


This Policy is provided to you by
Provident Insurance Corporation Limited,
Takapuna Beach Centre, Level 1, 61 Hurstmere Rd,
Takapuna, Auckland 0622, New Zealand.
Email: info@providentinsurance.co.nz
Phone: 0800 676 864



MECHANICAL BREAKDOWN INSURANCE

POWERTRAIN COVER


motorcover
provident  insurance



This booklet contains the terms of your mechanical breakdown insurance. Your Policy consists of your Registration Certificate, this Policy booklet, the information you provided when you applied for this insurance, and any changes we may agree with you in writing.

Powertrain Cover: This policy provides cover for the internal parts of the engine, transmission and differential. Cover does not extend to any areas outside these parts.

Some of the words used in this Policy booklet have a special meaning. A list of these words is provided in the “Definitions” section of this Policy booklet.

Your rights under the Consumer Guarantees Act

The Consumer Guarantees Act 1993 sets minimum standards guarantees for goods/products and services bought for personal use. It provides that products sold to consumers come with a guarantee of “acceptable quality”, which means that the products must:

- be fit for their purpose (do all the normal things that people would expect them to do);
- be durable for as long as most people would expect them to last;
- be free from minor and major faults; and
- do what you the consumer have been told they do.

The test for deciding whether your Vehicle is of “acceptable quality” will depend on a number of things including its age and distance travelled and the price you paid for it.

If you as a consumer have a serious problem with a product, you have the choice between a refund, replacement, repair, or compensation from the business that sold you the product, as long as you comply with certain requirements. If you have a problem with a product that is not serious, the business that sold you the product can choose to refund, repair or replace it with products of identical type, as long as you comply with certain requirements. If you would like more information on your rights and remedies under the Consumer Guarantees Act, please refer to the Commerce Commission's fact sheet on extended warranties available at: <http://www.comcom.govt.nz/fair-trading/changes-to-the-fair-trading-act/fact-sheets/extended-warranties/>.

This Policy is designed to provide you with certainty by helping pay the costs of unforeseen mechanical breakdowns relating to your Powertrain components, and to reduce inconvenience to you by getting you and your vehicle back on the road as quickly as possible. This Policy does not affect or limit your rights under the Consumer Guarantees Act, but provides benefits over and above the Act's guarantees. In summary, subject to the terms of the Policy, these additional benefits include (but are not limited to):

- The Policy gives you the peace of mind of knowing exactly how long the cover applies, what benefits you are entitled to, and how to make your claim to ensure it can be settled promptly.
- If your Vehicle breaks down or suffers a fault, we are just one phone call away (24 hours a day, 7 days a week) to assess the problem and help you get back on the road quickly with the least inconvenience.
- No matter where you may break down, our nationwide network of specialist service and repair agents will be there to assist you.

Cooling off period

You can cancel this Policy within 5 working days after the date on which you purchased the Policy by giving us notice of cancellation. In addition, if we have failed to comply with our disclosure requirements relating to extended warranty agreements under the Fair Trading Act 1986, you may cancel at any time. In any case where you are entitled to cancel this Policy, you can give us notice of cancellation by phoning us, notifying us in writing by post or email, or in person by visiting our office. Upon cancellation within this 5 day cooling off period we will provide you with a full refund of the premium you have paid.



YOUR COVER

Once you have paid the premium amount due, this Policy covers your Vehicle for the Period of Cover on the following terms, subject to the exclusions and other terms of this Policy.

Mechanical Breakdown

This Policy covers your Vehicle for the reasonable costs of the repair or the replacement of the components listed below, that are required as a result of it suffering a sudden and unforeseen mechanical or electrical breakdown in New Zealand.

