



# *Breakdown Policy*

**FMG**  
Advice & Insurance

*FMG has been protecting the property and livelihoods of people up and down the country since 1905. We're 100% New Zealand owned and operated and are proud to be the country's only rurally-based insurance company around today.*

*You don't get to be over 100 years old without learning a thing or two; because we've worked closely with New Zealand communities over the years we can help find what works for you.*

*And we're still listening to what you're saying which is why we continually strive to improve our products and services, and why we have something to offer all New Zealanders. It's also why we focus on partnering with you to plan for the risks and challenges you face, not just the insurance you need to deal with them.*

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## *Introduction*

*Please take the time to read through these documents carefully because they form the insurance contract you have with us. Your policy certificate is particularly important because if there is any inconsistency between your FMG policy wording and what is on the certificate, it is the certificate that applies. Under this contract, we both have responsibilities to ensure everything runs smoothly. These are detailed as follows, and if there is anything that you don't understand, please contact us. The expiry date of your Policies is shown on the policy certificates. We will be in contact with you regarding renewal of your insurance around that time.*

## *Your Responsibilities*

*This FMG Policy has been provided to you based on your disclosure to us.*

If there is any material information which could relate to the cover provided under this Policy, you need to let us know. Please be aware that disclosure of material information will not necessarily affect your ability to obtain cover, but not informing us might result in you having no insurance at all. It is important that you:

- Please tell us all material information before the cover starts, even if we don't specifically ask about it.
- Please update us should anything about your circumstances change, both during the period of insurance and at renewal.

Cover under your Policy will not commence until you have paid, or have agreed to pay, the premium (including any Government charges) for the period of insurance. If your premiums are not paid on time, your insurance could be cancelled and you will not be insured.

It is essential that you:

- tell us of any errors in your documentation,
- contact us if there is anything you don't understand and would like explained more fully, and
- keep this Policy in a safe place along with your renewal notice(s).

This Policy contains some exclusions and these are detailed throughout the Policy. It is important that you read these and are aware of them.

This Policy also contains certain conditions and obligations that you must meet. If you don't, we may decline any claim you make. Any other person that is entitled to claim under this Policy must also meet these conditions and obligations.

# Welcome to FMG

## **Our Responsibilities**

*We agree to provide the cover set out in the Policy below that is shown on your certificate. Throughout the Policy certain important words are in bold type; please refer to the Definitions section for the specific meaning of these words.*

FMG is a member of the Insurance Council of New Zealand and, as such, we are bound by the Council's Fair Insurance Code. For a copy of the Code, please call us on 0800 366 466.

As you will be aware, the proposal you completed contains personal information relating to you and/or your business. We collect this information to enable us to fully evaluate your proposal and subsequently administer this Policy. We may require further information later on if you make a claim or wish to renew this Policy with us. The proposal you completed also authorises us to collect relevant information about you and/or your business from third parties, such as other insurers and insurance brokers.

However, we fully understand the importance of protecting your personal, commercial and financial information and therefore we will not share your information unless authorised to do so under the Privacy Act 1993.

Your information will be held securely by us, within our organisation, and you are entitled to access and correct the information you have provided, as set out in the Privacy Act 1993.

We are confident this Policy will be right for you. However, you may cancel this Policy within 30 days of the commencement date for any reason if you are not entirely happy. We will refund any premium you have paid provided you do not have a claim during this 30 day period.

## **Your Feedback**

*Your feedback enables us to identify opportunities to make our products and services even better. If you have any feedback – good or bad – we would like to hear from you.*

If you have a concern about something that has happened, tell us and we will investigate the issue quickly and inform you of the outcome, either by phone, in writing or by visiting you at a convenient time.

Similarly, if you have received exceptional service, we need to know about it in order to congratulate our team - so please let us know.

## **How you can contact us**

- Call us on **0800 366 466**
- Contact your local FMG manager
- Write to us at FMG, PO Box 1943  
Palmerston North 4440  
New Zealand
- Visit our website [www.fmg.co.nz](http://www.fmg.co.nz)
- Email us at [contact@fmg.co.nz](mailto:contact@fmg.co.nz)
- Fax us on **0800 366 455**

**We** agree to provide **you** with the insurance set out in this Policy, if this Policy is shown on the **certificate**.

