

Introduction

This is Your Ruralpak™ Insurance Policy underwritten by Lumley General Insurance (N.Z.) Ltd. It consists of this wording and the Schedule(s).

Ruralpak™ Insurance is a product sold exclusively through Lumley General Insurance (N.Z.) Limited.

In return for the premium We will provide the insurance cover explained in this Policy and accept all liability to meet valid claims made under the policy.

You must provide all information that may be relevant.

The policy has been arranged on the basis of the information supplied by You.

We may not cover You unless all statements made to Us are entirely correct.

If there is any information which We have not been given or if there are any changes in circumstances during the Period of Insurance then You must tell Us.

Definitions: All sections

Where the following words or expressions are used they shall have the meanings given below.

Accident

Accident means sudden physical loss, damage or destruction caused by an unforeseen and unintended happening or event. 'Accidental' refers to 'Accident' as defined above. In respect of section 1 optional extensions, farm dogs and section 8 personal income protection, Accident/Accidental means external or internal bodily injury caused solely and directly by violent, accidental, external and visible means.

Bodily Injury

Bodily Injury - in respect of section 4 only includes death, sickness, disease, disability, shock, fright, mental anguish or mental injury.

Earthquake

Earthquake means earthquake, geothermal activity, hydrothermal activity, subterranean fire, tsunami and volcanic eruption.

Excess or Deductible

Excess or Deductible means the amount of any claim which You must bear. A series of events arising from any one cause during any period of 72 consecutive hours will be treated as one event for the purposes of applying the Excess/Deductible. If You have selected section 8 (personal income protection) Excess means the period during which You will not receive any benefit in respect of results 19, 20 or 21.

Farm Buildings

Farm Buildings means the buildings other than dwellings at the situation described in the Schedule including the following where they form part of the building:

- (a) stock yards;
- (b) permanently attached fixtures & fittings;
- (c) walls (except retaining walls);
- (d) underground services.

Farm Assets

Farm Assets means farm plant and machinery (excluding motor vehicles, motor cycles, aircraft, watercraft and self propelled or trailered or tractor drawn agricultural plant or implements) computers (excluding data), cellphones, produce, stores, fertilisers, spraying materials, grain, wool, and water tanks all of which are owned by You or for which You are legally responsible.

Full Cover

Full Cover means sub-section A Accidental loss or damage to Your Vehicle, sub-section B legal liability protection, and all additional benefits apply in full in accordance with section 9 (Farm Vehicles).

Illness

Illness - in respect of section 8 (personal income protection) means illness, sickness or disease.

Indemnity Period

Indemnity Period means the period beginning with the date of interruption and ending not later than 12 months thereafter.

Indemnity Value

Indemnity Value means the value of rebuilding, replacing or repairing to a condition no better than new less an appropriate allowance for depreciation and deferred maintenance.

Insured Person

Insured Person - in respect of section 8 (personal income protection) means the person named in the Schedule whose life or health is insured.

Landslip

Landslip - means movement of a substantial land mass other than by settlement, soil shrinkage, or compaction and includes the movement from any hill, mound, bank, slope, cliff or face of earth or rock, or of a substantial mass of earth or rock, which before movement formed an integral part of the hill, mound, bank, slope, cliff or face.

Lumley Insurance, 'We', 'the Company', 'Our', 'Us'

Lumley Insurance, 'We', 'the Company', 'Our', 'Us' means the Underwriter, Lumley General Insurance (N.Z.) Limited.

Money

Money means cash, notes, credit card receipts and negotiable cheques.

Period of Insurance

Period of Insurance means

- (a) The period specified in the Schedule;
- (b) Any subsequent period for which the Insured shall have paid and the Company shall have agreed to accept a renewal premium.

Power Poles

Power Poles means the poles themselves, the overhead (power or telephone) and their associated equipment, to the extent that they are Yours and as shown in the Schedule.

Replacement Value

Replacement Value means the costs actually incurred to rebuild, replace or repair to the same condition and extent as when new.

Schedule

Schedule means the most recently dated Schedule(s) issued to You. This includes any Schedule(s) issued to renew or endorse Your insurance.

Situation

Situation means the place which is stated in the Schedule, or whilst temporarily removed anywhere in New Zealand.

Third Party, Fire, Theft and Illegal Conversion

Third Party, Fire, Theft and Illegal Conversion means sub-section A Accidental loss or damage to Your Vehicle is restricted to fire, theft and illegal conversion whereas all of sub-section B legal liability protection applies as well as the additional benefit Uninsured Third Party Protection in accordance with section 9 (Farm Vehicles).

Third Party Only

Third Party Only means only sub-section B legal liability protection and the additional benefit Uninsured Third Party Protection apply in accordance with section 9 (Farm Vehicles).

Vehicle

Vehicle refers to the Vehicle(s) stated in the Schedule including spare parts and attached equipment and accessories normally associated with Your Vehicle.

You or Your

You or Your - means the Insured named in the Schedule. Where there is more than one Insured named in the Schedule this Policy insures them jointly.

Section 1: Farm Buildings and Farm Assets**What You are covered for**

Accidental loss or damage to Your Farm Buildings and Farm Assets up to the Sums Insured stated in the Schedule.

Additional benefits**1 Additions and improvements**

We will automatically insure You for any new buildings, new plant or additional improvements to Your buildings or plant made during the current Period of Insurance up to a maximum additional sum of \$25,000 in total. Cover will attach at the time the additional item or improvement is completed and will cease at the expiry date of the policy unless You tell us about the addition and/or improvements and We have included them in the Schedule.

2 Fusion

We will pay up to \$2,500 for damage caused by electric current burning out switchboards and permanent wiring and electric motors up to a maximum of 1.5 Kw (2Hp), but this cover does not apply in respect of refrigeration compressors, refrigeration motors and submersible pumps.

3 Money

We will insure Money to a maximum of \$2,500 at the Situation and whilst in transit but this does not include:

- (a) loss due to errors in receiving or paying out;
- (b) loss or damage occurring whilst the Money is entrusted to any person other than You, a professional money carrier or an employee or agent of Yours;
- (c) loss resulting from any cheques or credit cards which are dishonoured;
- (d) loss occurring whilst Money is in an unlocked and unattended vehicle;
- (e) loss directly resulting from theft or fraud by any of Your employees.

Optional Extensions

The following optional extensions apply when shown in the Schedule.

1 Bulk milk

If the milk in Your farm vats is contaminated to the point where it is not fit for human consumption We will pay You for the loss or damage up to the limit stated in the Schedule for any one claim. The 'Contamination' exclusion does not apply to this extension. Loss or damage to the milk resulting from mechanical or electrical breakdown or change in temperature is not covered by this extension.

2 Farm animals

We will cover You for the Accidental death of Your farm animals occurring as the result of fire, lightning, explosion, or electrocution, or smothering resulting from these perils. Smothering as a result of panic caused by low flying aircraft is also covered.

We will pay You the market value up to the sum insured specified in the Schedule.

This extension does not apply to dogs, pets or poultry.

3 Farm dogs

You are covered for the Accidental death of Your farm dogs. We will pay the market value of up to \$600 per dog or the amount stated in the Schedule. However, Your farm dogs are not covered if:

- (a) death results from poisoning;
- (b) the dog is under 6 months or over 9 years old at the time of the Accident;
- (c) a death certificate is not completed by a qualified veterinary surgeon;
- (d) the dog is not in sound health and free from injury and physical disability at the time this insurance is taken out or renewed.

