



GAP COVER INSURANCE POLICY

Loan Equity Shortfall Insurance

DRIVERIGHT Gap Cover Insurance Policy

Contents

About this Policy	3
Your Duty of Disclosure	3
Your Contract	4
What We Will Pay	4
Making a Claim	5
When This Policy Ends	5
Claims Paying Ability	5
Definitions	6
QFE Disclosure Statement – IAG New Zealand Limited	7

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.

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 6.

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

Your Duty of Disclosure

Under Insurance law **you** are required to tell **us** everything

You know or could reasonable be expected to know that may influence **our** decision to insure **you** and the terms and conditions on which **we** will insure **you**.

If **you** do not tell **us** those things that may be relevant **we** may:

- Reduce the amount **we** pay for a claim.
- Decline a claim.
- Cancel the policy.
- In some cases treat **your** policy as never having begun.

Cover

The cover provided by **your** policy may contain unusual terms. It is therefore important that **you** read and understand **your** policy. It is **your** choice whether or not **you** insure with Consumer Insurance Specialists.

Agent Authority

The person selling **you** this insurance is doing so as an agent of **ours** and may receive remuneration from **us** for arranging this insurance.

Money Back Guarantee

If **you** request cancellation of this policy within 14 days of the policy **commencement date** and **you** have not made a claim. **We** will refund **your** premium in full.

Privacy Act

1. The information collected is evaluative material for the purpose of deciding whether to issue insurance cover. The intended recipient is IAG Limited, PO Box 68-200, Newton, Auckland.
2. The collection of this information is required pursuant to the common law duty to disclose all material facts relevant to the insurance sought and is mandatory.
3. The failure to provide this information may result in **your** proposal for insurance being declined or the insurance being void from the beginning.
4. **You** have certain rights of access to and correction of this information, subject of the provisions of the Privacy Act 1993.

Our Agreement With You

Provided **you** have paid the premium. **We** agree to insure **you** for the type of cover stated in the **policy schedule**, subject to the terms and conditions of this policy. **We** will only give **you** this cover for the period stated on the **policy schedule**.

Your Contract

Your insurance policy is a contract between **you** and **us** and consists of three parts.

1. The information in the proposal, application or declaration;
2. This pre printed policy wording and
3. **Your** current personalised **policy schedule**.

Together these documents set out the terms and conditions of **your** policy:

It is **your** responsibility to make sure that all details contained on the **policy schedule** are correct.

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 6.

What We Will Pay

In the event that the **vehicle** is a **total loss** and provided the **vehicle insurer** has accepted **your** claim **we** will.

1. Pay to the **financier** the selected amount of cover or the **shortfall amount**, whichever is the lesser, including GST.
2. (where either cover option 3 or 4 has been selected) pay to **you** the **additional expenses** as defined in the policy, and subject to the limits in the schedule, providing **you** produce invoices or receipts for these costs.

What We Will NOT Pay

Any of the following:

1. Any benefit if **your vehicle insurer** does not pay out the full **market value** of **your vehicle** following a **total loss** for any reason whatsoever.
2. Any rebatable terms which are included in the **finance agreement**.
3. Any arrears penalty interest, late payments, penalty payments for early discharge, additional interest payments or any additional costs arising from a variation or rearrangement to the original **finance agreement**.
4. Any excess or additional premiums due under the **comprehensive motor vehicle insurance policy**
5. Any rebatable portion or premiums paid for any insurance included in the **finance agreement**
6. Any excess applicable to this policy:
7. Any benefit in respect of any loss consequent upon war, invasion, act of foreign enemy, hostilities whether war be declared or not, civil war, terrorism, rebellion, revolution, insurrection, military or usurped power, earthquake, volcanic eruption or tsunami.
8. Any benefit if there is any overstating of the value of trade in or inflating the purchase price of the **vehicle**.