## What you are insured for

### 1. Specified Items

- (a) **Your machinery** and/or **pressure vessel** is insured for **accidental breakdown** that:
  - (i) occurs during the **period of insurance**, and
  - (ii) occurs anywhere in New Zealand.

### 2. Unspecified Items

- (a) Where “Unspecified Items” is shown on the **certificate**, **your machinery** is insured for **accidental breakdown** that:
  - (i) occurs during the **period of insurance**, and
  - (ii) occurs anywhere in New Zealand.

## Additional Benefits

**You** are automatically insured for the following benefits which are subject to the terms of this Policy except to the extent those terms are expressly varied in each benefit.

### 1. Additional Charges

- (a) **You** are insured for the reasonable additional costs of:
  - (i) overtime work, including penal rates,
  - (ii) work performed on public holidays, or
  - (iii) express freight charges within New Zealand.
- (b) These costs are included within the Policy limits, and are not in addition to them.

### 2. Bore Pump Raising and Lowering Costs

- (a) Following a **breakdown** covered by this Policy, if **your machinery** is a submersible pump and/or motor, **you** are insured for the cost of raising the submersible pump and/or motor to the surface for repair or replacement and lowering it back down to its operating position after repair or replacement, provided it sustains a **breakdown** greater than the Policy **excess**.
- (b) **We** will pay up to \$2,000 (or any higher amount shown on the **certificate**) for any one **event**. This amount is in addition to, and not included in, the sum insured for this Breakdown Policy.

### 3. Overseas Airfreight Cover

This Additional Benefit applies to 1. Specified Items, above, only.

- (a) **You** are insured for the necessary and reasonable additional costs incurred for the overseas airfreight of components or parts of the **machinery**, provided that:
  - (i) the **machinery** sustains a **breakdown** greater than the Policy **excess**,
  - (ii) the costs are for a regular scheduled service of an established airline (and not an aircraft specially chartered for the purpose), and
  - (iii) these costs shall be additional to the sum insured for the insured **machinery**.
- (b) **We** will pay up to \$2,000, or any higher amount if specified in the **certificate**, for any one **event**.

### 4. Refrigerant Replacement

- (a) **You** are insured for the reasonable cost of replacing refrigerant, including sight glass and driers, necessary following a **breakdown** covered by this Policy.
- (b) **We** will pay up to \$1,000 for any one **event**.

### 5. Temporary Loan Equipment

- (a) **You** are insured for the reasonable labour and hire charges for the installation and removal of loan equipment following a **breakdown** covered by this Policy.
- (b) **We** will pay up to \$2,000 for any one **event**.

## What we will pay

1. If **your machinery** (excluding sealed or semi-sealed refrigeration units and steam generator units) can be repaired, **we** will pay either:
  - (a) the reasonable cost to have the **machinery** repaired, or
  - (b) the **present day value** of the **machinery**, whichever is less.
2. If **your machinery** (excluding sealed or semi-sealed refrigeration units and steam generator units) cannot be repaired and is less than five years old, **we** will either:
  - (a) replace the **machinery** with the nearest equivalent **machinery** available in New Zealand, or
  - (b) pay the reasonable cost of replacing the **machinery**, whichever cost is less.
3. If **your machinery** (excluding sealed or semi-sealed refrigeration units and steam generator units) cannot be repaired and is five years old or more, **we** will pay the **present day value** of the **machinery**.

# Your Breakdown Policy

4. If **your machinery** is a sealed or semi-sealed refrigeration unit, or steam generator unit:
- (a) if the unit is repairable, **we** will pay:
    - (i) the reasonable cost of repairs incurred to restore the unit to its former state of serviceability, or
    - (ii) the unit's **new replacement cost** less depreciation calculated at 10% for each year since the unit was first installed,whichever is less,
  - (b) where the unit is not repairable, **we** will pay:
    - (i) to replace it with another unit of the same age, specification and condition, or
    - (ii) the unit's **new replacement cost** less depreciation calculated at 10% for each year since the unit was first installed,whichever is less.

