



*Machinery Breakdown  
Business Interruption*

# Machinery Breakdown Business Interruption / INSURANCE POLICY

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# Machinery Breakdown Business Interruption

## INSURANCE POLICY



**Welcome to NZI. Thank you for selecting us as your insurer. This is your Machinery Breakdown Business Interruption Policy document.**

It will tell you what you are insured for and what you are not insured for, as well as any obligations that you or we must abide by to ensure an enforceable policy. This policy document is a legal contract so please read it thoroughly and keep it in a safe place. If you need help with understanding your policy document, please contact your insurance broker.

### INTRODUCTION

#### AGREEMENT

**You** agree to pay **us** the premium described in the **schedule** and comply with this policy. In exchange, **we** agree to insure **you** as set out in this policy.

#### POLICY CONTRACT

This policy consists of the following parts:

1. **your** application for insurance, and any oral or written supporting statements or documents supplied by **you**, and
2. this policy wording (including any endorsements or warranties), and
3. the **schedule**.

#### INTERPRETING THIS POLICY

Certain words in this policy have a specific meaning. These words appear in **bold** and **you** will find the meaning listed in the 'Definitions' section at the end of this policy. The definitions apply to the plural and any derivatives of the bolded words.

**You** will also find examples and comments to make parts of this policy easier to understand. These examples and comments, which appear in *italics*, do not affect or limit the meaning of the section they refer to.

The headings in this policy are for reference only and do not form part of it. They are not to be used when interpreting the policy.

### WHAT YOU ARE INSURED FOR

#### A. INSURED DAMAGE

**You** are insured for **business interruption** resulting from **insured damage**, provided that:

1. the **loss** is to machinery at the **situation**, and
2. **your machinery breakdown policy** covers that **loss** (or would cover that **loss** but for the application of an excess), and
3. **we** have accepted a claim for that **loss**.

**Your** claims will be calculated as set out in 'Insured Items' (below). Cover under each 'Insured Item' applies only when **you** have taken that item and it is shown in the **schedule**.

*Please also see 'Automatic Policy Extensions' for other circumstances that we consider to be insured damage.*

## INSURED ITEMS

The following 'Insured Items' apply only when **you** have taken that item and it is shown in the **schedule**.

### A. LOSS OF PROFIT

#### 1. Reduction in turnover

**You** are insured for loss of **insured profit** produced by the following formula:  
[the **rate of insured profit**] x [the **reduction in turnover** during the **indemnity period**].

#### 2. Increase in cost of working

**You** are insured for the additional expenditure reasonably incurred by **you** solely to avoid or diminish the **reduction in turnover**.

Provided that this additional expenditure does not exceed the sum produced by the following formula:

[the **rate of insured profit**] x [the amount of the **reduction in turnover** avoided by the additional expenditure].

#### 3. Reduced margin

**You** are insured for any reduction in **insured profit** that fairly results from the increase in ratio of [the purchase price of materials used and goods sold], to [turnover maintained during the **indemnity period**].

*We will not make an adjustment for an increase in the ratio of any other uninsured expense to turnover because the increase could result from a fixed cost element in the expense, that should have been insured.*

#### 4. Savings in insured expenses

**We** will deduct from **your** claim any sum saved during the **indemnity period** for costs and expenses of **your business** operations (that would be paid out of **insured profit**) that cease or reduce because of the **insured damage**.

### B. LOSS OF REVENUE

#### 1. Reduction in revenue

**You** are insured for **reduction in revenue**.

#### 2. Increase in cost of working

**You** are insured for the additional expenditure reasonably incurred by **you** solely to avoid or diminish the **reduction in revenue**. Provided that this additional expenditure does not exceed the amount of the **reduction in revenue** avoided by the additional expenditure.

#### 3. Savings in insured expenses

**We** will deduct from **your** claim any sum saved during the **indemnity period** for costs and expenses of **your business** operations (that would be paid out of **insured revenue**) that cease or reduce because of the **insured damage**.

### C. LOSS OF RENT

#### 1. Reduction in rent

**You** are insured for **reduction in rent**.

#### 2. Increase in cost of working

**You** are insured for the additional expenditure reasonably incurred by **you** solely to avoid or diminish the **reduction in rent**. Provided that this additional expenditure does not exceed the amount of the **reduction in rent** avoided by the additional expenditure.