SPECIAL CONDITIONS

1. Where the deposit on the **finance agreement** was 10% or more. **We** will pay the agreed settlement amount in full.
2. Where the deposit on the **finance agreement** was less than 10%. **We** will pay 90% of the agreed settlement amount.

Making a Claim

To make a claim on this policy **we** will require **you** to complete a claim form and return it to **us** immediately following a **total loss settlement**. **We** may also require other documentation or Statutory Declarations from **you** depending on the circumstances of **your** claim. **We** will ask for this documentation if required.

If **we** do not receive **your** completed claim form within 28 days of a **total loss settlement**, **we** may refuse a claim or reduce the amount **we** pay for a claim.

A claim form may be obtained from IAG New Zealand Limited by calling 0800 374 448 or writing to PO Box 68-200, Newton, Auckland

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

When This Policy Ends

This policy will automatically terminate and all benefits will cease at the earliest of:

1. The date the **finance agreement** is discharged or terminated;
2. The expiry date of this policy;
3. The effective date of cancellation by **you** or **us**;
4. The date a benefit under this policy is paid by **us**;
5. The date **you** no longer have **comprehensive motor vehicle insurance**;
6. The date **you** no longer own the **vehicle** or
7. Five years from the **commencement date**.

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.

To find out more, a detailed pamphlet is available from the Ministry of Economic Development - Insurance and Superannuation unit, entitled 'A Guide to the Insurance Companies (Rating & Inspections) Act 1994'. To view the guide go to www.isu.govt.nz and click on Insurance & Ratings.

Definitions

Whenever used in the policy the following words and expressions have the following meaning.

additional expenses

1. On road costs comprising delivery charges and registration paid by **you** in relation to the purchase of **your replacement vehicle**.
2. Premium paid by **you** for **comprehensive motor vehicle insurance** in relation to **your replacement vehicle**.
3. **Your** excess in relation to the **comprehensive motor vehicle insurance** for **your total loss vehicle**.
4. Rental **vehicle** costs paid by **you** for the hire of a rental **vehicle** as a result of **your total loss** up to a maximum of \$100 per day for up to 5 days.

commencement date

The later of the date funds are advanced by the **financier** for the acquisition of the **vehicle** or the date **you** signed the proposal.

comprehensive motor vehicle insurance policy

A comprehensive insurance policy that covers **your vehicle** against theft and accidental loss or damage. This does not include Third Party Fire and Theft Only or Third Party Only policies.

financier

The financial institution as stated in the **policy schedule**.

finance agreement

The agreement between **you** and the **financier** in relation to the **vehicle** as stated in the **policy schedule**.

market value

The current **market value** of **your vehicle** immediately prior to the incident resulting in the **total loss**.

policy schedule

The most recent schedule **we** give **you** describing the details that are specific to **your** policy.

shortfall amount

means the amount calculated by deducting the **total loss** settlement amount from the **vehicle finance settlement amount**.

total loss

A claim on the **comprehensive motor vehicle insurance policy** where the **vehicle insurer** has declared the **vehicle** a **total loss** because the **vehicle** is uneconomical to repair or it has been stolen and not found.

total loss settlement

The payout by **your vehicle insurer** in respect of the **total loss** of **your vehicle** of the full **market value** of **your vehicle**.

vehicle

The **vehicle** described in the **policy schedule**.

vehicle finance settlement amount

The amount owing on the **finance agreement** in relation to the **vehicle** finance amount as at the date of loss recorded by the **vehicle insurer**. This does not include any arrears due to the **financier**.

vehicle insurer

The insurance company named in the **comprehensive motor vehicle insurance policy**.

we, our and us

IAG New Zealand Limited.

you and your

The insured person(s) named in the **policy schedule**. It also includes the **financier** to the extent of the interest in the **vehicle**

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.

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.

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

Postal address: Private Bag 92130,
Auckland 1142

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

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

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

DriveRight
A Business Division of IAG New Zealand Limited
PO Box 68-200, Newton, Auckland
Freephone 0800 374 448 Fax (09) 307 5924