## 5. Pressure Vessels

- (a) If the **certificate** shows that **your pressure vessel** is insured, **we** will pay as follows in respect of the **pressure vessel** only:
  - (i) if the **pressure vessel** is repairable, **we** will pay the cost of restoring it to the same condition it was when new,
  - (ii) where the **pressure vessel** is not repairable because the total cost of repairs equals or exceeds:
    - 1. the **new replacement cost** of the item, or
    - 2. the sum insured for the item,**we** will pay the lesser of:
    - a. the **new replacement cost** of the item, or
    - b. the sum insured.**We** will also:
    - c. pay the cost of removing and disposing of the damaged **pressure vessel**,
    - d. make a deduction for the value of any salvage.
- (b) Special conditions:
  - (i) This basis of payment only applies if **you** actually reinstate the item.

## 6. We will pay up to:

- (a) \$5,000 or the higher agreed amount shown on the **certificate** for any one unspecified motor, **farm computer** or mechanical equipment,
- (b) \$15,000 for any one unspecified item of **electronic equipment**, and

- (c) the amount shown on the **certificate** for one item of specified **machinery**, for any one **event**.

## What you are not insured for

1. **You** are not insured for **breakdown** to:
  - (a) exchangeable and/or replaceable parts and tools,
  - (b) belts, dies, ropes, wires, chains, brushes, batteries, thermostats, blades, tools, moulds, coatings or engravings on cylinders and rolls, flexible pipes, felts, sieves, fabrics, parts made of glass, ceramics, rubber, textiles or synthetics,
  - (c) lighting, heating elements or protective devices, including fuses, overload devices and shear pins,
  - (d) operating media such as fuels, chemicals, catalysts, filters, filter substances, heat transfer media, cleansing agents and lubricants,provided that, where such items are damaged as a result of a separate **breakdown** of other separate and identifiable parts of the machine, such separate **breakdown** shall be covered by this Policy.
2. **You** are not insured for **breakdown** connected in any way with:
  - (a) Normal maintenance, wear and tear, slowly developing deformation or distortion.
  - (b) Fatigue, mildew, mould, rot, rust, corrosion, oxidation or wear and tear.
  - (c) Wasting or wearing away or wearing out of any part caused by or naturally resulting from ordinary use or working.
  - (d) Cleaning, repairing, restoring or altering.
  - (e) Faults that **you** or **your employees** knew about prior to the commencement of this Policy.
  - (f) Scratching of painted or polished surfaces.
  - (g) Leakage of joints.
  - (h) Where the machine or **machinery** is a **pressure vessel**, in addition to 2.(b) and (c) above: cracks, fractures, blisters, lamination flaws or grooving, even when any of these is accompanied by leakage.
  - (i) The cost of altering refrigeration or air-conditioning plant to operate with media complying with the Ozone Layer Protection Act 1990 or any **loss** which is attributable to such alteration.
  - (j) Changes in atmospheric conditions.These exclusions apply only to the part of the insured item first affected by **breakdown**. **You** are insured for resultant **loss** to other parts of the insured item, unless excluded.

3. **You** are not insured for **breakdown**:
- (a) Of **motor vehicles** and their attachments or accessories, not specified in the **certificate** unless the **breakdown** is to **machinery** that is
    - (i) permanently mounted on a trailer,
    - (ii) drawn by a **motor vehicle**, or
    - (iii) permanently attached to an **irrigator**.
  - (b) Recoverable under a maintenance contract, warranty or guarantee.
  - (c) Resulting from experiments, testing or imposition of abnormal loads.
  - (d) Prior to completion of successful commissioning.
  - (e) Covered by any other FMG Policy whether or not **you** hold that Policy.
4. **You** are not insured for **breakdown** to any of the following:
- (a) electronic data-processing equipment,
  - (b) accounting or office machines, or
  - (c) electronic apparatus of any kind, other than electronic controls forming part of the **machinery**, unless used by **you** for **your farming operations** or **business** anywhere in New Zealand.
5. Please note there are also General Exclusions in this document.