EXCLUSIONS

These following exclusions apply to all sections of your Policy:

Excluded Vehicles

The following vehicles are not covered under this Policy:

- Any of the following vehicles: Aston Martin, Bentley, Caterham, Dodge Viper, Ferrari, Honda NSX, Hummer, Jensen, Lamborghini, Lotus, Maserati, Maybach, Morgan, Nissan GTR R35, Rolls Royce, TVR, turbo rotary vehicles or any Performance Modified Vehicle.
- Rental vehicles, courier vehicles, goods delivery vehicles, driver instruction/tuition vehicles or vehicles used as taxis or otherwise for carrying fare paying passengers.
- Vehicles used at any time in racing competitions, time trials, rallies, off-road activities or any form of testing.
- Vehicles with a gross vehicle mass over 3,500 kgs.
- Vehicles situated outside of New Zealand.
- Emergency Vehicles.

Covered Components

The following components of your Vehicle are covered:

- **Engine** - Cylinder block and head and all internal parts, intake manifold, flywheel, valve covers, oil pan, oil pump.
- **Transmission & Trans-Axle** - Case and all internal parts, torque converter, transfer case and all internal parts.
- **Front Wheel Drive System** - Final drive housing & all internal parts, propeller shaft, u-joints, axle shaft, drive shaft, bearings.
- **Rear Wheel Drive System** - Axle housing & all internal parts, propeller shaft, u-joints, axle shaft, drive shaft, bearings.

General Exclusions

This insurance does not cover:

- Any component not listed as being covered in the Covered Component section above.
- All waterpumps, turbo and superchargers, cambelts, timing chains, steering, suspension, brake components, CV boots, service items (such as but not limited to: fluids, lubricants, filters, sparkplugs, glow plugs, injectors).
- All gaskets (except Head Gasket) and seals except where replacement is required as part of an accepted claim.
- Any component failed as a result of general wear and tear.
- Routine maintenance or servicing including but not limited to: warrant of fitness checks, maintenance and servicing that the manufacturer recommends carrying out at specified times or after a specified period of use, or any other routine maintenance required irrespective of whether there has been a mechanical or electrical breakdown of the Vehicle.
- Repairs or replacement of components required to vehicles that do not have a valid warrant of fitness at the time the claim is made, or vehicles that have not been serviced in accordance with the Servicing Requirements set out in this Policy.
- Any fault or defect identified in a recall by the vehicle's manufacturer, any design fault or any fault or defect existing at the time the Vehicle or this Policy was purchased, and any damage resulting from those faults or defects.
- Repairs or replacement of components carried out without our prior authorisation.
- Repairs or replacement of components required as a result of wilful damage, or neglect or abuse of the Vehicle.
- Repairs or replacement of components required as a result of the failure to take reasonable care of the Vehicle, including following a mechanical or electrical breakdown.
- Repairs or replacement of components required as a result of the Vehicle being involved in an accident.
- Repairs or replacement of components required as a result of the use of incorrect fuel or fluids (including incorrect octane rated fuel or bio-fuel) outside of the manufacturer's recommendations.
- Repairs or replacement of components covered under any other policy of insurance or warranty.
- Repairs or replacement of components required as a result of external or extraneous forces including, without limitation, contamination, water damage, fire, natural disaster, atmospheric conditions, rodent damage, stone strike, corrosion, rust or the perishing of any part of the Vehicle.
- Any consequential loss or damage.
- Diagnostic costs to determine the cause of the breakdown, including dismantling and reassembly, if the repairs or replacement of components required to fix the Vehicle are not covered under this Policy.
- Any mechanical or electrical breakdown occurring while the Vehicle is being driven by anyone who does not have a valid licence to drive that type of Vehicle.
- Repairs or replacement of plastic components required as a result in gradual deterioration or perishing.



CLAIM LIMITS AND EXCESS

Claim Limits

We will not pay more than the claim limit set out in your Registration Certificate for each unrelated claim less the excess amount.

You can claim an unlimited number of times over the Period of Cover.

Excess

You must pay an excess for each unrelated claim in the amount set out in your Registration Certificate.

GST

All amounts referred to in this Policy are inclusive of any GST that may apply.

SERVICING REQUIREMENTS

You are not covered under this Policy unless your Vehicle has been serviced by an Approved Service Facility:

- For petrol vehicles, every 15,000 kms or as per manufacturer's recommendations; or
- For diesel vehicles, every 10,000 kms or as per manufacturer's recommendations.

