

## Mechanical Breakdown Insurance Terms & Conditions

### Purpose

Beneficial Insurance Limited (“Company”) will pay the Insured, subject to the exclusions, terms and conditions mentioned in the Policy, the Benefits up to the Maximum Cover if an Insured Event occurs during the Period of Cover.

Address for notices

All written correspondence to the Company must be sent to PO Box 68548, Newton, Auckland 1145 or email [info@autolife.co.nz](mailto:info@autolife.co.nz).

### Cover

- a) The Insured has a 7 day “free look” period during which you can read the terms and conditions of the Policy and decide if you wish to continue with it. If you decide not to continue with the Policy, you will need to advise us in writing within 7 days of receipt.
- b) The Cover under this Policy is provided for an Insured Event.

### Period of Cover

- a) The cover is for the term specified in your Policy Schedule. Where we agree that you may pay your Premium on an instalment basis, you are required to continue to make instalment payments until the full Premium has been paid except where the Company cancels the Policy.
- b) The Company reserves the right to terminate this Policy by advising the Insured in writing upon 21 days’ notice. Where the Company terminates the Policy it will refund any unused Premium for the remaining term of the Policy, if any.
- c) The Insured can cancel the Policy at the end of the cover period or any other time as long as the Insured pays the Company the Full Premium Due to the Company during that Period of Cover. If the full Premium is not paid, we reserve the right to charge default fees and collection costs to recover the Premium. Early cancellations will incur a \$75 processing fee as well as a recovery fee, relevant to the market value, for any items supplied as part of a promotion.

### Benefits

The Benefits provided under this Policy if an Insured Event occurs are as follows:

- a) Replacement parts – payment of the cost (including GST) of any replacement parts required to make the Vehicle roadworthy subject to Policy Terms and Conditions.
- b) Repairs – payment of the cost (including GST) of any

repairs required to make the Vehicle road worthy subject to Policy Terms and Conditions.

- c) Vehicle recovery – payment of all reasonable costs (including GST) of removing the Vehicle from the location of mechanical failure and relocating it to either
  - i) the workshop of an Approved Repairer; or
  - ii) your place of residence as recorded with Autolife.
- d) Optional Roadside Assist – a 24/7 mechanical breakdown service offering the following benefits:
  - i) Towing – If the Vehicle is unable to be driven, we may arrange for it to be towed to the nearest Approved Repairer’s repair facility. Towing any further distance will be paid for by the Insured.
  - ii) Flat battery – Assistance will be sent out to help restart your battery. If the existing battery no longer functions adequately and a new battery is required, the Insured will pay the cost of the new battery and the removal of the existing one.
  - iii) Lockout service – We will arrange for a person to assist you in obtaining access to the Vehicle should you accidentally lock yourself out. This does not apply if you are locked at your normal place of residence or place of work (if unsure, please call Autolife).
  - iv) Lost keys – We will arrange for a locksmith to be sent out to help you get in your Vehicle and on your way if you accidentally lose your keys. This does not apply if you lose your keys at your normal place of residence or place of work.
  - v) Change of flat tyres – We will arrange for a support person to assist you in changing a flat tyre. If no road worthy replacement tyres are available at the time, the Vehicle will be towed to the nearest facility at your cost.
  - vi) Out of fuel – If the Vehicle runs out of fuel, we will arrange for fuel to be delivered to you at the site of breakdown at your cost.
- e) Vehicle hire – Payment of any reasonable costs (including GST) incurred by you to hire a substitute vehicle (similar in all material respects to the Vehicle) for your usual transport requirements while the Vehicle is being recovered, repaired or having parts replaced, for up to 5 days (claim limit \$500). This option is available only if you do not choose the Overnight expenses or repatriation option.
- f) Overnight expenses or repatriation – If, as a result of mechanical breakdown, the Vehicle is out of action for more than 24 hours and the breakdown happens more than 100 kilometres from your usual place of residence, then if you do not select the Vehicle hire option, you will be entitled to either:
  - i) The costs of overnight accommodation (note: MBI Autolife up to 5 nights with a claim limit of \$500.00, MBI Autolife PLUS up to 10 nights with a claim limit of \$1,000.00); or

ii) The costs of moving the Vehicle to your usual place of residence or another location specified by you (claim limit – \$250.00).

