

PLACEMENT CONFIRMATION

OUR REFERENCE: ANGLICAN CHURCH OF NEW ZEALAND

We present our Placing Confirmation. Please stamp and return prior to the inception date stated herein

To the best of our knowledge, the information supplied in this document is accurate. Marsh accepts no liability for any loss arising out of your reliance on information which has been supplied to Marsh by or on behalf of Marsh's clients.

| | |
|-------------------------------|------------------------|
| COVER TYPE | Motor |
| POLICY WORDING | MV Policy eDIT V1 |
| MARSH PRACTICE | Corporate |
| INSURER | QBE Insurance |
| POLICY PERIOD START | 1 April 2022 at 4.00pm |
| POLICY PERIOD FINISH | 1 April 2023 at 4.00pm |
| QUOTE BASIS | Net |
| FENZ LEVY | |
| PREMIUM | |
| WILL BE TRANSACTED ON MPS WEB | Yes |
| BROKER | Lalesh Kundan |

MOTOR VEHICLE INSURANCE POLICY

PLACEMENT SCHEDULE

| | | |
|---|--|-------------------------------|
| POLICY NUMBER | P000512495MOT | |
| THE COMPANY | QBE Insurance | |
| INSURED | Anglican Church of New Zealand and any subsidiary company, more than half the nominal value of whose equity share capital is owned by the named Insured either directly or through other subsidiaries; and any entity over which an Insured exercises management control. | |
| INTERESTED PARTIES | As known to the Insured | |
| PERIOD OF INSURANCE | From 4.00 pm Local Standard Time on 1 April 2022 To 4.00 pm Local Standard Time on 1 April 2023 Or any other period for which the Company and the insured agree to renew the policy. | |
| LIMIT OF LIABILITY (Section 1) | Sum Insured | Total value as declared |
| | Limit any one Vehicle acquired by the Insured during the Period of Insurance and not advised to the Company prior to its loss or damage: | \$250,000 |
| LIMIT OF LIABILITY (Section 2) | Limit any one Accident: | \$10,000,000 |
| DEDUCTIBLE AMOUNT (Section 1 only) | Amount to which the Deductible Condition refers: | 1% Sum Insured, minimum \$500 |
| | Driver Experience Excesses In addition to the Standard Excess, the following Driver Experience Excesses apply to indemnity for loss or damage under Section 1 of this Policy when the person driving the Insured Vehicle at the time of the Accident is: a) under 21 years of age NZD 1,000 b) between 21 and 25 years of age NZD 500 c) 25 or more years of age and has held a licence to drive in New Zealand for less than 12 months NZD 500 | |
| SPECIAL LIMITS | | |
| Section 1 | Repairs Clause | |
| | Specified amount: | \$1,000 |

| | | |
|------------------|--|-------------|
| | Claim Preparation Costs Clause | |
| | Specified minimum cost: | \$500 |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$5,000 |
| | Hazardous Substance Emergencies Clause | |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$ 10,000 |
| | Hoists Clause | |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$5,000 |
| | Deductible: | \$500 |
| | Protection and Salvage Costs | |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$20,000 |
| | Road Clearing and Load Recovery Clause | |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$100,000 |
| | Transportation Costs Clause | |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$10,000 |
| | Tyre Damage | |
| | In respect of any one tyre, the Company's liability under this clause will not exceed: | \$ 5,000 |
| Section 2 | Exemplary Damages | |
| | In respect of any one Accident, the Company's liability for any exemplary damages falling within the scope of this Policy will not exceed: | \$1,000,000 |
| | Excess: | |
| | 10% of claim to a minimum of NZD 5,000 | |
| | Defence Costs Clause | |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$10,000 |
| | Rental Vehicles (Consequential Loss) | |
| | In respect of any one Accident, the Company's liability under this clause will not exceed: | \$ 50,000 |

Vibration or Weight

The following special limit and deductible apply to each occurrence of damage by vibration or weight as described in the Vibration or Weight exclusion:

| | |
|---------------------------------|------------|
| Limit of Liability – Section 2: | \$ 500,000 |
| Deductible – Section 2: | \$ 2,000 |

POLICY WORDING

MV Policy eDIT V1

ENDORSEMENTSQBE MV Endorsement eDIT V2 140316

P. Hill 24/03/22
Pania Hill
Senior Underwriter

MOTOR VEHICLE INSURANCE

QBE Version 2 – Effective 14 March 2016 for MV eDIT policies

ENDORSEMENT QBE V2 140316 TO MV POLICIES ISSUED BY QBE INSURANCE (AUSTRALIA) LIMITED

INSURED PROPERTY DEFINITION MEMORANDUM

The words “All property of the following descriptions, the Insured’s own or held by the Insured jointly or in trust” are deemed to be deleted from the Insured Property clause of this Policy and replaced by the following.

All property of the following descriptions, owned, used, leased, lent, borrowed, hired, or in the care, custody and/or control of the Insured or for which the Insured is responsible, or held by the Insured jointly or in trust, all whether registered or unregistered including (but not limited to) whilst bearing any “X” plate or equivalent.

SECTION 1

DEATH BY ACCIDENT

Where the Insured or any employee of the Insured dies as a direct result of an Accident to an insured Vehicle, whether or not death occurs at the time of the loss, the Company will provide a benefit of \$10,000 to the deceased person’s estate, regardless of any other insurance.

