

# Ando Fleet Vehicle Insurance Policy



## Part A – About this policy

### Our Promise to You

In return for **you** having paid or promised to pay the required premium **we** agree to insure **you** as set out in this policy.

### Reading 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 of this policy. The definitions also apply to the plural and any derivatives of the words in bold.
- Unless specifically noted, all exclusions contained in this policy apply to all extensions and should be read in conjunction.
- You will find examples and comments to make parts of this policy easier to understand. These examples and comments appear in italics and 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.

### The Contract

The contract consists of:

- (a) any information provided to **us** by **you** on which this insurance is based,
- (b) the applicable parts of this policy,
- (c) any endorsements or warranties that **we** apply to **your** policy, and
- (d) the **schedule**.

### Fair Insurance Code

**We** are committed to complying with the Fair Insurance Code as published by the Insurance Council of New Zealand.

This means **we** will:

- (a) provide insurance contracts which are understandable and show the legal rights and obligations of both **us** and **you** the policy holder;
- (b) explain the meaning of legal or technical words or phrases;
- (c) explain the special meanings of particular words or phrases as they apply in the policy;
- (d) manage claims quickly, fairly and transparently;
- (e) clearly explain the reason(s) why a claim has been declined;
- (f) provide **you** the policyholder with a written summary of our complaints procedure as soon as disputes arise and advise you **how** to lodge a complaint and tell **you** about the Insurance and Financial Services Ombudsman Scheme.

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## Definitions

### accessory

Any accessories and spare parts of the **insured vehicle** (including while temporarily removed), such as, but not limited to:

- (a) any portable electrical device primarily designed for use in a vehicle (such as in vehicle cameras, handsfree communication devices but not mobile phones, and GPS navigation systems);
- (b) load securing or protection equipment (such as tarpaulins, sheets, ropes, twitches or chains);
- (c) child safety seats.

### accident

A sudden, unexpected and unintended happening or event.

### act of terrorism

An act including but not limited to the use of force or violence and/or the threat of that, including the intention to influence any government or to put in fear the public or any section of the public which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons 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).

### bodily injury

Accidental death or accidental bodily injury, disability, disease, illness, shock, fright, mental anguish and mental injury.

### business

The business described in the schedule, carried on by you or on your behalf including any trade or occupation similar to that business.

### deferment period

The number of days proceeding the **loss** before any cover commences.

### driver

The person driving or operating the **vehicle** or any associated component (including by remote control).

### employee

A person who is deemed to be employed by **you** pursuant to the Employment Relations Act 2000.

### excess

The first amount of any claim that **you** must pay. More than one excess may apply to a claim (or part thereof).

### event

Any one event or series of events arising from one source or original cause.

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### **general average**

General average and salvage charges incurred to avoid a **loss** covered under this policy, that are determined by the contract of carriage, and/or the governing law and practice of the carriage.

### **insured vehicle**

Any **vehicle** as shown on the **schedule**, and any **vehicle** appearing on any asset schedule forming part of this insurance.

### **loss**

Physical loss, damage or destruction as a result of an **accident**.

### **market value**

The reasonable sale price of the same, or a comparable **vehicle**, of similar pre-loss age, usage and condition, including the **value** of any **accessories**.

### **mobile mechanical plant**

A **vehicle** not primarily designed to transport goods or people, that has either plant or machinery attached to it, or is primarily designed as mobile plant or machinery to perform a particular task or series of tasks (such as digging, scraping, pumping or drilling).

### **natural disaster**

**Accidental loss** that results directly or indirectly from earthquake, subterranean fire, volcanic activity, tsunami, geothermal activity, hydrothermal activity, or fire or flooding caused by any of these.

### **period of insurance**

The period of insurance shown in the current **schedule** beginning on the 'From' date and ending at 4.00pm on the 'To' date.

### **portable equipment**

Portable equipment (such as a laptop, tablet, portable eftpos machine, printer, but excluding mobile phones) for the purpose of transacting, receipting, or invoicing sales for your business, and portable appliances (such as mixers, fryers, mini refrigerators) used in the preparation of food and beverage.

### **present value**

The reasonable cost to repair or replace the item in New Zealand so that **you** have an item that is of an equivalent age, quality and capability, and that is in the same general condition.

### **public relations expenses**

The reasonable cost to engage a public relations firm or consultant, crisis management firm or law firm to prevent or limit adverse or negative publicity.

### **reparation**

An amount ordered by a New Zealand court **you** must pay to a third party following an offence under Section 32 of the Sentencing Act.

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### secure worksite

Any place where **you** are conducting **your business**, and:

- (a) contains a securely locked building where **you** store **your** property, or
- (b) is securely fenced or enclosed preventing unobstructed public access to **your** property, or
- (c) monitored by frequent security patrols outside of work hours, or
- (d) monitored by CCTV

### schedule

The latest version of the schedule **we** issue to **you** for this policy.

### total loss

Where repair costs, as determined by **us**, are uneconomical to carry out in relation to the **insured vehicle's market value**.

### vehicle

Any type of machine on wheels, tracks or rollers that is propelled by its own power and including anything designed to be towed by such a machine, but excluding any machine capable of flight. This also includes any permanent fit out or modification of the **vehicle** and any **vehicle accessories**.

### we, us ,our

Ando Insurance Group Limited on behalf of the underwriter(s) noted in the **schedule**

### you, your

The person(s) or entity named in the **schedule** as "Insured" including any subsidiary company, associated managed company, associated social or sporting club, or new organisation formed or acquired by **you** during the **period of insurance**.

## Cover options

The **insured vehicle** will be insured for one of the following cover options as shown on the **schedule**:

- **Comprehensive** means automatic cover under sections 1, 2 of this policy.
- **Third Party Fire and Theft** means cover under sections 1 and 2 of this policy except for certain extensions where it is stated otherwise, however in respect of Section 1 cover is restricted to loss directly caused by fire, lightning, explosion, theft or illegal conversion and loss covered under 1.33 'uninsured third party protection' extension.
- **Third Party Only** means cover under only Section 2 and loss covered under 1.33 'Uninsured third party protection' extension.