4 Gates, fences, artificial shelter belts, Power and Telephone Poles

We will cover You for the Accidental loss or damage to Your gates, fences, artificial shelter belts, power and Telephone Poles, their lines and associated equipment (including underground lines) occurring as a result of fire, lightning, earthquake or the impact by any vehicle. We will also cover You for loss or damage to Your power and telephone poles, their lines and associated equipment as a result of storm and falling trees.

We will pay You the Replacement Costs using building materials and construction methods commonly in use at the time of loss for damage to Your gates, fences and artificial shelter belts.

We will pay You the value of the items at the time of the loss up to a maximum of \$10,000 any one event for Your power and Telephone Poles, their lines and associated equipment.

5 Stock worrying

We will cover You for the Accidental death of any animals owned by You that is caused through an injury inflicted by a dog which is not owned by, or in the care or control of You, Your employee or sharemilker.

We will also cover the death of animals that have to be humanely destroyed as the result of such injury provided this is certified by a qualified veterinary surgeon.

We will pay You the market value up to the insured value specified in the Schedule.

This extension does not apply to dogs, pets or poultry.

6 Earthquake and Landslip

We will cover You for damage occurring by any of the above subject to:

- (a) A special Excess/Deductible of 1% of the loss subject to a minimum of \$1,000 and a maximum of \$10,000 applying to each and every event;
- (b) In respect of Landslip the additional limitations apply.

Cover is only applicable to loss or damage to the actual Buildings and/or assets therein. Notwithstanding any definition of a Building contained in this Policy Landslip cover excludes all improvements such as retaining walls, walls, gates, fences, power lines, driveways, underground services, tanks, pits or other such items which are external to the Buildings.

Costs associated with the removal of land which has moved or slipped shall be restricted to the area of the building line and immediately adjacent areas up to a maximum of 5 metres from the external walls of the Building. Such costs shall be limited to \$10,000 and specifically exclude any land stabilisation charges incurred.

We shall not be liable for:

- (a) any loss or decrease in the value of the land or site itself;
- (b) subsidence of land or erosion of the land by action of the sea.

7 Woodlots

We will insure You for Accidental loss or damage to Your stands of growing timber caused by fire, lightning or explosion. This cover will only apply if You have complied with the Forest and Rural Fires Act 1977, or any other statutory or local body requirement governing the lighting of fires, and have taken all reasonable care in the lighting of fires. We will pay You the market value at the time of loss, less any savings in felling or transport costs and the proceeds of any salvage, up to the sum insured for this item shown in the Schedule.

What You are not covered for

- 1** Earthquake or Landslip unless insured under section 1 optional extensions.
- 2** Subsidence, or erosion, normal settling, shrinkage or expansion of buildings, foundations, walls, pavements, roads and other structural improvements.
- 3** Loss or damage to property in the course of installation, construction, demolition, erection or testing following any one of them.
- 4** Loss or damage to property in transit other than at the Situation.
- 5** Theft or deliberate damage by persons normally living or lawfully at the Situation.
- 6** Explosion, collapse, bursting, cracking, bulging, rupture or leakage of steam pressure vessels and pipes but resultant damage to Your other property is covered.
- 7** Mechanical, electrical or electronic breakdown other than as specified under section 1 - fusion.
- 8** Any loss or damage to:
 - (a) property undergoing manufacture, repair, construction, erection, testing or any production or cleaning or restoring process, where the loss or damage is directly caused by that process;
 - (b) railway locomotives or rolling stock, motor vehicles, trailers, caravans, motorcycles, aircraft or other aerial devices, boats, outboard motors, spare parts and accessories contained in them or on them;
 - (c) trees, growing crops, hedges, shelter belts, retaining walls, land, drainage systems, dams, reservoirs, canals, culverts, aqueducts, tunnels, bridges, docks, piers, wharves, breakwaters or mining property located underground; other than woodlots if specified in the Schedule;
 - (d) hay, straw, lucerne, or baleage unless caused by fire, lightning, flood, or spontaneous combustion, and specified in the Schedule;
 - (e) gates and fences, electric power and telephone poles and cables unless insured under section 1 optional extensions;
 - (f) animals unless insured under section 1 optional extensions;
 - (g) Money other than as stated under section 1 additional benefits.
- 9** Any loss, damage or liability caused by or arising from:
 - (a) faulty design, manufacture or assembly;
 - (b) contamination or change in temperature other than bulk milk as stated under section 1 additional benefits;
 - (c) interruption of the supply of water, gas, electricity or any fuel or failure of waste disposal systems and underground services;
 - (d) inventory, clerical or accountancy shortage;
 - (e) total or partial stoppage of work;
 - (f) fumes, gas, smuts, dust or pollution;
 - (g) insects, marine growth, marine borer, vermin and the action of micro-organisms;
 - (h) wear and tear, mildew, rot, corrosion, rust, action of light, chemical reaction, electrolysis, biological process, inherent vice or the nature of the subject matter including change in flavour, colour, texture or finish, shrinking, evaporation or loss or weight;
 - (i) storm, rain, snow, hail, flood, or windstorm, including impact from debris, to plant, produce, stores, stocks or requisites in the open or to glasshouses, plastic shade houses, tunnel houses, or their contents, or to buildings that are in the course of construction or alteration;
 - (j) any form of consequential loss or any award for punitive or exemplary damages.

Basis of settlement

1 Farm buildings

In respect of unspecified buildings that are under 20 years of age and under \$25,000 in value we will pay the Replacement Value or repair costs. For specified buildings, we will pay the Replacement Value or Indemnity Value as specified in the Schedule.

2 Farm assets

For motors 3 years old or less and plant 10 years old or less, we will pay the Replacement value or repair costs.

For all other Farm Buildings and Farm Assets We will pay the Indemnity Value.

In all cases We will also pay:

- (a) any additional amount if Government or Local Body Bylaws require changes to be made provided notice of such had not been served on You before the loss or damage occurred;
- (b) where authorised by Us, architects', engineers' and surveyors' fees in respect of rebuilding, replacement or repairs;
- (c) the costs of demolition and removal of debris.

We are not bound to:

- (a) rebuild, replace or repair Your Farm Buildings or Farm Assets exactly to their previous condition;
- (b) pay You more than the Indemnity Value until the cost of replacement is actually incurred.

In all cases

We have the option whether to make payment, rebuild, replace or repair Your Farm Buildings or Farm Assets.

We will use building materials and construction methods commonly used at the time of loss or damage.

We will not pay more than the sums insured stated in the Schedule except in respect of specified buildings where the maximum amount payable for any one occurrence will be the total sum of all the specified buildings insured.

Section 2: Farm income

What You are covered for

We will pay up to the sum insured stated in the Schedule for additional costs incurred during the Indemnity Period in maintaining normal farm production as a result of loss or damage for which a claim is accepted under section 1 (Farm Buildings and Farm Assets).

