the same incident.

Providing Correct Information

Your policy is based on the information provided by you or on your behalf. This includes the information provided on your proposal as well as any information provided during the policy term or in support of a claim.

We use this information to set the terms and conditions of your policy when agreeing to provide this cover and to establish if you have a claim that is covered under your policy.

All information we receive must be complete and correct in all respects. You must also tell us everything that may be relevant to our decision to issue, renew or alter the policy.

Keeping Us Informed

It is important that you immediately advise us of anything that may change your policy. If you do not advise us of any changes or disclose up to date information you may find that we are unable to help in the event of a claim.

We need to know if you:

- change address
- sell your vehicle
- require drivers under the age of 25 to be covered
- change the main driver of your vehicle
- add any accessory to the vehicle
- modify your vehicle
- have any insurance declined, cancelled or not renewed
- have any claim declined
- are charged for any traffic or criminal offence

Any of these changes may result in:

- an increase in premium and or excess
- a change in the terms or conditions of your policy
- cancellation of your policy
- In the event of any of these changes, you must advise us immediately. If we decide to continue your insurance we will advise the change, if any, to your policy.

If You Do Not Comply With Your Policy Conditions

Failure to comply with any policy condition may result in:

- a claim being declined
- your policy being cancelled or avoided
- your entitlements being reduced
- an additional premium being charged
- your excess being changed
- drivers being excluded

We may also recover from you any costs we have already paid out.

If we have made the decision to avoid your policy for non-disclosure you are required to refund any costs we have paid under your policy. Any premium you have paid us will be used towards these costs. If there have been no costs paid, any premium paid to us will be refunded to you.

Paying Your Premium

Your premium relates to the cover, term and vehicle shown on your policy schedule. There is no cover until your premium has been paid in full or has been set up to be paid by instalments through an authorised direct debit.

Paying Your Premium By Instalments

Your Responsibilities

You have the flexibility to pay your premiums by instalments. When this option has been selected:

- a direct debit will need to be set up against your nominated bank account or credit card
- it is your responsibility to ensure your payments are kept up to date. If they are not, you will not be covered in the event of a claim

What Happens If I Miss A Payment?

If any instalment is overdue but the policy has not been cancelled, cover under this policy will be suspended from the date the first unpaid instalment was due. Cover will only start again once you have brought your payments up to date. No claim will be accepted for any loss during the period your policy is unpaid.

Your Policy Will Automatically Be Cancelled If:

- your direct debit is cancelled or stopped by you or your bank
- any premium instalment/s remain unpaid for 28 days

Policy Conditions

Breach Of Policy Terms And Conditions

No claim will be payable where any person covered under this policy breaches any of the policy terms or conditions. Nothing in this policy affects our right to avoid the policy for non-disclosure.

If any claim under this policy is supported by any incorrect information or statement all benefits under this policy will be forfeited and cover will be cancelled.

Care Of Motor Vehicle

You must take all reasonable steps to prevent loss or damage and maintain your vehicle in good repair. We will always have the right to examine your vehicle.

Joint Policy

Where this policy is issued in two names, it is a joint policy. This means that both of you can change, alter or cancel the policy. It also means that if one of you does or fails to do anything that results in there being no cover, there will be no cover for either of you not just the person responsible.

Other Insurance

This policy does not cover loss or liability where cover is already provided by other insurance. We will not contribute towards any claim under any other policy.

Interested Party

If your vehicle is secured by any financial agreement, we may make payment for any loss direct to the interested party. This will meet our obligations under this policy.

By noting an interested party on your policy schedule you are authorising us to request and disclose your personal information to them. However, the interested party is not insured by this policy and is not able to make a claim under the policy.

Who Is Covered To Drive My Vehicle?

It is important that you have the correct driver option so the drivers of your vehicle are covered.

Your policy schedule will show the cover you have selected and if there is no cover for certain drivers. It will also show all additional excesses that may apply to your policy.

If you need to change your cover or are not sure if you have the correct cover then please contact us immediately. The following will help you understand the cover that applies to you.

Whether the driver is you or a named person on your policy, all drivers must hold a current drivers licence and be legally driving at the time of an accident to be covered under your policy.

Under 25 Year Old Drivers

When noted on your schedule no cover will apply if the vehicle is being used or driven by anyone under 25 years old.

If your policy schedule states that there is no cover for drivers under the age of 25 unless they are named on your policy, please make sure you can see the names of the drivers that you require cover for. If they are not named then they are not covered.

Voluntary Named Drivers

If your policy shows Voluntary Named Driver then the additional Unnamed Driver excess will apply to anyone not named on your schedule. If they are under 25 and not otherwise excluded then an age excess will also apply.

Open Driver

This provides cover for drivers under the age of 25.