#### 3. Savings in insured expenses

**We** will deduct from **your** claim any sum saved during the **indemnity period** for costs and expenses of **your business** operations (that would be paid out of **rent receivable**) that cease or reduce because of the **insured damage**.

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## D. PAYROLL

### 1. Loss in respect of payroll

**You** are insured for the **reduction in turnover** produced by the following formula:  
[the **rate of payroll**] x [the **reduction in turnover** during the **indemnity period**].

### 2. Increase in cost of working

**You** are insured for the additional expenditure reasonably incurred by **you** solely to avoid or diminish the **reduction in turnover**. Provided that this additional expenditure does not exceed the sum produced by the following formula:

[the **rate of payroll**] x [the amount of the **reduction in turnover** avoided by the additional expenditure].

### 3. Savings in payroll

**We** will deduct from **your** claim any sum saved during the **indemnity period** for **payroll** that ceases or reduces because of the **insured damage**.

## E. CLAIMS PREPARATION COSTS

**You** are insured for:

1. fees reasonably incurred to pay **your** accountant or another professional consultant, and
  2. reasonable costs incurred for **your** own staff,
- for quantification (but not negotiation) of claims under this policy and (where applicable) **your machinery breakdown policy** that covered the **loss**.

The most **we** will pay under this extension is the limit shown in the **schedule**.

## F. ADDITIONAL INCREASED COST OF WORKING

**You** are insured for reasonable additional expenses that are not otherwise covered by this policy, provided they are incurred during the **indemnity period**:

1. to avoid or diminish the **reduction in turnover**, or
2. to resume or maintain normal **business operations**.

No cover is provided for reinstating **your** property damage.

The most **we** will pay under this extension is the limit shown in the **schedule**.

## AUTOMATIC POLICY EXTENSIONS

In addition to the cover provided under 'Interruption to your Business' and 'Insured Items', **we** also provide the following Automatic Policy Extensions.

**We** will consider each of the scenarios under the following Extensions to have created **insured damage** and **we** will cover any **business interruption** resulting from them as set out in this policy. Cover under each 'Insured Item' applies only to each Extension when **you** have taken that item and it is shown in the **schedule**.

### A. FAILURE OF UTILITIES

**You** are insured for **business interruption** resulting from **machinery breakdown** at any external New Zealand based Public Utility (but excluding all offshore oil and gas installations including undersea oil and gas pipelines), that supplies:

1. power or gas, or
2. water or sewage disposal, or
3. telecommunications,

to **your business**.

This extension does not insure **you** for the first 24 hours of any **business interruption**.

The most **we** will pay under this extension for any **event** is 10% of the sum insured for each applicable item (in 'Insured Items'), unless a higher sum insured is specified for this extension in the **schedule**.

### B. CUSTOMERS' OR SUPPLIERS' PREMISES

**You** are insured for **business interruption** resulting from **machinery breakdown** occurring at a location within New Zealand:

1. where **you** are dependant for the supply of goods of any description, or
2. where any of **your** direct customers are located.

The most **we** will pay under this extension for any **event** is 10% of the sum insured for each applicable item (in 'Insured Items'), unless a higher sum insured is specified for this extension in the **schedule**.

## EXCLUSIONS

- A. ELECTRONIC DATA**
- This policy does not insure **business interruption** arising in connection with **electronic data** or a **computer virus**.  
This includes loss of use, reduction in functionality or any other associated loss or expense in connection with the **electronic data** or **program**.  
However, this exclusion does not apply to resultant physical damage to other insured property, which is not otherwise excluded.
- B. NATURAL DISASTER**
- This policy does not insure **business interruption** arising in connection with **natural disaster damage**.
- C. NUCLEAR**
- This policy does not insure **business interruption** arising in connection with any operations employing the process of nuclear fission or fusion, or handling of radioactive material. This includes, but is not limited to:
1. the use of nuclear reactors such as atomic piles, particle accelerators or generators or similar devices, and
  2. the use, handling or transportation of any radioactive material, and
  3. the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion.
- D. SEEPAGE, POLLUTION AND CONTAMINATION**
- This policy does not insure **business interruption** arising in connection with seepage, pollution or contamination.
- E. TERRORISM**
- This policy does not insure **business interruption** arising in connection with an **act of terrorism**.
- F. WAR**
- This policy does not insure **business interruption** arising in connection with war, invasion, act of foreign enemy, hostilities or warlike operations (whether war is declared or not), civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power.