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## Important things to know

These are important obligations and exclusions that apply to all parts of this policy.

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

In addition please also read the following sections which explain what this policy does not insure **you** for, and what **your** obligations are:

- (a) Part B Section 1: Damage to the insured vehicle - Exclusions
- (b) Part B Section 2: Your liability - Exclusions
- (c) Part B Section 4: All Sections - Exclusions
- (d) Part B Section 7: Claims information

## Your obligations

### 1.1 True statements and answers

**You** must make sure that all statements are true (whether given by **you** or any other person), when:

- (a) **you** apply for this insurance,
- (b) notify **us** regarding any change in circumstances, and
- (c) make any claim under this policy.

### 1.2 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.

This policy does not cover **your** liability or loss at all if it is insured to any extent under any other insurance policy. **We** will not contribute towards any claim under any other insurance policy.

### 1.3 Reasonable care

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

If **you** fail to tell **us** of a change in the risk, **we** may declare this policy unenforceable, and/or decline any subsequent claim either in whole or in part.

### 1.4 Your duty of disclosure

When **you** apply for insurance, **you** have a legal duty of disclosure. This means **you** or anyone on **your** behalf must tell **us** everything **you** know (or could be reasonably expected to know) that might affect our decision when deciding:

- (a) to accept **your** insurance, and/or
- (b) the cost or terms of the insurance, including the **excess**.

In particular **you** should tell **us** anything which may increase the chance of a claim under this policy, or the amount of a claim under this policy, or any material change to any of the facts or circumstances existing at the beginning of the **period of insurance**.

**You** also have this duty every time **your** insurance renews and when **you** make any changes to it.

If **you** do notify **us** of a change **we** may alter the premium and/or the terms of **your** insurance.

If **you** or anyone on **your** behalf breaches this duty, **we** may treat this policy as being of no effect and to have never existed.

*Please ask **us** if you are not sure whether you need to tell us about something.*

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## Using your vehicle

### 1.5 What the vehicle can be used for

When using an **insured vehicle**, **you** must do so in such a manner that it will not be placed in unnecessary danger. This policy provides cover for the **insured vehicle** while it is being used:

- (a) to operate **your business** as declared to **us** and noted on the **schedule**; or
- (b) for private social or domestic purposes; or
- (c) having been temporarily lent out without charge by **you** for use in a business or occupation comparable with **your** own.

There is no cover under this policy:

- (d) in connection with:
  - (i) racing, pacemaking, rallies, reliability trials, hill climbs or speed tests, track events or open club days; or
  - (ii) any film, TV or recorded stuntwork; or
  - (iii) any experiment; or
- (e) to transport dangerous goods (as defined by Land Transport Rule: Dangerous Goods 2005 and its amendments) in bulk unless **you** have **our** written agreement and it is noted on the **schedule**.

Exclusion (e) does not apply to the transportation of dangerous goods for domestic or social purposes, or for use as a tool of trade provided the dangerous goods are being transported in a manner and in quantities prescribed by The Land Transport Rule: Dangerous Goods 2005 (and its amendments).

### 1.6 Who may use the vehicle

**You** must ensure that any person driving or operating the **insured vehicle** is qualified to do so and is not incapacitated or under any physical influence which might impede their ability to safely **drive** or operate the **vehicle**. Cover under this policy only applies when the **insured vehicle** is being used by **you** or any person with **your** consent and the driver:

- (a) is the holder of a licence, and/or any other certificate required by any New Zealand Law (such as the Health and Safety in Employment Act 1992) for the appropriate class and use of the vehicle (or any mechanical plant attached to it), and
- (b) is not under the influence of any intoxicating substance or drug, has a proportion of alcohol in their blood or breath higher than that allowed under New Zealand Law, fails to supply a blood or breath sample as required by law or fails to stop and remain at the scene following an accident as required by law, and
- (c) is not driving the **vehicle** in breach of any enactment or regulation relating to driving hours under New Zealand Law.

### 1.7 Where the vehicle can be used

This policy only covers the **insured vehicle** while it is being used anywhere in New Zealand including while in transit between islands within New Zealand Territory and Jurisdiction. There is no cover under any section of this policy while the **vehicle** is being driven or operated:

- (a) on water (such as amphibious vehicles);
- (b) on rails (such as Hi-Rail vehicles), tramways or tracks;
- (c) in any underground mine, tunnel, excavation or access (other than public roads).
- (d) on any apron, runway or aircraft hanger of a commercial airport, or within a radius of 20m of any commercial aircraft unless **you** have **our** written agreement and it is noted on the **schedule**.

## 1.8 How the vehicle may be used

**You** must ensure that the **insured vehicle** is being **driven** and maintained in such a manner to prevent or minimise the chance of **loss**. There is no cover under this policy while the **vehicle** is being **driven** or used:

- (a) outside of the manufacturer's specifications or recommendations, including the size of any load being carried; or
- (b) contrary to any enactment or regulation governing the use of the vehicle; or
- (c) in an unsafe or damaged condition; or
- (d) by any person in a manner which would result in an instant mandatory suspension of licence.

## Part B – Your Insurance

The following sections describe what **you** are insured for under this policy. The sections are as follows:

- Part B Section 1: Damage to the insured vehicle
- Part B Section 2: Your liability
- Part B Section 3: Consequential loss
- Part B Section 4: All sections

## Section 1: Damage to the Insured Vehicle

**You** are insured for **loss** to an **insured vehicle** not otherwise excluded during the **period of insurance**.

### Damage to the Insured Vehicle - exclusions

There is no cover under this policy for:

#### 1.1 Breakdown

breakage, breakdown or failure of the engine, transmission, or any other mechanical or electrical system unless the loss, including loss that such failure caused to other systems unless caused by:

- (a) collision or overturning of the vehicle;
- (b) impact damage;
- (c) fire or lightning;
- (d) a malicious act;
- (e) theft or illegal conversion;
- (f) a natural disaster.