### **Changing Your Plan**

The Insured can, at the time of renewal, apply in writing to increase or decrease the Benefits of the Policy by up grading or down grading the Plan. Any such increase or decrease will only be effective if approved by the Company in writing.

### **Renewal of Cover**

- a) The Policy will be renewed for a further 12 month period from the Renewal Date at the sole discretion of the Company (the “Renewal”). The Renewal will be for such further period determined by the Company and subject to there being no Material changes to information disclosed by the Insured to the Company.
- b) A renewal advice will be sent to the Insured at their last known address prior to the Renewal Date and will include an updated Policy Schedule (the “Updated Schedule”) and Policy Wording.
- c) Any adjustments to the Premium, Details of Cover or Terms of Cover will be advised to the Insured on the Updated Schedule and Policy Wording.
- d) Payment of the Premium due on the Renewal and outlined on the Updated Schedule is payable in accordance with your existing method of payment and frequency as set out in the Policy unless contrary advice is received by us in writing and we agree, prior to the Renewal Date.
- e) Until further notice, the Insured grants the Company authority to continue any existing Payment Authority given by the Insured to the Company and the Insured’s Bank in relation to Premium payments. This includes any Direct Debit Authority, Automatic Payment Authority or Credit Card Details where the Insured has authorised the Company to debit a nominated bank account and/or credit card for the Premium payments due under the Policy or under the Renewal.

### **Conditions**

The obligations of the Company and payment of any Benefit under the Policy is conditional upon:

- a) The Insured having paid to the Company the Premium on or before the due date for payment. In the event that a Premium payment is not paid by the due date for payment, the Policy will lapse 7 days after the due date. No Benefit will be paid if a claim is received after a Policy has lapsed. In the event the Policy lapses the Insured can apply to have the Policy reinstated subject to the Company’s discretion, which could include proof of the Insured’s driving history, new terms

and conditions including new exclusions being imposed and no claim being assessed or paid for the period that the Policy was lapsed.

- b) Any Excess being paid to the Approved Repairer beforehand.
- c) The Maximum Claim Limit not being exceeded.
- d) The Maximum Cover not being exceeded.
- e) The Vehicle not being a Non-Qualifying Vehicle (unless approved by Autolife).
- f) The Insured ensuring that he/she fully discloses all Material information at application time, at the time of renewal or at any time during the Policy if a Material event or information relating to such event arises and in the event it is found that any of this information has been withheld the Company has the right to deem the Policy as void and not meet any claims that may be lodged.
- g) None of the exclusions listed in the Exclusions section below being applicable.
- h) Any work covered by a Benefit being undertaken by an Approved Repairer.
- i) The Vehicle must be regularly serviced within 5,000km or 3 months (whichever comes first) following the Start Date of your Policy and thereafter yearly or every 10,000km by a MTA Authorised Service Centre; and at all times having a current Warrant of Fitness and Registration.
- j) The Insured advising the Company of any changes to the Vehicle, including make, model, year, registration number and odometer reading.
- k) In the event a claim or information provided to the Company is fraudulent, dishonest misleading or untrue this Policy will be cancelled and the Insured forfeits entitlement to all Benefits which would otherwise have been payable under the Policy. The Company reserves the right to claim Premiums paid to cover the costs of the Company.

### **Exclusions**

The obligations of the Company and payment of any Benefit will not apply if a claim arises due to or occurs as a result of:

- a) Any repair or replacement which the Company has not previously authorised in writing.
- b) Routine maintenance, servicing, parts replacement and repairs.
- c) Any repair covered by any other insurance Policy, warranty or guarantee.
- d) The Vehicle being used for business purposes, hire or reward unless approved by Autolife (including, without limitation, as a taxi service, driving school or for commercial delivery).
- e) The weight of the Vehicle at any time exceeding

3,500 kg.