In addition, losses as insured by this section resulting from interruption of or interference with normal farm production in consequence of damage:

- (a) at suppliers' or customers' premises from which goods are directly supplied or to goods which are directly sold, or;
- (b) to property at any electricity station or sub-station, gas works or water works of the public supply (excluding loss or damage resulting from Earthquake);

shall be deemed to be loss resulting from loss or damage to property used by You at the Situation.

Additional benefits

Subject to a claim being accepted under this section We will also pay You:

1 Accountants fees

Your accountants' fees in respect of the preparation of claims under this section up to \$5,000 during any one Period of Insurance.

2 Prevention of access

Up to \$2,500 during any one Period of Insurance for additional costs incurred by You as a result of a peril covered under the Farm Buildings or Farm Assets section of this Policy, causing loss or damage which prevents access to or from Your farm and prevents You from maintaining Your normal farming operations.

What You are not covered for

The cost of making good any loss of or damage to Farm Buildings or Farm Assets.

Costs that would have been incurred even if the loss or damage had not happened.

Any loss resulting from Earthquake or Landslip unless specified on the Schedule under section 2 optional extension.

Section 3: Farm Assets breakdown

What You are covered for

Accidental loss or damage to Your fixed plant, irrigation equipment or computers as specified in the Schedule at the Situation resulting from mechanical, electrical or electronic breakdown up to a maximum of \$5,000 any one item except in respect of the items specified in the Schedule.

Additional benefits

We will pay:

- (a) up to \$1,000 for the hire of a temporary replacement motor or refrigerant compressor during the time taken to repair damage to any motor following an insured loss;
- (b) pay up to \$2,500 for the costs incurred in the lifting or lowering of submersible pump units as a result of damage provided that the unit is recovered to the surface;

- (c) up to \$500 for the reconstruction costs of computer records and programmes following an insured loss;
- (d) the costs of insulating oil and refrigerant gas following an insured loss.

What You are not covered for

- 1 The additional costs incurred to enable machinery to operate with a more ozone friendly refrigerant.
- 2 Any form of consequential loss or any award or punitive or exemplary damages.
- 3 Any loss or damage of whatsoever kind arising directly or indirectly out of:
 - (a) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of electronic data;
 - (b) error in creating, amending, entering, deleting or using electronic data; or
 - (c) total or partial inability or failure to receive, send, access or use electronic data for any time or at all; or
 - (d) any business interruption losses resulting therefrom, regardless of any other contributing cause or event whenever it may occur, unless such loss or damage is a direct consequence of otherwise insured physical damage.

However, any accidental physical damage to an insured item, which originates directly from an action of the Insured to the Insured's own property, and which causes or is caused by any of the matters referred to in (a) to (c) above, will be covered, subject to all other provisions of the policy. Any business interruption loss resulting from such physical damage will also be covered provided business interruption is insured.

Electronic data means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

- 4 Loss or damage:
 - (a) to parts which by their use or nature suffer a high rate of wear or depreciation such as belts, ropes, wires, chains, tyres, dies, exchangeable tools, engraved cylinders, glass components, porcelain components, ceramics, refractories, felts, sieves, fabrics, jointings, packings and all operating media unless necessary for the rectification of the damage;
 - (b) insured or which could be insured under section 1 (Farm Buildings or Farm Assets) or section 9 (Farm Vehicles);
 - (c) resulting from erosion, corrosion or other gradual deterioration;
 - (d) caused by wasting or wearing away or wearing out of any part caused by or naturally resulting from ordinary use or working;
 - (e) resulting from the direct application of any tool or process in the course of maintenance, inspection, repair, modification or overhaul;
 - (f) recoverable under a maintenance contract, warranty or guarantee;
 - (g) due to equipment testing or prior to successful commissioning;
 - (h) to mechanically propelled vehicles, mobile plant, implements, drawn equipment and their attachments or accessories except equipment and accessories used solely for irrigation;
 - (i) to submersible pumps that are not recovered to the surface;
 - (j) due to inadequate maintenance or failure to maintain regular servicing, depreciation or loss of use.

Basis of settlement

We will pay:

- 1 In respect of the replacement of refrigeration or air conditioning sealed or semi-sealed compressor units or total condensing units, We will deduct from the delivered cost of the replacement unit 5% per annum for each year of service following initial commissioning or replacement up to a maximum deduction of 75%.
- 2 At Our option either the replacement or repair costs of electronic equipment 3 years old or less and all other plant (not specified above) 6 years old or less at the time of the loss.
- 3 The Indemnity Value on all other plant and electronic equipment.

We have the option to make payment, replace or repair.

Section 4: Farm liability

What You are covered for

We will provide cover for Your legal liability as a result of loss or damage to property or bodily injury arising from Accidents anywhere in New Zealand occurring during the Period of Insurance in connection with Your farming operations. In addition, We will pay all costs incurred by You with Our consent in defending claims including any costs and expenses awarded against You.

Additional benefits

The legal liability of Transit New Zealand for liability arising from the roadside grazing of Your animals. However, the limits of indemnity for any one Accident shall apply in the aggregate of claims made against both You and Transit New Zealand.

1 Your legal liability:

- (a) in respect of Your operations as a stud stock breeder;
- (b) arising out of Accidents caused by the falling, dropping or spreading of farming articles from aircraft in flight, taking off, landing or alighting operated by independent aerial contractors for and on Your behalf and in connection with Your farming operation;
- (c) arising from the use of Your property for hunt club meetings;
- (d) following Accidents arising during overseas visits on farm business by You or by Your employees for You;
- (e) following Accidents arising from social and recreational activities organised by You;
- (f) for damage to motor vehicles while using any part of Your farm made available by You for Your customers' or visitors' use;
- (g) for farm hosting and farm stays, including legal liability under the Innkeepers Act 1962.

The Limit of Indemnity under this section is limited to the amount specified in the Schedule in respect of any one Accident.

2 We will also pay for Your legal liability:

- (a) up to \$10,000 for claims against You arising from wrongful arrest, imprisonment, detention or prosecution due to suspicion of theft, burglary or false pretences, occurring during the Period of Insurance;
- (b) up to \$50,000 or the amount shown in the Schedule arising under the provisions of the Forest and Rural Fires Act 1977;
- (c) costs up to \$50,000 claimed by any other party in order to protect their property from fire;
- (d) up to the Limit of Indemnity specified in the Schedule in the aggregate during any one Period of Insurance in respect of Your legal liability arising from, caused by or in connection with the sale of farm produce, livestock and goods (which includes their containers), sold and supplied within New Zealand.
- (e) punitive or exemplary damages;

Notwithstanding what You are not covered for (exclusions), in section 4c, in respect of fines, penalties or exemplary damages, Lumley will indemnify You for all sums that You shall become legally liable to pay by way of punitive or exemplary damages awarded for Personal Injury (for which coverage is determined to exist under the Injury, Prevention, Rehabilitation, and Compensation Act 2001 or any amending or replacing legislation) where such Personal Injury happened in New Zealand during the Period of Insurance and was caused by an occurrence in connection with Your business.

Provided that:

- (i) any liability arising from trespass to the person, assault, battery, false imprisonment, malicious prosecution, sexual harassment or sexual abuse is excluded;
- (ii) any punitive or exemplary damages awarded by any court outside New Zealand is excluded;
- (iii) a sub-limit of \$250,000, inclusive of costs and expenses, any one Period of Insurance shall apply; and
- (iv) an Excess of \$500, inclusive of costs and expenses, shall apply.

