

The background image of the cover is a composite. The top half shows a green tractor with a front loader in a field, with a large, snow-capped mountain in the background. The bottom half shows a close-up of several sheep with thick, grey wool grazing in a field of tall, dry grass. A white hexagonal pattern is overlaid on the left side of the image.

Rural

MACHINERY BREAKDOWN

POLICY WORDING

Rural / MACHINERY BREAKDOWN INSURANCE POLICY

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INTRODUCTION

WELCOME

Welcome to NZI. Thank you for selecting **us** as **your** insurer. This is **your** Rural Machinery Breakdown 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.

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.

DAMAGE TO INSURED MACHINERY

1. **DAMAGE TO INSURED MACHINERY** **You** are insured for **accidental loss** to **insured machinery** occurring at the **situation**.

AUTOMATIC POLICY EXTENSIONS

In addition to the cover under 'Damage to Insured Machinery' above, **we** also provide the following automatic policy extensions.

- A. **NEWLY ACQUIRED MACHINERY** **You** are insured for **accidental loss** to machinery that **you** acquire during the **period of insurance**.

Provided:

1. **you** own or are legally responsible for the machinery, and
2. the machinery is similar in type, class and function to the machinery **you** already have insured, and
3. any **loss** occurs following the satisfactory completion of the machinery's installation, testing and commissioning, and
4. **you** notify **us** within 90 days of **your** acquiring the machinery.

Once **you** have notified **us**:

- (a) **we** may charge **you** an additional premium, and
- (b) the value of the machinery will be added to **your** sum insured.

The most **we** will pay under this extension during any **annual period** is:

1. \$50,000 for any **event**, or
2. the sum insured for **insured machinery**, whichever is the lesser.

- B. **COST OF HIRE OF ELECTRIC MOTORS**

You are insured for reasonable costs **you** incur to hire a replacement electric motor following a **loss** to an electric motor under 'Section 1: Damage to Insured Machinery'.

The most **we** will pay for this extension is \$2,500 for any **event**, unless a different amount is shown in the **schedule**.

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- C. REFRIGERANT REPLACEMENT** **You** are insured for reasonable costs **you** incur to replace lost refrigerant gas following a **loss** under 'Section 1: Damage to Insured Machinery'.
The most **we** will pay under this extension is \$2,500.
We will not pay for any costs relating to replacing refrigerant with a more environmentally friendly alternative.
- D. EXPLOSION OF BOILERS AND PRESSURE VESSELS** **You** are insured for the **accidental loss** of boilers and **pressure vessels** caused by:
1. collapse, or
 2. overheating, or
 3. **explosion**,
- provided that the boiler or **pressure vessel** is part of the **insured machinery** covered by this policy.
The most **we** will pay under this extension is the sum insured for the item of **insured machinery** damaged.
- E. DEMOLITION COSTS COVER** **You** are insured for reasonable costs **you** incur to:
1. demolish, dismantle, shore or prop up **insured machinery**, and
 2. dispose of debris (including any kind of solid, liquid or gas) from the **insured machinery**,
provided that the costs arise following a **loss** under 'Section 1: Damage to Insured Machinery'.
- You** are not insured for any costs associated with the demolition of or removal of debris from buildings or other assets.
- F. TESTING** **You** are insured for **accidental loss** to **insured machinery** caused by tests that are conducted to comply with statutory safety regulations.
The most **we** will pay under this extension for any **event** is \$2,500.
We will not pay for any **loss** to **insured machinery** that is condemned as a result of the tests.
'Exclusion F Item 2' does not apply to this extension.

OPTIONAL POLICY EXTENSIONS

These optional extensions only apply where shown in the **schedule**.

- A. EXPEDITING COSTS COVER** **You** are insured for the reasonable costs of express freight and overtime to expedite the repair or replacement of **insured machinery** following a **loss** covered under this policy.
You must have **our** prior approval before incurring any costs.
Our approval will be based on the economic benefit gained.
The most **we** will pay under this extension for any one **event** is 20% of the sum insured for the item of **insured machinery** damaged.
'Exclusion E Item 4' does not apply to this extension.
- B. SUBMERSIBLE PUMPS** **You** are insured for **accidental loss** to **submersible pumps** occurring at the **situation**, including:
1. any costs **you** incur to dismantle and re-assemble the **submersible pump**, and
 2. any costs **you** incur to hire a replacement pump during the time taken to repair the damaged **submersible pump**.
- The most **we** will pay under this extension, including any costs incurred in Part B1 and Part B2 above, is the sum insured shown in the **schedule** for the **submersible pump** that is damaged.
We will not pay for **accidental loss**:
1. to any **submersible pump** that is not recovered to the surface, or
 2. that is a result of inadequate maintenance and/or a failure to maintain regular servicing of the **submersible pump**.
- 'Exclusion G Item 2' does not apply to this extension.