- f) The Vehicle being in any way modified from its manufacturer's standard specifications unless such modifications have been approved by the Company in writing beforehand.
- g) Any replacement or repair covered by a Vehicle manufacturer's warranty or recall.
- h) Any Vehicle for which the manufacturers do not provide a warranty.
- i) Use of the Vehicle for any competitive or sporting purpose, whether legal, sanctioned or otherwise, including (without limitation) road racing, rallying, drag racing, circuit racing or an unauthorised exhibition of speed or acceleration (also known as "boy racing").
- j) Any Vehicle involved in an accident.
- k) Any damage occurring or arising as a result of the application of force, weather, intrusion of water, fire, natural disaster, infestation by insects or rodents, rock slides, stone strike, corrosion, rust or natural deterioration of any Materials used in the manufacture of the Vehicle (including perishing).
- l) Any fault or repair which existed at the Commencement Date or Renewal Date, as applicable. Even if the fault has been repaired prior to policy start date.
- m) Any repair or replacement of any parts that are worn or any damage, fault, repair caused by worn out parts.
- n) Any repairs arising as a result or consequence of careless, reckless or negligent driving or wilful damage.
- o) Any replacement or repair to batteries, except electrical batteries, to exhaust systems, chassis, tyres, the cosmetic appearance of the Vehicle (including paint and finishing), glass, struts, shock absorbers, seat movement mechanisms, brake shoe linings, disk pads, cam belts, other items requiring regular servicing, air bags and air suspension systems, clutch, sunroofs, Global positioning systems, fuel tanks, remote controls, trim, upholstery, communication systems, catalytic converters, mountings, bulbs, keys, spark plugs, seals, gaskets, bearings, oils and filters, all hoses, fluids including incorrect fuelling and any other consumables used in connection with the Vehicle.
- p) Any items requiring regular servicing, scanning or diagnostics to determine the cause of the fault and repairs during routine maintenance and tuning including WOF and COF.
- q) Cam belts and any belts or chains, exhaust systems, chassis component, shock absorbers, airbags and air suspension systems, clutch and all associated components.
- r) Any repairs that are either caused by, or are a result of, the owner not following the recommended servicing guidelines of the vehicle manufacturer in relation to any

vehicle part.

- s) Any faults that occur during the 21 day stand down period.

General

a) The Insured is responsible to ensure all Policy details and contact details are correct including details relating to the Insured and his or her driving-related history.

b) Premium payments that fall due on a Public Holiday(s) shall be debited on the working day preceding the Public Holiday(s) using any existing Payment

Authority given by the Insured to the Company.

Claims Process

Please note that any unpaid Annual Premium will be deducted from any approved claim payment (including any Annual Premium amount outstanding on policies that are being paid via agreed instalments).

To make a claim for a Benefit provided under the Policy (subject to the additional Terms, Conditions and Exclusions contained in the Policy Schedule), telephone 0800 288 654 for any Roadside Assist service for any other claim.

Please email [claims@autolife.co.nz](mailto:claims@autolife.co.nz) requesting that a claim form be sent.

In order for the Company to assess your claim, we will require a duly completed claim form along with copies of all relevant supporting documents. In the case of a claim occurring, the Insured will be required to produce at his or her own expense all relevant information as requested by the Company in order for us to assess the claim and make a decision. In particular, you will be required to provide an up to date odometer reading and details of any changes to the Vehicle since the Commencement Date, Renewal Date or your last advice as appropriate. You will then need to drive the Vehicle to an Approved Repairer. It should be driven to the nearest Approved Repairer. If it needs towing, it will be at your cost (unless covered under your Policy). The Approved Repairer will determine whether the work required can be claimed under the Policy. Please contact the Company if you are unsure about whether or not the work will be covered. The Company will also review your Vehicle servicing history. The Approved Repairer must contact us and advise the work required to repair the Vehicle before such work commences. Once the Company is satisfied that the advised work is covered by the Policy, we will advise the Approved Repairer to proceed with the work required. The Approver Repairer may, if it sees fit, use reconditioned or used, as well as new, parts. In the event that you are covered with another provider in addition to this Policy cover is excluded under this Policy. In the event that

there is a disagreement between the Company and the Insured in regards to a claim, the claim may be referred to an independent adjudicator as agreed by both parties who will act as an arbitrator. The cost will be at the expense of the party who is found to be at fault. For each unrelated breakdown, the excess amount shown on your policy schedule will be deducted from the amount of your claim.