What You are not covered for

- 1** Fines and penalties.
- 2** Any process of decontamination, treatment or control of asbestos.
- 3** Contracting work done for others where this contracting income exceeds 10% of Your total annual farm income during any Period of Insurance.
- 4** Any contracting involving the application or distribution of sprays or shelter belt trimming and/or tree felling.
- 5** Any liability:
 - (a) to any person who is an employee, servant or agent or to any member of Your family ordinarily residing with You;
 - (b) in respect of Property Damage to any property in the care, custody or control of You, Your employee, servant or agent or any member of Your family ordinarily residing with you. However this exclusion does not apply to liability assumed by You for the hire, lease or rental of premises.
 - (c) for loss or damage to that part of any property on which You, Your employee, servant or agent is or has been working caused directly by that work;
 - (d) arising out of, and in the course of, the employment of any person by You or where there is indemnity under the Injury, Prevention, Rehabilitation, and Compensation Act 2001 or any amending or replacing legislation;
 - (e) arising from the ownership or use of any motor vehicle required to be registered for road use, railway rolling stock, watercraft or aircraft;
 - (f) for any loss or damage to any watercraft or aircraft;
 - (g) for advice or treatment given by You and any person acting on Your behalf;
 - (h) for faulty or defective design, formula specification or failure of goods supplied by You to fulfil the purpose for which they were intended;
 - (i) caused by vibration of, or the removal or weakening or interference with the support of land or buildings;

- (j) assumed by You by agreement except to the extent You would have been liable without the agreement;
- (k) all liability arising from the discharge, dispersal, release or escape of any product, by-product, smoke, vapour, soot, hazardous substance, liquid, gas, waste, irritant, contaminant or pollutant. However, this does not apply if:
 - (i) the discharge, dispersal, release or escape is sudden, unintended and unexpected, and
 - (ii) on discovery, it is not permitted to continue or recur, and
 - (iii) You satisfy Us that You took all reasonable measures to prevent the discharge, dispersal, release or escape.
- (l) information technology hazards;
 - (i) Personal Injury or property damage caused by or arising, directly or indirectly, out of, or in any way involving Your 'Internet Operations' 'Internet Operations' means:
 - (a) use of electronic mail systems by Your employees, including part-time and temporary staff and others within Your organisation;
 - (b) access through Your network to the world wide web or a public internet site by Your employees, including part-time and temporary staff and others within Your organisations;
 - (c) access to Your intranet (meaning internal company information and computing resources) which is made available through the world wide web for Your customers or others outside Your organisation; and
 - (d) the operation and maintenance of Your website.

Nothing in the exclusion shall be construed to extend this Policy to any liability which would not have been covered in absence of this exclusion.
 - (ii) Property damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
 - (a) the use of any computer hardware or software;
 - (b) the provision of computer or telecommunication services by You or on Your behalf;
 - (c) the use of any computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.
- (m) GMO (Genetically Modified Organisms)

All liability for Personal Injury or Property Damage of whatsoever nature or kind caused by, or contributed to, directly or indirectly or howsoever arising from, or connected with any genetically modified or engineered organisms or material, transgenic seeds or any other products of a similar nature.

Section 5: Employer's liability and fines and penalties

Definitions (additional definitions applicable to section 5)

Business

Business means the Business specified in the Schedule and shall include:

- (a) The ownership, repair and maintenance of Your own property;
- (b) The provision and management of canteen, social, sports and welfare organisations for the benefit of Your employees and first aid, fire ambulance and security services.

Excess

Excess in respect of each Claim under this section You shall bear the amount of the Excess specified in the Schedule. The Excess shall apply also to the legal costs and expenses relating to the Claim and costs awarded against You.

You/Your

You/Your means the person/persons named in the Schedule and any trustee, director, employee, executive officer, partner or shareholder of Yours but only whilst acting within the scope of their duties as such.

Claim

- (a) With respect to employers liability, 'Claim' means any proceeding or other legal or arbitral process, cross-claim or counterclaim issued against or served upon You seeking an award of damages; or
Any written or oral demand seeking an award of damages against You communicated to You by whatever means.
- (b) With respect to fines and penalties, 'Claim' means Occurrence.

Claims arising out of one act, error or omission or a series of related acts, errors or omissions, shall be deemed to be one Claim.

What You are not covered for

- 1 (a) Any Claim made, threatened or in any way intimated against You and not notified to Us prior to the commencement of the Period of Insurance, or, if this policy is renewed, prior to the effective date of renewal;

(b) Any circumstance or Occurrence of which, at the commencement of the Period of Insurance or, if this Policy is renewed, the effective date of renewal, You are aware or ought reasonably to be aware that may give rise to a Claim.

2 Any Claim arising from or relating to:

(a) Any express term of any contract or agreement;

(b) The unjustifiable dismissal of any person or other personal grievance arising out of a contract of employment or its termination.

3 Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

Conditions (additional conditions applicable to section 5 only)

1 Claims

You shall give to Us immediate notice in writing:

(a) of any Claims made against You;

(b) of the receipt of notice from any person of any intention to hold You responsible for the results of a Personal Injury;

(c) of the receipt of notice from any person of any intention to hold You responsible for the results of any alleged breach of any of the Acts for which this Policy provides indemnity;

(d) of any circumstance of which You shall become aware which may give rise to a Claim under this section;

irrespective of whether the quantum is likely to be within or above the amount of the Excess.

2 Admissions and defence of Claim

You shall not without Our consent in writing repudiate liability, negotiate or make any admission, offer, promise or payment in connection with any Claim, circumstance or Occurrence and We shall be entitled if We so desire to take over and conduct in Your name the negotiation, settlement or defence of any Claim. We shall have full discretion in the conduct of any proceeding and in the settlement of any Claim and having taken over the defence of any Claim may relinquish the defence.

3 Assistance

You shall give all necessary information and assistance and provide all documents to enable Us to defend, negotiate or settle any Claim, litigation or proceedings as We may reasonably require.

4 Precautions and inspections

You shall take all reasonable precautions to prevent Personal Injury and to comply with all statutory requirements and obligations. We shall have the right and opportunity at all reasonable times to inspect the plant, works, machinery and appliances used in the Business.

5 Assignment

No assignment of any interest under this section shall bind Us unless We have given Our written consent.

6 Subrogation

We shall be entitled to use Your name in any proceedings to enforce for Our benefit any order made for costs or otherwise and shall have the right of subrogation in respect of all rights which You may have against any person or persons who may be responsible to You, Your Employees or otherwise in respect of any Claim under this section. You shall as and when required execute any necessary documents for the purpose of vesting such rights in Us, or enabling Us to have the full benefit of them.

Any moneys recovered pursuant to the exercise of such rights shall be applied: first for You to the extent of the Excess: second for Us to the extent of the total amount paid by Us in respect of that Claim: third for You for any uninsured loss.

7 Cessation

The insurance provided by this section ceases absolutely at the time and date specified in the Schedule. Provided however that if notice referred to in Condition 1 above has been given to Us prior to expiry of the Period of Insurance any claim arising from circumstances thus notified which is made after expiry of the Period of Insurance shall be deemed to have been made during the Period of Insurance.

