

Liability Policy Wording

Terms of our policy to cover your liability

Effective on all new policies, items and renewals issued between
1 November 2021 and 31 October 2022



FMG
Advice & Insurance

**Thank you for choosing to insure with FMG.
We are New Zealand's leading rural insurer,
100% New Zealand owned and protecting
property and livelihood in New Zealand
communities since 1905.**

Contents

| | |
|---|-----------|
| Important Information about your FMG policy | 6 |
| We cover your legal liability | 9 |
| We cover your liability and defence costs | 9 |
| Loss or personal injury | 9 |
| Legal defence costs | 9 |
| Automatic benefits | 9 |
| Property in your care | 9 |
| Products | 10 |
| Product withdrawal expenses within New Zealand | 10 |
| Mobile plant or machinery | 10 |
| Moral obligation | 11 |
| Underground services | 11 |
| Vibration and removal of support | 11 |
| Pollution or contamination and remediation costs | 11 |
| Forklifts, fork hoists or fork trucks | 12 |
| Landlord's liability | 12 |
| Tenant's liability | 12 |
| Parked vehicles | 12 |
| Punitive or exemplary damages | 12 |
| People touring your premises | 13 |
| Railway sidings | 13 |
| Overseas visits | 13 |
| Cover 60 days after your policy ends | 13 |
| Optional Benefits | 13 |
| Statutory liability | 13 |
| Dairy milk contamination | 14 |
| Servicing and repairing motor vehicles and watercraft | 15 |

| | |
|---|-----------|
| Spray drift | 15 |
| Harvester liability | 15 |
| 'Limited carrier's risk' | 15 |
| Kiwifruit in your coolstore | 16 |
| Employer's liability for injuries not covered by ACC | 17 |
| We cover licensed building practitioners professional indemnity | 17 |
| Winemaking, or honey or olive oil processing | 18 |
| Defective design | 18 |
| What we will pay | 19 |
| What loss you are not insured for | 20 |
| Businesses based overseas | 20 |
| Personal injury to family and employees | 20 |
| Pests and diseases | 20 |
| Cosmetics | 20 |
| Dams, reservoirs or weirs | 20 |
| Errors in advice | 20 |
| Medical treatment | 20 |
| Faulty design | 20 |
| Obligation to insure property | 20 |
| Delay or lack of performance under a contract | 21 |
| Costs of correcting work | 21 |
| Penalties, punitive or exemplary damages | 21 |
| Genetically modified organisms | 21 |
| Internet operations | 21 |
| Leaky buildings | 21 |
| Liability you assume by agreement | 21 |
| Operation in the USA or Canada | 22 |
| Operation of airports | 22 |
| Ownership, maintenance or use of motor vehicles | 22 |
| Overseas judgments | 23 |

| | |
|--|-----------|
| Ownership, maintenance or use of aircraft and watercraft | 23 |
| Pollution or contamination and remediation costs | 23 |
| Products except under specific benefits | 24 |
| Property you own or in your care, custody or control | 24 |
| Economic loss | 24 |
| Spraying | 25 |
| Wrongful imprisonment or prosecution of employees and family members | 25 |
| Underground services | 25 |
| Vibration and removal of support | 25 |
| General exclusions | 25 |
| Excess | 25 |
| Confiscation, nuclear materials, terrorism or war | 25 |
| Loss of electronic data | 25 |
| Asbestos | 25 |
| Making a claim | 26 |
| What you must do | 26 |
| What you must not do | 26 |
| How we will manage the claim | 27 |
| General conditions of this policy | 28 |
| What you agree to do | 28 |
| How we will manage this policy | 29 |
| How to interpret this policy | 30 |
| Definitions | 30 |

Terms of our policy to cover your liability

This policy wording describes the Liability policy. This policy covers your legal liability to others for accidental loss to property or accidental personal injury during the period of insurance in connection with your business and associated legal defence costs. This policy also includes a number of automatic and optional benefits.

Important information about your FMG policy

Please read and file this document and your policy certificate

Please take the time to read carefully through this policy wording and the accompanying policy certificate. Together, these two documents form your insurance contract with us.

The policy certificate shows what you are covered for

Your policy certificate is particularly important. If there is any inconsistency between your FMG policy wording and what is on the certificate, it is the certificate that prevails.

We are here to help

Under this contract, you and FMG both have responsibilities to ensure everything runs smoothly. Read these documents to find out what they are. If there is anything that you don't understand, please contact us.

Please:

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

We will remind you when your policies need to be renewed

The date that cover ceases is shown on the policy certificate. If your policy is renewable, we will contact you about renewing your insurance just before that date.

We have defined the meanings of some words

In this document, we use italics to show that the words have the meanings given in the definitions section.

We also use the following common terms throughout the document, with the meanings shown:

- **Certificate** means the latest version of your policy certificate issued by us. The certificate contains details of your insurance cover under this policy.
- **FMG** means FMG Insurance Limited as shown on the certificate.
- **Period of insurance** means the duration of your policy, as shown on the certificate (unless the policy is ended earlier by you or us).
- **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.

This includes:

- any director, *employee*, executive officer, trustee or shareholder to the extent they are acting within the scope of their duties in these capacities
- any member of your family in connection with your *business*
- office bearers or members of an unincorporated social or sporting club, or welfare or childcare facility formed for your *employees*, in respect of *claims* arising from duties connected with such club or facility activities
- at your written request, your director or executive manager in respect of private work undertaken by your *employees* for that director or executive manager
- any new entity you create or gain control of during the period of insurance provided this entity does not have securities listed on an exchange or market
- any person or entity you have entered into a contract with to the extent that:
 - you are vicariously liable under that contract for that person's or entity's conduct, and
 - the liability arises from that person or entity working on your behalf in connection with your *business*.

Additionally, where 'you' is a company, this definition extends to:

- your subsidiary companies as defined in sections 5 and 6 of the Companies Act 1993 incorporated in New Zealand, and
- any director or *employee* of those subsidiary companies to the extent they are acting within the scope of their duties in these capacities.

You must provide information and pay your premium

You agree to give us correct and complete information

We have provided this policy based on the information you have disclosed to us. If you give us information that is incorrect or incomplete, you might not be covered under the policy.

You need to tell us:

- all material information before the cover starts, even if we don't specifically ask about it (material information is information that could change our decision if we knew about it)
- straight away if your circumstances change in any way while you are insured with us, both during the period of insurance and at renewal.

You agree to pay your premiums on time

Cover under your policy will not start 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 by the due date, your insurance could be cancelled and you will not be insured.

You agree to the exclusions and obligations detailed in the policy

You are not covered for some items, events, and circumstances. These are called exclusions. Exclusions are detailed throughout the policy.

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 who is entitled to claim under this policy must also meet these conditions and obligations.

We will be fair in the way we provide this cover

We provide the cover listed on the certificate

The policies and benefits we agree to provide are listed on your certificate. This policy wording details the cover that this policy and benefits provide.

We are bound by the Fair Insurance Code

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

We comply with the Privacy Act 2020

We collect personal information about you, your business, or both. We asked you for personal information to fully evaluate and to administer this policy, and we may ask for more if you make a claim or renew the policy.

You also authorise us to:

- collect relevant information about you or your business from third parties, such as other insurers and EQC.
- disclose information about you in connection with insurance to third parties.