## BASIS OF SETTLEMENT

- A. ACCUMULATED STOCK**
- If:
1. the **indemnity period** is 12 months or longer, and
  2. there is a shortage of stock after the **indemnity period** expires because the **turnover** was temporarily maintained from accumulated stock held by **you** during the **indemnity period**, **we** will make a fair allowance for this in settling the claim.
- B. MAXIMUM AMOUNT PAYABLE FOR INSURED ITEMS**
- (a) If the **Indemnity Period** is 12 months or less  
The most **we** will pay under each item, during an **annual period**, is the sum insured specified in the **schedule** for each item in 'Insured Items'.  
The most **we** will pay for all items, during an **annual period**, is the total sum insured specified in the **schedule**.
- (b) If the **Indemnity Period** is more than 12 months  
The most **we** will pay under each item, during the **indemnity period**, is the sum insured specified in the **schedule** for each item in 'Insured Items'.  
The most **we** will pay for all items, during the **indemnity period**, is the total sum insured specified in the **schedule**.
- C. TIME EXCESS**
- The time excess shown in the **schedule** will apply following the occurrence of **insured damage** after which the **indemnity period** shall commence.
- D. SUB LIMITS**
- The most **we** will pay under any 'Automatic Policy Extension' or 'Optional Policy Extension' is the amount specified in this policy wording, unless a different amount is shown in the **schedule**.
- E. DEPARTMENTS**
- If **your business** operations are conducted in departments that have separately identifiable trading results, this policy shall apply separately to each department. However, the 'Maximum Amount Payable for Insured Items' (above) remains unchanged.

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<b>F. PAYMENT ON ACCOUNT</b>	<b>We</b> will make interim payments provided <b>you</b> produce evidence to <b>our</b> satisfaction of a loss covered by this policy.
<b>G. REINSTATEMENT OF THE SUM INSURED</b>	After <b>we</b> have paid a claim under this policy, <b>we</b> will reinstate <b>your</b> sum insured. <b>We</b> may ask <b>you</b> to pay an additional premium for this. If <b>we</b> do, <b>you</b> must pay the additional premium.
<b>H. PROPORTIONAL ADJUSTMENT – LOSS OF PROFITS AND INCREASED COSTS OF WORKING</b>	In the <b>event</b> of a claim under the 'Insured Items A. Loss of Profit 1. Reduction in turnover' or 'Insured Items A. Loss of Profit 2. Increase in cost of working' of this policy, final adjustment of the indemnity paid by <b>us</b> will be made by apportioning the total financial loss in the same ratio as that exists between the loss period and the applicable time excess.

## MANAGING YOUR CLAIM

### A. YOUR OBLIGATIONS

#### 1. Advise Us

If **you** become aware of any situation that is likely to give rise to a claim, **you** must contact **us** immediately.

#### 2. Minimise the Loss

**You** must take all reasonable steps to minimise the claim and avoid any further loss or liability arising.

#### 3. Notify the Police

**You** must immediately lay a complaint with the Police if **you** suspect burglary, theft, arson or intentional damage has occurred.

#### 4. Provide Full Information

When **you** make a claim **you** consent to **your** personal information in connection with the claim being:

4.1 disclosed to **us**, and

4.2 transferred to the Insurance Claims Register Limited.

**You** must:

(a) give **us** free access to examine and assess the claim, and

(b) send any relevant correspondence or documents to **us**, and

(c) complete a claim form or statutory declaration to confirm the claim if **we** request it, and

(d) provide any other information, proof of ownership or assistance that **we** may require at any time.

#### 5. Be Truthful

If **your** claim is dishonest or fraudulent in any way, **we** may:

5.1 decline **your** claim either in whole or in part, or

5.2 declare this policy or all policies **you** have with **us** to be unenforceable from the date of the dishonest or fraudulent act.

This is at **our** sole discretion.

#### 6. Do Not Dispose of Property

**You** must not dispose of any property involved in **your** claim until **we** have given **you** permission to do this.

#### 7. Incurring Costs

All costs claimed for under this policy must be necessarily and reasonably incurred.

**You** are not authorised to start any repairs without **our** permission unless the repairs are necessary to prevent further loss or liability.

### B. MANAGING YOUR CLAIM

#### 1. Subrogation

Once **we** have accepted any part of **your** claim under this policy, **we** may assume **your** legal right of recovery.