The Company’s liability under this clause will not exceed \$20,000 any one Accident, unless stated otherwise in the Schedule.

The benefit provided by this clause is in addition to the indemnity for loss or damage, and is not subject to a separate Deductible.

DISABILITY MODIFICATIONS

If the Insured or any employee of the Insured is injured as a direct result of an Accident to an insured Vehicle, and this results in permanent disability which necessitates vehicle modifications (such as hand controls), either to an insured Vehicle or to the injured person’s private vehicle, the Company will pay for the reasonable cost of these modifications.

However, the Company is only liable in excess of any amount payable by the Accident Compensation Corporation.

The Company’s liability under this clause will not exceed \$10,000 any one Accident, unless stated otherwise in the Schedule.

The indemnity provided by this clause is in addition to the indemnity for loss or damage, and is not subject to a separate Deductible.

EXPEDITING EXPENSES

The Company will indemnify the Insured for the additional costs of express freight and overtime to expedite repairs as a result of an Accident for which a claim is payable under Section 1 of this policy.

FUNERAL COSTS

Where the Insured or any employee of the Insured dies as a direct result of an Accident to an insured Vehicle, whether or not death occurs at the time of the loss, the Company will pay all funeral expenses associated with the burial or cremation of the deceased person, but only to the extent that the costs exceed the amount recoverable under any other insurance, including but not limited to any benefit payable under Accident Compensation legislation.

In addition, the Company will pay all reasonable travel costs within New Zealand of the deceased person's immediate family attending the deceased person's funeral.

The Company's liability under this clause will not exceed \$10,000 any one Accident, unless stated otherwise in the Schedule.

The indemnity provided by this clause is in addition to the indemnity for loss or damage, and is not subject to a separate Deductible.

GOODS IN TRANSIT

If any insured Vehicle suffers an Accident from:

- (a) a fire, or
- (b) a collision, or
- (c) an impact, or
- (d) overturning,

the Company will indemnify the Insured for loss to property owned by the Insured carried on the insured vehicle at the time of the Accident.

The Company's liability under this clause will not exceed \$10,000 any one Accident, unless stated otherwise in the Schedule.

The indemnity provided by this clause is in addition to the indemnity for loss or damage, and is not subject to a separate Deductible.

HIRE OF VEHICLE FOLLOWING THEFT

Where any insured Vehicle has been stolen and such loss would be insured under this Policy, the Company will indemnify the Insured for the cost of hiring a replacement Vehicle of similar kind. The Company will pay the cost of the hire or, at its option, arrange the hire of such a Vehicle.

The period of hire covered by this clause will commence upon the Company being notified of the theft. It will end on the day the stolen Vehicle is recovered, or the day the Company offers settlement of the claim for the stolen Vehicle, whichever occurs first.

The Company's liability under this clause will not exceed \$5,000 in respect of any one theft of any one Vehicle, unless stated otherwise in the Schedule.

The indemnity provided by this clause is in addition to the indemnity for loss or damage, and is not subject to a separate Deductible.

LOST OR STOLEN KEYS

The Company will indemnify the Insured for the reasonable cost incurred in altering or replacing locks and/or keys where any key giving access to an insured Vehicle is lost, stolen or believed on reasonable grounds to have been duplicated without proper authority.

The Company's liability under this clause will not exceed \$5,000 in respect of any one insured Vehicle, unless stated otherwise in the Schedule. This limit does not apply to any loss for which indemnity would be payable under the Policy in the absence of this clause.

This indemnity provided by this clause is not subject to any Deductible.

SIGNWRITING BASIS OF SETTLEMENT

The basis of settlement following loss or damage to signwriting and/or artwork on any insured Vehicle is the cost of replacing such signwriting and/or artwork damaged or lost in an Accident.

The Company's liability under this clause will not exceed \$10,000 in respect of any one insured Vehicle any one Accident, unless stated otherwise in the Schedule.

The indemnity provided by this clause is not subject to a separate Deductible.

TRANSPORTATION

Part (a) of the Section 1 Transportation clause is deemed to be deleted and replaced by the following.

- (a) the occupants for the reasonable cost of returning each one to the place where their journey in that Vehicle commenced or to their home or place of work in New Zealand (at the option of the Insured), including but not limited to the reasonable cost of temporary accommodation prior to or during such task ; and

SECTION 2

LIMIT OF LIABILITY – SECTION 2

The Company's liability under Section 2 of this Policy in respect of any one Accident is limited to \$10,000,000 other than where an increased limit is stated in the Schedule.

SECTION 2 ANY ONE ACCIDENT

The words "The Company's liability in respect of any one Accident is limited to the amount specified in the Schedule" are deemed to be deleted from the Insuring Clause of Section 2 and replaced by "The Company's liability under (a) and (b) above in respect of any one Accident is limited to the amount specified in the Schedule."

FINANCIAL CHARGE

The Insured is indemnified under Section 2 of this Policy for the balance of any outstanding charge on any insured Vehicle purchased during the Period of Insurance, subject to the Insured making proper enquiries before purchasing the Vehicle.

The Company's liability under this clause will not exceed \$10,000 in respect of any one insured Vehicle any one Accident, unless stated otherwise in the Schedule.

EXCLUSIONS

EMPLOYEES

The Employees exclusion is deemed to be deleted and replaced by the following.

