



QBE INSURANCE (INTERNATIONAL) LIMITED
ACN 000 000 948

**CONSUMER PROTECTION
CONSUMER CREDIT INSURANCE**

ARRANGED BY:

Steele & Mahony Limited
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AUCKLAND

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UNDERWRITTEN BY:

QBE INSURANCE (INTERNATIONAL) LIMITED

DEFINITIONS

1. The term Conditional Purchase Agreement shall mean any finance, money lending or hire purchase agreement entered into by the Conditional Purchaser with the Insured
2. The term Conditional Purchaser wherever appearing in this Policy shall mean:
 - (a) The person entering into a Conditional Purchase Agreement, or should they not be currently employed their spouse if in full time employment, or
 - (b) A person nominated (with the approval of the Company) by the Conditional Purchaser in substitution of themselves at the time of entering into the Conditional Purchase Agreement, or
 - (c) Where a Conditional Purchase Agreement is entered into with the Insured by two or more persons jointly, then the first named shall be deemed to be the Conditional Purchaser.
3. The term Redundancy wherever used in this Policy means loss of employment other than by dismissal or resignation attributable to the position or employment becoming superfluous to the needs of the employer by reason of mechanisation, rationalisation, decrease of business activity, including the closing down of an enterprise, changes in plant methods materials or products, reorganisation, or other like cause requiring a permanent reduction in the number of employees employed on a permanent full time employment basis.

Redundancy following completion of a disablement period will be considered as a valid claim against this insurance and providing that notice of Redundancy was given not less than 30 days prior to the Conditional Purchaser being able to return to work no further waiting period will be applied
4. The term Suspension from employment means the suspension from full time employment as a direct result of a strike at premises other than the Conditional Purchaser's place of employment
5. The term Permanent Employment means, continuous full-time employment other than in work which is temporary, casual, seasonal or part of a pre-determined contract or any work schemes, and which has been of continuous duration for twelve (12) months immediately prior to the Redundancy. Only for the purpose of determining the twelve (12) month period a full-time tertiary education course shall be deemed to be Permanent Employment
6. The term Bankruptcy means being officially adjudged Bankrupt on a creditors petition pursuant to part III of the Insolvency Act 1967

7. The term Balance Outstanding means, the amount owing to the Insured by the Conditional Purchaser at any given date, taking into account the amount of Statutory Rebates as defined less the amount of any instalments in arrears
8. The Statutory Rebate of interest shall be calculated by using the "Rule of 78" that assumes the amount of principal outstanding each month is reduced by equal amounts over the term of the Conditional Purchase Agreement
9. The term Medical Practitioner means a legally qualified and registered medical practitioner other than the Conditional Purchaser or the Conditional Purchaser's immediate family, business partner, employee or employer

EXCLUSIONS

No benefit shall be payable occurring under this policy

1. In respect of any Event consequent upon:
 - a) Suicide (whether felonious or not) or attempt thereat
 - b) Earthquake, volcanic eruption, typhoon, hurricane, tornado, cyclone, atmospheric disturbance or other convulsions of nature
 - c) Nuclear weapons material ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission.
 - d) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) riot, strike, civil commotion, mutiny, rebellion, revolution, insurrection, conspiracy or military or usurped power or loot, sack or pillage in connection therewith.
2. In respect of any Event happening to the Conditional Purchaser whilst:
 - a) Engaging in air travel other than as a bona fide fare-paying or ticket holding passenger in an aircraft fully licensed for the carriage of passengers for hire or reward and operated by a regular airline or established charter service
 - b) Insane
 - c) Under the influence of or as a result of alcohol or drug abuse
 - d) Outside New Zealand, Australia or the Pacific Islands south of the equator

- e) Engaged in any criminal act
 - f) Engaging in parachuting, hang-gliding, racing on horseback, motor racing, or underwater activities involving the use of compressed air and/or oxygen breathing apparatus
3. In respect of any Event attributable either wholly or in part to:
- a) Venereal disease
 - b) Any injury, illness, death, loss, expense or other liability attributable to Human Immunodeficiency Virus (HIV) and or HIV related illness including Acquired Immune Deficiency Syndrome (AIDS) and/or mutant derivative or variations thereof however caused
 - c) Pregnancy, childbirth or menopause

In respect of

- 4. Illness, Injury Redundancy, Suspension or Bankruptcy for a period exceeding the term of the Conditional Purchase agreement remaining after the happening of the event
- 5. Any instalments due but unpaid at the time of the event
- 6. Any event which required medical advice or treatment within six (6) months before the commencement of the Insurance Period or the Conditional Purchase agreement inception date (whichever occurred first)
- 7. More than one Result at the same time
- 8. Any Result if the goods forming whole or part of the subject of the Conditional Purchase Agreement are re-possessed by the Insured
- 9. Any Illness if the event becomes manifest within twenty-eight (28) days of the commencement of this insurance
- 10. Any event reported to the Company after the expiry of twelve (12) months from the happening of the event

In respect of Redundancy where the Conditional Purchaser:

- 11. Had not been engaged in permanent employment for at least twelve (12) consecutive months immediately prior to being given notice of Redundancy

12. Had been self employed
13. Had received official written notice of Redundancy from permanent employment before the insurance period commenced
14. Had known or should have known of Redundancy before the insurance period commenced
15. Had been made Redundant from casual or seasonal employment
16. Had been made Redundant because of a strike by their own Union
17. Had accepted voluntary Redundancy

In respect of Suspension where the Conditional Purchaser:

18. Had known or should have known of a pending suspension before the insurance period commenced

In respect of Bankruptcy where the Conditional Purchaser

19. Had not been fully trading in the same style and in the same business for at least three (3) years prior to the commencement of the Conditional Purchase agreement
20. Is not self employed
21. Had known or should have known that a Creditors Petition pursuant to Part III of the Insolvency Act 1967 had been issued or was about to be issued prior to the commencement of the Conditional Purchase agreement

CONDITIONS

1. Written notice shall be given to the Company as soon as possible but in any case within thirty (30) days of the happening of any Event in respect of which a claim is to be made.
2. All certificates and information and evidence required by the Company shall be furnished at the expense of the Conditional Purchaser or any claimant hereunder and shall be in such form and in such nature as the Company shall require.

3. The Conditional Purchaser shall as soon as possible after the happening of Events 2A and 2B in respect of which a claim is made or likely to be made obtain and follow medical advice from a duly registered medical practitioner.
4. The Conditional Purchaser as often as required shall submit to medical examination on behalf of the Company at the Company's expense.
5. The Company shall in the case of death of the Conditional Purchaser be entitled to have a post mortem examination at its own expense.
6. Accidental death shall not in any way be presumed by the disappearance of the Conditional Purchaser except in the event of the total loss of the ship or aircraft on which the Conditional Purchaser was travelling.
7. Subject to proof satisfactory to the Company, benefits will be paid to the Insured unless otherwise agreed.
8. Any term during which the Company may be liable to make payments under this Policy in respect of a Conditional Purchase agreement shall cease immediately a duly qualified and registered medical practitioner declares that the Conditional Purchaser is fit to resume their normal Permanent Employment regardless of whether or not the position formerly held by the Conditional Purchaser is still available.
9. No assignee shall be entitled to any benefit payable under this Policy unless the Company shall have agreed to such assignment.
10. In the event of a claim for REDUNDANCY:
 - a) The Conditional Purchaser shall provide evidence from their previous employer that unemployment was solely as a result of officially notified Redundancy from Permanent Employment
 - b) The Conditional Purchaser shall take all reasonable measures to obtain alternative employment and register with Work & Income New Zealand or New Zealand Employment Service
 - c) Compensation shall cease on the day further employment is gained
11. In the event of a claim for SUSPENSION:
 - a) The Conditional Purchaser shall provide evidence of suspension from their employer that suspension was solely as a result of a strike at premises other than their own place of employment.
 - b) Compensation shall cease on the day the suspension by the Conditional Purchaser's employer has been lifted

12. In the event of a claim for BANKRUPTCY:

- a) The Conditional Purchaser must provide written evidence from a Chartered Accountant that they have been fully trading in the same style and in the same business for at least 3 years prior to the completion of the Conditional Purchase agreement
- b) The Conditional Purchaser must provide the official notice of Bankruptcy
- c) The Conditional Purchaser must provide if requested any other reasonable documentary evidence that the Company may require including audited company accounts

13. In respect of Death the maximum liability of the Company is limited to the amount specified in the Schedule

14. Every notice and other communication to the Company required by all the conditions of this Policy must be in writing

15. This Policy may be cancelled by the Insured at any time by notice in writing delivered to the Company. The Company may at any time, by giving written notice to the Insured, cancel this Policy. Notice of cancellation may be delivered personally or posted to the Insured at the address last known to the Company and cancellation of the Policy shall be effective as from 4:00pm on the seventh (7th) day after posting or personal delivery by the Company but the liability of the Company in respect of the Conditional Purchase Agreements contracted up until the effective date of cancellation of this Policy shall continue

16. The Company may at any time, by giving written notice of cancellation to the Conditional Purchaser at the address last known to the Company, cancel an individual Insurance Contract, and cancellation of the individual Insurance Contract shall be effective from 4:00pm on the seventh (7th) day after posting by the Company

17. The due observance and fulfillment of the terms provisions conditions and endorsements of this Policy by the insured or any claimant under this Policy insofar as they relate to anything to be done or complied with by the Insured or any claimant under this Policy and the truth of the statements and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy

18. If any claim under this Policy is in any respect fraudulent or if any false declaration or statement shall be made in support thereof by the Insured or the Conditional Purchaser or anyone acting on their behalf to obtain benefit under this Policy all benefits hereunder shall be forfeit.

19. The Insured shall declare details of all Conditional Purchase Agreements to be insured by this Policy no later than the 30th day of the month following the commencement of the agreement during the currency of the Policy and a premium at the agreed rate shall be calculated and paid on the basis of such declarations