#### 1.2 Consequential loss

loss of use of the vehicle (or any associated costs or expenses), loss of value resulting from loss to the vehicle, or any other consequential loss unless stated otherwise in this policy.

#### 1.3 Damage to tyres

damage to tyres by application of the brakes or by punctures, cuts or bursts. However, you are still covered for any resulting damage that would otherwise be covered under Section 1 of this policy.

#### 1.4 Defects in design and materials

loss arising from failure of, defect in, or other fault in the vehicle's design, specifications or materials.

#### 1.5 Ingestion and entanglement

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loss connected with the ingestion or entry of, or entanglement of any foreign object in or around any implement or machine or any component of the insured vehicle.

## **1.6 Items underground**

There is no cover under this policy for loss or damage to vehicle attachments and accessories (such as drill pipes, rock bits, reamers, core barrels, stabilisers) while below the rotary table, or underground.



## 1.7 Other costs and damage

- (a) depreciation;
- (b) wear and tear, corrosion, gradual deterioration, rust, mould;
- (c) existing defects or damage;
- (d) damage caused by action of light.

## 1.8 Setting of concrete / bitumen

loss resulting from the hardening of concrete or bitumen unless caused by:

- (a) collision or overturning of the vehicle;
- (b) impact damage;
- (c) fire or lightning;
- (d) a malicious act;
- (e) theft or illegal conversion;
- (f) a **natural disaster**.

# Damage to the Insured Vehicle - extensions

The following extensions extend the coverage under Section 1 of this policy.

## 1.9 Accessories and spare parts away from the vehicle

**You** are insured for any **insured vehicle accessories**, ancillary equipment (such as buckets, hoes, drill bits), and spare parts that are stored at:

- (a) **your** office or depot,
- (b) **your** home, or
- (c) any secured worksite.

The most **we** will pay under this extension is \$10,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$500 applies to this extension.

## 1.10 Claim preparation costs

**You** are insured for any costs **you** reasonably incur for the purpose of preparing and proving any initial claim (but not dispute a claim) under this policy.

The most **we** will pay under this extension is \$5,000 for any one **event** unless a different amount is specified in the **schedule**.

## 1.11 Clean up and load recovery

Following an accident covered by this policy to the **insured vehicle**, **you** are insured for the reasonable costs incurred to:

- (a) clear the accident scene of any debris (such as broken glass, fibre glass, fluid leak);
- (b) recover and reload load lost or fallen from the **vehicle**;
- (c) transfer the load to another vehicle and relocate it to a place of safety or its intended final destination.

There is no cover under this extension for damage to property (such as contamination).

The most **we** will pay under this extension is \$20,000 for any one **event** unless a different amount is specified in the **schedule**.

## 1.12 Condemned buildings and carparks

If as a result of a natural disaster, **you** are unable to recover the **insured vehicle** from a building or carpark due solely to the denial of access to that building or carpark **we** will pay for the reasonable costs of hiring a similar replacement **vehicle** subject to:

- (a) a maximum cost of \$200 per day, and
- (b) \$10,000 in total for any one **event**.

Where denial of access to the **insured vehicle** is likely to be indefinite or the costs of hiring a replacement **vehicle** are likely to exceed the **market value** of the **insured vehicle**, we will treat the **vehicle** as if it is a **total loss** regardless of whether the **vehicle** has actually suffered any damage.

## 1.13 Death following accident

If the driver dies as a direct result of injury sustained in an accident involving an **insured vehicle** covered by this policy **we** will pay the driver's estate:

- (a) a bereavement payment of \$10,000, and
- (b) funeral costs, in excess of any entitlement under ACC, up to a maximum of \$5,000.

If more than one individual becomes entitled to payment under this extension, through a single accident, the amount payable will be divided equally between them.

Exclusion 6.5 'Goods and Services Tax (GST)' does not apply to this extension.

## 1.14 Disability modifications

**You** are insured for the reasonable costs of any necessary modifications in excess of any entitlement under ACC, (such as hand controls) to any one **vehicle** should a driver become permanently disabled as a direct result of injury sustained in an accident covered under this policy.

The most **we** will pay under this extension is \$10,000 for any one **event** unless a different amount is specified in the **schedule**.

## 1.15 Drivers personal effects

**We** will extend this insurance to cover **accidental loss** to the driver's personal effects as a direct result of **accidental loss** to the **insured vehicle** that is covered under this policy.

For the purpose of this extension 'personal effects' means any item of clothing (including reading and sunglasses) or any personal item normally carried (such as a handbag, wallet, personal music device or mobile phone) but excluding any laptop or item of luggage.

The personal effects are insured for their **present value**.

The most **we** will pay for under this extension is \$3,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$500 applies to this extension.

Condition 6.5 'Goods and Services Tax (GST)' does not apply to this extension.

*Please also refer to Part A - 1.2 'Other Insurance'*

## 1.16 Emergency repairs

If **you** need to have temporary repairs done to the **insured vehicle** following **accidental loss** covered under this policy so **you** can get the **vehicle** to **your** destination or to a repairer, **we** will pay the necessary reasonable costs to get the **vehicle** roadworthy again.

### 1.17 Emergency travel and accommodation

If following **loss** to the **insured vehicle**, the **vehicle** cannot be made roadworthy, or the driver (or any passengers) are unable to drive, **you** are insured for necessary emergency travel or accommodation costs. **We** will pay:

- (a) the reasonable costs of transporting **you** and any passengers to their home or place of work, and
- (b) reasonable overnight accommodation up to a total of \$250 per person per night.

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

### 1.18 Employee vehicles

**We** will extend this insurance to cover accidental **loss** to **vehicles** owned by **your employees** while being used for **your business** at the time of **loss**, provided:

- (a) the **employee** has personal motor vehicle insurance insuring their **vehicle**, and
- (b) the business use of their **vehicle** results in the employee's personal motor vehicle insurance no longer applying.

The most **we** will pay under this extension is \$100,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$500 applies to this extension.

### 1.19 First Aid Kits

**We** will pay to restock any first aid supplies carried in the **insured vehicle** and used to provide first aid assistance to any injured persons resulting from an accident involving the **insured vehicle**.