Section 2 of this Policy does not insure against liability in respect of the death or bodily injury to any employee of the Insured arising out of or in the course of that person's employment with the Insured. However this exclusion will not apply to subsequent death or bodily injury to any member of such employee's Immediate Family (as defined in the Sentencing Act 2002).

CONDITIONS

ADDITIONAL INSUREDS

Each of the following is an Insured under this Policy to the extent shown below:

- (a) the Insured stated in the Schedule;
- (b) any associated social or sporting club;
- (c) any new company or organisation formed or acquired by the Insured during the Period of Insurance;
- (d) any director, executive officer, employee, elected member or official (including but not limited to the partner of any such director, executive officer, employee, elected member or official, or any direct family member of any director) of (a), (b) or (c) above.

DEDUCTIBLE

No Deductible will be applied to:

- (a) any claim for loss or damage by fire;
- (b) any claim for loss or damage by theft or any attempt at theft;
- (c) breakage of glass (or its equivalent) in any windscreen, window, headlight, other external light, mirror or sunroof. No Deductible will also apply to any damage to bodywork scratched or damaged as a direct result of such breakage of glass (or its equivalent) provided no other loss or damage to the Insured Property is claimed for as a result of the Accident.

SUBROGATION

The second paragraph of the Subrogation Condition is deemed to be deleted and replaced by the following.

The Insured must comply with this condition when required, whether before or after having been indemnified by the Company. The Company will not exercise subrogation against any person or corporation insured under this Policy or any person driving, using or travelling in or on an insured Vehicle with the permission of any Insured, unless that person has caused the loss or damage wilfully.

TYPE OF COVER

The type of cover is limited to:

- (a) Third Party Only where the type of cover for any Vehicle is listed as "TPO".
- (b) Third Party Fire and Theft where the type of cover for any Vehicle is listed as "TPFT".

Definitions

'Third Party Only' means the level of cover provided by Section 2 of this Policy only including (but not limited to) the Uninsured Third Party Protection Condition.

'Third Party Fire and Theft' means the level of cover provided by:

- (i) Sections 1 and 2 of this Policy but the cover under Section 1 is restricted to loss to any Vehicle caused by fire, theft, any attempt at theft, explosion or lightning; and
- (ii) the Uninsured Third Party Protection Condition.

UNINSURED THIRD PARTY PROTECTION

The following clause applies to insured Vehicles insured under the following types of cover only: Third Party Only, and Third Party Fire and Theft.

If a third party has no valid and collectable insurance, and it can be established that:

- (a) the third party was at fault for the Accident; and
- (b) the identity of the third party is known;

this clause covers the Insured's uninsured losses including policy excess up to a maximum of \$5,000 per Accident.

IMPOSED TERMS

ELECTRONIC

The non-negotiable wording of this endorsement has been imposed by the Company and is to be interpreted accordingly.

This policy does not insure any loss of whatever kind arising directly or indirectly out of:

- (a) the corruption, destruction or alteration of or damage to data, coding program or software; or
- (b) the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips; or
- (c) any business interruption losses resulting therefrom.

Provided that this exclusion will not apply where such loss occurs as a direct result of an Accident which is otherwise covered by this policy and any such loss will be settled in accordance with the policy conditions and sum insured limits.

SANCTIONS

The Company will not pay any claim or provide any benefit hereunder to the extent that the provision of such cover or the payment of such claim would contravene any sanction, prohibition or

restriction under any United Nations resolution or trade or economic sanctions, laws or regulations of New Zealand, Australia, United Kingdom, the United States of America, or the European Union.

TERRORISM

The non-negotiable wording of this endorsement has been imposed by the Company and is to be interpreted accordingly.

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, by any person or group(s) or 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 done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, death, injury, illness, cost or expense of whatsoever 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 any act of terrorism.

WAR AND NUCLEAR RISKS

The non-negotiable wording of this endorsement has been imposed by the Company and is to be interpreted accordingly.

The War And Nuclear Risks exclusion is deemed to be deleted and replaced by the following.

This Policy does not insure any loss, damage or liability directly or indirectly caused by or resulting from:

- (a) War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any Government or public or local authority.
- (b) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- (c) the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof.

MOTOR VEHICLE INSURANCE POLICY

In consideration of the Insured having paid or promised to pay the required premium, and subject to the terms of this Policy, the Company agrees to indemnify the Insured in accordance with Sections 1 and 2 of the Policy in respect of Accidents occurring during the Period of Insurance.

DEFINITIONS

In this Policy:

'Accident' means an event resulting in loss, damage or injury neither expected nor intended by the Insured.

'Gross Laden Weight' has the same meaning as in section 2(1) of the Road User Charges Act 1977

'Vehicle' means any device with wheels, tracks, rollers or other means of achieving mobility and is:

- (a) designed for use on land or other firm surfaces; and
- (b) propelled by mechanical transfer of energy; or
- (c) towed by another Vehicle.

LIMIT OF LIABILITY

Except where expressly provided to the contrary, the Company's liability will not exceed the applicable Limit of Liability specified in the Schedule attaching to this Policy.

INSURED PROPERTY

All property of the following descriptions, the Insured's own or held by the Insured jointly or in trust.