If **we** initiate a recovery **we** will include **your** excess, and any other uninsured losses suffered by **you**. Where **we** do this, **you** agree to pay **your** proportional share of the recovery costs, and subsequently the proceeds of the recovery will be shared on the same proportional basis, except that **we** will reimburse **your** excess first.



## GENERAL CONDITIONS

### A. HOW WE ADMINISTER THIS POLICY

#### 1. Cancellation and Modification

##### 1.1 By You

**You** may ask **us** to cancel or modify this policy at any time. **We** must agree in writing to any modification before it will take effect.

##### 1.2 By Us

**We** may cancel or modify this policy by advising **you** (or **your** Broker or Agent) by letter, fax or email. Cancellation or modification will take effect at 4:00pm, on the 30th day after the date of **our** advice.

**We** will refund the proportion of unused premium paid, calculated from the date of cancellation.

If **you** pay **your** premium by instalments, **you** must pay **us** any unpaid instalments that are due.

#### 2. Other Insurance

**You** must notify **us** as soon as **you** know of any other insurance policy that covers **you** for any of the risks covered under this policy.

If **you** or anyone else who can claim under this policy can claim under any other insurance, **we** will only pay over and above the limit payable by the other insurances.

#### 3. Interests of Other Parties

If **we** are advised of any party having a financial interest over **your** insured assets, **we** may pay part or all of any valid claim proceeds to that party to the extent of their interest. This will form part of **our** obligations to **you** under this policy.

**You** must consent to **us** transferring **your** relevant personal information to that party.

#### 4. Separate Insurance

If more than one person or entity is named as 'Insured' in the **schedule**, then all the parties are insured separately (as though a separate policy had been issued to each person/entity). However, the maximum amount **we** will pay to all parties is the amount stated in each part of this policy.

#### 5. GST

Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:

5.1 all sums insured exclude GST, and

5.2 all sub limits exclude GST, and

5.3 all excesses include GST, and

5.4 GST will be added, where applicable, to claim payments.

#### 6. Premium Payment Option

If **you** choose to pay the premium other than annually, then:

6.1 **you** must use the Deduction Authority **we** require, and

6.2 this policy is for the initial **period of insurance** starting on the 'From' date and ending on the 'To' date stated in the **schedule**.

The policy will be renewed for further fortnightly, monthly and quarterly periods of insurance (as indicated in the **schedule**) by payment of each instalment premium due under the Deduction Authority.

#### 7. Premium Adjustments

If the premium for this policy has been calculated based on estimated annual figures, then the premium is only a provisional premium for the **period of insurance**.

Within 3 months of the expiry of the **period of insurance**, **you** must tell **us** what the actual figures were. **We** will re-calculate **your** actual premium based on the actual figures.

If **you** have not told **us** what the actual figures were within the 3 months, and at the time of the **insured damage** the sum insured is less than the actual figures for those items, then the amount **we** will pay will be reduced in the same proportion.

The difference between the actual and the provisional premiums will either be payable to **us** or refunded to **you** depending on the outcome of the adjustment, but any refund will be limited to a maximum of 50% of the provisional premium.



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## B. LAWS AND ACTS THAT GOVERN THIS POLICY

### 1. Acts of Parliament

Where this policy refers to any Act of Parliament, it also includes any subordinate legislation made under it, and any other subsequent Acts or Regulations.

### 2. Governing Law And Jurisdiction

The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.

### 3. Insurance Law Reform Acts

The exclusions and conditions in this policy are subject to **your** rights under the Insurance Law Reform Acts 1977 and 1985.

## C. YOUR OBLIGATIONS

### 1. Comply With The Policy

**You** (and any other person or entity **we** cover) must comply with the conditions of this policy at all times. If **you** fail to comply, **we** may not pay **your** claim.

### 2. Provide Accurate Information

**You** must make sure all statements and representations that are made to **us**, at any time, either by **you** or anyone else, are truthful and complete.

### 3. Reasonable Care

**You** must take reasonable care at all times to avoid circumstances that could result in a claim. **Your** claim will not be covered if **you** are reckless or grossly irresponsible.

### 4. Change in Circumstances

**You** must tell **us** immediately if there is a material:

- 4.1 increase in the risk insured, or
- 4.2 alteration of the risk insured.

