

**ami**

We're right here

# Motorcycle Insurance



Policy wording

backed by **iag**

# About your policy.



Thank you for choosing to insure your motorcycle with us.

We've designed this document to help you clearly understand the terms of your policy, but if you're unsure about anything, please pop into your local AML store to discuss it or call us on **0800 100 200**, we're happy to explain.

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## Important bits to read

We agree to provide you and anyone else who will use the motorcycle with insurance cover as long as you meet certain conditions. If you do not meet these conditions, we may decide not to accept a claim or to cancel your policy or treat it as though it never existed.

You must:

- do what you can to **protect your motorcycle** against loss or damage
- **be truthful and correct** in everything you tell us
- let us know if you have had any **speeding tickets, fines or other motoring or criminal convictions**
- let us know if you **alter your motorcycle**, or add any accessories of significant value
- let us know if you **change your address**
- let us know if there is any **change of ownership** or a **change of use** of your motorcycle or a **change of principal rider**.

## Other stuff to know

### How do I pay my excess?

You will have to pay an excess each time you make a claim under this policy. The Policy Schedule shows how much excess you have to pay.

If your motorcycle is being repaired, you pay the amount of your excess to the repairer once repairs are complete.

If your motorcycle has been stolen or written off, we will deduct your excess from the amount we pay you.

### Who is covered to ride my motorcycle?

You, your wife or husband, and anyone who has a valid driver licence is covered to ride your motorcycle, unless that person is specifically stated to be excluded in the Policy Schedule.\*

\*There may be times when you are not covered. See pages 4–5, 'What is not covered by this policy' and the Policy Schedule.

## About your insurance contract

- a.** This policy forms part of the insurance contract between us and you.
- b.** Your insurance contract consists of:
  - this policy
  - the Policy Schedule
  - the information you provided in the proposal
  - the payment notice
  - any changes that we write to you about
  - any changes you request and we agree to in writing.
- c.** Your insurance contract begins when we accept the proposal, and ends on the expiry date stated in the Policy Schedule. You can renew your policy as from the expiry date by paying a renewal premium.
- d.** You must pay your insurance premium by the date stated on the payment notice. You cannot make a claim until you have paid your premium. If you do not pay your premium your policy will cease to operate.
- e.** If you are not happy with this third party vehicle policy, you can change your mind, provided you tell us within 15 days of the date of your proposal. We will withdraw cover effective from the beginning of the insurance contract and we will fully refund the premium you have paid. This clause will not apply if any claim has been made.

## Our definition of 'motorcycle'

### Motorcycles covered by this policy

- a.** In this policy, 'your motorcycle' means the motorcycle described in the Policy Schedule, and includes standard tools and any accessories or modifications listed.
- b.** Motorcycles that can be covered by this policy include mopeds, power cycles, motor scooters, motorcycles from 50-200cc, 201-350cc and over 350cc.
- c.** This policy covers any motorcycle that you use for domestic, social or recreational purposes or any other purpose stated in the Policy Schedule.
- d.** This policy also covers motorcycles used solely on a farm property. It can also include motorcycles that you use for work purposes, unless you use your motorcycle for any of the purposes listed below.



*For definitions of other words used in this policy, please see page 9.*

### Motorcycles not covered by this policy

- a.** This policy does not cover motorcycles that you use for work purposes if you:
  - are a driving instructor
  - are a stock and station agent
  - are a motorcycle courier
  - are involved in any form of selling, debt collection or similar
  - use your motorcycle in connection with the motor trade.
- b.** This policy does not cover motorcycles that you hire out for financial gain.

# What is covered by this policy

## Cover for your motorcycle

Your motorcycle is covered for any accidental physical loss or damage that occurs anywhere in New Zealand or while it is carried by any licensed transport service between one part of New Zealand and another.

There are some circumstances when you are not covered – please refer to ‘What is not covered by this policy’ on pages 4–5 and the Policy Schedule.

### Important information for Third Party policyholders:

This section does not apply if your motorcycle is insured under a Third Party policy. The only cover you have under a Third Party policy is ‘Cover for your legal liability’ (see page 3–4). If you have a Third Party policy, this will be stated in the Policy Schedule.