- (a) All Vehicles of every description except railway rolling stock.
- (b) All accessories, equipment and things normally used in, on, or in connection with any insured Vehicle, excluding any electrical communication equipment unless it is permanently fixed to the Vehicle, but including any such accessories or equipment while temporarily removed from the Vehicle.
- (c) All Vehicle parts temporarily removed from Vehicles.

Subject to the special limit shown in the schedule, any such property acquired by the Insured during the Period of Insurance is deemed to be included in this insurance from the date of acquisition. Any such property disposed of during the Period of Insurance is deemed to be excluded from this insurance from the time of disposal.

EMPLOYEES' PROPERTY

The following property is deemed to be included in the description of Insured Property as if it were owned by the Insured, but in respect only of loss or damage for which there is no other valid and collectable insurance.

- (a) Employees' Vehicle accessories and employees' personal effects while in or on any insured Vehicle.
- (b) Any Vehicle owned by or in the control of an employee while the Vehicle is being used in connection with the Insured's business with the Insured's consent.

SECTION 1 – LOSS OR DAMAGE TO INSURED PROPERTY

LOSS OR DAMAGE

The Company will indemnify the Insured against loss or damage to any Insured Property arising from any Accident happening in New Zealand or in transit between New Zealand ports.

Basis of Settlement

The Company will, at its option, reinstate lost or damaged property by repair or replacement or will pay the amount of loss or damage. The payment will not exceed the reasonable market value of the property at the time of its loss or damage except as provided below.

Vehicles Less Than 12 Months Old

In the event of total or constructive total loss of a Vehicle of not more than 3500 kilograms Gross Laden Weight occurring within 12 months of the Vehicle being first registered in New Zealand as a new Vehicle, the basis of settlement will be the cost of a new replacement Vehicle of similar make and model, but not exceeding the limit specified in the Schedule in respect of Section 1.

Leased Vehicles

If the lost or damaged property is a leased Vehicle, the basis of settlement will be the amount of loss or damage up to but not exceeding the greater of the reasonable market value or the Residual Value of the Vehicle at the time of its loss or damage. 'Residual Value' means the residual value of the Vehicle as determined under the terms of a lease agreement, excluding any charges that are not solely attributable to the occurrence of the loss or damage, but not exceeding 120% of the Vehicle's reasonable market value.

Repairs

If the Insured Property is to be repaired, the Insured may choose any repairer, provided that:

- (a) if the estimated repair cost exceeds the amount specified in the Schedule, repairs must not be commenced without the consent of the Company or its surveyor;
- (b) the Company or its surveyor must be given the opportunity of examining the repairs;
- (c) the liability of the Company will not exceed a reasonable cost for the repairs.

CLAIM PREPARATION COSTS

The Company will indemnify the Insured for any costs reasonably incurred for the purpose of preparing and proving any valid claim under Section 1 of this Policy. The indemnity is payable free of Deductible, but no indemnity is payable unless the total amount of the costs equals or exceeds the amount specified in the Schedule.

GENERAL AVERAGE

The Company will indemnify the Insured against General Average and Salvage charges payable in connection with any Insured Property according to Foreign Statement, or to York-Antwerp rules if in accordance with the contract of affreightment, where the charges arise from an event occurring during the Period of Insurance. This indemnity is not subject to any Deductible.

HAZARDOUS SUBSTANCE EMERGENCIES

The Company will indemnify the Insured up to the limit specified in the Schedule for any charge that the New Zealand Fire Service is authorised to make in respect of any Hazardous Substance Emergency arising out of or in connection with Insured Property during the Period of Insurance. The indemnity will be payable regardless of whether the Insured Property has been damaged. 'Hazardous Substance Emergency' has the same meaning as defined in the Fire Service Act 1975 or any statutory amendment to or re-enactment of that Act.

HOISTS

Notwithstanding anything to the contrary in the Breakdown Exclusion, but subject to the Special Limit and Deductible shown in the Schedule, this insurance extends to cover accidental mechanical failure breakdown or breakage of any hydraulic ram or hoist permanently attached to an insured Vehicle.

OTHER INTERESTS

Where the Insured has agreed to insure the interest of any person or corporation having an insurable interest in any of the Insured Property, the Company will indemnify the Insured and that person or corporation subject to the terms of this Policy as if a separate policy had been issued to each. However:

- (a) the Company will not be liable to indemnify any person or corporation whose interest has not been declared to the Company by the time indemnity becomes payable; and
- (b) the Company's liability will not be increased beyond the amount that would be payable if this Memorandum had not been incorporated in the Policy.

PROTECTION AND SALVAGE COSTS

If any Insured Property is disabled by reason of loss or damage covered by this Policy, the Insured must take prompt steps to ensure the safety of the property. The Company will pay the reasonable cost of taking those steps. The Company will also indemnify the Insured up to the limit specified in the Schedule for any reasonable salvage, recovery or disposal costs incurred in consequence of the loss or damage; and will indemnify the Insured for any reasonable costs incurred in reducing or avoiding any such loss or damage that otherwise appears inevitable.

The indemnity provided by this clause is in addition to the indemnity provided for loss or damage. If the claim is subject to a Deductible, the Deductible will apply to the aggregate of the loss, damage and costs arising from any one Accident or threat of Accident.

