



# PAYMENT PROTECTION INSURANCE POLICY

# DRIVERIGHT Payment Protection Insurance Policy

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# About this Policy

To be eligible for cover on the terms offered in this policy, **you** must be between the ages of 18 and 65.

If **you** are outside these ages, please ask **us** for the terms on which **we** can offer the benefits of this policy to **you**.

Please read all of this policy carefully now to ensure that it meets **your** requirements.

The purpose of this **payment protection policy** is:

(On acceptance of a valid claim) to pay some or all of any amount **you** owe **your finance company** under the **loan agreement** if;

- (Option A): **You** die as a result of an **accident**, or are unable to work due to **disability, redundancy or bankruptcy**, or;
- (Option B): **You** die as a result of an **accident**, or are unable to work due to **disability**, or;
- (Option C): **You** die as a result of an **accident**.

**We** agree to provide the benefits of this insurance subject to the payment of premiums and the definitions, exclusions and conditions of this policy.

This policy is a contract of insurance between **you** and **us**. The contract is based on the **proposal form** and declarations signed by **you**. **You** may request a copy of that information or its correction at any time by writing to **us**. **You'll** notice that some words in **your** policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean on page 8.

## **This is an important document – keep it in a safe place.**

Providing **you** have not claimed against this policy, **you** may cancel this policy by returning it to **us** within 14 days of receiving it. **We** will refund all premiums that have been paid, and this policy will be treated as though it never existed. **You** may also cancel this policy by giving **us** notice in writing at any time in the future subject to conditions relating to the refund of premiums.

The maximum benefit payable under this policy is \$50,000. If the total repayments (as nominated in the **proposal**) exceed \$50,000 then all benefits under this policy shall be calculated on the basis that total repayments were \$50,000 only.

We Cover	Benefits
<b>Death</b>	<b>We will pay all remaining instalments in a lump sum less any credit for early settlement if you die as a result of an accident.</b>
<b>Disability</b> <b>Disability</b> for longer than 7 consecutive days (only applicable if Option A or B has been selected).	<b>We will pay 1/30th of an instalment for each day you are disabled</b> (provided that the total of such payments does not exceed the total amount payable under the <b>loan agreement</b> at the time of the event giving rise to the claim excluding any arrears payable at that time and any credit for early settlement).
<b>Redundancy</b> For longer than 30 consecutive days (only applicable if Option A has been selected and you are an employee).	<b>We will pay 1/30th of an instalment for each day you are redundant</b> (for a maximum of 150 days).
<b>Bankruptcy</b> (only applicable if Option A has been selected and you are self employed).	<b>We will pay three times the amount of one instalment in a lump sum if you become bankrupt. We will not make any further payments for bankruptcy.</b>

**Please note:** You cannot claim for benefits in connection with **disability** or **redundancy** unless at the time of the event giving rise to the **disability** or **redundancy** you were in **full time employment**. You must also have been in **full time employment** for at least 90 days prior to the claim event.

You can not claim for benefits in connection with death or **disability** which is directly or indirectly caused by or results from any illness, injury or degenerative condition which existed in the six month period immediately preceding the **commencement date** of this insurance.

# Conditions

## Disability

**You** must, as soon as possible after the injury or the commencement of the illness, go to a **registered medical practitioner** and, if necessary, keep going regularly to receive advice and attention. These visits are to be at **your** expense.

**We** may require **you** to undertake medical examinations for **our** confidential information. If a medical examination is considered necessary by **us**, it will be at **our** expense.

**Disability** begins when **you** become disabled as certified by a **registered medical practitioner**, and ends when a **registered medical practitioner** declares **you** fit to resume **full time employment**.

## Redundancy

**Redundancy** begins when **you** register as unemployed with Work and Income New Zealand and ends when **you** obtain **full time employment**.

While **you** are **redundant**, **you** must use **your** best endeavours to find **full time employment**.

**You** may only claim for **redundancy** occurring during a period in which **you** are in **full time employment**. **You** must also have been in **full time employment** for at least 90 days since the end of any previous period of **redundancy**.