### 1.20 Fitout removal and reinstallation

If the **insured vehicle** has undergone customised fitout (for the purpose of conducting **your business**, such as custom interiors, shelving and cabinetry, permanently affixed plant and equipment) and following accidental loss, is a **total loss**, should **you** wish to retain the fitout **we** will pay for the removal and reinstallation of the fitout from the **vehicle**.

The value of any fitout removed will be deducted from the final settlement of the **vehicle**.

The most **we** will pay under this extension is \$10,000 for any one **event** unless a different amount is specified in the **schedule**.

### 1.21 Foreign objects

**You** are insured for **accidental loss** to **your mobile mechanical plant** as a direct result of ingestion or entry of a foreign object provided the **mobile mechanical plant** was being used for its designed purpose at the time of the **loss**.

The most **we** will pay under this extension is \$20,000 for any one **event** unless a different amount is specified in the **schedule**.

Exclusion 1.5 'Ingestion and entanglement' does not apply to this extension.

### 1.22 Goods in transit

**You** are insured for **accidental loss** to **your** property while being carried in or on the **insured vehicle** following a claim under this policy.

All items are insured for their **present value**.

The most **we** will pay under this extension is \$10,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$1,000 applies to this extension.

### 1.23 Hydraulic lifts, rams and hoists

**You** are insured for **accidental loss** to hydraulic rams and hoists, provided that:

- (a) the ram or hoist is permanently attached to the **insured vehicle**, and
- (b) the **loss** is a result of mechanical breakdown or failure of the ram or hoist.

The most **we** will pay under this extension is \$10,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$500 applies to this extension.

Exclusion 1.1 'Breakdown' does not apply to this extension.

### 1.24 Keys and locks

**You** are insured for the reasonable costs incurred in altering or replacing keys, locks, or other **vehicle** access devices normally sold with the **insured vehicle** which are lost, stolen or believed on reasonable grounds to have been duplicated during the **period of insurance** without **your** permission.

The most **we** will pay under this extension is \$5,000 for any one **event** unless a different amount is specified in the **schedule**.

This extension is free of **excess**.

### 1.25 Reward following theft

Provided **we** have agreed in advance, **you** are insured for any reward that **you** offer and pay following the theft of the **insured vehicle** to successfully secure its return.

The most **we** will pay under this extension is \$5,000 for any one **event** unless a different amount is specified in the **schedule**.

### 1.26 Salvage and recovery costs

**You** are insured for the reasonable costs incurred as a result of a **loss** to recover an **insured vehicle** and deliver it to a place of safety where the **vehicle** can be inspected and/or repaired.

### 1.27 Securing your vehicle

**You** are insured for the reasonable costs **you** incur to make sure that an **insured vehicle** is secure immediately following **loss**.

### 1.28 Sign writing

**You** are insured for **accidental loss** to sign writing (including murals, artwork and vinyl graphics) affixed to the **insured vehicle**.

Where **we** elect to repair the **vehicle**, **we** will pay the reasonable costs to reinstate the damaged sections of sign writing.

Where the **vehicle** is a **total loss** **we** will pay the reasonable costs to have a replacement **vehicle** sign written to an equivalent specification.

The most **we** will pay under this extension is \$5,000 for any one **event** unless a different amount is specified in the **schedule**.

### 1.29 Sets (wheel rims)

Where **accidental loss** to an **insured vehicle** includes damage to a wheel rim that is part of a set and is unable to be repaired or replaced **we** will:

- (a) replace the set with a set that is equivalent in style, quality, and pre-damage condition, or
- (b) pay **you** an amount equal to the cost of replacing the set with a set that is equivalent in style, quality, and pre-damage condition.

### 1.30 Temporary Vehicle upon theft

If an **insured vehicle** is stolen or converted, **we** will pay the cost for **you** to hire a similar **vehicle**.

Cover under this extension will end once **we** have either:

- (a) repaired the **vehicle** and returned it **you**; or
- (b) settled **your** claim in full,

whichever occurs first.

There is no cover under this extension for usual **vehicle** running costs (such as petrol).

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

### 1.31 Tyres and treads

Where the **insured vehicle** is designed to be primarily used offroad, **you** are insured for **accidental loss** to any tyre (including any inner tube) attached to the **vehicle**.

The most **we** will pay under this extension is \$5,000 for any one **event** unless a different amount is specified in the **schedule**.

This extension is free of **excess**.

### 1.32 Unexpired certification costs

Where the **insured vehicle** is required by law to undergo certification (such as lifting equipment), and where the sum insured reasonably reflects the combined value of the **vehicle** and the residual value of certification, in the event of a **total loss we** will pay the residual value of certification in addition to any payment in relation to the **vehicle**.

Exclusion 1.2 'Consequential Loss' does not apply to this extension.

### 1.33 Uninsured third party protection

**We** will waive **your excess** and **your** premium will not be affected in respect of any **accidental loss** to the **insured vehicle** that:

- (a) full liability is admitted by or established against that third party, and
- (b) **you** supply **us** with enough information to identify the third party (such as the correct registration, their name and address).

### 1.34 Windscreen, window glass, sunroof, head and tail lights

Where there is no other damage to the **insured vehicle**, **we** will waive any **excess** to the cost of repairing or replacing accidentally broken windscreens, windows, sunroofs or head and tail lights (including any scratching or damage to bodywork resulting solely and directly from such breakage).

This extension also covers the necessary replacement of any window film tinting or treatment (but not signage) to the damaged windscreen, sunroof or window glass.

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## Damage to the Insured Vehicle - optional extension

Where noted on **your** policy **schedule**, the following extension is included and extends the coverage under Section 1 of this policy.

### 1.35 Mobile Trading

Where **you** accept payment from the **insured vehicle** in exchange for goods and services **you** sell from the **vehicle**, **we** will insure **you** for **loss** to the following resulting from **accidental loss** to the **vehicle**:

- (a) portable equipment;
- (b) money;
- (c) stock and materials in trade.