ROAD CLEARING AND LOAD RECOVERY

In the event of an Accident resulting in loss or damage for which a claim is payable under this Policy, or in the event of emergency action being taken solely to avoid such an Accident, the Company will indemnify the Insured up to the limit specified in the Schedule for the reasonable costs of:

- (a) cleaning up and clearing away any debris and spillage resulting from the Accident or emergency action;
- (b) recovering and reloading any load lost or fallen from an insured Vehicle as a result of the Accident or emergency action; and
- (c) if necessary as a result of the Accident, transferring the load carried on or lost or fallen from an insured Vehicle to another Vehicle and removing it to the nearest place of safety.

The indemnity provided by this clause is in addition to the indemnity for loss or damage, and is not subject to a separate Deductible.

TRANSPORTATION

Where, as a direct result of an Accident to an insured Vehicle, the occupants of the Vehicle are prevented from returning in the Vehicle to the place in New Zealand where the Vehicle is normally based, the Company will indemnify:

- (a) the occupants for the reasonable cost of returning each one to the place where their journey in that Vehicle commenced; and
- (b) the Insured for the reasonable cost of recovering and returning the Vehicle to the place where it is normally based in New Zealand;

up to the limit specified in the Schedule, provided that:

- (a) the loss or damage is covered by this Policy;
- (b) the person is in charge of the Vehicle with the Insured's consent;
- (c) the indemnified costs will not include any costs that would have been incurred in the absence of loss or damage;
- (d) the indemnity provided by this clause is in addition to the indemnity provided in respect of the loss or damage, and is not subject to a separate Deductible.

TYRE DAMAGE (Applicable to Mobile Plant only)

The Company will indemnify the Insured up to the limit specified in the Schedule against damage to any tyre (including any tube within the tyre) fitted to any insured Vehicle other than a Vehicle used principally for road transport, providing indemnity for the damage is not otherwise recoverable under this Policy. The indemnity will be payable free of Deductible but the Company's liability will not exceed the replacement cost of each damaged tyre, less a reasonable deduction for use of the tyre up to the time of its damage. The exclusion of punctures, cuts or bursting of tyres or damage to tyres by application of brakes does not apply to this indemnity.

SECTION 2 – THIRD PARTY LIABILITY

In the event of any Accident caused by or through or in connection with any Insured Property and occurring in New Zealand or in transit between New Zealand ports, the Company will indemnify the Insured for all sums that the Insured becomes legally liable to pay in respect of:

- (a) loss or damage to property or loss of use of property;
- (b) death or bodily injury (including illness, shock, fright, mental anguish or mental injury) to any person.

The Company's liability in respect of any one Accident is limited to the amount specified in the Schedule.

The Company will also indemnify the Insured in respect of any claim to which the indemnity in this Policy applies for:

- (a) all costs of litigation and other costs recovered by any claimant against the Insured; and
- (b) all costs of litigation and other costs incurred with the Company's consent.

DEFENCE COSTS

Where any person entitled to indemnity under this Policy is charged with manslaughter, or reckless or dangerous driving causing death, or careless driving causing death, and where the charge arises out of the use of an insured Vehicle during the Period of Insurance, the Company will indemnify that person up to the limit specified in the Schedule for the cost of defending any prosecution in respect of the charge.

Further, where any person entitled to indemnity under this Policy is legally represented at any enquiry or coroner's inquest in connection with death arising out of the use of any insured Vehicle, the Company will indemnify that person for the cost of the legal representation.

INDEMNITY FOR OTHER PERSONS

The Company will indemnify each of the following under this Section of the Policy as if they were the Insured.

- (a) Any person who, at the time of an Accident, is driving or who is in charge of any insured Vehicle with the Insured's consent. However, this indemnity will not apply to liability in connection with the letting out on hire of the Vehicle without a driver.
- (b) Any of the Insured's directors and employees where the director or employee is or has been acting on behalf of the Insured in connection with any Insured Property at the time of the Accident.
- (c) Any person who is a passenger in or who is getting in to or out of any insured Vehicle at the time of an Accident.
- (d) Any principal party to a contract with the Insured if the liability arises out of the performance by the Insured of any contract work for that principal party. The indemnity will be limited to the extent required by the terms of the contract.

Each person or corporation entitled to indemnity under this clause must, as if the person or corporation were the Insured, observe and fulfil and be subject to the terms of this Policy in so far as they can apply.

Nothing in this clause will increase the Company's total liability beyond the Limit of Liability applicable to this Section. Where the indemnified person or corporation is entitled to indemnity for the same loss under any other policy, the indemnity provided by this clause will not apply until or unless the indemnity provided by the other policy is exhausted.

MOVEMENT OF OTHER VEHICLES

The Insured is indemnified under this Section of the Policy for liability in respect of damage arising out of the movement, by the Insured or any authorised employee of the Insured, of any Vehicle that is:

- (a) parked in a position that prevents or impedes the loading or unloading of an insured Vehicle,
or
- (b) prevents or impedes the legitimate passage of an insured Vehicle.

For the purpose of this indemnity, the Vehicle being moved will not be treated as being in the Insured's custody or control.

Special Exclusion

No indemnity will be payable under this clause in respect of liability arising from an obstructing Vehicle being driven by someone who does not hold a current driver's licence, if the law requires one in respect of the Vehicle. However, this exclusion will not apply if the driver has held, and is not disqualified from holding, a licence and actually obtains a licence without a further driving test.