## Exclusions

No amount will be paid in connection with death, **disability**, **redundancy** or **bankruptcy** that is directly or indirectly caused by or results from:

- War, terrorism and related risks;
- Earthquake, volcanism, tsunami or other seismic event;
- Suicide, attempted suicide or self-inflicted injury or illness;
- Participation in a criminal act;
- AIDS or infection with any human immunodeficiency virus including suicide whilst infected;
- Any illness, injury or degenerative condition for which medical advice, consultation or treatment was required within the six (6) months immediately preceding the **commencement date** or renewal of this insurance.
- Alcoholism, the influence of intoxicating liquor or chemical or drug abuse;
- The normal effects of pregnancy, childbirth, abortion or miscarriage, or menopause (no benefit will be payable for parental leave);
- Medical, surgical treatment or Hospitalisation (unless the treatment relates to the illness or injury giving rise to the **disability**);
- Any psychological, mental or nervous condition or disorder. This includes (but is not limited to) depression, anxiety, or any stress-related condition. However, **we** will pay the **disability** benefit for any period **you** are admitted to a mental rehabilitation institution.

Benefits for **redundancy** will not be payable if it:

- Occurs within 60 days of the **commencement date**;
- Was foreseeable and **you** knew or should have known this at the **commencement date**;
- Is the result of a strike or a labour dispute in which **you** or **your** employers were involved;
- Is the result of **your** voluntary resignation, retirement or the closure/sale of **your** own business;
- Is not a genuine **redundancy**.

No benefit will be paid for **bankruptcy** occurring within 6 months of the **commencement date** of this policy.

Where joint cover applies, any death benefit will only be payable once.

# General

## Claims

To avoid any delay with the approval of **your** claim **you** should notify **us** of **your** claim as soon as possible but no later than 30 days after the event giving rise to the claim. **you** should also notify **your finance company** that **you** have made or are going to make a claim.

To make a claim **you** must complete a claim form and provide **us** with all the information **we** require. **You** must send **your** claim form to **us** along with any documents or letters **you** have received from other people in connection with the claim.

**You** must assist **us** with **your** claim in any way **we** request. To assess **your** claim **we** will require authorisation for disclosure to **us** of all medical and other information that may be relevant to the claim.

**You** are responsible for providing certificates and evidence in support of **your** claim at **your** expense.

All benefits will be paid to **your finance company** for **your** credit.

If **you** need to contact the National Claims Centre the address and telephone details are as follows:

**The National Claims Centre DriveRight**  
**P.O. Box 68 – 200, Newton Auckland, New Zealand**  
**Telephone 0800 374 448 during business hours**

## Premiums

The premium is included in the instalments **you** pay under the **loan agreement**.

## Conditions

This policy has been issued to **you** on the basis that **you** have provided to **us** all information material to the cover and benefits under this policy which **you** should have given to **us**.

The policy begins on the **commencement date** and terminates on the first of the following to occur:

- When the **loan agreement** is discharged or repaid;
- On the date the **loan agreement** expires as specified on the **proposal form**;
- In the event of a death claim;
- When **you** give **us** written notice that **you** wish to cancel the policy or return the policy within the 14 day period; or
- When **we** give **you** written notice of **our** intention to cancel the policy.
- For Option A, at 4:00pm on the day prior to the fifth anniversary of the **commencement date**.
- For Option B and Option C, at 4:00pm on the day prior to the first anniversary of the **commencement date**.

All benefits payable under this policy will terminate at 4:00pm on the expiry date nominated under the **loan agreement** unless terminated at an earlier date within conditions of this policy.

No benefit will be payable for any event occurring while **you** are working or living permanently outside of New Zealand.

**We** may cancel **your** policy and keep all premiums **you** have paid if any false or materially incorrect information is included in, or material information is omitted from;

- Any claim form; or
- Any declaration made by **you**.

**You** may be required to refund any benefits overpaid by **us**.

**You** may not transfer the ownership of this policy.

**We** may amend this policy with **your** written consent but **we** may make any amendment required by law without **your** consent.

Refunding of premiums mid-term will be made to the **finance company** in the first instance (should a loan obligation that included the original premium amount remain outstanding). It is only if **we** are satisfied that no such obligation exists **we** will provide the refund amount to **you** in accordance with the calculation prescribed by the Credit Contracts and Consumer Finance Act 2004.

The policy will be interpreted in accordance with the laws of New Zealand and payments under this policy will be made in New Zealand dollars.

## Claims Paying Ability

IAG New Zealand Limited received a Standard & Poor's (Australia) Pty Ltd rating of AA-.