We fully understand the importance of protecting your personal, commercial and financial information. We store your information securely, within our organisation, and will not share it except in compliance with the Privacy Act 2020. You have rights under the Privacy Act 2020 to access and correct the information we hold about you.

For information about how we collect, use and store your personal information, see the full Privacy Statement on our website (www.fmg.co.nz).

We provide a 30-day 'cool off' period

We are confident this policy will be right for you. However, you may cancel this policy within 30 days of the start date if you are not entirely happy, without giving us a reason. We will refund any premium you have paid, provided you do not have a claim during this 30-day period.

We agree to cover your legal liability

We agree to provide you with the insurance set out in the policy, if 'Liability' is shown on the certificate.

We cover your liability

1. We cover your legal liability and defence costs

1.1 We cover your legal liability for loss or personal injury

You are insured for your legal liability during the period of insurance in connection with your *business* for the following:

- *accidental loss* to the property of others, or
- *accidental personal injury* to any other person.

1.2 We cover your legal defence costs

If we have accepted a claim under this policy, you are also insured for your *legal defence costs*.

2. The cover also includes automatic benefits

Your insurance automatically includes the following benefits. If we have accepted a claim under a benefit for your liability, you are also insured for your *legal defence costs* in that respect.

2.1 We cover your legal liability for property in your care

You are insured for your legal liability for *accidental loss* during the period of insurance in New Zealand in connection with your *business* to property in your care, custody or control that you do not own.

2.1.1 What you are not insured for

You are not insured for your legal liability for *loss*:

- to land or buildings
- to property you are working on or resulting from a *production process*
- to property in a coolstore
- from unexplained differences or shortages
- to horses.

You are not insured for your legal liability under Part 5, Subpart 1 (Carriage of Goods) of the Contract and Commercial Law Act 2017.

2.1.2 What we will pay

We will pay up to:

- \$50,000 for any one *event* for property being hired, leased or rented by you, and
- \$250,000 or the higher amount shown on the certificate in the aggregate for all *events* during the period of insurance.

2.2 We cover your legal liability for your products

You are insured for your legal liability for *accidental loss* to the property of others or *accidental personal injury* to others during the period of insurance in connection with your products, provided that you took all reasonable precautions to ensure that these *products* were in good condition, free from defect or contamination and fit for the purpose required.

2.2.1 What you are not insured for

You are not insured for legal liability for any of the following:

- *products* manufactured specifically for and installed in aircraft or other aerial device made or intended to travel through air or space
- *products* in, or exported to, the United States of America or Canada or anywhere subject to their jurisdiction
- *loss* to the *products*; however, we do cover the resulting *loss* to other tangible property arising from that loss
- costs and damages arising from:
 - the recall, withdrawal, inspection, repair, rectification, replacement or loss of use of the *products* or property that the *products* are part of
 - refunding the price paid for the *products*
- any amount you would have been entitled to recover from a party, but for an agreement between you and that party which is not customary in the marketplace
- *products* that are in your or your *employees'* control and physical custody
- any defect or deficiency in the *products* which you, your *employee* at a supervisory level or above, or agent knew about or had reason to suspect when these products passed from your physical custody or any other person under your control.

2.2.2 What we will pay

We will pay up to the amount shown on the certificate in the aggregate for all *events* during the period of insurance.

2.3 We cover product withdrawal expenses within New Zealand

You are insured for your costs of physically recalling or withdrawing *products* within New Zealand that:

- have already given rise to a claim covered under this policy, and
- would, in our reasonable opinion, lead to further or similar claims arising under this policy if not recalled or withdrawn.

We will pay:

- 80% of the costs of physically recalling or withdrawing the *products*
- up to \$100,000 in the aggregate for all *events* during the period of insurance.

2.4 We cover your legal liability from operating mobile plant or machinery

You are insured for your legal liability for *accidental loss* to the property of others or *accidental personal injury* to others during the period of insurance arising from your use of plant or machinery including plant or machinery attached to or forming part of a *motor vehicle* other than a forklift, fork hoist, fork truck or harvester vehicle.

You are not insured for your legal liability for *loss* to the mobile plant and machinery itself.

This benefit only applies while the plant or machinery is being used for the primary purpose it was designed for and not while the motor vehicle is being primarily driven to transport the plant or machinery.

2.5 We provide cover for moral obligation

You are insured for *accidental loss* to the property of others that you are not legally liable for that occurs during the period of insurance in connection with your *farming operations* caused by:

- your dogs, provided that at the time of the *loss* they were under your control or under the control of another person (including an *employee*) with your consent
- your other animals trespassing, escaping or being driven, provided that at the time of the *loss* they were under your control or under the control of another person (including an *employee*) with your consent
- your farm vehicle or mower throwing up objects or harmful material (other than liquids or sprays) while being used for your *farm operations*
- storm damage to trees on your *property*.

Farm vehicle means any self-propelled, trailered, tractor-drawn or mounted farm vehicle or implement (including the standard tools supplied by the manufacturer, accessories and spare parts) used for your *farming operations*.

2.5.1 What you are not insured for

You are not insured for:

- *loss* that the owner of the property is insured or partly insured for (excluding any excess or equivalent amount the owner must pay in that respect)
- *loss* that you are legally liable for
- intentional slaughter unless this was certified by a vet and carried out to end incurable suffering of the animal
- the cost of clearing storm debris
- the legal costs of any other party.

2.5.2 What we will pay

We will settle any claim based on what you would have had to pay had you been legally liable.

We will pay up to \$5,000 or any higher amount shown on the certificate in the aggregate for all *events* during the period of insurance.

2.6 We cover your legal liability for underground services

You are insured for your legal liability arising directly or indirectly out of *accidental loss* to *underground services* provided that:

- before starting the relevant work, you made inquiries with the relevant authority, company, or organisation to determine the exact location of these underground services, and
- you take all other reasonable precautions to prevent *personal injury* to others or *loss* to the property of others.

We will pay up to the amount shown on the certificate in the aggregate for all *events* during the period of insurance.

2.7 We cover your legal liability for vibration and removal of support

You are insured for your legal liability for *accidental loss* to the property of others or *personal injury* to others in New Zealand as a result of you removing, weakening or interfering with the support of, or causing vibration to, land or buildings you do not own or occupy.

We will pay up to \$250,000 in the aggregate for all *events* during the period of insurance.

2.8 We cover liability for pollution or contamination and remediation costs under certain circumstances

We cover your liability for pollution or contamination, and associated costs if:

- they arise from an event in New Zealand during the period of insurance in connection with your *business*, and
- are directly caused by pollution or contamination, including land contamination, which:
 - was sudden and *accidental*, and
 - occurred during the period of insurance, and
 - was discovered by you or your *employees* within 72 hours of it first happening, and all reasonable remedial action was taken upon that discovery.

There is no cover for the following under this benefit:

- any liability arising from your supply milk mixing with other milk.
- any liability for accidental loss during the period of insurance to wine products, honey products or olive products owned by others caused by your winemaking process, or honey or olive oil production process in the course of your business.

2.9 We cover your liability for forklifts, fork hoists or fork trucks

You are insured for your legal liability for *accidental loss* to the property of others or *accidental personal injury* during the period of insurance arising from your use of forklifts, fork hoists or fork trucks, provided that:

- they are not being used on a public road or thoroughfare, and
- this liability is not covered under any other insurance policy.