RENTAL VEHICLES (CONSEQUENTIAL LOSS)

Notwithstanding the Insured's custody or control of any rental Vehicle insured under this Policy, the Company will indemnify the Insured for all sums up to the limit specified in the Schedule, including claimant's costs, that the Insured becomes legally liable to pay in respect of any consequential loss of revenue or other costs of the owner of the rental Vehicle, including towing and salvage costs associated with the recovery of the rental Vehicle and its accessories and spare parts.

VICARIOUS LIABILITY

The events to which Section 2 of this Policy applies are extended to include any Accident caused by or through or in connection with any Vehicle owned by or in the control of any employee of the Insured (whether or not the Vehicle is insured by this Policy), but only if the Accident occurs while the Vehicle is being used in connection with the Insured's business with the Insured's consent.

EXCLUSIONS

Agricultural Machinery

Section 1 of this Policy does not insure against damage to any agricultural machine caused directly by any foreign object having entered the machine in the course of its normal operation.

Breakdown

In respect of the part immediately affected, Section 1 of this Policy does not insure against:

- (a) mechanical failure breakdown or breakage;
- (b) electrical or electronic failure or breakdown.

This exclusion also applies to damage to the engine or transmission system directly resulting from any mechanical failure breakdown or breakage, but does not otherwise apply to resulting damage to other parts of the Insured Property.

Custody or Control

Section 2 of this Policy does not insure against liability in respect of loss or damage to any property belonging to the Insured or in the Insured's custody or control, but this exclusion does not apply to:

- (a) any disabled Vehicle under tow, providing the disabled Vehicle is not being towed for reward;
- (b) the personal baggage and wearing apparel of any passenger;
- (c) any premises occupied but not owned by the Insured.

Consequential Loss

Section 1 of this Policy does not insure against loss of use or depreciation in value.

Defective Parts

Section 1 of this Policy does not insure against damage to any part of an insured Vehicle caused solely by the defective design, specifications or materials of that part. This exclusion does not apply to resulting damage to any other part of the insured Vehicle.

Drivers

This Policy does not insure against loss, damage or liability arising out of any Accident involving an insured Vehicle while the Vehicle is being driven by a person who:

- (a) is under the influence of intoxicating liquor or drug to the extent that an offence is committed under the Land Transport Act 1998 and its amendments or any re-enactment of that Act; or
- (b) has failed to stop or remain at the scene following the occurrence of an Accident where required to do so by law; or
- (c) is not the holder of a current motor driver's licence if one is required by law in respect of the Vehicle. However, this exclusion will not apply where:
 - 1) the person has held, and is not disqualified from holding a licence, and actually obtains a licence without a further driving test; or
 - 2) the Vehicle is being used for the purpose of teaching a learner to drive, providing all the requirements of the law in that connection are being complied with.

Employees

Section 2 of this Policy does not insure against liability in respect of the death or bodily injury to any person arising out of or in the course of that person's employment with the Insured.

Excessive Loading and Driving Hours

This Policy does not insure against loss, damage or liability arising out of any Accident occurring while any insured Vehicle is:

- (a) loaded or being loaded in excess of the manufacturer's specifications; or
- (b) being driven in breach of any law relating to driving hours.

Fines and Penalties

Section 2 of this Policy does not insure against liability for any fine or penalty imposed as a result of prosecution for breach of any law.

Loading and Unloading

Section 2 of this Policy does not insure against liability arising from the act of bringing to or taking away a load from any insured Vehicle where the act takes place beyond the limits of a thoroughfare and is not performed by the driver or attendant of the Vehicle.

Mobile Plant

Section 2 of this Policy does not insure against liability arising out of any Accident caused by or through or in connection with any insured Vehicle being mobile plant while the plant is being operated for the purpose it was designed (such as a crane) and not as a vehicle.

Tyres

Section 1 of this Policy does not insure against any puncture, cut or bursting of any tyre, or damage to any tyre by application of brakes, but this exclusion will not apply when other damage covered by this Policy arises in the same Accident.

Unsafe Condition

This Policy does not insure against any loss, damage or liability incurred while an insured Vehicle is being driven in an unsafe condition where:

- (a) the condition causes or contributes to the event that results in the loss, damage or liability; and
- (b) the Insured or the driver was aware, or with reasonable diligence ought to have been aware, of the unsafe condition.

The term 'unsafe condition' includes any permanent or temporary condition that may result in damage to the insured Vehicle or any part of it.

Use of Vehicles

This Policy does not insure against any loss, damage or liability incurred in connection with the use of any insured Vehicle for any of the following purposes:

- (a) Racing, pace-making, reliability trial, speed tests, or testing in preparation for any of them.
- (b) The conveyance of fare-paying passengers, where the required fare is greater than a reasonable contribution to Vehicle running costs, unless the Vehicle is duly licensed for carrying fare paying passengers.

Vibration or Weight

Except within the special limits shown in the Schedule, Section 2 of this Policy does not insure against liability for damage caused by vibration or the weight of an insured Vehicle or its load to any: bridge or viaduct; any road or anything beneath a road; any underground pipe line or cable; or any other underground installation.