There is no cover under this extension for any loss arising from theft or malicious damage:

- (i) that occurs while the **vehicle** is left unlocked and unattended;
- (ii) to money left in the **vehicle** outside of normal trading hours.

In addition to the above, **we** will cover **you** for loss of money which is accompanied by violence or the threat of violence while **you** are trading from the **insured vehicle**.

**We** will pay **you**:

1. the **present value** for any portable equipment;
2. the total cost to **you** (but excluding any mark up or margin or allowance for profit) for stock and materials in trade;
3. the face value of any money.

The maximum **we** will pay in respect of money is \$1000, and in total for any one **event** is the amount specified in the **schedule** for any one **event**.

An **excess** of \$500 applies to this extension.

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## Section 2: Your Liability

You are insured for:

### 2.1 Damages and costs

**your** legal liability for damages following accidental bodily injury, and/or accidental loss to any physical property not otherwise excluded that occurs during the **period of insurance**, caused by or in connection with any **insured vehicle**, including while it is being loaded or unloaded.

### 2.2 Defence costs

**your** legal defence costs and expenses incurred to defend any legal action (or threat of) brought against **you** in relation to an alleged liability, which if proven, would be covered under Section 2 of this policy.

*If you are unsure as to whether we will pay your costs, please talk to us before proceeding.*

### 2.3 Your driver's liability

We will insure **your** driver's legal liability operating the **insured vehicle** with **your** consent in the same manner as if it were **you**.

## Your Liability - exclusions

There is no cover under Section 2 for liability:

### 2.4 Bringing of a load

in connection with the bringing to, or taking away of a load to the vehicle.

### 2.5 Contractual liability

that you agree under a contract, where that liability arises solely under the contract, and does not otherwise arise at law.

### 2.6 Death of a driver

in respect of the death or injury to any person who, at the time of the loss, was in charge of the vehicle.

### 2.7 Exemplary damages

in respect of any punitive or exemplary damages.

### 2.8 Fines and penalties

in respect of any fine, penalty or reparation.

### 2.9 Operation of mechanical plant or machinery

directly or indirectly caused by the operation of any mobile mechanical plant while it is being used for the purpose for which it was designed (e.g. the operation of a crane or excavator).

This exclusion does not apply to the operation of any forkhoist, or any loading device attached to the insured vehicle device (such as a swinglift, hoist or crane) while being used for the sole purpose of loading or unloading that vehicle.

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## 2.10 Property owned or in your care

in connection with property that belongs to you or is in your care, custody or control.

## 2.11 Weight and vibration.

for any property (including any road) caused by the weight and vibration of the vehicle, or the by the weight of the load being carried by the vehicle.

# Your Liability - extensions

The following extensions extend the coverage under Section 2 of this policy.

## 2.12 Borrowed Vehicles

**You** are insured for **your** legal liability arising from any **vehicle you** borrow for the sole purpose of conducting **your business**.

**You** are not insured for any loss, damage or associated costs to the borrowed **vehicle** which would not have been covered under Section 1 of this policy had the **vehicle** been owned by **you**.

The most **we** will pay under this extension is \$100,000 for any one **event**, unless a different amount is shown in the **schedule**.

An **excess** of \$500 applies to any **loss** or damage to the borrowed **vehicle**.

Exclusion 2.10 'Property owned or in your care' does not apply to this extension.

## 2.13 Clean-up charges

**You** are insured for costs lawfully charged by any local body or authority, the New Zealand fire service, ambulance service, or any entity for cleaning or restoring the site of an accident covered by this policy.

The most **we** will pay for under this extension is \$25,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$1,000 applies to this extension.

## 2.14 Courtesy vehicles

**We** will insure you for **your** legal liability for accidental **loss** or damage to any **vehicle** supplied to **you** by any business or person(s) while undertaking repairs on the **insured vehicle** following **accidental loss** covered under Section 1 of this policy.

Exclusion 2.10 'Property owned or in **your** care' does not apply to this extension.

## 2.15 Defence costs (manslaughter)

**You** are insured for the reasonable costs of **your** legal representation where:

- (a) **you** are charged with careless driving causing death, and/or
- (b) **you** are legally represented at any inquiry or coroner's inquest in connection with such death, and
- (c) such death arises from accidental loss for which a claim is otherwise payable under this policy.

The most **we** will pay for under this extension is \$25,000 for any one **event** unless a different amount is specified in the **schedule**.



## 2.16 Exemplary damages

**You** are insured for exemplary damages awarded against **you** in New Zealand for **bodily injury** arising out of the use of an **insured vehicle**.

The most **we** will pay for under this extension is \$500,000 for any one **event**, and \$1,000,000 in total for any one **period of insurance** unless a different amount is specified in the **schedule**.

An additional **excess** of 10% of the exemplary damage awarded subject to a minimum of \$5,000 applies to this extension.

Exclusion 2.7 'Exemplary damages' does not apply to this extension.

## 2.17 General average (marine liability)

**You** are insured for the costs of general average that **you** are legally required to meet if the **insured vehicle** is in transit between places in New Zealand during the **period of insurance**.

## 2.18 Financial charges

**You** are insured for any legal liability to pay outstanding financial charges or money owing resulting from purchasing a vehicle, provided **you** made all reasonable enquiries prior to purchasing (such as a vehicle information report).

The maximum **we** will pay for any one **event** and in total for any one **period of insurance** is \$10,000 unless a different amount is specified in the **schedule**.

An **excess** of \$1,000 applies to this extension.

## 2.19 Fire Services Act and Forest Rural Fires Act

**You** are insured for any charge **you** become liable for under:

- (a) Section 47C of the Fire Services Act for attending a hazardous substance emergency involving the **insured vehicle** provided any charge results from **accidental loss** to the **insured vehicle** covered by Section 7 of this policy;
- (b) Sections 43, 46 and 46A of the Forest and Rural Fires Act imposed upon **you** for any fire that occurs during the **period of insurance** involving the **insured vehicle**.

The maximum **we** will pay for any one **event** and in total for all events in any **period of insurance** is \$500,000 unless a different amount is specified in the **schedule**.