- 1 What we will pay**
- a. If your motorcycle is damaged and can be repaired, we will pay to repair it to substantially the same condition it was in before the damage occurred.
  - b. If your motorcycle is damaged beyond economic or safe repair, or if your motorcycle is stolen and not recovered, then we will pay you an amount up to the market value of your motorcycle. If this happens, you must transfer ownership of your motorcycle to us.

- 2 What we won't pay**
- a. We will not pay to replace any part that was not damaged.
  - b. We will not pay to airfreight parts to New Zealand from overseas.
  - c. If a part or accessory is not available in New Zealand we will pay either:
    - i the manufacturer's last known list price in New Zealand, or
    - ii the price of the part's closest New Zealand equivalent, or
    - iii the cost of having the part made in New Zealand, whichever is the lesser.
  - d. We will only pay for the repainting of areas that actually suffered damage in the event claimed for.
  - e. We will do our best to make sure that the repairer matches existing paint. If the repairer has been unable to match the existing paintwork, then we will not pay to repaint undamaged areas.

## Cover for additional costs

We will pay for the following additional costs if we agree to pay a claim for loss of or damage to your motorcycle. This section does not apply if your motorcycle is insured under a Third Party policy.

- 1 Vehicle removal**
- a. If your motorcycle is damaged so that it is unable to be ridden we will pay all reasonable costs to move it to the nearest repairer or other secure place.
  - b. If your motorcycle is stolen and then found, we will pay the cost of returning it to the place it was stolen from, or to another place we agree on with you.

- 2 Transport home**
- a. This cover only applies to policies in the name of a person or persons and not a corporate body.
  - b. If you are away from your home centre and you are unable to return because your motorcycle has been stolen or damaged we will reimburse you for:
    - i the reasonable costs, not otherwise insured, of transporting yourself and any passenger home, and
    - ii the reasonable costs of returning your motorcycle to your normal place of residence within New Zealand.

- 3 Legal defence**
- a. This cover applies if we agree to pay a claim under ‘Cover for your motorcycle’ above or ‘Cover for your legal liability’ on page 3.
  - b. This cover only applies to policies in the name of a person or persons and not a corporate body.

- c. If you or any member of your immediate family who normally resides with you are charged with manslaughter, or dangerous driving causing death or careless driving causing death, we will pay up to \$1,000 towards your legal defence costs.
  - d. Cover for your legal liability 'What we won't pay' – clause 4 c. (offences) does not apply to this cover.
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## Bonus cover

The following bonus cover is automatically included. This section does not apply if your motorcycle is insured under a Third Party policy. Cover is provided on the same basis as 'Cover for your motorcycle' on page 2.

- 1 Temporary cover when you change motorcycles**
    - a. If you buy a replacement motorcycle, we will automatically provide temporary cover for up to 7 days on the same terms that applied to the motorcycle you are replacing.
    - b. The temporary cover is for the purchase price paid for your replacement motorcycle.
    - c. This policy will not cover two motorcycles at the same time.
    - d. There is no cover if the replacement motorcycle is covered by any other insurance policy.
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## Cover for your legal liability

You are covered for your legal liability to pay for accidental loss of or accidental damage to other people's property anywhere in New Zealand and your liability to pay reparation ordered by a New Zealand Court. This is the only section that applies if your motorcycle is insured under a Third Party policy.

- 1 Legal liability includes**
    - a. You are covered for any accidental loss or accidental damage caused while you are using your motorcycle.
    - b. You are covered for any accidental loss or accidental damage caused while you are using another motorcycle:
      - i that is not owned by you, or
      - ii that is not under hire purchase to you or is not hired or leased by you.This clause does not cover accidental damage to that motorcycle.
    - c. You are covered for any accidental loss or accidental damage caused while your motorcycle is being used by someone else, with your knowledge and consent.
    - d. You are covered for any accidental loss of or accidental damage to any motorcycle you are towing, as long as the motorcycle you are towing is not in a driveable condition and you are not towing the motorcycle for any financial gain.
    - e. You are covered for any accidental loss of or accidental damage to the property of a passenger on your motorcycle.
    - f. Any other person who is driving your motorcycle with your permission is covered for their liability for any accidental loss or accidental damage caused while they are using your motorcycle, provided that they are not otherwise insured for their liability.
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- 2 Reparation**
  - a. We will cover your liability to pay reparation to a victim who has suffered accidental loss of property or accidental bodily injury that is the result of you committing an offence during the period of cover in connection with your use of your motorcycle, or any motorcycle, provided that you had the owner's permission to drive the motorcycle.  
Provided that:
    - i you must tell us immediately if you or anyone entitled to cover under this additional cover is charged with any offence in connection with the use of a motorcycle which resulted in loss of property or bodily injury to another person; and
    - ii we must give our written approval before any offer of reparation is made.
  - b. Reparation means an amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002.