8 Material facts

If any change occurs that materially varies any of the facts existing at the commencement of this section You must give immediate written notice to Us.

9 Compliance

The due observance and fulfilment of the terms, provisions, conditions and endorsements of this section insofar as they relate to anything to be done or complied with by You and the truth of the statements and answers in the Proposal shall be conditions precedent to Our liability to make any payment under this section.

Section 5A: Employers liability

Definitions

Employee

Employee means an Employee directly employed by You in the Business specified in the Schedule and from whose remuneration You make PAYE tax deductions, and any consultant or temporary Employee while working for You in connection with the Business.

Defence Costs

Defence Costs means the reasonable costs and expenses incurred with Our prior written consent in investigating defending or settling any Claim.

Personal Injury

Personal Injury means bodily injury, sickness or disease, including death resulting therefrom, disability, shock, fright, mental anguish or mental injury but shall not include:

- (a) Personal Injury sustained by an Employee of Yours prior to the retroactive liability date specified in the Schedule;
- (b) Personal Injury arising out of or caused by sexual harassment or sexual abuse.

For the purpose of this Policy, Personal Injury shall be sustained when the Employee is first exposed to conditions in New Zealand out of which the Personal Injury the subject of the claims arose.

What You are covered for

- 1 All sums which You shall become legally liable to pay as damages as a result of any Employee of Yours sustaining Personal Injury during the Period of Insurance arising out of or in the course of their employment in the Business including any award of costs as the result of claims first made against You and reported to Us during the Period of Insurance;
- 2 Defence Costs.

Limits of Indemnity

Our liability shall not exceed the Limit of Indemnity set out in the Schedule in respect of any one Claim or series of Claims arising from one source or original cause.

Provided that the maximum amount payable in the aggregate in any one Period of Insurance inclusive of costs and expenses and claimant's costs shall not exceed the Limit of Indemnity specified in the Schedule regardless of the number of Claims made.

Retroactive liability exclusion clause

Notwithstanding anything to the contrary in this section no liability shall attach under this section in respect of any Personal Injury sustained by any Employee prior to the retroactive liability date specified in the Schedule for this section.

Extended reporting period

Notwithstanding anything to the contrary in this section We will indemnify You against any Claim or circumstance under this section notified to You in the 21 days after the expiry of the Period of Insurance provided You give Us immediate written notification of such a Claim or circumstance. This extension of indemnity shall not apply to Personal Injury sustained before the retroactive liability date specified in the Schedule or after expiry of the Period of Insurance.

What You are not covered for

- 1 Any Personal Injury for which cover is to any extent provided by the Injury, Prevention, Rehabilitation, and Compensation Act 2001 or any amending or replacing legislation, or would have been provided had a claim been lodged under the Act or if the Insured were not an exempt employer under the Act.
- 2 Any Employee not directly employed to carry out the normal activities of the Business described in the Schedule unless We have acknowledged in writing prior notice by You of such engagement and You have paid such additional Premium as We may require.
- 3 Any Claim arising in any way out of any failure by You to comply with any improvement, prohibition or suspension notice issued to You or Your Employees under the Health and Safety in Employment Act 1992 or any amending or replacing legislation.
- 4 Any fine or penalty. This exclusion does not apply to Claims seeking punitive or exemplary damages.
- 5 Any Claim brought about or contributed to by any dishonest, fraudulent, criminal or malicious act or omission by You.

Section 5B: Fines and penalties

Definitions

Act

Act means as context requires:

- the Fair Trading Act 1986; or
- the Resource Management Act 1991; or
- the Building Act 1991; or
- the Privacy Act 1993; or
- the Health and Safety in Employment Act 1992; or
- the Consumer Guarantees Act 1993; or
- any amendment to or re-enactment of any of these Acts and any regulations or other subordinate legislations made under them.

Defence Costs

Defence Costs means the costs and expenses necessarily and reasonably incurred by You in investigating and defending any criminal action (including but not limited to any threat or intimation of any such action and any circumstances which may give rise to any such action) arising out of an Occurrence and includes the costs and expenses of being represented at any conference, hearing, enquiry, investigation, proceedings or review relating to any specified Act.

Occurrence

Occurrence (in relation to any Act) means any event neither expected nor intended by You which results in an allegation of a breach of any section of the Act.

Penalties

Penalties means a fine or other financial Penalty payable by You upon conviction of an offence arising out of any Occurrence.

What You are covered for

- 1 Any penalty, other than a fine or an infringement fee imposed under the Health and Safety in Employment Act 1992 (as amended) ('The HSE Act');
- 2 Any sentence of reparation imposed under the HSE Act;
- 3 Defence Costs; arising out of an Occurrence which is connected with the Business and is notified to Us during the Period of Insurance provided that the Occurrence has taken place on or after the retroactive liability date specified in the Schedule for this section.

Limits of Indemnity

Our liability shall not exceed the Limit of Indemnity set out in the Schedule in respect of any one Claim or series of Claims arising from one source or original cause,

Provided that the maximum amount payable in the aggregate in any one Period of Insurance inclusive of all costs and expenses and claimant's costs shall not exceed the Limit of Indemnity specified in the Schedule for this section regardless of the number of Claims made.

Retroactive liability exclusion clause

Notwithstanding anything to the contrary in this section no liability shall attach under this section in respect of any Penalty or Defence Costs arising directly or indirectly from an Occurrence which took place before the retroactive liability date specified in the Schedule for this section.

Extended reporting period

We will indemnify You against any Penalty or Defence Costs in respect of any Occurrence notified to You in the 21 days after the expiry of the Period of Insurance provided You give Us immediate written notification of such Claim or Occurrence. This extension of indemnity shall not apply to any Occurrence which took place before the retroactive liability date specified in the Schedule or after expiry of the Period of Insurance.

What You are not covered for

Penalties or Defence Costs arising out of:

- 1 Any Occurrence which results from:
 - (a) Your deliberate or reckless conduct which breaches any provision of any specified Act;

- (b) Your failure to comply with any lawful consent, determination, memorandum, notice, order or schedule issued under any specified Act or equivalent notices issued under any legislation enacted in substitution.
 - (c) Any fine or Penalty for a continuing offence under an Act which is imposed for the period after You knew or ought to have known, that an offence was being committed.
- 2 The handling or disposal of materials by any person or organisation acting on Your behalf unless You have taken all reasonable steps to ensure that the materials will be handled or disposed of in a lawful manner.
 - 3 This Policy shall not indemnify You in respect of:
 - (a) any penalty or infringement fee payable by You following conviction under the HSE Act.
 - (b) any sentence of reparation imposed by the Court following Your conviction for an offence under any Act, other than the HSE Act.
 - (c) any sum paid by way of reparation, or offered to be paid by way of reparation, by You following an Occurrence under the HSE Act prior to the imposition of any sentence by the Court in respect of that Occurrence.

Section 6: Transit

What You are covered for

Loss of or damage to Your farm goods, produce, equipment and livestock in transit, including loading and unloading, by any means of conveyance anywhere within New Zealand, caused by fire, lightning, explosion or accident to the conveying vehicle.

Additional benefits

- 1 Subject to a claim being accepted under this section We will also pay You for:
 - (a) livestock rejected by a licensed slaughterhouse as a result of injury in transit;
 - (b) livestock killed or slaughtered for humane reasons on the advice of a veterinarian following injury through transit.