## 2.20 Movement of obstructing vehicles

**You** are insured for **your** legal liability for **accidental loss** arising out of the moving of any **vehicle** by **you** that:

- (a) is parked in a position that prevents or impedes the loading or unloading of the **insured vehicle**, or
- (b) prevents or impedes the legitimate passage of the **insured vehicle**.

Exclusion 2.10 'Property owned or in your care' does not apply to this extension.

## 2.21 Passenger liability

**We** will cover any passenger of the **insured vehicle** under Section 2 of this policy for their legal liability arising from a claim under this policy provided there is no other existing insurance that covers their liability.

## 2.22 Principal's indemnity

Where an **insured vehicle** is **driven** or operated on any construction or works project **we** will cover the legal liability of the contractor that engaged **you** provided:

- (a) the liability arises in connection with **your** use or operation of the **insured vehicle**, and
- (b) the liability is **for accidental loss** to any property or **accidental bodily injury**.

## 2.23 Rented Vehicles

Where **you** hire a **vehicle** and are required to arrange insurance for the **vehicle** while in **your** care, **we** will insure **your** legal liability to the owner of the **vehicle** for:

- (a) **accidental loss** otherwise covered under Section 1 of this policy, and
- (b) consequential losses caused by the **loss**.

Where the owner's insurance is accepted and the **excess** under the owner's policy is higher than the **excess** which would otherwise be applied under this extension, **you** are insured for the difference.

The most **we** will pay for any one **event** under this extension is:

- (i) \$100,000 for accidental loss to any **vehicle**, and
- (ii) \$50,000 for consequential loss,

unless a different amount is specified in the **schedule**.

An **excess** of 1% of the **market value** of the hired **vehicle** (subject to a minimum of \$500) applies to this extension.

## 2.24 Repairs

**You** are insured **for** any reparation **you** become legally liable to pay arising from **accidental** bodily injury or **accidental loss** to property following a claim payable under this policy provided:

- (a) the reparation did not arise from any deliberate disregard by **you** of any of the provisions of any Act of Parliament which **you** have contravened; and
- (b) **we** are notified of any charges laid against **you** or the driver as soon as possible; and
- (c) no offer of reparation is made without **our** prior agreement.

The most **we** will pay for under this extension is \$1,000,000 for any one **event** unless a different amount is specified in the **schedule**.

Exclusion 2.8 'Fines and Penalties' does not apply to this extension.

## 2.25 Towing (not for reward)

**You** are insured for **your** legal liability for **accidental loss** caused to a **vehicle** as a result of collision, overturning or fire while being towed by the insured vehicle provided that:

- (a) the **vehicle** was not being towed for reward or financial gain, and
- (b) the **vehicle** being towed is not on hire

An **excess** of \$500 applies to this extension.

Exclusion 2.10 'Property owned or in your care' does not apply to this extension.

## 2.26 Vibration and weight damage

**You** are insured for **your** legal liability for damage caused by the weight or vibration of the **insured vehicle**, or the combined weight of the load and the **vehicle**.

The most **we** will pay for under this extension is \$500,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$5,000 applies to this extension.

Exclusion 2.11 'Weight and vibration' does not apply to this extension.

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## 2.27 Vicarious liability

**You** are insured for **your** legal liability under Section 2 of this policy while:

- (a) any **vehicle** not belonging to **you** and not provided by **you** is being used for **your business** by any person in **your employment**, or
- (b) any **vehicle** hired in by **you** is being used for **your business** by any hired-in or temporary driver.

**We** will not cover **you** for:

- (i) loss to that **vehicle** or to property being transported by it, or contained in it;
- (ii) any part of the liability which is also covered under any other existing insurance.

## Your Liability - Optional extension

Where noted on **your** policy **schedule**, the following extension is included and extend the coverage under Section 2 of this policy.

### 2.28 Towing and Salvage for reward

**We** will cover **you** for **your** legal liability for **accidental loss** caused to a **vehicle** while being towed (including the loading and unloading of that **vehicle**) by the **insured vehicle** for reward or financial gain.

Cover under this extension begins once the **vehicle** being towed is attached to the **insured vehicle**, and ends once the **vehicle** is unloaded or unhooked.

The most **we** will pay under this extension is \$100,000 for any one **event** unless a different amount is specified in the **schedule**.

An **excess** of \$1,000 applies to this extension

Exclusion 2.10 'Property owned or in your care' does not apply to this extension.

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## Section 3: All sections

The exclusions and extensions contained in this Section apply to all parts and sections elsewhere in this policy.

### All sections - exclusions

This policy does not insure loss, damage, or liability directly or indirectly incurred in connection with:

#### 3.1 Asbestos

asbestos in any form, whether used, carried, stored, worked upon or otherwise.

#### 3.2 Confiscation

any lawful confiscation, nationalisation, requisition or destruction of, or damage to property.

#### 3.3 Electronic data

- (a) loss, damage, destruction, distortion, erasure, corruption or alteration of electronic data; or
- (b) any resulting loss of use, reduction in functionality, cost, expense regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

#### 3.4 Health hazards and infectious disease

- (a) any health hazard (such as any noise, vibration, gas or fumes, light, radiation, virus, organism, or by-product) resulting in illness, disease, incapacity or death of any person, animal, or plant life;
- (b) a notifiable organism under the Biosecurity Act 1993 or an infectious disease notifiable under the Health Act 1956 or any subsequent amendments or replacing acts.

#### 3.5 Nuclear

any process or operation involving nuclear fission or fusion, or handling of radioactive material. This includes, but is not limited to:

- (a) the use of nuclear reactors such as atomic piles, particle accelerators or generators or similar devices, or
- (b) the use, handling or transportation of any radioactive material, or
- (c) the use, handling or transportation of any weapon of explosive device employing nuclear fission or fusion.

#### 3.6 Seepage and Pollution

the discharge, dispersal, release or escape of any product, by-product, smoke, vapour, soot, hazardous substance, liquid, gas, waste, irritant, contaminant or pollutant.