- c. This cover is also available for any person driving your motorcycle provided that they had your permission to use your motorcycle and they are not otherwise insured for their liability to pay the reparation.
- d. There is no cover for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:
  - i a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
  - ii the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
  - iii a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.
- e. Nothing in this cover should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

- 3 What we will pay**
- a. For any claim or series of claims arising from any one event we will pay:
    - i up to \$20 million for accidental loss or accidental damage to other people's property; and
    - ii up to \$1 million for accidental bodily injury.
  - b. We will also pay any reasonable legal expenses you incur that are first approved by us, or any legal expenses that are recoverable from you by any claimant.

- 4 What we won't pay**
- a. We will not pay for any loss or damage caused if you or someone else using your motorcycle:
    - i does not observe the terms and conditions of the policy, or
    - ii has other insurance which covers the liability, or
    - iii has agreed to accept liability when otherwise you would not have been liable.
  - b. We will not pay for any damage to property that is in your custody or control unless that property:
    - i belongs to the passenger on your motorcycle, or
    - ii is a motorcycle that you are towing, as long as the motorcycle you are towing is not in a driveable condition and you are not towing the motorcycle for any financial gain.
  - c. We will not pay for any legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any Regulations, Rules or By-Laws made under any Act of Parliament.

## What is not covered by this policy

- 1 No cover for accidents involving drugs or alcohol**
- a. There is no cover if, at the time of any event giving rise to a claim, your motorcycle is being ridden by or is in the charge of any person who:
    - i is riding with an excess breath alcohol or blood alcohol concentration in terms of New Zealand Land Transport Law, whether or not a conviction is entered against that person, or
    - ii fails or refuses to permit a breath test or specimen of blood to be taken after having been lawfully required to do so, or
    - iii is under the influence of drugs or other intoxicating substances, or
    - iv fails or refuses to stop, or remain at the scene, following an accident (as required by law).
  - b. This clause does not apply if the person riding or in charge of your motorcycle has stolen or converted the motorcycle within the terms of New Zealand criminal law.

- 2 No cover for intentional or reckless conduct**
- a. There is no cover for any loss or liability arising from any intentional or reckless act or omission.

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- 3 No cover for unlicensed riders**
- a.** There is no cover if your motorcycle is being ridden by or in the charge of any person who:
    - i is not legally allowed to ride in New Zealand, or
    - ii is not riding according to the conditions of his or her driver licence.
  - b.** This clause does not apply if the person riding or in charge of your motorcycle has stolen or converted the motorcycle within the terms of New Zealand criminal law.
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- 4 No cover for riders under 25**
- a.** While you are under 25 there is no cover for any loss or damage if your motorcycle is being ridden by or in the charge of any other person who is under the age of 25, unless that person is:
    - i your wife or husband, or
    - ii named in the Policy Schedule.
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- 5 No cover for unsafe motorcycles**
- a.** There is no cover if your motorcycle is being ridden in an unsafe or damaged condition, unless you or the person in charge of your motorcycle can prove that:
    - i the person riding your motorcycle was not aware that it was unsafe or damaged, and had taken all reasonable steps to keep the motorcycle in a safe condition, or
    - ii the condition of your motorcycle did not cause or contribute to the loss or damage.
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- 6 No cover for loss of use**
- a.** We will not reimburse you for any loss of income or additional costs that you incur from not having the use of your motorcycle.
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- 7 No cover for certain kinds of damage**
- a.** There is no cover for:
    - i depreciation, wear and tear, or corrosion, or
    - ii any existing or inherent defect, or
    - iii any damage to the engine, transmission, mechanical, electrical or electronic systems due to their own failure, or any loss or damage which their failure may cause to the rest of these systems, or
    - iv any tyre damage caused directly or indirectly by braking, punctures, road cuts or bursts.
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- 8 No cover for certain uses**
- a.** There is no cover if your motorcycle is being used outside New Zealand.
  - b.** There is no cover if your motorcycle is:
    - i let out on hire, or
    - ii being used to carry fare-paying passengers, or
    - iii being tested for, or taking part in, any form of racing, pace-making, reliability trial, speed test or similar motor sport event, demonstration or test.
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- 9 No cover for certain events**
- a.** There is no cover for any loss or damage caused, directly or indirectly, by the following events:
    - i war, invasion, act of foreign enemy, hostilities (whether or not war is declared), civil war, rebellion, revolution, insurrection, military or usurped power, or
    - ii radioactive material or its use, the existence or escape of any nuclear fuel, material or waste, or
    - iii confiscation or destruction by the order of Government or by any person or body legally authorised to seize, confiscate or destroy your motorcycle.
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- 10 No cover for terrorism**
- a.** There is no cover for any loss or damage, liability, death, 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.