Excluded Driver

No cover will apply while the vehicle is being driven by anyone listed as an excluded driver on your schedule.

Compulsory Named Driver

When this is noted on your schedule only the named drivers are covered to drive your vehicle. No cover will apply while the vehicle is being driven by any other person.

Benefits

These benefits are automatically included in your policy when your vehicle is insured comprehensively.

If you have a Third Party Only policy these benefits do not form part of your cover unless specifically stated.

Vehicle Change

If you replace a vehicle, or buy an additional vehicle it is automatically covered for 30 days under this policy. This cover only applies if the vehicle purchased is valued at no more than either the existing vehicle on your policy or \$30,000 and you:

- tell us within 30 days of buying the vehicle
- provide full details of the vehicle
- pay any extra premium which we may require

Vehicle Servicing And Emergency

If there are any driver restrictions on this policy we will not apply them when your vehicle is being driven:

- by a member of the motor trade who is professionally engaged in the overhaul, upkeep or repair of the vehicle
- to a medical facility in the event of a medical emergency

Glass Cover

Under this benefit you are covered when claiming for the repair or replacement of any windscreen, window or sunroof, when there are no other damages to your vehicle.

You are not required to pay any excess when claiming under this benefit and your No Claims Bonus will not be effected.

To make a claim please call us on 0800 227787.

Child Restraints

You are covered for the damage or theft of any car seat, booster seat or baby capsule fitted to your vehicle when there is a valid claim under your policy.

These are covered up to \$1,000 and are insured for their Market Value.

Trailer Cover

We will cover the damage to any uninsured trailer that is owned, hired or leased by you while it is attached to your vehicle. There is no cover for the contents of the trailer. We will pay up to \$1,000 for any one event. An excess of \$100 applies to each claim.

This Cover Does Not Apply To The Following:

- caravan or camper trailer
- boat trailer
- horse trailer
- trailers that cannot be drawn by your vehicle

Towing And Storage

If we have accepted a claim under this policy and you are unable to drive your vehicle we will arrange and pay for:

- your vehicle to be moved to the nearest repairer or place of safety
- storage of your vehicle

Accommodation And Return Home Costs

Having an accident that leaves your vehicle un-driveable or having a vehicle stolen is never a pleasant experience. This is even worse if it happens while you are on holiday or out of town. To help ease the stress we will pay:

- for emergency accommodation for you and your passengers
- to transport you and your passengers home
- to return your vehicle home following its repair or recovery

The total amount that we will pay under this benefit is \$500 and only applies to a valid claim under this policy.

Accessories Cover

The following accessories are automatically covered up to a total amount of \$1,000.

- entertainment, communication and navigation systems fitted to your vehicle
- tools and breakdown equipment permanently kept in your vehicle to be used on your vehicle
- first aid kit, torch, fire extinguisher, maps
- car seat covers

If you require more than \$1,000 cover please contact us to advise.

Making A Claim

To make a claim please call us on **0800 227 787**

When making a claim under your policy, it is important that you are aware of your responsibilities. These are shown below and apply to all claims. Your co-operation helps us manage and settle your claim efficiently. Without your full assistance we may be unable to help with a potential claim.

For all claims you will have an excess that will need to be paid. We will be able to advise you of the applicable excess when you first provide us with the claim details. You will also be able to see any excesses that apply by checking your policy schedule.

If your vehicle is repaired you will need to pay your excess directly to your repairer. If we are settling your claim as a Total Loss your excess will be deducted from your payment.

Your Responsibilities

- notify us as soon as possible of any event that may result in a claim
- contact the Police immediately if your vehicle has been stolen, broken into or vandalised
- provide us with full details of what has happened
- obtain full information of everyone involved, including the details of any other vehicles involved
- complete and return your claim form without delay
- take all possible steps to minimise the extent of loss or damage
- contact us immediately if you receive any communication or are contacted by anyone regarding a potential claim
- obtain our consent before proceeding with repairs or incurring any other expense, unless required to minimise further damage
- make your vehicle available for inspection by us before any repairs are started
- do not negotiate, pay, settle, admit fault or make any agreement in relation to any claim
- allow us to take action in your name
- assist us in the recovery of any costs incurred from the responsible person

What We Will Do For You

- help you lodge your claim
- explain our claim process and how your claim will be settled
- help you understand what we will require to settle your claim
- arrange the towing of your vehicle if required
- provide you with details of our Vero approved repairers
- manage the assessing and repairs for you
- negotiate and settle liability on your behalf
- keep you updated with the progress of your claim

What We Will Pay

We will pay the cost to repair or replace your vehicle or make a cash payment up to the current Market Value of your vehicle.

What You Need To Pay

You will need to pay the excess applicable to your claim. Please read the Excess section for full details.