This exclusion shall not apply if the discharge, dispersal, release or escape is sudden, unintended and unexpected, and on discovery, it is not permitted to continue or recur, and all reasonable measures are immediately taken to prevent further discharge, dispersal, release or escape.

#### 3.7 Terrorism

prosecution, or expense of any type in connection with an act of terrorism.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

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### 3.8 War

This policy does not insure loss, damage, or liability, directly or indirectly incurred in connection with war, invasion, hostilities or war like operations (whether war is declared or not), rebellion, or revolution.

### 3.9 Deliberate and Dishonest Acts

This policy does not insure loss, damage, or liability in connection with any actual or alleged:

- (a) dishonest, fraudulent, criminal, unlawful, or malicious act or omission;
- (b) wilful breach of any statute, contract, or duty;
- (c) conduct intended to cause damage, loss, or liability with reckless disregard for the consequences.

## All sections - extensions

The following extensions extend the coverage under all sections of this policy.

### 3.10 Additions and deletions

**You** are insured for any additional **vehicle** purchased during the **period of insurance**. The additional **vehicle** will be automatically covered for its purchase price from the date of purchase for the first 45 days to a maximum of \$500,000.

After 45 days, if **we** have not been notified of the purchase the **vehicle** will be covered for its purchase price up to a maximum of:

- (a) \$500,000, or
  - (b) 25% of the total sum insured of all **insured vehicles** covered by this policy,
- whichever is the lessor.

**You** must pay **us** any additional premium **we** require.

If a **vehicle** is sold during the **period of insurance**, it will be considered deleted from the **schedule** from the date it is sold and **we** will refund any premium owed for the current **period of insurance**.

### 3.11 Emergency public relations

Following a claim payable under this policy **you** are insured for the reasonable costs of public relations expenses provided **we** have given prior written consent.

The most **we** will pay under this extension for any one **event** is \$25,000 unless a different amount is specified in the **schedule**.

An **excess** of \$2500 applies to this extension.

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### 3.12 Invalidation

**You** are insured for **accidental loss** or liability that arises under any circumstance excluded under:

- (a) Part A, 1.5 'What the vehicle can be used for';
- (b) Part A, 1.6 'Who may use the vehicle';
- (c) Part A, 1.8 'How the vehicle may be used',
- (d) Part B, 4.9 'Deliberate and Dishonest Acts'

where:

- (i) those excluded circumstances were without the knowledge of **you** or any person acting with delegated authority; and
- (ii) **you** have (reasonable in relation to the size of your business) satisfactory training, controls and procedures to normally detect and manage adverse behaviour which would contribute to the likelihood of a claim under this policy (such as fatigue management, pre-employment checks, drug testing, licence monitoring, an active health and safety programme etc.) ; and
- (iii) the claim is otherwise covered under the policy; and
- (iv) **you** allow us to recover the costs of the claim from any other person (including the driver) responsible for the **loss**.

This extension is limited to **accidental loss** or liability suffered by **your** business, and does not cover the personal liability of any person (including the driver) responsible for the **loss**.

An **excess** of \$1000 applies to this extension.

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## Section 4: Optional premium adjustments

At the end of the **period of insurance**, where **you** have selected an optional premium adjustment as noted on the **schedule**, **we** will adjust **your** premium as per the option **you** selected.

### 4.1 Burning cost

At the inception of the period of insurance **you** will pay **us** a deposit premium as shown in the **schedule**.

At expiry of the **period of insurance**, **we** will adjust the premium as follows.

- The total premium paid (including any additional premiums and less any refunds and less any commissions) shall be adjusted by dividing the total cost of claims incurred (plus any allowance for future claims adjustments **we** may agree) by the multiplier as agreed in the **schedule**.
- If the premium calculated is greater than the total premium paid to **us**, **you** must pay the difference subject to a maximum percentage of the total premium as shown in the **schedule**.
- If the premium calculated is less than the premium paid to us, we will refund the difference subject to the maximum percentage of the total premium as shown in the schedule.

### 4.2 Profit share

Where this policy is renewed with **us** for a further minimum period of 12 months a profit commission will be deducted from the following renewal premium calculated as follows:

- At the end of the period of insurance, the total premium paid to **us** under this policy will be divided by the cost of all claims incurred by us during the period of insurance (plus any allowance for future claims adjustments we may agree) to calculate the loss ratio.
- If the loss ratio is less than 40%, 20% of the difference between the premium paid and claims incurred will be deducted from **your** next renewal.
- If the loss ratio is between 41% and less than 50%, 15% of the difference between the premium paid and claims incurred will be deducted from **your** next renewal.
- If the loss ratio is between 51% and less than 60%, 10% of the difference between the premium paid and claims incurred will be deducted from **your** next renewal.

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## Section 5: General conditions

### 5.1 Breach of any condition

If **you**, or any other person or entity **we** cover under this policy, or anyone acting on **your** behalf, breaches any of the terms and/or conditions of this policy, **we** will continue to insure **you** provided:

- (a) the breach occurs without **your** knowledge, and
- (b) **you** advise us as soon as **you** are aware of the breach of condition, and
- (c) **you** pay us any additional premium **we** require.

In the event either conditions (a), (b) or (c) are not satisfied, **we** may not pay **your** claim either in whole or in part, and/or declare either this policy or all insurance **you** have with **us** to be of no effect and to no longer exist.

### 5.2 Cancellation

**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. If **you** do, **we** will refund any premium that is due to **you** based on the unused portion of the **period of insurance**. **You** must pay any outstanding premium due for the used portion of the **period of insurance**.

**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.

### 5.3 Cross liability

Where **you** are comprised of more than one person or entity as named on the **schedule**, the term “**you**” will be considered as applying to each person or entity separately (as though a separate insurance policy had been issued to each person).

The maximum combined amount **we** will pay to all parties, is the amount stated in the **schedule**.

### 5.4 Currency

Any amounts shown in this policy are in New Zealand dollars.

### 5.5 Goods and Services Tax (GST)

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

- (a) all sums insured exclude GST, and
- (b) all sub limits exclude GST, and
- (c) all excesses include GST.