Once **you** have told **us** of the change, **we** may then cancel or alter the premium and/or terms of this policy.

If **you** fail to notify **us** about a change in the risk insured, **we** may:

- (a) declare this policy unenforceable, or
- (b) decline any subsequent claim either in whole or in part.

These actions will be taken from the date **you** knew, or ought to have known, of the increase or alteration in the risk insured.

*Information is 'material' where we would have made different decisions about either:*

- (i) accepting your insurance, or
- (ii) setting the terms of your insurance,

*if we had known that information. If in any doubt, notify us anyway.*

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## DEFINITIONS

The definitions apply to the plural and any derivatives of the bolded words. For example, the definition of 'accidental' also applies to the words 'accidentally', 'accident' and 'accidents'.

<b>accidental</b>	Unexpected and unintended by <b>you</b> .
<b>act of terrorism</b>	<p>Includes any unlawful act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that:</p> <ul style="list-style-type: none"><li>(a) involves violence against one or more persons, or</li><li>(b) involves damage to property, or</li><li>(c) endangers life other than that of the person committing the action, or</li><li>(d) creates a risk to health or safety of the public or a section of the public, or</li><li>(e) is designed to interfere with or disrupt an electronic system.</li></ul>
<b>annual period</b>	<p>The <b>period of insurance</b>, but no more than 12 months. However, if:</p> <ul style="list-style-type: none"><li>(a) <b>you</b> pay the premium monthly or quarterly, or</li><li>(b) <b>period of insurance</b> is for more than 12 months,</li></ul> <p>the annual period is any one 12 month period calculated from the date this policy first started, and consecutively thereafter.</p>
<b>business</b>	The business described in the <b>schedule</b> .
<b>business interruption</b>	Interruption to or interference with <b>your business operations</b> .
<b>business operations</b>	The activities of running <b>your business</b> at the <b>situation</b> .
<b>computer virus</b>	A set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes but is not limited to 'Trojan Horses', 'Worms' and 'Time or Logic Bombs'.
<b>electronic data</b>	<p>Facts, concepts and information converted to a form useable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment.</p> <p>It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.</p>
<b>event</b>	Any one event or series of events arising from one source or original cause.
<b>indemnity period</b>	<p>The period that:</p> <ul style="list-style-type: none"><li>(a) starts when the <b>insured damage</b> occurs, and</li><li>(b) ends no later than the number of months specified in the <b>schedule</b> as the 'Indemnity Period', during which, <b>your business operations</b> are affected because of the <b>insured damage</b>.</li></ul>
<b>insured damage</b>	<b>Loss</b> occurring at the <b>situation</b> , during the <b>period of insurance</b> , to any machinery (or part) owned or used by <b>you</b> for a <b>business</b> purpose, provided that the <b>loss</b> is covered as a claim under <b>your machinery breakdown policy</b> .