## General Conditions

These conditions are important and must all be met before **we** will accept a claim under **your** Policy with **us**.

### 1. Acts of Parliament

- (a) Any Acts of Parliament referred to in this Policy include any:
  - (i) amendments or Statutory Regulations made under them, and
  - (ii) Acts or Regulations made in substitution for the original Acts or Regulations.

### 2. Cancellation

- (a) **You** may cancel this Policy at any time by giving notice to **us**.
- (b) **We** may cancel this Policy at any time by giving notice to **you** at **your** last known address as held by **us**. Cancellation will take effect 30 days after the day **we** send or deliver the notice to **you**.
- (c) If:
  - (i) **you** cancel this Policy, **we** will (subject to “Our Responsibilities” in the Welcome to FMG section) refund 90% of the unexpired portion of **your** premium,

- (ii) **we** cancel this Policy, **we** will refund the unexpired portion of **your** premium, or
- (iii) **you** have made a claim and **we** have paid the full amount under:

- 1. the Policy, or
- 2. an Item,

**we** will cancel this Policy or Item from the date of **loss**.

### 3. Changes

- (a) Where **we** agree, **you** may change this Policy by giving **us** notice of the changes.
- (b) **We** may change the terms of this Policy at any time by giving **you** notice at **your** last known address as held by **us**. The changes **we** make will take effect 30 days after the day **we** send or deliver the notice to **you**.

### 4. Compliance with the Policy

- (a) **You**, and anyone else entitled to claim under this Policy, must comply with all the terms of this Policy before **we** will meet any claim under it.
- (b) **You** must tell the truth at all times.

### 5. Currency

- (a) All monetary amounts referred to in this Policy are expressed and payable in New Zealand dollars.

### 6. Defined Words

- (a) To clarify the cover **you** have in this Policy, some words appear in bold. These words have a specific meaning, which is outlined in the Definitions section. Defined words specific to some sections are outlined within those sections.

### 7. Goods and Services Tax

- (a) Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:
  - (i) all amounts insured exclude GST (unless otherwise shown on the **certificate**), and
  - (ii) GST will be added, where applicable, to claim payments.
- (b) All **excesses** include GST.

### 8. Governing Law

- (a) The law of New Zealand applies to this Policy and the New Zealand courts have exclusive jurisdiction.

# Your Breakdown Policy

## 9. Headings

- (a) Headings are for reference only. They do not form part of this Policy and are not to be used in interpreting it.

## 10. Inspection

- (a) **We** are entitled to inspect property insured, at any reasonable time, and **you** must provide such information as may be reasonably required by **us** in relation to that property.
- (b) However, neither this inspection, nor any inspection report, is to be regarded as an undertaking by **us** to determine or warrant that any operations, property and/or **premises** are safe or covered by this Policy.

## 11. Interested Parties

- (a) If **we** are advised in writing of a party holding a financial interest over the property insured under this Policy:
  - (i) that party is noted by **us**, but is not directly insured under this Policy,
  - (ii) **you** authorise **us** to disclose to that party personal information about **you** in connection with this Policy, and
  - (iii) **we** may make a claim payment directly to that party up to the limit of its interest.

This meets **our** obligations to **you** under this Policy to that extent.

## 12. Location – New Zealand only

- (a) This Policy covers **your** insured property while it is in New Zealand unless another location is shown on the **certificate**.

## 13. Notification of any Change in Circumstances

- (a) After this Policy has commenced, **you** must notify **us** immediately of any change in circumstances **you** are aware of which:
  - (i) increases, or
  - (ii) alters,any risk insured under this Policy.
- (b) Once **you** have done so, **we** may change the premium and/or terms of cover, at **our** discretion.
- (c) If **you** fail to notify **us** of any change in circumstances, **we** may:
  - (i) refuse to meet any claim or part of it, and/or
  - (ii) bring this Policy to an end,from the date of the failure.