Each service should include at least the following checks and processes, along with other reasonable checks and processes recommended by the Approved Service Facility:

- Change engine oil and filter.
- Check cambelt and replace if necessary.
- Check cooling system fluid level, inhibitor concentration, condition of radiator and hoses.
- Check brakes and replace fluids if necessary.
- Check steering and suspension.
- Check automatic transmission operation and replace fluids if required.
- Check engine tuning.
- Check turbo oil feed pipe and clean if required.

After each servicing of the Vehicle you must ensure that:

- The Approved Service Facility completes and stamps the service history section at the back of this Policy booklet; and
- You retain copies of servicing invoices issued by the Approved Service Facility.

We have the discretion to reject any claim in the event that you are unable to produce copies of the Vehicle's service related invoices.

This Policy does not cover the cost of servicing your Vehicle.





GENERAL CONDITIONS

Transferability

This policy is unique to You and the Vehicle stipulated on the Registration Certificate and is not transferrable or refundable.

Ways this Policy may end

This Policy will end:

- On expiry of the Period of Cover;
- If the Vehicle is written off as a total loss;
- If you cancel within the 5 working day cooling-off period in accordance with your rights under the Fair Trading Act 1986; or
- If you fail to meet your responsibilities set out in the "Your responsibilities" section below and we decide to cancel your Policy.

Your responsibilities

Your responsibilities to us under this Policy are:


- You must tell us all material information before purchasing or renewing this Policy. Material information is information which may affect our decision on whether or not to accept your application for insurance and on what terms. If you are unsure of what information you need to tell us, ask us and we will help you.
- You must provide us with full, truthful and accurate information at all times, including when applying for this insurance, when you make a claim under this Policy, and in response to any question we may ask of you.
- You must tell us of any material change in your circumstances that may affect any aspect of this Policy. If you are unsure of whether you need to tell us about a change, ask us and we will help you.
- You must pay us the premium (as shown on your Registration Certificate) by the specified date. This Policy is not valid unless the premium due to us has been received by us or anyone authorised by us to receive the premium on our behalf.

Consequences if you fail to meet your responsibilities

If you fail to meet any or all of your responsibilities set out above, we may do one or more of the following things:

- Decline any claim you make;
- Recover from you some or all of an amount we have already paid under this Policy if the amount would not have been paid had you met your responsibilities;
- Cancel your Policy;
- Change your Policy terms and charge you an additional premium amount calculated as the amount that would have been charged had you met your responsibilities; or
- Treat your Policy as if it never existed (you may forfeit some or all of the premium you have paid to us).





Your personal information

We collect personal information from you in providing you with this Policy, in order to:

- Evaluate your application for insurance under this Policy;
- Set your premium and excess;
- Assess and process claims you make; and
- Provide you with other related services.

We are the intended recipients of your personal information, and will hold this information (Provident Insurance Corporation Limited, PO Box 33 743, Takapuna, Auckland 0740). We are required to collect your personal information under the common law duty imposed on you (as a person seeking insurance) to tell us (as an insurer) material facts relevant to the insurance you seek. It is up to you to supply us with this information. However, if you choose not to provide all or any part of the information we request from you, your application for insurance under this Policy may be denied, or your claims may not be paid out.

We may provide your personal information to third parties to the extent necessary to provide the benefits available to you under the Policy, including, but not limited to: Authorised Repair Facilities, the dealer who sold you the Vehicle, any financier of the Vehicle, other insurers of the Vehicle, our legal advisers, our agents and assessors, and other similar entities for the purposes of providing the benefits available to you under this Policy.

You are entitled to access and correct the information we hold about you.

Financial strength rating

Provident Insurance Corporation Limited's financial strength rating is set out in your Registration Certificate.

DEFINITIONS

Where we refer to "**you**" and "**your**", we mean the persons identified as Insured Name(s) on the Registration Certificate. Where we refer to "**we**", "**our**" and "**us**", we mean Provident Insurance Corporation Limited.