War and Nuclear Risks

This Policy does not insure against loss, damage or liability directly or indirectly caused by or resulting from any of the following:

- (a) War, invasion, act of foreign enemy, warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, insurrection, military or usurped power.
- (b) Confiscation, requisition or destruction of or damage to property by lawful order of government or local authority unless the order is given for the purpose of controlling fire or other peril for which insurance is provided by this Policy.
- (c) Nuclear weapons material.
- (d) Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion, combustion includes any self sustaining process of nuclear fission.

Wear and Tear

Section 1 of this Policy does not insure against wear and tear, but this exclusion is limited to the part immediately affected, and does not apply to resulting damage to other parts of the Insured Property.

CONDITIONS

CANCELLATION

(a) By the Insured

The Insured may cancel this Policy at any time with immediate effect by giving written notice to the Company. The Company will then retain a pro-rata proportion of the premium (subject to any adjustment required by the terms of this Policy) for the time during which the Policy has been in force, and will refund the unearned balance to the Insured.

(b) By the Company

The Company may cancel this Policy at any time by giving written notice to the Insured or to the Insured's broker. The notice must be delivered personally or by a method that requires confirmation of delivery. The cancellation will take effect at 4 p.m. on the 45th day after the notice has been delivered. The Company will then refund a pro-rata proportion of the premium to the Insured, subject to any adjustment required by the terms of this Policy.

CLAIMS

Notice Required

Upon the Insured becoming aware of any event giving rise or likely to give rise to a claim under this Policy, the Insured must:

- (a) immediately notify the Company;
- (b) submit full particulars of the claim in writing to the Company as soon as practicable;
- (c) provide any other information or assistance that the Company reasonably requires.

In respect of Section 2 of this Policy, the Insured must also notify the Company of any claim, impending prosecution or proceedings immediately on becoming aware of them.

Defence (Applicable to Section 2 of the Policy)

The Insured must not, without the Company's consent, repudiate liability or negotiate or make any admission, offer, promise or payment, in connection with any Accident or claim. The Company will be entitled to take over and conduct, in the Insured's name, the defence of any such claim. The Company will have full discretion in the conduct of any proceedings and in the settlement of the claim and, having taken over the defence of any claim, may relinquish that defence.

Cessation of Liability (Applicable to Section 2 of the Policy)

In respect of any one Accident, the Company may at any time pay to the Insured the Limit of Liability specified in the Schedule (less any sum already paid as indemnity for compensation), or any lesser amount for which the claim or claims arising from the Accident can be settled. On making that payment, the Company will be under no further liability in respect of the Accident except for costs of litigation and other expenses incurred prior to the payment being made.

CROSS LIABILITY

Where more than one person or corporation is indemnified by this Policy, claims made between or against any of them will be treated as though each had been issued with a separate policy in the person's or corporation's own name. Each will be separately subject to all terms of this Policy in so far as they can apply.

Where claims are made against more than one person or corporation in respect of the same Accident, the amount of any Deductible and the Limit of Liability for any one Accident will not exceed the amounts specified in the Schedule. Where the Limit of Liability is insufficient to fully indemnify all persons and corporations entitled to indemnity under this Policy, it will apply in priority to the first named Insured.

DEDUCTIBLE

Each loss or series of losses arising out of one Accident will be adjusted separately. The adjusted loss will be net of salvage and other recoveries. From each adjusted loss the Deductible amount specified in the Schedule will be deducted. A series of events arising from any one cause during any period of 72 consecutive hours will be treated as one Accident for the purpose of applying the Deductible.

No Deductible will be applied to any claim for loss or damage by fire; or by theft or any attempt at theft; or for breakage of glass (or its equivalent) in any windscreen, window, headlight, other external light, or sunroof.

FRAUD

If the Insured or anyone acting on behalf of the Insured makes any claim that is in any respect fraudulent, or makes any false declaration in support of any claim, or uses any other fraudulent means or devices to obtain benefit under this Policy, all benefit in respect of that claim will be forfeited. For the purpose of this condition, each of the Insured (if more than one) will be treated as having been issued with a separate policy.

GOODS AND SERVICES TAX

Where the Insured is liable to pay GST on receiving any indemnity payment under this Policy, the Company will reimburse the Insured for the cost of that tax. The reimbursement will be made in addition to the indemnity otherwise payable and will not be subject to any sum insured or other limit of the Company's liability. For the purpose of this clause, 'GST' means tax payable under Section 5(13) of the Goods and Services Tax Act 1985, or under any statutory amendment to or re-enactment of the Section or Act.

INVALIDATION

The Insured's right to indemnity under this Policy will not be invalidated by reason of any insured Vehicle being driven in any circumstances referred to in the Drivers Exclusion, Excessive Loading and Driving Hours Exclusion, Unsafe Condition Exclusion or Use of Vehicles Exclusion, provided that:

- (a) the Vehicle was being driven in those circumstances without the Insured's knowledge and consent;
- (b) the Insured has not waived any right of recovery against the driver; and
- (c) notwithstanding anything to the contrary in the Subrogation condition, the Company will be entitled to exercise subrogation against the driver.

For the avoidance of doubt, the driver is not deemed to be the Insured under this clause and nothing in the clause is to be read as giving the driver any right to indemnity.

MORE THAN ONE INSURED

Where this Policy is to the benefit of more than one Insured:

- (a) the Insured first named in the Schedule will be responsible for payment, on behalf of all Insureds, of any premium due or that may become due in terms of this Policy;
- (b) the Company's obligation to make any payment to the Insured in terms of this Policy will be discharged on making that payment to the Insured first named in the Schedule;
- (c) any notice, for which provision is made in this Policy, given by or given to the Insured first named in the Schedule will be deemed sufficient notice by or to all Insureds.