## 14. Payment of Premiums

- (a) Cover under this Policy will not commence until **you** have paid, or have agreed to pay, the premium (including any Government charges) for the **period of insurance**.
- (b) If **we** have agreed that **you** can pay **your** premium in instalments, payments are due in accordance with the agreement **we** have with **you**. In such case, cover under this Policy will not commence until **you** have paid, or have agreed to pay, the premium, including any Government charges, due under this agreement.
- (c) If **you** suffer a total loss:
  - (i) **we** will not settle **your** claim:
    1. until the full annual premium is paid, or
    2. if **you** are paying **your** premium by instalments, until the balance of the full annual premium is paid.
  - (ii) **we** may deduct any outstanding annual premium from the claim settlement.
- (d) It is important **you** continue to pay **your** premiums on time (either in full, in advance, or in accordance with any agreement **we** have with **you**).

## 15. Reasonable Care

- (a) **You** must take reasonable care to avoid and **minimise loss** or damage occurring to the property insured under this Policy, and liability to others, at **your** own expense. This includes:
  - (i) complying with all relevant laws,
  - (ii) complying with all manufacturer's recommendations,
  - (iii) employing competent **employees**, and
  - (iv) maintaining and operating all security protection equipment, and all fire protection and extinguishment equipment, at all relevant times.
- (b) **We** will not pay any claim if **you** have been reckless or grossly irresponsible.

## 16. Separate Insurance

- (a) If this Policy insures more than one person or legal entity, they are insured separately as though a separate Policy was issued to each. However, the most **we** will pay for all persons and legal entities during the **period of insurance** is the amount shown in each Policy or on the **certificate**.

#### 17. Transfer of Interest

- (a) No interest in this Policy can be transferred or assigned without **our** written agreement.

### General Exclusions

#### 1. Asbestos

- (a) **You** are not insured for **loss** in any way connected with the handling, transport, storage, installation, removal, or other use of, asbestos or products containing asbestos material.

#### 2. Confiscation, Nuclear Materials, Terrorism and War

- (a) There is no cover under this Policy for **loss** in any way connected with:
  - (i) **confiscation**,
  - (ii) **nuclear materials**,
  - (iii) **terrorism**, or
  - (iv) **war**.

#### 3. Consequential Loss

- (a) **You** are not insured for any consequential loss including but not limited to:
  - (i) penalties,
  - (ii) loss of use of property,
  - (iii) loss resulting from delays,
  - (iv) loss of market,
  - (v) loss resulting from depreciation, or
  - (vi) loss of value.

#### 4. Electronic Data

- (a) **You** are not insured for **loss** in any way connected with the **loss of electronic data** unless this **loss** is a direct consequence of a **loss** insured under this Policy.

#### 5. Excess

- (a) **You** are not insured for any **excess**.
- (b) If an **event** is covered under more than one of **your** FMG Policies, **you** will only have to pay one **excess**. This will be the highest **excess** that **we** could apply under any one of those Policies.

### Claims Conditions

These conditions are important and must all be met before **we** will accept a claim under **your** Policy with **us**.

#### 1. What you must do

- (a) **You** must notify **us** immediately of any circumstance likely to lead to a claim.

- (b) **You** must complete **our** claim form in full if **we** request **you** to do so, and return it to **us** within 30 days of **our** request.
- (c) **You** must take reasonable steps to minimise the claim and avoid any further claim.
- (d) **You** must make a complaint to the Police if **you** suspect criminal activity.
- (e) **You** must provide all reasonable information and assistance **we** require at any time.
- (f) **You** must immediately send **us** all relevant correspondence and court documentation.
- (g) **You** must authorise **us** to:
  - (i) Obtain personal information about **you** from **you** and third parties in connection with **your** insurance.
  - (ii) Disclose personal information about **you** to third parties in connection with **your** insurance.

Please see the full Privacy Statement on **our** website ([www.fmg.co.nz](http://www.fmg.co.nz)) for information about how **we** collect, use and store **your** personal information.