This means **we** have a 'Very Strong' claims paying ability, as **you** can see in the scale below. As a customer, this is important to **you** as it's **your** reassurance that **we** will be able to pay **your** claims now and in the future.

This rating is lodged with the Registrar of Companies and is reviewed annually.

The rating scale is:

AAA (Extremely Strong)	BBB (Good)	CCC (Very Weak)
AA (Very Strong)	BB (Marginal)	CC (Extremely weak)
A (Strong)	B (Weak)	

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

# Definitions

## accident

Unexpected and unintended by you, including an unexpected condition or disease.

## bankruptcy

You become **bankrupt** if you are:

- Self-employed and adjudged **bankrupt** by a court; or
- Employed by a company of which **you** have direct or indirect control and that company goes into liquidation or has a court order made for its winding up.

## commencement date

The latter of

- The date **you** signed this proposal
- The date **your** loan was drawn down.

## disability

Injury or illness preventing **you** from attending **full time employment**. "Disabled" has a corresponding meaning.

## finance company

The finance company nominated on the **proposal form**.

## full time employment

Permanent employment for financial gain with the same employer for at least 25 hours a week.

## instalments

The amount payable under the **loan agreement** and becoming due after the time of the event giving rise to the claim and excluding any arrears payable at the time.

## loan agreement

The **loan agreement** you entered into which relates to the **proposal form**.

## proposal form

The form on which **you** applied to take the benefit of this insurance policy.

## redundancy

The loss of **full time employment** (other than by dismissal or resignation) because the position of employment has become superfluous to the needs of the employer. "Redundant" has a corresponding meaning.

## registered medical practitioner

A person registered as a health practitioner with the Medical Council of New Zealand, continued by section 114 (1) (a) of the Health Practitioners Competence Assurance Act 2003, as a practitioner of the profession of medicine and is not **you**, **your** spouse, **your** partner or relative.

## us/we/our

IAG New Zealand Limited.

## you/your

means the person named under 'Customer Information' in the **proposal form**. If joint cover is selected, this will be both that person and any other person nominated as an insured in the **proposal form** (or either one of them as the context requires).

# QFE Disclosure Statement – IAG New Zealand Limited

**It is important that you read this information:** It is general information which will help you to compare financial advisers and choose the one that best suits your needs.

Your insurance is underwritten by DriveRight, a business division of IAG New Zealand Limited ("IAG"). IAG is a Qualifying Financial Entity ("QFE") under the provisions of the Financial Advisers Act 2008. You can check this information on the Financial Service Providers Register at [www.fspr.govt.nz](http://www.fspr.govt.nz).

As a QFE, IAG is licensed to take responsibility for its advisers and to ensure that they exercise due care, diligence and skill when providing financial advice to you. Our QFE license means that IAG's QFE advisers do not have to be individually registered or authorised. IAG's QFE advisers can provide personalised advice about general insurance and warranty products.

Please note that DriveRight staff are covered by our QFE status, but this does not extend to the employees of the various motor vehicle dealers and finance agencies who sell DriveRight policies on our behalf.

Should you have a concern or complaint about our service, here is some information that can provide you with assistance:

If you have a concern or complaint contact the person you have been dealing with. If you'd like to pursue the matter further please ask to speak to their manager.

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If you are not satisfied with the outcome from the step above, contact:

The Head of Business Partners

Phone: (09) 969 6000

Email: [contactus@businesspartners.co.nz](mailto:contactus@businesspartners.co.nz)

Postal address: Private Bag 92130,  
Auckland 1142

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In the event you have a dispute that can not be resolved by direct communication with IAG, retail clients have free access to our licensed dispute resolution scheme, the Insurance & Savings Ombudsman of New Zealand ("ISO"). You can contact the ISO at:

Phone: 0800 888 202

Email: [info@iombudsman.org.nz](mailto:info@iombudsman.org.nz)

Postal address: Office of the ISO  
PO Box 10-845  
Wellington 6143

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IAG is licensed and regulated by the Financial Markets Authority (FMA). You can obtain information about financial advisers from the FMA. You may also report information to the FMA about IAG and its financial advisers at:

Phone: (04) 472 9830

Postal address: PO Box 1179  
Wellington 6140

Physical address: 8th Floor, Unisys House  
56 The Terrace  
Wellington

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# Notes



DriveRight

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