## Your excess

- 1 What you must pay (your excess)**
  - a. Your excess is the amount you must contribute as the first payment towards the cost of repair or replacement on each claim you make. The Policy Schedule states the excess that applies under your policy.
  - b. You can either pay the excess directly to a supplier or repairer, or we can deduct the excess from our payment to you.

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- 2 No excess**
  - a. You do not have to pay any excess for any claim under the section 'Cover for your legal liability' (see page 3) unless an excess is specified in the Policy Schedule for such claims.

## Claims

These are your responsibilities when making a claim. If you do not fulfil these responsibilities we can decide not to accept a claim.

- 1 If you need to make a claim**
  - a. If it is likely that you will make a claim, you must contact us immediately. You may be asked to fill out a claim form.
  - b. If there has been any deliberate damage, burglary or theft, you must notify the Police immediately.
  - c. You must do what you can to prevent any further loss or damage.
  - d. You must make your motorcycle available for inspection by us.
  - e. You must get our permission before you arrange for any repairs or incur any expense in respect of any claim.
  - f. You must immediately tell us of any communication you receive that relates to an event which has resulted, or could result, in a claim.
  - g. You must provide us with any further information, documents or authorities that we may ask for.
  - h. You must help us as we require, including after your claim is settled. This may involve attending court to give evidence.
  - i. You must tell us immediately if you, or anyone else entitled to cover under this policy, is charged with any offence in connection with the use of a vehicle which resulted in loss of property or bodily injury to another person.
  - j. We must give our written approval before you or anyone else entitled to cover under this policy, negotiate, pay, settle, admit or deny any claim against you or them, or negotiate, offer to pay or pay any reparation, including but not limited to, offers made as part of any case management conference or sentencing hearing.

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- 2 Your rights**
  - a. You are entitled to:
    - i have your claim acknowledged and dealt with in a professional and efficient manner, and
    - ii receive a fair settlement of your claim as quickly as circumstances allow, or
    - iii receive a clear explanation of why any claim has not been met, and
    - iv have free access to our formal complaints procedure (see 'General policy information' on page 8), and
    - v have free access to an independent review by the Insurance and Financial Services Ombudsman.

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- 3 Our rights**
  - a. We are entitled to:
    - i inspect your motorcycle, and
    - ii deal with any salvage in a reasonable manner, and
    - iii settle any claims against you for anything covered by this policy, and

- iv defend you or take legal action in your name against anyone else for anything covered by this policy, and
  - v complete all necessary documents and authorities as your agent.
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- 4 If you have other insurance**
- a. If you make a claim under this policy and there is another policy covering the same loss or damage, we will pay a proportion of the claim equal to our rateable share of the total loss or damage.

## Your responsibilities

These are your responsibilities as a policyholder. If you do not fulfil these responsibilities, we may decide not to accept a claim or to cancel your policy or treat it as though it never existed.