MUTUALLY ACCEPTABLE ADJUSTERS

Where the Company wishes to appoint any loss adjuster or assessor in respect of any claim under this Policy, the appointee must be mutually acceptable to the Company and the Insured.

OBSERVANCE

The Insured's observance and fulfilment of the terms of this Policy in so far as they relate to anything to be done or complied with, and the truth of statements made by the Insured in writing, are conditions precedent to the Company's liability under this Policy. For the purpose of this condition, each of the Insured (if more than one) will be treated as having been issued with a separate policy. Breach of this condition without the Insured's knowledge will not invalidate the Policy, but the Insured's Insurance Manager (or equivalent) must advise the Company immediately upon becoming aware of it. The Insured agrees to pay an appropriate additional premium if required.

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 any loss in excess of that recoverable under the other insurance. This condition does not apply where the other insurance is 'excess' insurance expressly intended to provide a layer of cover in excess of that provided under this insurance.

The amount of loss excluded from this Policy by reason of any other insurance will not be cumulative upon the amount of loss excluded from the Policy by application of any Deductible; other insurance being permitted on loss within the Deductible.

PREMIUM ADJUSTMENT (Acquisitions and Disposals)

At the beginning of the Period of Insurance, the Insured must provide the Company with a written list of insured Vehicles and their current market values to be included in this insurance. The initial premium will be calculated on those values.

Within a reasonable time after the Period of Insurance, the Insured must declare to the Company the value and description of each Vehicle acquired or disposed of during that period. The value of each Vehicle disposed of is to be the value declared for the Vehicle at the beginning of the Period of Insurance. The value to be declared in respect of each Vehicle acquired is to be its purchase price.

The premium will then be adjusted by calculating an additional or return premium for each Vehicle acquired or disposed of at pro rata of the annual premium.

RECOVERY APPORTIONMENT

If the Company, having exercised its right of subrogation, recovers any part or all of a loss in respect of which a claim has been paid or is payable under this Policy, the amount so recovered will be apportioned as follows:

- (a) first, to the uninsured portion of the loss (other than the portion uninsured by sole reason of the Deductible);
- (b) second, to reimburse the Company to the extent of its actual payment under this Policy;
- (c) third, any remaining balance will be paid to the Insured.

The cost of all recovery proceedings will be apportioned in the ratio of respective recoveries. If no recovery is made, proceedings conducted solely by the Company will be at its own expense.

REINSTATEMENT OF AMOUNT

In the event of any claim under this Policy, other than a claim for total loss of any Insured Vehicle, and in the absence of written notice by the Company or the Insured to the contrary, the amount of insurance cancelled by loss will be automatically reinstated from the date of the loss.

RENEWAL TERMS

If the Company intends to refuse renewal of this Policy, or to offer renewal on any terms less favourable to the Insured than those applying during the current Period of Insurance, the Company must give the Insured 30 days notice of that intention. If the current Period of Insurance expires before the end of 30 days after the notice has been received by the Insured, the Period of Insurance will, if the Insured so requires, be extended to expire at the same time as the period of notice. In the event of such an extension, the Insured will pay a pro rata proportion of the premium for the extended Period of Insurance.

SUBROGATION

Where, upon accepting liability for a claim under this Policy, the Company is entitled to become subrogated to the Insured's right of recovery or indemnity from any other person or corporation, the Insured must, at the Company's expense, do and concur in doing and permit to be done anything reasonably required by the Company for the purpose of enforcing that right.

The Insured must comply with this condition when required, whether before or after having been indemnified by the Company. The Company will not exercise subrogation against any person or corporation insured under this Policy, or against any employee of the Insured unless the employee has caused the loss or damage wilfully.

UNINSURED THIRD PARTY

Where an uninsured third party is involved in an Accident with an insured Vehicle; and

- (a) the driver of the uninsured third party vehicle is at fault and acknowledges the involvement in the Accident; and
- (b) the Insured supplies the correct registration number of the third party vehicle and correct name and address of its driver; and
- (c) the third party has no insurance to cover its liability for damage to the insured Vehicle; and
- (d) the insured Vehicle is of 3500 kilograms Gross Laden Weight or less;

the Deductible condition will not apply and the loss will not be taken into account in the calculation of any premium adjustment or renewal premium.

WAIVER OF RECOVERY RIGHTS (GROUP COMPANIES)

Where the Insured is a parent or subsidiary in a group of related companies, this insurance will not be invalidated by reason of the Insured waiving or having waived any right of recovery it may have against any other company in the same group. 'Subsidiary Company' means a company, more than half the nominal value of whose equity share capital is owned by a parent company either directly or through other subsidiaries; and a group of related companies means a group of companies related to one another by virtue of such ownership.

WAIVER OF RECOVERY RIGHTS (BY AGREEMENT)

This insurance will not be invalidated by reason of the Insured having waived any right of recovery or indemnity against any other party to a contract or agreement with the Insured in the ordinary course of business, but only where:

- (a) the contract or agreement is not for the supply of goods or services by the Insured; and
- (b) the waiver was made in writing before the loss occurred.