You are not insured for your legal liability for *loss* to the forklift, fork hoist or fork truck itself.

2.10 We cover landlord's legal liability

You are insured for your legal liability for *accidental loss* to the property of others or *accidental personal injury* to others during the period of insurance arising from your legal ownership but not physical occupation of the whole or part of *premises* in New Zealand caused:

- by your or your *employees*' or agents' negligence
- through a defect in the *premises*.

2.11 We cover tenant's legal liability

You are insured for your legal liability for *accidental loss* during the period of insurance to any premises including their fixtures and fittings that you rent, lease, tenant, hire or occupy but do not own in New Zealand.

2.12 We cover your legal liability for parked vehicles at your premises

You are insured for your legal liability for *accidental loss* during the period of insurance to any of your customers' or visitors' *motor vehicles* parked at your *premises* in New Zealand.

2.13 We cover limited punitive or exemplary damages

You are insured for punitive or exemplary damages awarded against you for *accidental personal injury* to others during the period of insurance that is covered under this policy.

You are not insured for your legal liability for punitive or exemplary damages:

- for *bodily injury* arising from trespass to the person, assault, battery, false imprisonment, malicious prosecution, sexual harassment or sexual abuse by you
- arising from your dishonest, or fraudulent act or omission.

You must not disclose the existence or terms of this benefit to any claimant (or claimant's lawyers) unless:

- we give our consent in writing, or
- you are compelled by law.

We will pay up to \$1,000,000 in the aggregate for all *events* during the period of insurance.

2.14 We cover your legal liability for people touring your premises

You are insured for your legal liability for *accidental loss* or *accidental bodily injury* during the period of insurance to any customers or visitors while they are touring your *premises* in New Zealand.

2.15 We cover your legal liability for railway sidings

You are insured for your legal liability for *accidental loss* to the property of others or *accidental bodily injury* to others during the period of insurance assumed by you under an agreement with a railway company about railway sidings.

2.16 We cover your legal liability for overseas visits

You are insured for your legal liability for *accidental loss* to the property of others or *accidental personal injury* to others during the period of insurance while outside New Zealand arising out of incidental clerical, managerial, marketing or sales work for your *business*, provided your normal place of residence is in New Zealand.

You are not insured in relation to any manual work.

2.17 We continue your cover 60 days after your policy ends

If you do not renew this policy or replace it with an equivalent policy, we will automatically extend your cover under this policy for 60 days after the period of insurance ends.

3. You can choose to add the following optional benefits

These optional benefits only apply if you have purchased them and they are shown on your certificate. If we have accepted a claim under a benefit for your liability, you are also insured for your *legal defence costs* in that respect.

3.1 We cover your statutory liability

3.1.1 We cover your legal liability to pay penalties for unintentional conduct

If you have bought this benefit, you are insured for your legal liability to pay *penalties* arising from unintentionally committing an offence under an *Act* after the *retroactive date* as part of your *business*, provided that you:

- are prosecuted for that offence, receive an allegation you have committed an offence or become aware of circumstances that may give rise to that prosecution or allegation during the period of insurance, and
- notify us of that prosecution, allegation or circumstances during that same period of insurance or within the next 30 days.

3.1.2 What we will pay

We will pay up to the amount shown on the certificate in the aggregate for all prosecutions, allegations or circumstances during the period of insurance inclusive of *legal defence costs*.

If we have accepted a claim under this benefit related to a health and safety prosecution, we will also pay you up to \$2,000 for counselling costs from a professional counsellor.

3.1.3 Cover for fines and costs under the Building Act 2004

You are also insured for fines under the Building Act 2004 and costs for hearing a complaint imposed on you arising from a complaint to, or investigation by, the statutory registration board or similar regulatory authority under the Building Act 2004.

The complaint or investigation must relate to any actual or alleged unintentional act, error or omission.

The Licensed Building Practitioner also must:

- have held a current licence of the relevant class at the time the work giving rise to the complaint was supervised and signed off, and
- be supervising work and issuing subsequent memoranda for restricted building work carried out on their own account.

We will pay up to \$50,000 per complaint or \$100,000 in the aggregate for all complaints during the period of insurance.

3.1.4 You must comply with notices

You must comply with any lawful notice you receive from any authorised authority under any Act.

3.1.5 What you are not insured for

You are not insured for:

- *penalties* you are ordered to pay under any of the following Acts:
 - Arms Act 1983
 - Aviation Crimes Act 1972
 - Building Act 2004 unless covered under 3.1.3 (Cover for fines and costs under the Building Act 2004) above
 - Commerce Act 1986
 - Crimes Act 1961
 - Criminal Investigations (Body Samples) Act 1995
 - Land Transport Act 1998
 - Misuse of Drugs Act 1975
 - Summary Offences Act 1981
 - Transport Act 1962
 - Transport (Vehicle and Driver Registration and Licensing) Act 1986
- any intentional or reckless commission of an offence under any Act
- any fine or infringement fee under the Health and Safety at Work Act 2015
- any offence in connection with a requirement to pay taxes, duties, levies or any other kind of revenue under an Act
- any offence that involves you being dishonest or fraudulent
- any *penalty* imposed for continued offending after you knew, or ought to have known, an offence was being committed
- any prosecution, allegation or circumstance you first become aware of before the start of the period of insurance.

3.2 We cover your legal liability for dairy milk contamination

If you have bought this benefit, you are insured for your legal liability for *accidental loss* to milk belonging to others, arising from contamination during the period of insurance by your milk.

You are not insured for penalties imposed on you because of this contamination.

We will pay up to the amount shown on the certificate for any one event.

3.3 We cover your legal liability for servicing and repairing motor vehicles and watercraft

If you have bought this benefit, you are insured for your legal liability for *accidental loss* to the property of others or *accidental personal injury* to others during the period of insurance in New Zealand connected with any of the following:

- *motor vehicles*
- internal combustion engines
- watercraft capable of being transported by trailer and not exceeding 10 metres in length
- any machinery or equipment associated with, or accessories or fittings of, any of the above.

You are only insured when the items listed above:

- are in your care, custody or control (but not owned, hired, leased, or rented by you), or
- have been repaired, altered, renovated, serviced or installed in connection with your *business*.

3.3.1 What you are not insured for

You are not insured for your legal liability for the cost of rectifying, repairing or replacing errors or defects in your work or material. However, you are insured for your legal liability for any *loss* that results from such errors or defects.

3.3.2 What we will pay

We will pay up to the amount shown on the certificate in the aggregate for all *events* during the period of insurance.

3.4 You are covered for your legal liability for spraying drift

If you have bought this benefit, you are insured for your legal liability for *accidental loss* to the property of others in New Zealand during the period of insurance directly arising from you spraying herbicides, fungicides or pesticides in connection with your *business*, provided the spraying is not carried out using aircraft.

You are not insured unless you:

- comply with the Health and Safety at Work (Hazardous Substances) Regulations 2017, and
- use the herbicide, fungicide or pesticide in accordance with the manufacturer's recommendations.

You are not insured for your legal liability for *loss* to any property you are intentionally spraying.