- 1 Protecting your property**
- a. You or the person using your motorcycle must take every care to protect all property covered by this policy.
  - b. You must keep your motorcycle in a roadworthy condition at all times.
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- 2 Accuracy of your statements**
- a. Your contract is based on information supplied to us, either by you or on your behalf. All information supplied by you or on your behalf must be truthful and correct.
  - b. You must tell us about any circumstance that may affect:
    - i our decision whether to accept your proposal and on what terms, or
    - ii our decision whether to renew your policy, or
    - iii our decision whether to reinstate your policy, or
    - iv any claim made under this policy.
  - c. If you do not disclose all of the information you should have, your policy may not operate and we may refuse to meet a claim.
  - d. If you make a fraudulent claim, your policy will cease to operate.
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- 3 Keeping us informed**
- a. You must immediately tell us if:
    - i the intended or principal rider of your motorcycle changes, or
    - ii you sell your motorcycle or your interest in your motorcycle ceases, or
    - iii your motorcycle is used for any purpose apart from domestic, social or recreational purposes.

## Changing or ending your policy

- 1 Changing your policy**
- a. You can ask to change your policy at any time. We must agree in writing to any changes before they become effective.
  - b. We can change the terms of your policy by writing to or emailing you at the last known address we have for you. Any changes will become effective from the 14th day after the date of the notice.
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- 2 Ending your policy**
- a. You can cancel your policy at any time. If you do, we will refund the unused part of your premium.
  - b. We can cancel your policy by writing to or emailing you at the last known address we have for you. The policy will be cancelled on the 14th day after the date of the notice. If this happens, we will refund the unused part of the premium.
  - c. Your policy will cease if we pay out the market value of your motorcycle on a claim. If this happens, there will be no refund of premium.
  - d. Your policy will cease immediately if you sell your motorcycle or your interest in your motorcycle ceases. If this happens, we will refund the unused part of your premium.

## General policy information

|   |  |
|---|--|
| <b>Disputes</b>                               | We have a formal complaints procedure to help resolve any aspect of our policies or our service that you are unhappy with. For information, please ask at any <b>AMI store</b> or call us on <b>0800 100 200</b> . |
| <b>Dollar amounts</b>                         | Any dollar amount stated in this policy or in the Policy Schedule is in New Zealand dollars.   |
| <b>Goods and Services Tax</b>                 | All amounts referred to in this policy include any GST that may apply.   |
| <b>Interested Parties</b>                     | Any Interested Party named in the Policy Schedule will be a 'joint insured' only under the 'Cover for your motorcycle' ( <i>see page 2</i> ) section of this policy.   |
| <b>Receipts and other ownership documents</b> | We recommend that you keep all receipts and other documents that confirm your ownership of the property covered under this policy.   |
| <b>Words in italics</b>                       | Any words in italics do not form part of the policy and are provided by way of explanation only.   |

# Definitions

In this policy some words have special meanings. Wherever these words are mentioned in this policy, they have the following meaning:

|                                       |  |
|---------------------------------------|--|
| <b>Accessories</b>                    | means automotive extras not supplied or fitted by the manufacturer of your motorcycle as standard equipment for the model.   |
| <b>Accident</b>                       | means unexpected and unintended by you or anyone else entitled to cover under this policy.   |
| <b>Act of terrorism</b>               | means an 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: <ul style="list-style-type: none"><li>– involves violence against one or more persons, or</li><li>– involves damage to property, or</li><li>– endangers life other than that of the person committing the action, or</li><li>– creates a risk to health or safety of the public or a section of the public, or</li><li>– is designed to interfere with or disrupt an electronic system.</li></ul> |
| <b>Bodily injury</b>                  | means the accidental death of, or accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.   |
| <b>Market value</b>                   | is the retail value immediately before the loss or damage to your motorcycle.  |
| <b>New Zealand Land Transport Law</b> | means the statutes, regulations or notices controlling or governing road traffic and road transport in New Zealand in force at the time of the event giving rise to a claim.   |
| <b>Policy Schedule</b>                | means the most recent Policy Schedule we have produced for you.  |
| <b>Standard tools</b>                 | means standard tools as supplied by the motorcycle's manufacturer (or similar substitute tools) while in or attached to your motorcycle.   |
| <b>We, Us or Our</b>                  | means AMI Insurance (AMI), a business division of IAG New Zealand Limited.   |
| <b>You or Your</b>                    | means the person or persons or corporate body to whom the Policy Schedule is addressed.  |

**Thanks  
for insuring  
with AMI,  
we're here  
to help.**

**Got any questions?**

**0800 100 200**



**ami.co.nz**