

Everyday Plus

Landlord Insurance

Policy Document



**Warehouse
Money**

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Important information at a glance

This page is a useful guide for you. It is intended to provide general information only. For full details, limits and exclusions, please read this policy in full.

Features and benefits

- Cover for major events such as fire, as well as accidental damage
- Replacement cover for your home and market value for your contents which are for your tenant's use
- Methamphetamine contamination cover up to \$30,000
- Replacement of locks to protect your property if your tenant leaves and doesn't return the keys
- Gradual damage as a result of a leaking or overflowing internal water system provided it isn't visible or obvious
- Malicious damage caused by your tenants (optional benefit)
- SumExtra (optional benefit) - extra cover for your home if the sum insured isn't enough to replace it in the event of a loss. There are steps you'll need to take to qualify for the SumExtra benefit - all the details can be found in the policy wording

Ways to save

- Increase your excess
- Pay annually

Claims

- Photograph any damage
- Take reasonable steps to prevent further loss
- Contact us as soon as possible

What this policy does...

- Cover you for accidental loss/damage, theft, fire
- Liability cover for accidental damage to property or bodily injury to someone else

...and does not do

- Cover for wear and tear or electrical breakdown

Handy tips

- Review your sum insured annually
- Select your tenants wisely
- Take time to inspect your property at least every 6 months. Ensure you take photos and notes of the inspection
- Make sure the rental agreement is kept up to date and don't forget to update us if circumstances change



Contact View your policy documentation for contact information.

1.

INTRODUCTION

Welcome to Everyday Plus Landlord Insurance

Why is this document important?

This policy document is an important legal document that contains details of *your* Everyday Plus Landlord Insurance *you* have purchased from *us*. *Your policy* comprises:

- › this policy document;
- › *your policy schedule* which shows the details particular to *you*;
- › the information *you* provided to *us* in *your* application or declaration;
- › any information *you* provide to *us* regarding any change in circumstances;

whether *you* have received or provided this information verbally, or have completed, accessed or received versions of these documents electronically or in printed form.

Communicating with you

You agree we may send *your* policy documents and *policy* related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and *policy* communications will be provided to *you* in this way until *you* tell *us* otherwise or we tell *you* it is no longer suitable. In order to communicate

with *you* electronically, *you* will need to provide *us* with *your* current email address and *your* New Zealand mobile phone number.

Each electronic communication will be deemed to be received by *you* at the time it leaves *our* information system.

Cooling off period

After this insurance begins or *you* renew *your* *policy* for another *period of insurance*, *you* have 21 days to consider the information in *your* policy document. This is called the 'cooling off period'. If *you* wish, and provided *you* have not made a claim, *you* can exercise *your* cooling off rights by cancelling this *policy* within 21 days from the day cover began or was renewed. When *you* exercise *your* cooling off rights, we will refund in full the money *you* have paid for that *period of insurance* but *you* will have no cover from when *your* *policy* would have otherwise begun or from *your* renewal date.

Your duty of disclosure

Before *you* enter into a *policy* with *us*, and at each renewal of the *policy*, *you* have a duty to disclose to *us* everything *you* know, or could

reasonably be expected to know, which is or may be relevant or material to *our* decision to insure anyone under the *policy*, including *you*, and on what terms.

It includes matters *we* specifically ask about when *you* apply for a *policy*, or renew or alter *your policy*, but *you* are also obliged to disclose matters that *we* do not specifically ask *you* about if they may be relevant or material.

If *you* are unsure whether something is relevant, material or should be disclosed, it is better to tell *us*. If *you* do not tell *us* something relevant or material which *you* know or should know, *we* might reduce a claim, refuse to pay a claim, cancel *your policy*, or treat the *policy* as if it never existed.

More than one named insured

If there is more than one named insured on *your policy schedule*, or where one of the named insureds is a trust, *we* will treat a statement, act, omission, claim, request or direction (including to alter or cancel *your policy* or to accept a settlement of a claim) made by one insured, including trustees, as a statement, act, omission, claim, request or direction by all those named as insured on *your policy schedule*.

Where other insurance applies to your claim

This *policy* does not cover *loss or damage* or liability where cover is provided by other insurance. *We* will not contribute towards any claim made under any other policy.

The law that governs this policy

This *policy* is governed by New Zealand law, and the New Zealand courts have exclusive jurisdiction over any legal proceedings about it.

Other parties with an interest in your home or your contents

Where *we* are satisfied that there is a mortgage or secured financial interest over the *home* or the *contents*, *we* may make a claim payment under this *policy* to that interested party. This will meet *our* obligations under this *policy*.