Repairing Your Vehicle

On all claims our assessors will work with your repairer to determine the damage and cost of repairs.

If the repair improves the pre-accident condition or value of your vehicle then you may be required to make a contribution towards the cost of repairs. We will discuss this with you before starting any repairs.

If we believe it is unsafe to repair your vehicle or the total cost of repairs is greater than the Market Value of your vehicle, we will settle your claim as a Total Loss. Please see the Total Loss section for full details.

Our Guarantee

To take the stress and worry of repairs away, we have a number of Vero approved repairers that have been carefully selected for you to use. By choosing to use one of our approved repairers we can ensure your vehicle is repaired to a high standard and is put back to the condition it was prior to the damage. We also guarantee their repair work for as long as you own the vehicle.

If you decide not to use one of our repairers we can not be responsible for the quality of any repairs completed on your vehicle or guarantee their work.

Parts

During the assessment we will make the decision to either repair or replace the damaged parts.

When replacing any part we will try to use the original manufacturers branded parts. These may be new, recycled or reconditioned.

However, if a part or accessory, including any wheel, is not available in New Zealand we will choose one of the following options to settle your claim:

- use the closest New Zealand equivalent
- pay you the last known list price including the cost of fitting
- have a new part made

We will not pay for any part or accessory that has not been damaged, or was already damaged prior to your claim. We will not pay for the cost of freighting parts or accessories from overseas.

Paint

We will repaint the damaged areas on your vehicle and blend to match the existing paint as close as possible. However we will not pay any additional costs to match new paint to existing paint.

If your vehicle has any sign writing on it, we will cover this if we have been advised previously and this is noted on your policy.

Total Loss Claims

We will let you know if your claim will be settled as a Total Loss. This will be due to one of the following reasons:

- we believe the vehicle can not be safely repaired
- the cost of repairs makes the vehicle uneconomical to repair
- the vehicle has been stolen and has not been found after 14 days

What We Pay

We will pay the Market Value of your vehicle. From this amount we will deduct the following:

- the excess that applies to your claim
- unpaid road user charges

Where you have been paying your premium to us by instalments your excess will be increased to include the difference between the amount you have paid and the amount of premium you would have paid if you had instead elected to pay your premium annually.

If there is any financial interest on your vehicle, your settlement will be paid towards what is owing to them first. Any remaining amount will then be paid to you.

Once we have paid the Market Value your policy comes to an end. We do not refund any premium and we may keep whatever is left or recovered of the vehicle.

What Is An Excess?

For each claim you must contribute the amount(s) shown on your schedule under the heading Excess. There may be more than one excess that applies to your claim and all applicable excesses will be applied. These may include:

Standard Excess

This excess applies to each and every claim.

Voluntary Excess

When this excess is shown on your policy you have received a premium discount for choosing to increase your standard excess. The amount shown is additional to the standard excess.

Imposed Excess

If an imposed excess has been applied to your policy all claims are subject to the additional excess amount shown on your schedule.

International Excess

This excess applies to any driver of your vehicle who holds an International or overseas licence. The driver must be allowed to drive in New Zealand at the time of any claim to be covered under your policy.

Unnamed Driver Excess

When this excess is shown on your policy you have received a premium discount for restricting drivers to those named on your schedule. Any unnamed drivers are subject to the additional excess shown on the schedule.

Underage Excess

If you have cover for drivers under the age of 25 they are subject to the underage excess shown on your schedule.

Special Excess

Any drivers of your vehicle who are noted on the schedule under Special Excess are subject to the additional excess shown on the schedule.

Theft Excess

If a Theft Excess applies to your policy this will be shown on your schedule. The amount shown applies to all theft and attempted theft claims.

Windscreen and Glass Claims

If you are claiming for a windscreen, sun-roof or window and there is no other damage to your vehicle, there is no excess to pay.

Exclusions

These exclusions apply to all sections of your policy.

You Are Unable To Claim Under This Policy For Any:

- loss of use, consequential loss or depreciation
- wear and tear, corrosion or any other gradual deterioration
- pre existing defects or damage
- faulty workmanship, materials or repairs
- damage to tyres by application of brakes or by punctures, cuts or bursts
- breakdown or failure of:
 - i. any component or accessory;
 - ii. the engine, transmission, mechanical, electrical or electronic systems;
 - iii. any loss which their failure may cause to the rest of these systems.