We will pay up to the amount shown on the certificate for any one *event*.

3.5 We cover harvester legal liability

If you have bought this benefit, you are insured for your legal liability for the following occurring during the period of insurance arising from your use of any harvester vehicle while harvesting in connection with your *business*:

- *accidental loss* to the property of others excluding the harvester vehicle itself
- *accidental personal injury*.

We will pay up to \$500,000 or any higher amount shown on the certificate for any one *event*.

3.6 We cover your legal liability for 'limited carrier's risk'

If you have bought this benefit, you are insured for your legal liability for carriage at 'limited carrier's risk' under section 248(1)(d) of the Contract and Commercial Law Act 2017 as a result of *accidental loss* in New Zealand during the period of insurance to goods entrusted to you for carriage in connection with your *business*.

3.6.1 What you are not insured for

You are not insured for legal liability:

- assumed by agreement (excluding an agreement for carriage at 'limited carrier's risk' under section 248(1) (d) of the Contract and Commercial Law Act 2017) unless you would still have been liable without that agreement
- caused by vermin
- caused intentionally by you or any of your *employees*
- for consequential loss of any description
- arising from household or office removals.

3.6.2 What we will pay

We will pay up to:

- for any one unit of goods, the amount specified under section 259(2) of the Contract and Commercial Law Act 2017 for carriage at 'limited carrier's risk', or
- for any one *event*, the amount shown on the certificate.

3.7 We cover your legal liability for loss to kiwifruit not owned by you while in your coolstore

If you have bought this benefit, you are insured for your legal liability for *loss* to kiwifruit in your care, custody or control but not owned by you in your *coolstore* as a result of *accidental loss* in New Zealand during the period of insurance in connection with your *business*.

You are only insured if you have entered into a written supply agreement with Zespri International Limited for the coming kiwifruit season.

3.7.1 What you are not insured for

You are not insured for your legal liability for:

- the inherent unsuitability of your *coolstore* to store the kiwifruit
- any defect in the *coolstore* that existed before the period of insurance that a reasonable *coolstore* operator would have been aware of
- any consequential loss such as loss of use, delays or loss of market
- *loss* arising from the interruption of any power supply, unless that interruption was caused by your negligent acts or omissions
- *loss* caused by:
 - forged warehouse receipts
 - a change of temperature due to the total or partial breakdown of any refrigerating or cooling apparatus, unless this breakdown was caused by your negligent acts or omissions

You are also not insured for your legal liability if you fail to:

- store the kiwifruit in accordance with recommendations or specifications of the *coolstore* designer or the engineer responsible for installing or maintaining the *coolstore* refrigeration equipment
- handle kiwifruit in accordance with Zespri International Limited's Quality Manual requirements, unless the failure was caused by your negligent acts or omissions.

3.7.2 What we will pay

We will pay up to the amount shown on the certificate for any one *event*.

3.8 We cover employer's legal liability for injuries not covered by ACC

3.8.1 We cover your legal liability for damages

If you have bought this benefit, you are insured for your legal liability for compensatory damages arising from your *employees* sustaining *personal injury* after the *retroactive date* in connection with your *business*, provided that you:

- first become aware of the *claim* during the period of insurance, and
- notify us of this during the same period of insurance or within the next 30 days.

3.8.2 What you are not insured for

You are not insured for:

- liability for *bodily injury* covered to any extent by the Accident Compensation Act 2001
- any judgment of a court outside New Zealand, whether enforceable in New Zealand or not
- liability arising from a personal grievance under the Employment Relations Act 2000
- liability for *bodily injury* caused by disease when your *employee* is first exposed to the conditions that led to the disease before the *retroactive date*
- any *claim* you first become aware of before the start of the period of insurance.

3.8.3 What we will pay

We will pay up to the amount shown on the certificate in the aggregate for all *claims* during the period of insurance inclusive of *legal defence costs*.

3.9 We cover licensed building practitioners professional indemnity

3.9.1 We cover your legal liability when signing off or supervising work

If you have bought this benefit, you are insured for your legal liability for a complaint or *claim* arising from an actual or alleged unintentional act, error or omission in:

- the licensed building practitioner signing off their own record of building work for restricted building work under the Building Act 2004,
- the licensed building practitioner supervising and signing off restricted building work of others engaged by you under the Building Act 2004, or
- the licensed building practitioner supervising and signing off restricted building work under the Building Act 2004 of an unlicensed building practitioner provided that the licensed building practitioner is engaged in a supervisory role only.

The licensed building practitioner must:

- be correctly licensed for the kind of restricted building work they are signing off, and
- provide a record of work in the prescribed form stating what restricted building work carried out or supervised as required under section 88 of the Building Act 2004.

The act, error or omission must occur after the *retroactive date*, in connection with your *business* and result in direct or indirect financial loss.

To be insured you must also:

- first become aware of the *claim* during the period of insurance, and
- notify us of this during the same period of insurance or within the next 30 days.

3.9.2 What we will pay

We will pay up to \$250,000 or any higher amount shown on the certificate in the aggregate for all *claims* during the period of insurance inclusive of *legal defence costs*.

3.9.3 What you are not insured for

You are not insured for a product guarantee of any kind.

3.10 We cover your legal liability for accidental loss during winemaking, or honey or olive oil processing

If you have bought this benefit, you are insured for your legal liability for *accidental loss* during the period of insurance to *wine products, honey products or olive products* owned by others caused by your *winemaking process, or honey or olive oil production process* in the course of your *business*.

Cover under this benefit is limited to the value of the *wine products, honey products, or olive oil products* immediately before the *accidental loss*.

3.10.1 What you are not insured for

You are not insured for:

- your legal liability for *accidental loss* that would be covered under another benefit of this policy
- circumstances where the *winemaking process, or honey or olive oil production process* is not in accordance with the directions or practice of someone with the appropriate skills and experience
- *loss to wine products, honey products, or olive oil products* caused by gradual deterioration to, or poor quality of, the relevant products
- actual or alleged unsatisfactory quality, taste, smell, consistency or colour of the processed *wine products, honey products, or olive oil products*, where the appropriate processes have been complied with
- *loss to the wine products, honey products, or olive oil products* due to contamination from the bottling or packaging process.

3.10.2 What we will pay

We will pay up to the amount shown on the certificate in the aggregate for all *events* during the period of insurance.

3.11 We cover your legal liability for defective design

If you have bought this benefit, you are insured for your legal liability for the following during the period of insurance arising from your defective design, formula, pattern, plan or specification of your *products* which occurs in New Zealand in connection with your *business*:

- *accidental loss* to the property of others
- *accidental bodily injury*.

We will pay up to the amount shown on the certificate in the aggregate for all *events* during the period of insurance.

You are not insured for your legal liability for the cost of rectifying, repairing or replacing errors or defects in your *products*. However, you are insured for your legal liability for any loss that results from such errors or defects.

4. What we will pay

4.1 What we will pay for your legal liability

Where a benefit refers to a specific limit that is the maximum amount we will pay under that benefit for your legal liability.

The maximum amount we will pay under this policy in total for your legal liability including all benefits for any one *event* is the amount shown on the certificate.