### **Servicing**

You are required to keep your vehicle serviced as per the terms listed below by an Approved Repairer to ensure the cover under this policy remains in place.

The following items must be checked and attended to as per the schedule outlined above under 'Conditions i)

- Engine oil and oil filter, all fluid levels, air filter, all belts replaced as necessary (note cambelts must be replaced as specified by vehicle manufacturer), cooling system including inhibitor and hoses, turbo oil feed, automatic transmission, braking system including brake fluid, air conditioning, steering and suspension systems.

The cost of servicing is your expense. Please keep all servicing invoices and receipts as we will require them when assessing a claim.

### **Specific Electric and Hybrid Vehicle Conditions**

Autolife will contribute towards the repair or replacement of factory fitted lithium-ion batteries as follows –

- Up to 2 years from Year of Manufacture - \$10,000
- Up to 4 years from Year of Manufacture - \$6,000
- Up to 6 years from Year of Manufacture - \$5,000
- Up to 8 years from Year of Manufacture - \$4,000
- Up to 10 years from Year of Manufacture - \$2,500
- Over 10 years from Year of Manufacture - \$NIL

### **Definitions**

- a) Approved Repairer/s means a Vehicle repairer must be MTA registered workshop.
- b) Benefit/s means a benefit provided under the Policy.
- c) Commencement Date means the date set out in the Policy Schedule.
- d) Company, us, or we means Beneficial Insurance Limited.
- e) Excess means the amount set out in the Policy Schedule.
- f) Full Premium Due means the Premium due on a Policy for any given year determined by the Company excluding Premium discounts applied (if any).
- g) GST means goods and service tax payable under

the Goods and Services Tax Act 1985.

- h) Insured/s or you means the person(s) referred to in the Policy Schedule.
- i) Insured Event means the sudden or unexpected mechanical failure of the Vehicle and for Roadside Assist includes the Insured losing access to the Vehicle.
- j) Material means any information that would have influenced the judgment of a prudent provider in fixing the Premium or in determining that he / she would have taken or continued the risk upon substantially the same terms.
- k) Maximum Claim Limit means the maximum amount of cover under this Policy as set out in the Policy Schedule.
- l) Maximum Cover means the amount specified in the Policy Schedule.
- m) Non-Qualifying Vehicle means the following types of Vehicles: Alfa Romeo, Aston Martin, Audi RS, R8, A8, S8, Austin, Bentley, BMW M3, M5, M6, 7 series, Caterham, Daimler, Dodge Viper, Ferrari, FPV, Honda NSX, HSV, Jensen, Lada, Lamborghini, Lancia, Lotus, Maserati, Mayback, Mazda RX8, McLaren, Morgan, Nissan GTR, Rolls Royce, TVR, Rotary powered vehicles.
- n) Period of Cover means the period referred to in the Policy Schedule from the Commencement Date to the Renewal Date.
- o) Policy means the Policy Schedule & Policy Wording.
- p) Policy Schedule means the schedule the Company issues to the Insured outlining the full details of cover provided under the Policy & the Policy Wording.
- q) Premium/s means the amount set out in the Policy Schedule.
- r) Renewal Date means that date referred to in the Policy Schedule..
- q) Vehicle means the motor Vehicle ordinarily driven by the Insured.

### **Financial Strength Rating**

All licensed insurers are required to have a financial strength rating from a rating agency authorised for this purpose by the Reserve Bank of New Zealand. Beneficial Insurance Limited has been rated. B++ Outlook Stable by AM Best Company.

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