EXCLUSIONS

A. MATERIAL DAMAGE LOSSES NOT COVERED

This policy does not insure **loss** caused by:

1. fire or lightning, or
2. explosion due to the combustion of the machine's contents, or
3. impact from a source external to the machine, or
4. storm or **flood**, or
5. smoke or soot, or
6. chemical explosion, or
7. gas or vapour, or
8. rainwater or water, discharged or leaking from any pipe or system that is not part of the **insured machine**, or
9. burglary or theft or attempted burglary or theft.

These losses may be insured under your material damage policy. You should contact your insurance advisor for confirmation about this.

B. LOSSES NOT COVERED

This policy does not insure:

1. **loss** that occurs during:
 - 1.1 the dismantling of **insured machinery** for removal to another situation, or
 - 1.2 the installation and testing of additional or replacement **insured machinery**, or
 - 1.3 modification of existing **insured machinery**, or
2. **loss** that occurs gradually including:
 - 2.1 fatigue, rust, oxidation, boiler scale, sludge deposits, corrosion or erosion, or
 - 2.2 wearing away or wearing out of any part as the result of normal working, or
3. any of the following types of damage to **insured machines**:
 - 3.1 marring or scratching, or
 - 3.2 cavitation, or
4. any of the following types of damage if the **insured machine** is a boiler or **pressure vessel**:
 - 4.1 cracks, fractures, blisters, lamination, flaws or grooving, even when any of these is accompanied by leakage, or
 - 4.2 leakage of joints.

This exclusion does not apply to any resultant **accidental loss** to another part of the **insured machine**.

C. PARTS OF MACHINERY NOT COVERED

This policy does not insure **loss** to the following parts of the **insured machine**:

1. parts that are exchangeable, or detachable tools, including but not limited to bits, drills, knives, saw blades and other cutting edges, or
2. components that are naturally subject to a high rate of wear and tear, or
3. operating media other than refrigerant gas, or
4. electrical circuit protection devices, fuses, lighting and heating elements, batteries, and electrical contacts at which sparking or arcing normally occurs, or
5. belts, chains, ropes, elevating and conveying bands, leathers, packing gaskets or other jointing or sealing materials, filters, clutch and brake-linings and facings.

This exclusion does not apply to any resultant **accidental loss** to another part of the **insured machine**.

This exclusion does not apply if the **loss** to parts is the result of:

- (a) a **loss** otherwise covered by this policy, and
- (b) occurs as a result of **loss** to other separately identifiable parts of the **insured machine**.

D. CONSEQUENTIAL LOSS

This policy does not insure any kind of consequential loss (e.g. *financial loss that occurs as a result of the loss of insured property*), including the following:

1. penalties, or
2. loss of use of any property, or
3. delays, or
4. loss of market.

E. COSTS NOT COVERED

This policy does not insure the cost of:

1. alterations, additions or improvements to **insured machinery**, or
2. maintenance of **insured machinery**, or
3. provisional repairs following **loss** to **insured machinery** other than:
 - (i) repairs that are part of the final repairs already covered by this policy, and
 - (ii) do not increase the total repair cost, or
4. expediting costs including:
 - (i) express freight, and
 - (ii) overtime, or
5. replacing, altering or modifying **insured machinery**, or any part of a refrigerant system to enable the machine or part to operate with a more environmentally friendly refrigerant.

F. TESTING, MAINTENANCE AND MODIFICATION

This policy does not insure **loss** caused by:

1. the use of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul, or
2. hydraulic tests, experiments, overloads, or similar tests requiring the imposition of abnormal conditions.

This exclusion does not apply to any resultant **accidental loss** to another part of the **insured machine**.

G. TYPES OF MACHINERY NOT COVERED

This policy does not insure **loss** to:

1. accounting or office machinery, or
2. **submersible pumps**.

H. CONFISCATION

This policy does not insure **loss**, liability, prosecution or expense of any type in connection with confiscation, nationalisation, requisition or destruction of, or damage to property by order of government, public or local authority (unless the order is given to control any **accidental loss** that is covered by this policy).