4.2 What we will pay for your legal defence costs and in total

What we will pay for *legal defence costs* and in total, inclusive of legal liability and *legal defence costs*, will depend on whether the claim relates to:

- optional benefits 3.1 (statutory liability), 3.8 (employer's liability) or 3.9 (licenced building practitioners professional indemnity), or
- the 'what liability you are insured for' section or other benefits under this policy.

4.2.1 Optional benefits 3.1 (statutory liability), 3.8 (employer's liability) or 3.9 (licenced building practitioners professional indemnity)

For optional benefits 3.1 (statutory liability), 3.8 (employer's liability) and 3.9 (licenced building practitioners professional indemnity):

- the amount we pay for *legal defence costs* is included in the amount shown on the certificate, and
- we will pay up to the amount shown on the certificate, less the amount payable for legal liability, for your *legal defence costs*.

The maximum amount we will pay under these benefits in total, inclusive of legal liability and *legal defence costs*, is the amount shown on the certificate.

Alternatively, we will pay *legal defence costs* in addition to the amount shown on your certificate for these benefits up to \$250,000 in the aggregate for all *events* during the period of insurance if:

- a charge under section 9 of the Law Reform Act 1936 applies to the cover under the benefit and we have received actual notice of the existence of this, and
- we calculate that the sum secured by that charge will exhaust the amount shown on the certificate for that benefit inclusive of legal liability and *legal defence costs*.

At our discretion we may subsequently recover any amount paid for *legal defence costs* in addition to the amount shown on the certificate, or offset that as a deduction against other amounts payable under this policy, if we determine that:

- the charge does not apply, is lifted or discharged,
- the amount secured by that charge does not exhaust the amount shown on the certificate for the benefit, or
- you are not entitled to be paid *legal defence costs* under this policy.

4.2.2 The 'What liability you are insured for' section or other benefits

For the 'what liability you are insured for' section and other benefits under this policy:

- the amount we pay for *legal defence costs* is additional to the amount shown on the certificate, and
- we will pay up to the amount shown on the certificate for your *legal defence costs*.

The maximum amount we will pay under that section and other benefits in total, inclusive of legal liability and *legal defence costs*, is two times the amount shown on the certificate.

5. What liability you are not insured for

This section contains specific exclusions to the cover under this policy. The general exclusions, starting on page 25, also apply.

5.1 We do not cover businesses based overseas

You are not insured for your legal liability for *loss* to the property of others or *personal injury* to others that occurs outside of New Zealand where you or your controlling company are domiciled outside of New Zealand or where a branch represents you outside of New Zealand.

5.2 We do not cover personal injury to family and employees

You are not insured for your legal liability or *legal defence costs* for *personal injury* to:

- anyone living at your home unless covered under optional benefit 3.1 (statutory liability), or
- your *employees* in connection with your *business* unless covered under optional benefit 3.1 (statutory liability) or 3.8 (employer's liability).

5.3 We do not cover pests and diseases

You are not insured for your legal liability or *legal defence costs* in connection with a pest or disease.

5.4 We do not cover cosmetics

You are not insured your legal liability or *legal defence costs* for manufacturing or importing cosmetics.

5.5 We do not cover dams, reservoirs or weirs

You are not insured for your legal liability or *legal defence costs* for the construction, operation, ownership or structural maintenance of dams, reservoirs or weirs, except on rural properties provided they are not owned or controlled by water or electrical authorities.

5.6 We do not cover errors or omissions in advice

You are not insured for your legal liability or *legal defence costs* arising from errors or omissions in your (or others on your behalf) advice in connection with your business.

This exclusion does not apply to advice you give in the course of selling, maintaining or repairing *products*.

5.7 We do not cover errors or omissions in medical treatment

You are not insured for your legal liability or *legal defence costs* arising from errors or omissions in your (or others on your behalf) medical treatment in connection with your business.

This exclusion does not apply to a medical person you employ to provide first aid and other medical services on your *premises*, providing or failing to provide medical advice.

5.8 We do not cover faulty design

You are not insured for legal liability or *legal defence costs* arising directly or indirectly from faulty or defective design, formula or specification, plan or pattern of your *products*, unless covered by the optional benefit 3.11 (defective design liability).

5.9 We do not cover an obligation to insure property

You are not insured for legal liability or *legal defence costs* arising directly or indirectly from the breach of an obligation to insure any property against damage.

5.10 We do not cover your delay or lack of performance under a contract or agreement

You are not insured for legal liability or *legal defence costs* arising directly or indirectly from your delay in, or lack of performance of, any contract or agreement.

5.11 We do not cover the costs of correcting work

You are not insured for legal liability or *legal defence costs* arising directly or indirectly from the cost of performing, completing, correcting or improving any work you have undertaken.

5.12 We do not cover penalties, punitive or exemplary damages

You are not insured for your legal liability or *legal defence costs* for any:

- fine or penalty, unless covered under optional benefit 3.1 (statutory liability), or
- punitive or exemplary damages unless covered under additional benefit 2.13 (punitive or exemplary damages).

5.13 We do not cover genetically modified organisms

You are not insured for your legal liability or *legal defence costs* for any *loss* or *penalties* arising from or in any way involving the manufacture, production, experimental farming, breeding, distribution or research and development field trials of *genetically modified organisms*.

This includes:

- blending or mixing of *genetically modified organisms* with other organisms or *products*, or
- *genetically modified organisms* pollinating other organisms.

5.14 We do not cover internet operations

You are not insured for your legal liability or *legal defence costs* for any *loss* or *penalties* arising from or in any way involving your *internet operations*.

5.15 We do not cover leaky buildings or structures

You are not insured for your legal liability or *legal defence costs* or *penalties* for a building or structure affected by:

- mould, fungi, mildew, rot, gradual deterioration, micro-organisms, bacteria protozoa or any similar or like forms, or
- penetration or accumulation of external moisture.

This exclusion only applies where the liability arises directly or indirectly out of any of the following:

- faulty workmanship, including faulty programme, sequence or procedures
- faulty materials
- faulty design or specification
- non-compliance with the New Zealand Building Code.

5.16 We do not cover liability you assume by agreement

You are not insured for your legal liability or *legal defence costs* if you have agreed to accept that liability and it would not otherwise exist unless covered under one of the following benefits:

- automatic benefit 2.11 (tenant's liability)
- automatic benefit 2.15 (railway sidings liability)
- optional benefit 3.6 (limited carrier's risk liability)

This exclusion also does not apply to the extent that:

- you are vicariously liable under a contract you have entered into with a person or entity for that person's or entity's conduct, and
- this liability arises from that person or entity working on your behalf in connection with your *business*.

5.17 We do not cover operation in the USA or Canada or anywhere subject to their jurisdiction

You are not insured for your legal liability or *legal defence costs* arising out of operations located in the United States of America or Canada or anywhere subject to their jurisdiction.

5.18 We do not cover the operation of airports, aerodromes or other risks

You are not insured for your legal liability or *legal defence costs* for the operations of aerodromes or airports, space, satellite or aircraft refuelling risks, or airline or aircraft liability.

This exclusion does not apply to private airstrips and land under the control of local government authorities on which airstrips are situated.

5.19 We do not cover ownership, maintenance or use of motor vehicles or internal combustion engines

Subject to the exceptions that follow, you are not insured for your legal liability or *legal defence costs* arising from your ownership, maintenance or use of any *motor vehicle* or internal combustion engine.