What You are not covered for

- 1 Household furniture or personal effects.
- 2 Dogs, pets or poultry.
- 3 Loss of use of any livestock.

Basis of settlement

We will pay the market value up to the limit shown in the Schedule, but if the livestock or goods are in the custody or control of another person or carrier, we will only pay in excess of any amount which is recoverable from them under common law or under the Carriage of Goods Act 1979.

Section 7: Deterioration of refrigerated stock

What You are covered for

The deterioration of Your refrigerated stock if it deteriorates to the point where it can not be used for the purpose for which it was intended as a result of the rise or fall in temperature caused by the Accidental mechanical or electrical breakdown of Your refrigeration equipment at the Situation.

What You are not covered for

- 1 Loss or damage arising from:
 - (a) any electricity supply authority withholding or restricting the electricity supply;
 - (b) a deliberate act by You; or
 - (c) improper storage or improper packing materials.

Basis of settlement

We will pay the market value up to the amount shown in the Schedule.

Section 8: Personal income protection

What You are covered for

Accident or Illness to the Insured Person happening during the Period of Insurance.

In respect of results 1 to 18 We will pay the following percentages of the amount shown in the Schedule as the sum insured for death.

Schedule of compensation

Event

Accidental bodily injury caused solely and directly by violent external and visible means which injury shall independently of any other cause be the sole and direct cause of results 1 to 20.

Results	Benefit
1 Death occurring within 12 calendar months of the happening of the event	100%
Total and permanent disablement occurring within 12 calendar months of the happening of the event as per results 2 to 18	
2 loss of sight in both eyes	100%
3 loss of use of both hands	100%
4 loss of the use both feet	100%
5 loss of the use of one hand and one foot	100%
6 disablement from engaging in any occupation	100%
7 loss of the use of one arm or the greater part in one arm	85%
8 loss of the use of one leg or the greater part of one leg	85%
9 loss of sight in one eye together with the irrecoverable loss of at least 50% of the sight in the other eye	85%
10 loss of the use of one hand or of five fingers of one hand or the lower part of one arm	85%
11 loss of the use of one foot or the lower part of one leg	85%
12 loss of hearing	85%
13 loss of speech	85%
14 loss of all sight in one eye	50%
15 loss of hearing in one ear	30%
16 loss of the use of one thumb:	
both joints	30%
one joint	15%
17 loss of the use of one finger:	
two joints	20%
one joint	15%
18 loss of the use of:	
all toes of each foot	30%
big toe	10%
toe other than a big toe	4%

Results

19 Total disablement necessarily preventing the Insured Person from attending to usual business or occupation	*
20 Partial disablement necessarily preventing the Insured Person from attending to a substantial and essential part of usual business or occupation	*

Event

Illness becoming manifest which shall independently of any other cause be the sole and direct cause of result 21.

Results

21 Total disablement from engaging in or attending to usual business or occupation.	*
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Benefit

*For results 19-21 at the rate per week as stated in the Schedule for a period not exceeding 104 weeks from the happening of the event.

Conditions of cover

If You become entitled to a benefit under any results 1 to 18, all further liability on Us under this section ceases and no benefit will be payable for any subsequent event.

As soon as the Insured Person ceases to be disabled We will stop payment of any further weekly benefits.

We will not pay:

- 1 Any benefits under results 19, 20 or 21 in respect of the Excess stated in the Schedule.
- 2 Any benefits under results 19, 20 and 21 in respect of the same period.
- 3 The first 13 weeks of any disablement resulting from mental depression, mental anxiety or other mental disorder which do not have some physical (i.e. somatic) basis. The maximum benefit of 104 weeks will be reduced accordingly.
- 4 Any benefit under result 21 if the event becomes manifest within 14 days of the commencement of this Policy.

What You are not covered for

- 1 Accident or Illness to the Insured Person caused by or resulting from:
 - (a) suicide or attempted suicide or intentional self-injury, or from deliberate exposure to exceptional danger (except in an attempt to save human life), or from the Insured Person's own criminal act, or sustained whilst the Insured Person is in a state of insanity or under the influence of alcohol or drugs;
 - (b) air travel other than as a fare-paying or ticket holding passenger on a regular airline or established charter service;
 - (c) sexually transmitted diseases, acquired immune deficiency syndrome, asbestosis or any related disease;
 - (d) menopause, voluntary abortion or the normal effects of pregnancy or childbirth;
 - (e) rugby, rugby league, rodeo activities, hang gliding, microlite flying, sky diving, parachuting, bungee jumping or other aerial sport, mountaineering, rock climbing, pot holing, polo, hunting on horseback, racing other than on foot, scuba diving or any professional sporting activity unless specified on the Schedule;
 - (f) skiing, tobogganing or similar winter sports if such participation is of a competitive nature or involves racing or time trials;
 - (g) conduct which constitutes or gives rise to a criminal offence;
 - (h) engaging in or taking part in Naval, Military or Air Force service or operations.

Age limits

The Insured Person will not be covered under this section if under sixteen years or older than sixty five years.

Geographic limits

The Insured Person is covered anywhere in the world.

Disappearance

We will consider any claim arising from the disappearance of the Insured Person provided that the disappearance has been more than 12 months and We are satisfied that the disappearance is due to death by Accident. Should the Insured Person reappear, any payment made must be immediately refunded to Us.

Earnings Related/ACC Clause - applicable to benefits 19 and 20

In respect of all disablement lasting more than 13 weeks the following conditions shall apply to the benefit payable after the 13th week of disablement:

- 1 In addition to evidence of disablement the Insured Person must also supply written evidence or other proof of actual loss of earnings as a result of the disablement;
- 2 We shall not be liable to pay more than the actual loss of earnings suffered by the Insured Person up to the maximum benefit stated in the Schedule;
- 3 If the Insured Person is entitled to receive earnings related income under the Accident Compensation Act, the Accident Insurance Act 1998 or any Acts in substitution therefore then such amount will be deducted from the benefit otherwise payable after the 13th week of disablement.

Maximum amount payable under benefits 1 to 18

If You become entitled to one or more benefits under any of results 1 to 18 arising out of one event:

- (a) You are not entitled to any specific one of such benefits if the result is included in any other specific result for which a greater benefit is payable;
- (b) You are not entitled to an aggregate total benefit in excess of the benefit payable for result 1.

Optional extension - medical expenses

We will pay up to the amount shown in the Schedule necessarily incurred in connection with an event to which benefits are payable under the terms of this Policy for medical expenses after deduction of Social Security or ACC benefits.

Section 9: Farm Vehicles including mobile plant, implements, and attachments

What You are covered for

Your Vehicles are insured under this section for the cover designated in the Schedule against each Vehicle, as follows:

- 1 Accidents happening to Your Vehicle for which, We may choose to repair the damage or to pay You the amount of the loss, not exceeding the market value of Your Vehicle at the time of the loss or the sum insured stated in the Schedule, whichever is the lesser.
- 2 Legal liability protection arising from Accidents in connection with any of Your Vehicles, while You or any person with Your permission is operating the Vehicle, which cause loss or damage to property of others. For the purposes of this sub-section only the term Vehicle shall include any trailer or caravan not belonging to You but being towed by Your Vehicle. In addition We will pay all costs incurred by You with Our consent in defending claims, inclusive of all compensatory costs and expenses awarded against You. The maximum amount We will pay in respect of any one claim or claims arising from any one Accident is \$1,000,000.