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<b>insured profit</b>	<p>The amount by which:</p> <ul style="list-style-type: none"><li>(a) the sum of the <b>turnover</b> plus the amount of the closing stock shall exceed,</li><li>(b) the sum of the amount of the opening stock plus the amount of the <b>uninsured working expenses</b>.</li></ul> <p>Notes about this calculation:</p> <ul style="list-style-type: none"><li>(i) the amount of the opening and closing stocks must be in accordance with <b>your</b> normal accounting methods, allowing for depreciation, and</li><li>(ii) the words and expressions used have the usual meaning attached to them as used in <b>your</b> books and accounts, including the <b>uninsured working expenses</b>.</li></ul>
<b>loss</b>	<b>Accidental</b> physical loss or <b>accidental</b> physical damage occurring during the <b>period of insurance</b> .
<b>machinery breakdown</b>	<b>Loss</b> to property that would be covered as a claim under <b>your machinery breakdown policy</b> if <b>you</b> owned the property.
<b>machinery breakdown policy</b>	<p>The insurance policy, that <b>we</b> call a Machinery Breakdown Policy, that <b>you</b> have with <b>us</b> that insures <b>loss</b> to machinery caused by internal damage.</p> <p><i>The Machinery Breakdown Policy is a prerequisite to this policy.</i></p>
<b>natural disaster damage</b>	<p><b>Loss</b> that results directly from:</p> <ul style="list-style-type: none"><li>(a) earthquake, subterranean fire, volcanic eruption, tsunamis, geothermal activity, hydrothermal activity, or fire caused by any of these, or</li><li>(b) measures taken under proper authority, following an event listed in (a) to:<ul style="list-style-type: none"><li>(i) avoid its spreading, or</li><li>(ii) reduce its consequences.</li></ul></li></ul>
<b>payroll</b>	<p>Gross salaries and <b>wages</b> (including bonuses, holiday pay, ACC levies and any other costs relating to salaries and <b>wages</b>) for all employees of the <b>business</b>, calculated on:</p> <ul style="list-style-type: none"><li>(a) a 'per capita' basis, or</li><li>(b) a 'percentage of payroll' basis.</li></ul>
<b>period of insurance</b>	The period shown in the <b>schedule</b> , that specifies the start and end dates of this insurance contract.
<b>program</b>	An organised list of instructions that, when executed, causes the computer to behave in a predetermined manner.
<b>rate of insured profit</b>	The rate of <b>insured profit</b> to <b>turnover</b> that would have been achieved during any part of the <b>indemnity period</b> but for the <b>insured damage</b> .
<b>rate of payroll</b>	The rate of <b>payroll</b> to <b>turnover</b> , that would have been achieved during any part of the <b>indemnity period</b> but for the <b>insured damage</b> .
<b>rate of wages</b>	The rate of <b>wages</b> to <b>turnover</b> , that would have been achieved during any part of the <b>indemnity period</b> but for the <b>insured damage</b> .
<b>reduction in rent</b>	The amount that the <b>rent</b> , during any part of the <b>indemnity period</b> , shall fall short of the <b>rent</b> that would have been achieved but for the <b>insured damage</b> .
<b>reduction in revenue</b>	The amount that the <b>revenue</b> , during any part of the <b>indemnity period</b> , shall fall short of the <b>revenue</b> that would have been achieved but for the <b>insured damage</b> .
<b>reduction in turnover</b>	The amount that the <b>turnover</b> , during any part of the <b>indemnity period</b> , shall fall short of the <b>turnover</b> that would have been achieved but for the <b>insured damage</b> .
<b>rent receivable</b>	<p>The actual amount of any:</p> <ul style="list-style-type: none"><li>(a) rent <b>you</b> receive, and</li><li>(b) payments to <b>you</b> for services provided, resulting from letting out the property situated at the <b>situation</b>.</li></ul>

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<b>revenue</b>	The amount by which: (a) monies paid to <b>you</b> , or monies billed by <b>you</b> for work done, goods sold or services provided as part of <b>your business operations</b> , exceeds (b) the costs incurred to purchase consumable goods or items.
<b>schedule</b>	The latest version of the Schedule <b>we</b> issued to <b>you</b> for this policy.
<b>situation</b>	The location or locations referred to in the <b>schedule</b> .
<b>turnover</b>	Whichever of the following options provides the most equitable measurement of <b>your</b> claim: (a) all money, or other reimbursements <b>you</b> receive for goods or services in connection with <b>your business</b> operations, or (b) such other index of <b>your business operations</b> that gives the most equitable result.
<b>uninsured working expenses</b>	Those expenses that are no longer incurred by <b>you</b> when <b>your business</b> is unable to operate.
<b>wages</b>	The total value of all remuneration (including a pro-rata proportion of bonuses, holiday pay, ACC levies and any other costs relating to wages), of all employees, except employees whose remuneration is treated as salaries in <b>your</b> accounts.
<b>we</b>	NZI, a business division of IAG New Zealand Limited. We may also use the words 'us', 'our' or 'company' to describe NZI.
<b>you</b>	The person(s) or entity named in the <b>schedule</b> as 'Insured'. <b>We</b> may also use the word 'insured' to describe you.

## *Machinery Breakdown Business Interruption* / INSURANCE POLICY



*NZI is a business division of IAG New Zealand Limited, a wholly owned subsidiary of Insurance Australia Group, Australasia's largest general insurer. Established in 1859, it is today one of the country's largest and longest-serving fire and general insurance brands, protecting tens of thousands of New Zealanders every year.*

*Through our broad range of commercial, personal, marine, professional risks and rural insurance products, we pride ourselves on helping people to achieve the best protection for their assets.*

*We partner with a network of skilled and experienced brokers and other insurance intermediaries who distribute our products. We pay remuneration to our brokers and intermediaries when they issue our policies, and when these policies are renewed or varied.*

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