#### 2. What you must not do

- (a) **You** must not admit **you** are liable to any party.
- (b) **You** must not say or do anything which prejudices **our** ability to:
  - (i) defend any action against **you**, or
  - (ii) take recovery action in **your** name.
- (c) **You** must not start any remedial action without **our** prior approval.
- (d) **You** must not dispose of any property that is to be the subject of **your** claim, without **our** prior approval.

#### 3. Fraud

- (a) **You**, and anyone else entitled to claim under this Policy, must ensure all statements made to **us** are true and complete.
- (b) If **your** claim is dishonest or fraudulent in any way, **we** are entitled to:
  - (i) decline **your** claim in whole or in part,
  - (ii) bring this Policy to an end from the date of the dishonest or fraudulent act, and/or
  - (iii) bring all other insurance **you** have with **us** to an end from the date of the dishonest or fraudulent act.
- (c) **We** may also notify the Police and/or the Serious Fraud Office.

# Your Breakdown Policy

## 4. Other Insurance

- (a) **You** must immediately notify **us** of any other insurance that covers **you** for any of the risks covered under this Policy.
- (b) **We** will only pay over and above the limit payable under that other insurance.

## 5. Progress Payments

- (a) **We** will at **our** option make regular progress payments for **your** claim provided that:
  - (i) **you** provide **us** with proof of **your** insured **loss**, and
  - (ii) if the combined progress payments exceed the total amount of the **loss**, **you** immediately refund the difference between these amounts to **us**.

## 6. Recoveries

- (a) If **we** accept any part of **your** claim, **we** may exercise any legal rights **you** have to, at **our** cost, recover amounts from the person(s) responsible for the **loss**.
- (b) If **we** do this, **you** must co-operate and assist **us** with this exercise. If **you** refuse, **we** may require **you** to repay **us** the money **we** paid **you**.
- (c) If **we** succeed in recovering any money from the person(s) responsible, **we** will refund **your excess** and pay any remaining money recovered to **you** less **our**:
  - (i) recovery costs, and
  - (ii) the money **we** have paid **you**.
- (d) If **you** recover any lost or stolen property claimed under this Policy:
  - (i) **you** must hand this over to **us**, and
  - (ii) **we** are entitled to keep this and any proceeds from its sale.
- (e) If **you** receive any reparations in respect of any property claimed under this Policy, **you** must immediately reimburse **us** for any claim **we** have paid from these reparations.

## 7. Salvage

- (a) If **your** claim relates to damaged property, **we** are entitled to retain possession of the damaged property and deal with salvage in a reasonable manner.
- (b) **You** cannot abandon any property to **us**.

## Definitions

The following definitions apply to **your** Policy, unless the context requires otherwise.

Please note:

- References to the singular include the plural and vice versa.
- The definitions apply to any derivatives of the word used in this Policy.

**Accident** and **accidental** means an **event** which is sudden, unintended and unforeseen by **you**.

**Business** means the occupation, work, or trade in which **you** are engaged as shown on the **certificate**.

**Breakdown** means **loss** involving:

- (a) the breaking, deforming or seizing, or
  - (b) electrical or electronic failure,
- of any part of the insured property necessitating repair or replacement to resume normal operation.

**Certificate** means the latest version of **your** Policy Certificate issued by **us** which contains details of **your** insurance cover under this Policy.

**Computer** means a desktop or laptop computer, tablet, or similar device, including hardware, software, and auxiliary equipment.

**Confiscation** means confiscation, requisition, nationalisation, or destruction of, or damage to property by order of Government, a local authority, a court, or any public authority but excludes such orders given for the purpose of controlling a peril covered by this Policy.

**Electronic equipment** means any electronic equipment at the **premises** and used for **your farming operations** or **business**, excluding **farm computers** and motors.

**Employee** means:

- (a) any employee directly employed by **you** for domestic duties, or
- (b) any:
  - (i) employee directly employed by **you** in, or

- (ii) principal or director (but only in their capacity as such) of **your**:
1. **farming operations**,
  2. **horticulture operations**,
  3. homestay activities, or
  4. **business**.