There Is No Cover If Your Vehicle Is Being Used:

- For any business use that we have not agreed to cover
- to carry any hazardous chemicals
- to practice or take part in any kind of racing, street racing, pace making, trials, tests, demonstrations, rallying (or similar events)
- for drifting of any kind
- on any racetrack

We Will Not Cover Any Loss Or Liability If The Driver Of Your Vehicle:

- Is not complying with the conditions of their licence
- is not legally allowed to drive in New Zealand
- holds no drivers licence
- has a suspended, disqualified or cancelled drivers licence
- has been excluded from your policy
- has a breath or blood alcohol or drug level that exceeds the legal limit
- refuses to undergo a breath or blood test when legally requested to
- fails to stop or leaves the scene of an accident when it is an offence to do so
- is under the influence of alcohol, drugs or any other intoxicating substance
- has been advised not to drive due to any medical condition or treatment

There Is No Cover At The Time Of Any Claim If Your Vehicle:

- Is in an unsafe or un-roadworthy condition
- was already damaged
- would not pass a Warrant of Fitness (even if it currently has one)

Cover will still apply under this exclusion if you can prove that the condition did not cause or contribute to the loss or damage and that you and the driver were unaware of such condition and had taken all reasonable steps to maintain your vehicle in a safe condition.

We Do Not Cover Any Loss, Destruction, Damage Or Liability Directly Or Indirectly Caused By:

- war, invasion, act of foreign enemy, warlike operations (whether war is declared or not), revolution, insurrection, military or usurped power or confiscation, destruction or acquisition by government or local authorities
- nuclear weapons, ionising radiations or contamination by radioactivity from nuclear fuel or the combustion of waste from nuclear fuel;
- any act of terrorism including loss, destruction, damage or liability that arises from, is consequent upon or arises in connection with biological, chemical, radioactive, or nuclear pollution, contamination or explosion.

An act of terrorism means an act, including but not limited to the use of force or violence or the threat thereof, which from its nature and context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes, including the intention to influence any government and/or to put the public or any section of the public in fear.

Cancelling Your Policy

You can request your policy to be cancelled at any time. Cover will stop from the day you notify us or a future date if this is requested.

If you cancel your policy in the first 14 days of your policy term and have not made any claims, we will refund your premium in full.

We may cancel your policy at any time. We will notify you of the cancellation by sending a letter to your last known postal address. The cancellation will take effect at 4pm seven days after the letter is sent. We will refund the unused premium unless you have made a claim on the policy.

If you have paid your premium in full and you cancel your policy before the end of the term, we will refund the unused premium unless you have made a claim on the policy.

If you are paying your premium by instalments and request your policy to be cancelled before the end of the term there may be outstanding premiums to be paid. If there are any, we will advise you of the amount. Immediate payment will be required before your direct debit and policy can be cancelled.

Once your policy is cancelled any noted interested party, such as a Finance Company or Bank, will be advised.

Continuing Your Cover

Before the end of your policy term we will send you a renewal notice showing the premium and terms we are offering for another term of insurance.

If your policy is already set up to be paid by instalments, it will automatically renew at the end of your term. Your direct debit payment amounts will also be automatically adjusted to reflect any change in premium. If you do not want to continue your cover you will need to contact us to cancel your policy.

If you are not paying by instalments your cover will stop on the last day of your period of cover unless you have renewed your policy and paid the required premium.

Definitions

Accident And Accidental

A sudden and unforeseen event not intended or expected by you

Avoid

Treat as if the policy never existed

Market Value

The value of the vehicle or item immediately prior to the loss or damage

Policy Schedule

The latest current policy schedule, expiry notice or insurance renewal we have sent you

Theft, Attempted Theft

A criminal act of taking, or trying to take, your vehicle or accessories without your consent. Formal prosecution must be made if you have the details of the offender/s.

You Or Your

The people named on your policy schedule

Your Vehicle

The vehicle shown on your policy schedule

We, Us Or Our

Autosure, Vero Insurance New Zealand Limited

Privacy Act and the Insurance Claims Register (ICR)

The ICR is a database of insurance claims to which participant insurers have access. The purpose of the ICR is to prevent insurance fraud. The ICR is operated by Insurance Claims Register Limited (ICR Ltd), PO Box 474, Wellington.

This policy is issued to you on the condition that you authorise us to place details of any claims made against this policy on the database of ICR Ltd, where they will be retained and be available for other insurance companies to inspect. You also authorise us to obtain from ICR Ltd personal information about you that is (in our view) relevant to this policy or any claim made against it. You have certain rights of access to and correction of this information, subject to the provisions of the Privacy Act 1993.

Insurer Financial Strength Rating

Vero Insurance New Zealand Limited has been given an **A+** Insurer Financial Strength Rating by Standard and Poor's. The rating outlook is **stable**. The rating scale is:

AAA	Extremely Strong	BB	Marginal	SD	Selective Default
AA	Very Strong	B	Weak	D	Default
A	Strong	CCC	Very Weak	R	Regulatory Supervision
BBB	Good	CC	Extremely Weak	NR	Not Rated

Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

The rating scale above is in summary form. The full version of this rating scale can be obtained from www.vero.co.nz.