I. ELECTRONIC DATA AND PROGRAMS

This policy excludes loss of or damage to **electronic data** from any cause whatsoever including, but not limited to, a **computer virus**.

This includes loss of use, reduction in functionality or any other associated loss or expense in connection with **electronic data**.

However this exclusion does not apply to physical damage to other insured property that results from that loss of or damage to **electronic data**, and which is not otherwise excluded.

J. NATURAL DISASTER

This policy does not insure **loss**, liability, prosecution or expense of any type in connection with earthquake, subterranean fire, volcanic eruption, tsunami, geothermal activity, or hydrothermal activity.

K. NUCLEAR

This policy does not insure any **loss**, liability, prosecution or expense of any type in connection with:

1. ionising radiation or contamination by radioactivity from:
 - (a) any nuclear fuel, or
 - (b) any nuclear waste from the combustion or fission of nuclear fuel.
2. nuclear weapons material.

L. SEEPAGE, POLLUTION AND CONTAMINATION

This policy does not insure **loss**, liability, prosecution or expense of any type in connection with seepage, pollution or contamination.

M. RIOTS AND STRIKES

This policy does not insure **loss** in connection with any of the following:

1. riot, civil commotion, malicious damage, vandalism,
2. strike, lockout, persons taking part in labour disturbances or malicious persons acting on behalf of, or in connection with, any political organisation.

N. TERRORISM

This policy does not insure any **loss**, liability, prosecution or expense of any type in connection with an **act of terrorism**, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an **act of terrorism**.

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O. WAR

This policy does not insure any **loss**, liability, prosecution or expense of any type in connection with any of the following, including controlling, preventing or suppressing any of the following: war, invasion, act of foreign enemy, hostilities or warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power.

BASIS OF SETTLEMENT

1. METHOD OF INDEMNITY

We will indemnify **you** by whichever of the following options **we** choose.

We will:

1. pay the cost of repairs, or
2. pay an amount equal to the reasonable cost of repair, or
3. replace the **insured machine** with one of similar performance and condition, or
4. pay an amount equal to the **market value** of the **insured machine**.

2. MACHINERY THAT IS REPAIRED

If the **insured machine** is repairable **we** will pay the cost of restoring it to its state of serviceability before the **loss** occurred.

We will also pay the following costs provided they are properly and reasonably incurred:

1. dismantling and re-assembly costs associated with repairing the machine, and
2. ordinary freight to and from the place of repair, and
3. any government charges.

In all cases **we** will make the following allowances:

- (a) **we** will not make any deduction for depreciation of any part replaced, and
- (b) **we** will deduct the value of any salvage, and
- (c) if **you** repair the machine **yourself we** will pay **you** the cost of materials, wages and overheads required to make the repairs.

3. MACHINERY THAT IS A TOTAL LOSS

If the machinery is a **total loss**:

1. **we** will pay:
 - (i) the **market value** of the item of **insured machinery** immediately prior to the **loss** (including the cost of dismantling and re-assembly, ordinary freight and any government charges), or
 - (ii) the sum insured for the item of **insured machinery**,whichever is the lesser, or
2. **we** will replace the **insured machine** with one of a similar type, performance and condition.

In all cases **we** will make the following allowances:

- (a) **we** will pay the costs of removing the **insured machine**, and
- (b) **we** will deduct the value of any salvage.

4. MAXIMUM AMOUNT PAYABLE

The most **we** will pay for any:

1. unspecified item of **insured machinery** is:
 - (a) \$2,500, or
 - (b) the **market value** of the item immediately prior to the **loss** (including the cost of dismantling and re-assembly, ordinary freight and any government charges), whichever is the lesser,
2. specified item of **insured machinery** is:
 - (a) the sum insured for that item shown in the **schedule**, or
 - (b) the **market value** of the item immediately prior to the **loss** (including the cost of dismantling and re-assembly, ordinary freight and any government charges), whichever is the lesser.

5. EXCESS

The excess shown in the **schedule** will be deducted from the amount of the **loss** for each **event** unless a different excess or nil excess is shown in this policy wording.

If more than one item of **insured machinery** suffers **loss** from a single **event** only one excess will apply being the highest excess.

6. SUB LIMITS

The most **we** will pay under any automatic or optional policy extension is:

1. the amount shown in this policy wording, or
2. the amount shown in the **schedule**,
whichever is the higher.