**Event** means a single **breakdown**, or a series of **breakdowns** that have the same cause.

**Excess** means the first amount of a claim that **you** must pay, as shown on the **certificate**.

**Farm computer** means a **computer** that is used for **your farming operations**. Farm computer does not include **electronic equipment**.

**Farming operations** means **your** normal regular farming activities including:

- (a) Exhibitions and competitions at shows.
- (b) Using **your** property for horse or hunt club activities, except horse racing organised by a racing or trotting (or similar) organisation.
- (c) Distributing farm material from aircraft, except for 1080, 1081, herbicides, fungicides, pesticides or similar poisons or substances.
- (d) Artificial Insemination Technician activities.
- (e) Farm contracting, provided it does not involve the use of:
  - (i) explosives, or
  - (ii) herbicides and/or fungicides and/or pesticides.
- (f) **Horticulture operations**.

**FMG** means FMG Insurance Limited as shown on the **certificate**.

**Horticulture operations** means **your** normal regular horticultural activities associated with the growing of **your** plants.

**Irrigator:**

- (a) Means irrigation equipment that is above ground and in the open including fixed and mobile plant, external piping, and hoses and associated equipment individually shown on the **certificate**, but only while used for **your farming operations**.
- (b) Does not include any underground pumps or motors.

**Loss** means physical:

- (a) loss,
- (b) damage, or
- (c) destruction,

of tangible property during the **period of insurance**.

**Loss of electronic data** means the loss, corruption, destruction, malfunction or unavailability of information or instructions in electronic form including programs, software and other electronic data. This extends to the loss of use, reduction in functionality, or any other associated loss or expense in connection with the loss of such data including data retrieval costs.

**Machinery** means any motor (including a submersible motor), pump (including a submersible pump), electrical or **electronic equipment**, **farm computer**, or mechanical equipment:

- (a) individually shown on the **certificate**, and
- (b) not individually shown on the **certificate** (but only if the **certificate** shows Unspecified Items as an insured item),

but only while being used by **you** for **your farming operations** or **business**. It does not include **pressure vessels**.

**Motor vehicle** means any type of machine on wheels or tracks that is propelled by its own power. This includes anything that can be towed by the machine and any accessories attached to the machine.

**New replacement cost** means the price to replace the damaged **machinery** or **pressure vessel** as nearly as practicable to the same specification, condition and capacity when new, including purchase price, packing, freight, Customs' duties and dues (if any, but excluding GST), installation and connection charges.

**Nuclear materials** means:

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

# Your Breakdown Policy

**Period of insurance** means the duration of **your** Policy, as shown on the **certificate** (unless the Policy is terminated earlier by **you** or **us**).

**Premises** means the land, and the structures on it, at the location shown on the **certificate**.

**Present day value** means either the:

- (a) market value immediately before the **loss** or **breakdown**, or
- (b) replacement cost less an allowance for age and wear and tear,

as calculated by **us**, using whichever method **we** believe to be appropriate in the case.

**Pressure vessel** (including a boiler) means a closed vessel that during ordinary use is subjected to either generated fluid pressure or vacuum, including all integrated parts and control systems.

**Terrorism** means:

- (a) the use, threatened use, or preparation for the use, of:
  - (i) force or violence towards any person or group(s) of people,
  - (ii) property damage,
  - (iii) conduct that creates a risk to health and safety, or
  - (iv) interference or disruption with an electronic system,
- (b) by a person or group(s) of people whether acting alone, or on behalf of, or in connection with, any organisation or government:
  - (i) designed to influence, coerce or retaliate against, a government or group of people,
  - (ii) bring about change that aligns with their particular political, religious, ideological, ethnic, economic agenda, and
- (c) extends to conduct connected with controlling, preventing, suppressing, retaliating against, or responding to such conduct.

**War** means conflict, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil, mutiny, civil commotion assuming the proportions of or amounting to an uprising, insurrection, rebellion, revolution, military or usurped power, and extends to activity connected with controlling, preventing or suppressing such conduct.

**We, us, or our** means **FMG**.

**You** and **your** means the person (or persons) shown on the **certificate** as the insured. **You** can also be a company, partnership or other legal entity.





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Advice & Insurance