5.19.1 Cover available under certain benefits

This exclusion will not apply if you are covered under one of the following benefits:

- Automatic Benefits:
 - 2.4 (mobile plant or machinery liability)
 - 2.6 (underground services liability)
 - 2.7 (liability for vibration and removal of support)
 - 2.9 (forklifts, fork hoists or fork trucks liability)
 - 2.12 (liability for parked vehicles)
- Optional Benefits:
 - 3.1 (statutory liability)
 - 3.3 (service and repair liability)
 - 3.4 (spraying drift liability)
 - 3.5 (harvester liability)
 - 3.6 (limited carrier's risk liability).

5.19.2 Restrictions to cover under these benefits

If you are covered under any of these benefits that cover will not apply to liability arising while any motor vehicle is being driven:

- In an unsafe condition that causes or contributes to the *event* which you, or any authorised driver, are or should have been aware of by exercising reasonable diligence.
- By you, or a person with your permission or authority, without the appropriate motor driver's licence for the class and use unless:
 - the driver held, is not disqualified from holding and actually obtains such a licence without a further driving test, or
 - the motor vehicle is being used for the purposes of teaching a learner to drive provided the relevant legal requirements are complied with.

- By a person whose motor driver's licence has been issued subject to a condition that they are in breach of.
- By you, or any other person with your consent, who:
 - is under the influence of any intoxicating substance or drug
 - has a proportion of alcohol in their blood that exceeds the legal limit prescribed by law
 - has a proportion of alcohol on their breath that exceeds the legal limit prescribed by law, as detected in an evidential breath test
 - fails to supply a blood or breath sample as required by law
 - fails any other test as required by law to determine alcohol or drug use, or
 - fails to stop or to remain at the scene following an *accident*.

Additionally, cover under any of the above benefits will not apply to liability arising when the motor vehicle includes another component (e.g. a crane) you, or another person with your permission or authority, operate without the licence required by law, unless this is for the purposes of teaching a learner how to operate this component and the relevant legal requirements are complied with.

5.19.3 This exclusion doesn't apply to certain bodily injury or loss

This exclusion does not apply to bodily injury or loss:

- caused by or arising from the delivery or collection of goods to or from any *motor vehicle* where such *bodily injury* or *loss* occurs beyond the limits of any carriageway or thoroughfare, or
- arising from the loading, unloading, delivery or collection of, goods to or from any *motor vehicle* used for work undertaken by you, but not in your care, custody or control.

5.20 We do not cover overseas judgments

You are not insured for your legal liability or *legal defence costs* for any amount awarded, judgment made or decision by a court outside New Zealand unless:

- enforceable in a New Zealand Court (except for optional benefit 3.8 (employer's liability), or
- the court is in a country where legal liability is covered by automatic benefit 2.2 (products liability) and automatic benefit 2.16 (overseas visits).

5.21 We do not cover ownership, maintenance or use of aircraft and watercraft

You are not insured for your legal liability or *legal defence costs* arising from your ownership, maintenance, operation or use of:

- any aircraft, aerial device or hovercraft, or
- any watercraft over 10 metres in length (other than hand-propelled boats).

5.22 We do not cover your legal liability for pollution or contamination and remediation or other costs

You are not insured for:

- your legal liability or *legal defence costs* for pollution or contamination including land contamination, or
- the cost of any form of remediating pollution or contamination substances including removing or nullifying or cleaning up, testing, monitoring, treating, neutralising or detoxifying,

Unless covered under Automatic Benefit 2.8 (Liability for pollution or contamination and remediation costs in certain circumstances) or Optional Benefits 3.2 (Dairy milk contamination liability) or 3.10 (Wine, honey or olive oil processing liability).

5.23 We do not cover your legal liability for products except under specific benefits

You are not insured for your legal liability or *legal defence costs* caused by, in connection with, or arising out of, *products*, unless covered under one of the following benefits:

- Automatic Benefits:
 - 2.1 (liability for property in your care)
 - 2.2 (products liability)
 - 2.5 (moral obligation)
 - 2.11 (tenant’s liability)
- Optional Benefits:
 - 3.1 (statutory liability)
 - 3.2 (dairy milk contamination liability)
 - 3.3 (service and repair liability)
 - 3.4 (spraying drift liability)
 - 3.5 (harvester liability)
 - 3.6 (limited carrier’s risk liability)
 - 3.7 (coolstore liability - kiwifruit)
 - 3.8 (employer’s liability)
 - 3.11 (defective design liability).

5.24 We do not cover property you own or in your care, custody or control

You are not insured for your legal liability or *legal defence costs* for *loss* to property:

- you own, lease or rent, or
- in your care, custody or control.

This exclusion will not apply if you are covered under one of the following benefits:

- Automatic Benefits:
 - 2.1 (liability for property in your care)
 - 2.2 (products liability)
 - 2.11 (tenant’s liability)
 - 2.12 (liability for parked vehicles)
 - 2.15 (liability for railway sidings)
- Optional Benefits:
 - 3.3 (service and repair)
 - 3.4 (spraying drift liability)
 - 3.5 (harvester liability)
 - 3.6 (limited carrier’s risk liability)
 - 3.7 (coolstore liability - kiwifruit)
 - 3.10 (wine, honey or olive oil processing liability)

5.25 We do not cover economic loss

You are not insured for your legal liability or *legal defence costs* for economic or pecuniary loss where there is no *loss* to tangible property.

5.26 We do not cover your legal liability for spraying

You are not insured for your legal liability or *legal defence costs* arising from spraying herbicides, fungicides or pesticides unless:

- covered by the optional benefit 3.4 (spraying drift liability)
- carried out as part of your *farming operations* provided that the work carried out is compliant with the Health and Safety at Work (Hazardous Substances) Regulations 2017.

You are not insured for your legal liability or *legal defence costs* arising from the distribution of 1080, 1081, herbicides, fungicides, pesticides or similar poisons or substances by aircraft.

5.27 We do not cover wrongful imprisonment or prosecution of employees and family members

You are not insured for your legal liability or *legal defence costs* arising out of the wrongful arrest, imprisonment, detention or prosecution of any *employee* or member of your family.

5.28 We do not cover underground services

You are not insured for your legal liability or *legal defence costs* for *loss to underground services* unless covered under automatic benefit 2.6 (underground services).

5.29 We do not cover vibration and removal of support

You are not insured for your legal liability or *legal defence costs* as a result of removing, weakening or interfering with the support of, or causing vibration to, land or buildings unless covered under automatic benefit 2.7 (liability for vibration and removal of support).

6. General exclusions for your liability

6.1 You may have to pay an excess

If we accept a claim under one or more of your FMG policies, you are not insured for the amount of any excess on the certificate.

6.2 You are not covered for confiscation, nuclear materials, terrorism or war

You are not insured under this policy for *loss, personal injury, bodily injury* or *penalties* in any way connected with:

- *confiscation*
- *nuclear materials*
- *terrorism*
- *war.*

6.3 You are not covered for the loss of electronic data

You are not insured for *loss, personal injury, bodily injury* or *penalties* in any way connected with the *loss of electronic data* unless this is a direct consequence of a loss insured under this policy.

6.4 You are not covered for asbestos

You are not insured for any actual or alleged liability in respect of *loss, personal injury, bodily injury* or *penalties* directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos.