7. REINSTATEMENT OF THE SUM INSURED

After **we** have paid a claim under this policy, **we** will reinstate **your** sum insured. **We** may ask **you** to pay an additional premium for this. If **we** do, **you** must pay the additional premium.

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 ADMIT LIABILITY

You must not:

- 6.1 admit **you** are liable, or
- 6.2 do or say anything that may prejudice **our** ability to defend the claim against **you** or take recovery action in **your** name.

7. DO NOT DISPOSE OF PROPERTY

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

8. 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.

- 2. RECOVERIES** If any property that **we** have paid a claim for is later found or recovered, **you** must tell **us** immediately and hand it over to **us** if **we** request it.
We have the right to keep any property that **we** have paid a claim for under this policy, including any proceeds if it is sold.
- 3. REPARATION** If any person is ordered to make reparation to **you** for **loss** to any property that **we** have paid a claim under this policy for, then **you** must tell **us**. Any payments received, must first reimburse **our** claims payment up to the amount of any reparation received.

GENERAL CONDITIONS

A. HOW WE ADMINISTER THIS POLICY

- 1. CANCELLATION AND MODIFICATION**
- 1.1 By You
You must 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. INSTALMENT PREMIUMS** If **you** choose to pay the premium by instalments less 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 periods of insurance (e.g. monthly/quarterly – 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.

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.

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'.*

accidental	Unexpected and unintended by you .
act of terrorism	<p>Includes any 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">(a) involves violence against one or more persons, or(b) involves damage to property, or(c) endangers life other than that of the person committing the action, or(d) creates a risk to health or safety of the public or a section of the public, or(e) is designed to interfere with or disrupt an electronic system.
annual period	<p>The period of insurance. However, if:</p> <ul style="list-style-type: none">(a) you pay the premium by instalments less than annually, or(b) the period of insurance is for more than 12 months, <p>the annual period is any one 12 month period calculated from the date this policy first started, and consecutively thereafter.</p>
computer virus	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".
electronic data	Facts, concepts and information converted to a form useable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
event	Any one event or series of events arising from one source or original cause.
explosion	<p>The sudden and violent breaking apart of the plant by forces of internal gas, liquid or vapour pressure, resulting in:</p> <ul style="list-style-type: none">(a) physical displacement of any part of the plant, and(b) forcible ejection of the plant's contents.
flood	<p>Water that has overflowed from the normal confines of any: natural or artificial watercourse, lake, reservoir, swamp, sea, canal or dam; onto normally dry land.</p> <p>In addition, rainwater will be considered as flood where that rainwater:</p> <ul style="list-style-type: none">(a) cannot run-off into a: natural or artificial watercourse, lake, reservoir, swamp, sea, canal or dam; because it has overflowed or flooded, and/or(b) mixes with existing floodwater as described above. <p>Flood arising from the following events are not covered:</p> <ol style="list-style-type: none">1. seepage of artesian water, drains or irrigation races,2. surface flooding where run-off surface water has saturated land.

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insured machinery	Electrical and mechanical plant within the following categories: (a) unspecified items being electrical and mechanical plant of less than 5kw (6.75hp) and individual replacement value of less than \$2,500, (b) specified items as shown in the schedule , provided that: (i) the category is specified in the schedule , and (ii) you own or are legally responsible for the machinery.
loss	Physical loss or physical damage occurring during the period of insurance .
market value	The reasonable sale price of the same or a comparable machine, of similar pre-loss age, usage and condition.
period of insurance	The period shown in the schedule , that specifies the start and end dates of this insurance contract.
pressure vessel	The parts of any insured machinery or vessel that during ordinary use are subjected to either generated fluid pressure or vacuum, including: (a) all integral parts, and (b) controls, and (c) systems (other than system forming part of a building or structure).
schedule	The latest version of the Schedule we issued to you for this policy.
situation	The location or locations referred to in the schedule .
submersible pump	A pump that is designed to/and operate: (a) wholly or partly under liquid, and/or (b) down a bore-hole.
total loss	Where the cost of repairs, as determined by us , equals or exceeds: 1. the market value of the insured machine immediately prior to the loss , or 2. the sum insured for the item of insured machinery .
we	NZI, a business division of IAG New Zealand Limited. <i>We may also use the words 'us', 'our' or 'company' to describe NZI.</i>
you	The person(s) or entity named in the schedule as 'Insured'. <i>We may also use the word 'insured' to describe you.</i>



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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.

To find out more about the advantages of choosing NZI, talk to your broker or visit nzi.co.nz.

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