Cover under this sub-section B. is also extended to include Your use of another vehicle, which is not Your own, provided it is with the permission of its owner.

What You are not covered for

- 1 damage to tyres unless cover is provided under additional benefits Tyres, or there is other damage to the Vehicle for which a claim is payable; (malicious damage to tyres is covered);
- 2 loss of use to Your Vehicle, depreciation, wear and tear, existing defects, mildew, rot, corrosion, rust and other gradual deterioration;
- 3 loss or damage to or failure or breakage of the engine, transmission, mechanical or electrical systems unless arising from an external cause;
- 4 loss or damage caused by an object drawn, cast into or entangled in the Vehicle by any means whatsoever, unless You have selected the optional benefit in respect of entanglement. This exclusion does not apply in respect of claims for loss or damage by fire, collision or overturning resulting from such occurrence;
- 5 any loss or damage while Your Vehicle is:
 - (a) out on hire;
 - (b) being tested in preparation for or engaged in racing, pacemaking, hill climbing, reliability trials, rallying or speed tests;
 - (c) being used otherwise than in accordance with the description of use;
 - (d) being driven or operated in an unsafe manner or condition;
 - (e) being driven by any person who:
 - (i) is not the holder of a license for the appropriate class and use applicable to the operation of the Vehicle or its components;
 - (ii) breaching a condition of their license;

However the above exclusions of cover in 5e. shall not apply if:

- (a) the Vehicle is being driven or operated in any area where the law does not require the driver to be licensed and such driver is over 12 years of age;
 - (b) the Vehicle is being used for the purpose of teaching a learner to drive if all requirements of the law are being complied with;
 - (c) the driver has held and is not disqualified from holding or obtaining and actually obtains a license;
 - (i) who has a proportion of alcohol in the breath or blood which exceeds the legal limit;
 - (ii) fails or refuses to permit a specimen of blood or breath test as required by law;
 - (iii) is under the influence of any intoxicating substance or drug;
 - (iv) fails to stop or remain at the scene, following an Accident, as required by law.
- 6 under sub-section B You are not covered for;
 - (a) property which belongs to You, or is in Your care, custody or control other than a building which is leased or rented by You or a vehicle (not being Your property or any Vehicle belonging to You) which is being towed by a Vehicle, however this does not apply to vehicles which are towed or recovered where Your business includes a vehicle recovery service;
 - (b) liability which You have assumed to pay for which the law would not otherwise hold You or Your driver responsible for;
 - (c) liability for any property (including and road) arising from vibration caused by a Vehicle or from the weight of the load carried by the Vehicle, or from the weight of the Vehicle or from the combined weight of load and the Vehicle;
 - (d) liability directly or indirectly caused while Your Vehicle is being used or operated for the purpose for which it has been designed and not as a vehicle (e.g. operation of a crane or back hoe).
 - 7 any Excess which is applicable to each and every claim under either sub-section.

Additional benefits

Where You have selected Full Cover the following additional benefits apply where there is a claim payable under sub-section A.

1 Completion of journey

We will pay up to \$1,000 in total towards the reasonable costs of accommodation and/or travel, incurred by the driver of the Vehicle, to complete the journey following an Accident to Your Vehicle, with the result the Vehicle cannot be used safely to continue the journey.

2 Fatal injury

If You, being the driver of the Vehicle, or any person authorised to drive by You who is either an employee or a direct member of Your family, dies as a result of injury following an Accident to Your Vehicle, We will pay \$5,000 to Your legal representative for the benefit of the driver's estate. Such death must be within 3 calendar months from the date of the Accident.

3 Legal expenses

Following an Accident to Your Vehicle, the driver is charged with manslaughter or dangerous driving causing death, We will pay for Your legal costs of defence including the drivers defence costs, provided the driver, being authorised to drive the Vehicle by You, is an employee or direct member of Your family, up to a maximum of \$2,000.

4 Medical expenses

If You, being the driver of the Vehicle, or any person authorised to drive by You who is either an employee or a direct member of Your family, suffers injury following an Accident to Your Vehicle, We will pay \$1,000 towards Your medical costs, provided You are unable to recover these costs from anyone else.

5 New Vehicle

Following an Accident to Your Vehicle if it becomes a total loss within a year of its original registration when new, We will either replace Your Vehicle with a new one of the same make and model subject to local availability or pay to You the cost of its replacement, which ever is the lesser and up to a maximum of \$100,000.

6 Rental Vehicles

In respect of rental vehicles, where You do not accept the owner's statutory offer of insurance We will cover the rental vehicle as if it was one of Your Vehicles for Your liability to the owner of the rental vehicle for

- (a) Accidental loss or damage subject to a limit any one vehicle of \$50,000;
- (b) consequential losses caused by loss or damage for which a claim is payable under (a) above, subject to a limit any one claim of \$25,000;

We will also cover You for any liability You might have under sub-section B.

7 Replacement Vehicles

If You buy a new vehicle which You intend being insured by Us or it replaces an existing Vehicle, We will automatically hold covered the new vehicle, subject to the terms and conditions of this section for 30 days from the date of purchase and up to a limit of \$100,000.

8 Road Clearing and Load Recovery Costs

We will pay up to \$5,000 for reasonable costs, where it becomes necessary as a result of an Accident, to;

- (a) clean up and clear away any debris and spillage;
- (b) recover and reload and load lost or fallen from Your Vehicle; or
- (c) to transfer the load carried on or lost or fallen from Your Vehicle to another vehicle and removing it to the nearest place of safety.

9 Salvage Costs

If Your Vehicle cannot be driven following an Accident, We will pay for the reasonable cost of removing it to the nearest repairer or place of safety.

10 Trailer

If any one of Your Vehicles is a light trailer We will cover it free of any Deductible.

11 Windscreens and windowglass

We will cover Accidental breakage of Your Vehicles windscreen and windowglass free of any Deductible and they will also not affect the Vehicles no claim bonus.

12 Uninsured Third Party Protection

If the third party or their driver has no valid and collectable insurance, We will cover Your No Claims Bonus, Policy Deductible, or uninsured loss, where

- (a) the third party's driver was at fault in the Accident; and
- (b) the identity of the third party and the driver are established; and
- (c) after having made reasonable attempts You are unable to recover Your loss from the third party or their driver.

However Our total liability will not exceed \$3,000 in respect of any one Accident.

13 Tyres

Accidental damage to any tyre, excluding inner tubes, fitted to a Vehicle is covered provided that;

- (a) the amount We will pay under this benefit will not exceed the market value of the damaged tyre, after deducting an allowance for age and use;
- (b) no cover is provided under this benefit for loss or damage for which a claim is payable under any part of this section of the Policy;
- (c) for the purposes of this benefit only the term Vehicle shall mean only tractors, headers and balers.

Optional benefit

Provided You have Full Cover, the following optional benefit applies where requested and shown on the Schedule.

1 Entanglement

We will pay up to \$10,000 to cover Your headers, balers and harvesters, whilst these Vehicles are being operated for the purpose for which they have been designed, for Accidental damage caused by an object being drawn or cast into or entangled therein.