Making a claim

The conditions in this section are important. You must meet all conditions before we will accept a claim under your policy with us.

7. What you must do

7.1 As soon as you know you are likely to make a claim

You must let us know immediately if anything happens that is likely to lead to a claim.

You must take reasonable steps to minimise the claim and avoid any further claim.

You must make a complaint to the police if you suspect criminal activity.

7.2 When communicating with us

You must complete our claim form in full if we ask you to do so, and return it to us within 30 days of our request.

You must provide all reasonable information and assistance we require at any time.

You must immediately send us all relevant correspondence and court documentation.

You must authorise us to:

- get personal information about you from you and third parties in connection with your insurance
- disclose personal information about you to third parties in connection with your insurance.

For more information about how we collect, use and store your personal information, see the full Privacy Statement on our website (www.fmg.co.nz).

7.3 When you have other insurance

You must immediately notify us of any other insurance that covers you for any of the risks covered under this policy.

8. What you must not do

8.1 You must not accept liability or settle things yourself

You must not admit you are liable to any party.

You must not say or do anything that prejudices our ability to:

- defend any action against you, or
- take recovery action in your name.

You must not start any remedial action or dispose of any property you intend to claim on without our prior approval.

8.2 You must not make untrue statements.

You, and anyone else entitled to claim under this policy, must ensure all statements made to us are true and complete.

If your claim is dishonest or fraudulent in any way, we are entitled to:

- decline your claim in whole or in part

- bring this policy to an end from the date of the dishonest or fraudulent act
- bring all other insurance you have with us to an end from the date of the dishonest or fraudulent act.

We may also notify the police, the Serious Fraud Office, or both.

9. How we will manage the claim

9.1 If two or more excesses apply, you need to pay the higher excess

If an *event* is covered under more than one of your FMG policies, you will have to pay only one excess. This will be the highest excess we can apply under those policies.

9.2 We will only pay the difference between another insurance and this one

We will only pay over and above the limit payable under that other insurance.

9.3 We have the right to act in your name in litigation

If you make a claim under this policy, we have the sole right to act in your name and on your behalf in connection with that claim. We can defend, negotiate or settle the claim as we decide, at our expense.

We are entitled to appoint our own lawyers who report to us, and you waive your right to confidentiality and legal professional privilege.

We may elect to pay:

- the maximum amount payable under this policy, or
- any lesser sum for which the action against you can be settled.

Once we have done so, we have no further liability to you under this policy.

9.4 We may recover costs from those responsible for the loss

If we accept any part of your claim, we may exercise any legal rights you have to recover amounts from the persons responsible for the *loss*. Any recovery will be at our cost.

If we do this, you must co-operate and give us any help we ask for. If you refuse, you may have to repay the money we paid you.

If we succeed in recovering any money from the persons responsible, we will refund your excess. We will pay to you any remaining money recovered after deducting:

- our recovery costs, and
- the money we have paid you.

If you recover any lost or stolen property claimed under this policy:

- you must hand this over to us, and
- we are entitled to keep the property and any proceeds from its sale.

If you receive any reparations for any property on which you have made a claim under this policy, you must immediately reimburse us from these reparations up to the amount of any claim payments we have made to you.

9.5 We can choose whether or not to salvage

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.

You cannot abandon any property to us.

General conditions of this policy

The following conditions apply to the whole policy, and cover what you agree to do, how we manage the policy, and how the policy will be interpreted.

10. What you agree to do

These conditions must all be met before we will accept a claim under this policy.

10.1 You must comply with all terms of this policy

You, and anyone else entitled to claim under this policy, must comply with all the terms of the policy before we will meet any claim under it.

You must tell the truth at all times.

10.2 You must tell us immediately if anything changes

After this policy starts, you must notify us immediately of any change in circumstances you are aware of that affects any risks insured under this policy, whether by increasing or altering them.

Once you have done so, we may change the premium and terms of cover, at our discretion.

If you fail to let us know about any change in circumstances, we may (from the date of the failure):

- refuse to meet any claim or part of it
- cancel this policy.

10.3 You must take reasonable care

You must take reasonable care, at your own expense, to avoid and minimise liability to others.

This includes all of the following:

- complying with all relevant laws
- complying with all manufacturer's recommendations
- employing competent *employees*
- maintaining and operating all security protection equipment, and all fire protection and extinguishment equipment, at all relevant times.

We will not pay any claim if you have been reckless or grossly irresponsible.

10.4 You are still covered when legally required to release certain parties from liability

Your cover will not be affected if you are required by legislation or customary contract to release the following from liability insured under this policy:

- Fire and Emergency New Zealand
- any railway company
- any fire protection equipment suppliers approved by the Insurance Council of New Zealand
- any oil company
- any other party to an agreement that you have declared to us and that we have accepted.

10.5 You must pay your premiums on time

Cover under this policy will begin when you have paid, or have agreed to pay, the premium for the period of insurance (including any government charges).

If we have agreed that you can pay your premium in instalments, cover under this policy will begin when you have paid, or have agreed to pay, the first instalment (including any government charges), due under this agreement.

You must pay your premiums by the due date.

If you suffer a total loss:

- we will not settle your claim:
 - until the full annual premium is paid, or
 - if you are paying your premium by instalments, until the balance of the full annual premium is paid, and
- we may deduct any outstanding annual premium from the claim settlement.

10.6 You must seek our written agreement to a transfer of interest

No interest in this policy can be transferred or assigned without our written agreement.

11. How we will manage this policy

11.1 How to make changes to this policy

If we agree, you may change this policy by giving us notice of the changes.

We may change the terms of this policy at any time by giving you notice at the last known address we have for you. The changes we make will take effect 30 days after the day we send or deliver the notice to you.

11.2 How to cancel this policy

You may cancel this policy at any time by giving notice to us.

We may cancel this policy at any time by giving notice to you at the last known address we have for you. Your policy will be cancelled 30 calendar days after the day we send or deliver the notice to you.

- If you cancel this policy we will refund the unexpired portion of your premium from the date of notification
- If we cancel this policy, we will refund the unexpired portion of your premium.

If you have made a claim and we have paid the full amount under:

- the policy, we will cancel the policy
- an item, we will cancel the item
- an optional benefit, we will cancel the optional benefit.

In all three cases, the cancellation will be from the date of *loss*.

11.3 Special conditions when people are insured jointly

If this policy insures more than one person or entity, they are treated as if each had been issued with a separate policy.

The most we will pay in total to all insured persons or entities during the period of insurance is the amount shown in this policy or on the certificate.

11.4 We will add Goods and Services Tax where applicable

Where we are able to recover GST under the Goods and Services Tax Act 1985:

- all amounts insured exclude GST (unless otherwise shown on the certificate), and
- GST will be added, where applicable, to claim payments.

All excesses include GST.

How to interpret this policy

12.1 Words in italics have a specific meaning

Words which appear in italics must be interpreted using their defined meaning stated in the definitions section.

12.2 We use New Zealand currency

All monetary amounts referred to in this policy are expressed and payable in New Zealand dollars.

12.3 The law of New Zealand governs this policy

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

12.4 'Acts' include amendments and regulations

Any *Acts* referred to in this policy include any:

- amendments or statutory regulations made under them, and
- Acts or regulations made in substitution for the original Acts or regulations.