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

### 5.6 Laws and Acts governing this policy

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

Any reference to any Act of Parliament or subordinate rules referred to in this policy includes any amendments made or substitutions to that law.

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

### 5.7 Other Interests

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



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## Section 6: Claims Information

This section of the policy sets out what **you** must do in the event of a **loss** and making a claim. It also explains how a claim may be settled by **us**.

### Claims Conditions

#### 6.1 What to do immediately following a loss

As soon as **you** are aware of any event or circumstance that is likely to result in claim under this policy:

**You** must:

- (a) take prompt steps to minimise the **loss**, damage, or liability and avoid further loss, damage, or liability;
- (b) notify **us** as soon as reasonably possible;
- (c) lay a complaint with the Police if **you** suspect burglary, theft, arson, or intentional damage;
- (d) take all reasonable steps to obtain details of any other person or vehicle involved, and any witnesses.

**You** must not:

- (e) dispose of or abandon any property for which **you** intend to make a claim for;
- (f) start any repairs without our permission unless it is necessary to prevent further **loss**, damage or liability;
- (g) admit responsibility for any **loss**, damage or liability.

#### 6.2 When making a claim

When making a claim on this policy **you** must:

- (a) provide all information **we** reasonably require to assist with **your** claim;
- (b) give **us** access to examine and assess any **loss**, damage or liability;
- (c) forward to **us** any letter of demand or legal document.

#### 6.3 After you have made a claim

After **you** have made a claim on this policy **we** have the sole right to act in **your** name and on **your** behalf to negotiate, defend, or settle any action against **you**.

In the event that the **insured vehicle** is a **total loss**, the cover under this policy for the **insured vehicle** shall cease, and no premium will be refundable for the balance of any **period of insurance** for that **vehicle**. The **insured vehicle** then becomes **our** property.

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## Basis of Settlement

### 6.4 How we will settle your claim

In respect of the **insured vehicle** we will indemnify **you** by whichever of the following options we choose. We can:

- (a) pay the cost of repairs, or
- (b) pay an amount equal to the cost of repairs, or
- (c) replace the **vehicle** with a **vehicle** of similar condition, or
- (d) pay an amount equal to the sum insured of the **vehicle**.

In respect of **your** legal liability we will indemnify **you** by either:

- (e) settling any claim against **you** on **your** behalf directly with a third party or their insurer, or
- (f) paying **you** an amount equal to the claim against **you**.

### 6.5 Maximum amount payable

Unless stated differently on this policy, the maximum we will pay under this policy for:

- (a) the **insured vehicle** is the sum insured provided it represents no more than 120% of the **market value** of the **vehicle** at the time of the **loss**, otherwise reverting to **market value**.
- (b) **your** legal liability (inclusive of any extension, defence costs and expenses) for any one **event** is:
  - (i) in respect of the bulk transportation of dangerous goods (as defined by Land Transport Rule: Dangerous Goods 2005 and its amendments) is \$1,000,000 unless stated otherwise on the **schedule**;
  - (ii) in respect of any other **loss** is the sum insured noted on the **schedule** for section 2.

If the cover provided under this section is insufficient to indemnify both **you** and any other person entitled to cover under this section, it will apply first to **you**.

In regard to any extension within this policy the most we will pay for that portion of a claim is the limit for that extension shown in the **schedule**.

### 6.6 Vehicles without a sum insured

Where a **vehicle** has not been noted with a sum insured and has been purchased within the current **period of insurance** we will pay any claim for that **vehicle** in accordance with 4.10 'Addition and Deletions' extension.

For any other **vehicle** we will pay the **market value** of the **vehicle** at the time of **loss**.

### 6.7 Excess

**You** must pay the **excess** shown in the **schedule** as the first amount of any claim (or part thereof) covered under this policy (unless stated otherwise). More than one **excess** may be applicable to a claim.

If the **vehicle** is being used or **driven** by anyone under the age of 25 years, an additional excess of \$500 (unless noted otherwise on the **schedule**) will apply.

Where an **excess** is noted within an extension, this is payable for any claim under that extension and does not form part of the **insured vehicle excess**. In all other cases any payment under an extension will be considered part of the overall claim and subject to the **insured vehicle excess**.

### 6.8 Replacement of new vehicle

If we declare that the **insured vehicle** is a **total loss** and the **vehicle** is registered as New Zealand new and is less than:

- (a) 12 months old for passenger vehicles weighing less than 3.5 tonnes;
- (b) 6 months for all other vehicles.

We will replace the **insured vehicle** with a new **vehicle** of the same make, model and specification. If **you** do not wish to accept a new vehicle we will pay you the sum insured specified in the **schedule**.

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## 6.9 Leased vehicles

If the **insured vehicle** is leased and it is a **total loss** and **we** choose not to replace the **vehicle**, **we** will pay the sum insured or the residual value of the **vehicle**, up to a maximum of the of 120% of the **market value**.

**We** will not pay for any of the following:

- (a) penalties for early termination;
- (b) penalties for any additional distance travelled;
- (c) penalties resulting from lack of or poor servicing or maintenance;
- (d) any balloon payment or residual payment;
- (e) any other unpaid obligations or outstandings.

## 6.10 Obsolete Parts

If the **vehicle** needs to be repaired and a replacement part cannot be obtained **we** will pay the lesser of:

- (a) the last known price of identical parts or accessories for the **vehicle**, or
- (b) the cost of making a new part.

## 6.11 Betterment

If any repair as part of a claim under this policy substantially improves the value of the **insured vehicle** before the **loss** occurred **you** may be required to contribute to the cost of repairs.

Where a mechanical or electrical component of the vehicle has an operating life expectancy significantly less than that of the **insured vehicle** and undergoes repair or replacement, **we** will only be liable for the present value of that component at the time of loss.

## 6.12 Discharge of Liability

**We** may, at any time, choose to settle any claim under this policy by paying **you** the balance of any claim up to the applicable sum insured. Upon doing so **we** will have fulfilled our obligations to **you** and such payment will be considered full and final settlement of any claim under this policy.