Special Conditions

1 Protection of Your Vehicle

You are at all times required to take every care in protecting Your Vehicle against loss or damage.

2 Description of Use

We cover Your Vehicle while it is being used:

- (a) for social, domestic or pleasure purposes;
- (b) for farm purposes including carriage of goods for such use;
- (c) by religious, social welfare or youth organisation workers in the course of that work.

However We do not cover any Vehicle while being used in connection with any motor trades, any form of selling and/or collection, insurance assessing, motor driving instruction for reward, carriage of goods or samples in connection with any trade or business, hire and carriage of fare paying passengers or a stock and station agent.

3 Modifications

Except where We have noted in this Policy it is agreed by You that Your Vehicle complies with the makers standard specifications for the model and year of manufacture and has not been modified in any way. A conversion of Your Vehicle to run on CNG, LPG or Bio Gas does not constitute a breach of this Condition, provided such conversion complies with the appropriate New Zealand Standard.

4 Replacement Parts

We will pay the last known list price in New Zealand for any part or accessory not currently available in New Zealand, when the part was available or for the parts closest New Zealand equivalent, whichever is the less. Cover provided under this section does not include:

- (a) freight and other costs to import parts or accessories from outside New Zealand;
- (b) any costs due to the inability of any repairer to match existing paint;
- (d) costs to replace any part or accessory that has not suffered Accidental damage.

General conditions: All sections

The Policy, Schedule, Sections, Definitions, Conditions, Exclusions, Defined Events, Additional Benefits, Variations, Endorsements, Warranties and Provisos are to be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

1 Other interested party

If there is an Interested Party named in the Policy Schedule any payment under this Policy may be made to them and their receipt will discharge Us completely.

2 Government Goods and Services Tax

Where You are liable to pay tax under section 5 (13) of the Goods and Services Tax Act 1985 on receiving any indemnity payment under this Policy We will indemnify You for that expense. The amount payable under this clause is payable by Us in addition to the Limit Of Indemnity specified in the Schedule. This does not apply to section 8 (personal income protection).

You must:

- (a) not cause or facilitate loss or incur liability by any reckless or wilful act;
- (b) comply with all statutory obligations, bylaws and regulations imposed by any public authority;
- (c) maintain in good working order all fire, burglary and other protection systems and appliances;
- (d) advise Us if there is any alteration in the risk.

3 Claims procedure

You must:

- (a) inform the Police if it appears that there has been arson, theft, burglary or malicious damage;
- (b) tell Us immediately and return Our claim form properly completed to Us within 30 days of the loss or damage;
- (c) promptly give Us whatever information We may from time to time require to properly consider Your claim;
- (d) provide Us immediately with full particulars of any claim made against You by any other person and with all legal documents served on You and allow Us the sole option to negotiate settlement of or defend the claim in Your name;

- (e) allow Us to take over for Our own benefit any legal right of recovery You may have; take all reasonable steps to prevent further loss or damage; ensure that repairs are carried out promptly when Your claim has been approved;
- (f) allow Us to inspect the damage and deal with salvage in a reasonable manner, however property may not be abandoned to Us;
- (g) allow Us to complete all necessary documents and authorities in respect of any claims under this Policy as Your authorised agent;
- (h) if You have selected section 8 (personal income protection) obtain medical treatment for the Insured Person from a Registered Medical Practitioner or hospital as soon as possible after any Accident or Illness and follow any medical advice. You must also provide at Your own expense any medical certificates or other information We may require.

You must not:

- (a) start rebuilding or repairs without Our prior approval except to reduce further damage or safeguard the property;
- (b) discuss a claim made on You by another person with them;
- (c) make Your claim knowing that it is false or fraudulent in anyway. If You do, the policy may be cancelled immediately and We will not pay Your claim.

4 Other insurance

If at the time of any claim arising under this Policy, there is any other valid and collectable insurance covering all or part of the same loss, this Policy will apply only to the amount of the loss in excess of the amount recoverable under the other insurance.

5 Automatic reinstatement

In the case of a partial loss We will reinstate Your insurance after We have accepted any claim. This does not apply to section 4 (Farm Liability) or section 8 (personal income protection).

6 Jurisdiction

The law of New Zealand shall apply and the Courts of New Zealand will have exclusive jurisdiction in respect of any litigation. Any compensation awarded or costs or expenses of litigation outside New Zealand are not covered.

7 Currency

All sums insured and limits of indemnity are expressed in New Zealand currency. All claims will be paid in New Zealand.

8 Acts of Parliament

Where this Policy refers to any Acts of Parliament this includes any regulations and amendments to that Act. It also includes any other Act or Regulation passed as an addition, an amendment, or in its place.

9 Cancellation of this policy

You may cancel this Policy at any time by writing to Us. We will refund You 80% of Your unused premium. We may cancel this Policy at any time by giving You 14 days notice in writing to Your last known postal address. We will refund Your unused premium. If You have a total loss then cover in respect of that item is automatically cancelled and no refund of premium is given.

10 Alterations

You can have this Policy altered at any time so long as We have agreed in writing to such alteration before it takes effect. We may alter the terms of this Policy by writing to You at Your last known postal address provided You acknowledge and accept the alterations in writing within 14 days of receiving our letter. Should You not agree to the alterations within the 14 day period we may exercise our right to cancel this Policy, or Policy section, in accordance with the provisions of the Policy.

General exclusions: All sections

This Policy will not pay for:

- 1 The Excess or Deductible shown in the Schedule will be deducted from every claim.
- 2 (a) death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any of the following regardless of any other contributing cause or event:
 - (i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 - (ii) any act of terrorism.

For the purpose of this exclusion, terrorism means an act including but not limited to the use or threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.

This Policy also excludes death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any action taken in controlling, preventing, suppressing or in any way relating to, the above exclusions.

- (b) Any event occurring outside New Zealand other than cover provided under sections 4 (Farm Liability) or 8 (personal income protection).
- (c) Any amount awarded under and by virtue of any judgement of any court other than a New Zealand court, whether or not that judgement is enforceable by any means in New Zealand, and the costs and expenses of litigation arising out of any proceeding or judgement of any court other than a New Zealand court.

- (d) Any loss or damage or expense arising from an order by any Government or Local Body but We will pay for loss or damage if the order is to prevent fire or other damage covered by this policy.
- (e) Any loss, damage or liability arising from:
- (i) nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel. (For the purpose of this exclusion combustion includes any self-sustaining process of nuclear fission or fusion);
 - (ii) confiscation, nationalisation or requisition by the order of Government or Local Authority but We will pay for damage as a result of such an order if damage is to prevent fire or other damage covered by this Policy;
 - (iii) any deliberate or reckless acts by You.
- (f) Any loss or damage of whatsoever kind arising directly or indirectly out of:
- (i) the corruption, destruction or alteration of or damage to data, coding programme or software or;
 - (ii) the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips or;
 - (iii) any business interruption losses resulting therefrom.
- Provided that this exclusion shall not apply;
- (i) where such loss or damage occurs as a direct result of physical damage which is otherwise covered by this Policy and any such loss or damage will be settled in accordance with the Policy conditions and sum insured limits;
 - (ii) to section 3 Farm Assets Breakdown.