12.5 Headings are for ease of reading

The headings in this document are merely there to make it easier to read. They do not form part of the policy and are not to be used in interpreting it.

Definitions

The following definitions apply to your policy.

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 that is sudden, unintended and unforeseen by you.

Act means any Act of the New Zealand Parliament in force at the start of the period of insurance.

Bodily injury means *injury*, sickness, disability, disease, diagnosed mental injury, or death resulting from any of these.

Business means your occupation, work, or trade as shown on the certificate.

Claim means any of the following:

- legal proceedings served on you
- an allegation that you are legally liable
- a circumstance you are aware of that is likely to give rise to either of these

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

Coolstore means the coolstore, including the packhouse attached to and associated with that coolstore, at the location shown on the certificate.

Employee means:

- any employee directly employed by you for domestic duties, or
- any employee directly employed by you in, or any principal or director (but only in their capacity as such) of your:
 - farming operations
 - your normal regular horticultural activities associated with the growing of your plants
 - homestay activities, or
 - *business*.

Homestay activities means your accommodation of temporary visitors to the house you live in who pay you for hospitality, meals, accommodation, or any combination of these for a short term (paying guests) provided that:

- your maximum paying guest capacity is no more than six people,
- your annual turnover from paying guests is not greater than \$30,000, and
- for taxation purposes, you claim no more than 50% of the house you live in for your accommodation of paying guests.

Event means either:

- a single *loss* or *personal injury*, or both
- a series of *losses* or *personal injuries*, or both, that have the same cause.

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

Farming operations means your normal regular farming activities including:

- exhibitions and competitions at shows
- using your property for horse or hunt club activities, except horse racing organised by a racing or trotting (or similar) organisation
- distributing farm material from aircraft, except for 1080, 1081, herbicides, fungicides, pesticides or similar poisons or substances
- artificial insemination technician activities
- occasional agricultural or horticultural contracting, excluding the use of explosives, herbicides, fungicides and/or pesticides.
- your normal regular horticultural activities associated with the growing of your plants.

Genetically modified organism means an organism, micro-organism, cell, or biological or molecular unit with self-replication potential, subjected to a genetic engineering process that results in its genetic change.

This includes:

- any organism, cell or cell organelle derived from such organism, micro-organism or cell
- every molecular unit with self-replication potential derived from such biological or molecular unit with self-replication potential

If a claim is made in a jurisdiction with a wider definition of a genetically modified organism under the applicable laws and/or official regulations relating to genetic engineering then that wider definition will apply.

Honey or olive oil production process means the process of producing, extracting, refining, treating or otherwise working on *honey products* or *olive oil products*. This includes heating, blending, tanking, testing, adding additives to, or otherwise processing, bottling, labelling, or otherwise packaging these products.

Honey products means raw or processed honey, originally produced by bees and extracted from beehives, or products derived from such honey.

Injury means external or internal *bodily injury* caused solely and directly by violent, *accidental*, external and visible means.

Internet operations means:

- email systems used by you (or your *employees*)
- you (or your *employees*) accessing the worldwide web or public Internet sites through your network
- access to your intranet (an internal company information and computing resource available through your network)
- the operation and maintenance of your website.

Legal defence costs means the reasonable and necessary legal fees, costs, charges, expenses, and disbursements you incur in investigating, defending, settling or appealing against, any action against you asserting legal liability covered by this policy. This includes fees for experts retained through defence counsel, and the costs and expenses of being represented at any conference, hearing, inquiry, investigation, proceeding, appeal or review.

Loss means physical:

- loss
- damage, or
- destruction.

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

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 motor vehicle accessories attached to the machine.

Nuclear materials means:

- ionising radiation or contamination by radioactivity from:
 - any nuclear fuel
 - any nuclear waste
 - the combustion or fission of nuclear fuel, or
- nuclear weapons material.

Olive oil products means oil, or related materials, derived from raw or processed olives.

Penalties means:

- any fines or infringements you must pay upon your conviction of an offence under any *Act* or regulations under that *Act*
- any sentence of reparation you must pay upon your conviction of an offence under the Health and Safety at Work Act 2015. This does not include any sentence of reparation under any other *Act*
- any reparation paid prior to conviction of an offence under the Health and Safety at Work Act 2015 that, in our opinion, may reduce the overall reparations or fines at sentencing.

Personal injury means:

- *bodily injury*
- false arrest or imprisonment, wrongful eviction or detention, malicious prosecution or humiliation
- defamation or publication that violates an individual's right to privacy, except:
 - defamation where you know the statement to be false, and
 - defamation or publication that involves advertising, broadcasting or telecasting activities conducted by you, or on your behalf
- assault or battery, provided it is not committed by you (or at your direction) unless this was for the purpose of preventing or eliminating danger to persons or property.

Premises means the land, and the structures on it that are used in connection with your business.

Production process means any process of producing, making, treating, feeding, maintaining or servicing goods. This includes the process of grading or packing, the *winemaking process* or the *honey or olive oil production process*.

Products means any property:

- you sell, supply, distribute, manufacture, construct, erect, export or install, including any item (other than a *motor vehicle*) that is used to contain that property.
- you (or your agent or *employee*) work on, or with, in any way.

If the property has separate parts this definition excludes any parts that you (or your agent or *employee*) have not worked on.

Retroactive date means the retroactive date shown on the certificate.

Storm means violent winds sometimes combined with thunder, heavy falls of rain, hail or snow. Bad weather, or heavy or persistent rain, does not by itself constitute a storm.

Terrorism means a particular type of use, threatened use, or preparation for the use, of:

- force or violence towards any person or group(s) of people,
- property damage,
- conduct that creates a risk to health and safety, or
- interference or disruption with an electronic system.

What makes it terrorism is that these are actions by a person, group or groups (whether acting alone, or on behalf of, or in connection with, any organisation or government):

- designed to influence, coerce or retaliate against, a government or group of people, or
- to bring about change that aligns with the person or group's particular political, religious, ideological, ethnic, economic agenda.

Our definition of 'caused by terrorism' extends to conduct connected with controlling, preventing, suppressing, retaliating against, or responding to such actions.

Underground services mean underground pipes, cables, plant or systems used for telecommunications, electricity, gas, liquid petroleum, oil, water, steam, or sewer or storm water.

War means conflict, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil war, 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.

Wine products means raw or processed grapes used in the *winemaking process*.

Winemaking process means the process of making wine or grape juice from *wine products*. This includes crushing, blending, adding additives to, ageing, fermenting, barrelling, tanking, testing, bottling and labelling *wine products*.

Notes

Tell us what you think about us and our service

Your feedback helps 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 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 would like to know about it so we can congratulate our team—so please let us know.

How you can contact us



Call us on 0800 366 466



Contact your local FMG manager



FMG Connect - our online service www.fmg.co.nz/connect



Visit our website www.fmg.co.nz



Email us at contact@fmg.co.nz



Write to us PO Box 1943, Palmerston North 4440, New Zealand



Fax us on 0800 366 455



We're easy to contact



Call us on
0800 366 466



FMG Connect - our online service
www.fmg.co.nz/connect



Visit our website
www.fmg.co.nz



Email us at
contact@fmg.co.nz