Certain words used in this Policy have a special meaning as follows:

Authorised Repair Facility: A repair facility authorised by Provident Insurance Corporation Limited to carry out repairs on your Vehicle.

Approved Service Facility: A service facility acceptable to Provident Insurance Corporation Limited. Please phone us on 0800 676 864 to ask if your intended service facility is acceptable.

Excluded Vehicle: any vehicle falling within the descriptions set out in the Excluded Vehicle exclusion clause.

Performance Modified Vehicle: Any modification that enhances the Vehicle's performance from the standard manufacturer's specification.

Period of Cover: the period between the start date and the end date set out in your Registration Certificate, during which the cover under this Policy is provided to you, unless cancelled by you or us at an earlier date in accordance with the terms of this Policy.

Policy: the contract of insurance contained in your Registration Certificate, this Policy booklet, the information you provided when you applied for this insurance, and any changes we may agree with you in writing.

Registration Certificate: the most recent version of the certificate forming part of this Policy provided to you at the time the Policy was purchased.

Servicing Requirements: the minimum requirements to have your Vehicle serviced as set out in the Servicing Requirements section of this Policy booklet.

Vehicle: the vehicle specified in the Registration Certificate.



CLAIMS PROCESS

How to make a claim

To make a claim on this Policy you must follow each step of the following process:

- Phone us on 0800 676 864 as soon as possible after you become aware of the fault with your Vehicle and tell us the details of the problem. We will give you the name of the nearest Authorised Repair Facility and determine the best way to get your Vehicle there.
- Deliver your Vehicle or allow your Vehicle to be towed to the Authorised Repair Facility, give the repairer this Policy booklet and instruct the repairer to phone us and give us your details (name and Policy number), your Vehicle's details (make and model, registration number, current odometer), and the problem with your Vehicle.
- If the cause of the fault is not known, you must authorise the repairer to diagnose the cause including by dismantling your Vehicle where necessary. Once the cause of the fault becomes known, we will authorise the repairs or replacement of components covered by this Policy. If none of the repair or replacement work is covered under this Policy, you must pay the costs of diagnosing the fault, including any dismantling and reassembly costs.
- If we approve your claim, once the costs have been agreed, we will issue an authorisation number to the repairer. You must instruct the repairer to send the repair invoice to us along with the authorisation number and copies of all outwork invoices once the repairer has completed the repair work. The amount of your excess must be shown as a deduction against the total amount invoiced.

Important notices

- If you do not follow the instructions on how to make a claim we reserve the right to decline your claim.
- We may require you to provide certain documentation including copies of all service invoices.
- The repairs may be carried out using new, used or refurbished parts at our discretion.

What to do if you have a complaint

If you have a complaint about any aspect of this Policy, please follow these steps:

First, please contact one of our customer representatives on 0800 676 864.

If our customer representative cannot resolve the matter, you may make a formal written complaint by post or email to our internal Complaints Handling Service:

Attention: Internal Complaints Handling Service
Provident Insurance Corporation Limited
PO Box 33 743
Takapuna
AUCKLAND 0740

Email: info@providentinsurance.co.nz

If you are dissatisfied with the outcome reached by our internal Complaints Handling Service, you may take your complaint to the Insurance and Savings Ombudsman ("ISO"). The ISO Scheme is a free and independent complaints resolution service which deals with certain types of complaints about personal insurance and other financial services. If the ISO has the ability to consider your complaint and makes a decision, we are bound by that decision. If you are unhappy with the ISO's decision, you can take your complaint to another dispute resolution forum, such as the courts.

Fair Insurance Code

As a member of the Insurance Council of New Zealand, we must comply with the Fair Insurance Code, which sets service standards for insurance companies. We have certain responsibilities to you, such as acting fairly and openly in all our dealings with you, and giving you clear information when you make a claim.

You can request a copy of the Fair Insurance Code from us at any time.

SERVICE HISTORY REFERENCE

DATE	ODOMETER	INVOICE No	SERVICE AGENT

REGISTRATION CERTIFICATE TO BE AFFIXED HERE





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