Any party who is recorded under this *policy* as having an interest in the *home* or *contents* is not covered by this *policy* and has no right to make a claim. *We* will not advise any interested party of any changes to the *policy*, the property insured, or the extent or amount of cover.

No assignment

You are not permitted to assign or to attempt to assign this *policy* or *your* interest in this *policy* to any other party. *You* must obtain *our* prior written consent before *you* assign or attempt to assign *your* rights to any claim proceeds to any other party.

Sale and purchase

Where *you* have entered into a contract to sell *your home*, the purchaser of *your home* is covered under this *policy* until the time of settlement of the contract or when they take possession of the *home*, whichever occurs earlier. This cover is provided by virtue of the Insurance Law Reform Act 1985. All requirements and limitations in this *policy* apply to *you* and the purchaser as if *you* are insured jointly. Nothing in this section has the effect of extending a *policy* which has been cancelled or has not been renewed prior to the settlement of the contract or when the purchaser takes possession of the *home*.

Some words in your policy have special meanings

Some words when used in this policy document have special meanings. Words with special meanings are defined in the 'Words with special meanings' section at the end of this policy document. Words with special meanings will appear in *italics* throughout this *policy*.

Headings used in your policy

Where headings are used in this policy document the headings or references are purely descriptive in nature and are not to be used for interpretative purposes.

ABOUT YOUR SUM INSURED

What is a sum insured?

The sum insured is the most *you* can claim under this *policy* (either *home* or *contents*), unless stated otherwise in this policy document. The sum insured amount is shown on the *policy schedule* for the particular covers that *you* have purchased, and includes GST. *Your policy* also contains some benefits which are paid in addition to the sum insured under each or both of the *home* and *contents* sections of the *policy*. Where this applies, these benefit limits are specified in this policy document.

Make sure your sum insured is adequate

Underinsurance can expose *you* to serious financial loss if a claim occurs. It is *your* responsibility to make sure *your home* and *your contents* are adequately insured.

Review your sum insured regularly

You need to ensure *your* sums insured are accurate. To ensure *your* sums insured are adequate it is important to review them regularly, being mindful of any recent additions

to *your home* and *contents* and ask us to change the sums insured when required.

If you over-insure

We will not pay more than it costs *us* to rebuild, repair or replace *your home*. For *contents*, we will not pay more than the *indemnity value*. We will not refund any premium paid for over-insuring.

Adjustments on renewal

We may automatically adjust the *home sum insured* on your *policy schedule* at the end of each *period of insurance* to account for various factors that can influence the cost of rebuilding a home. *You* are entirely responsible for ensuring that any adjusted sum insured is sufficient to cover *loss or damage* to *your home*. Where *you* sustained *loss or damage* to *your home* in a previous *period of insurance*, any adjustment to *your* sum insured at renewal does not take account of the reduced amount of cover that applies until *you* repair, rebuild or replace *your home*.

PAYING YOUR PREMIUM

We will tell *you* how much *you* have to pay and how much time *you* have for payment in *our* correspondence with *you*. The total amount payable will be shown in *your policy* documentation or, if *you* pay by instalments, the fortnightly or monthly premium will be shown on *your policy* documentation as the amount due. *You* must pay the premium by the due date to get this insurance cover. *You* can pay in one annual payment or if *we* agree, by fortnightly or monthly instalments. Payment of *your* premium is a condition precedent to cover under this *policy*.

Unless *we* tell *you*, any payment reminder we send *you* does not change the expiry or due date.

If *you* make a change to *your policy* details it may affect the premium *you* need to pay or

have paid for the remainder of *your period of insurance*.

If *you* do not pay the full amount, *we* may reduce the *period of insurance* so it is in line with the amount *you* paid.

Late annual payments

If *you* do not pay *your* premium by the due date in the first year of insurance with *us*, *we* will give *you* a written notice of *policy* cancellation.

If *you* do not pay the premium due on renewal by the due date, *you* will have no cover from the due date.

If *we* accept *your* late payment, *we* might recommence *your* cover from the date *we* receive *your* payment. If so, *you* will have no cover for the period from the date that the payment was due until the date *you* make payment. However, any recommencement of cover will not extend the *policy* expiry date.

Overdue instalments

If *you* pay *your* premium by instalments and *your* instalment is overdue, *we* can do one or both of the following:

- › refuse to pay a claim or provide any other benefit under this *policy* if an instalment is **14** days (or more) overdue;
- › cancel *your policy* without notifying *you* in advance if an instalment is **1** month (or more) overdue.

YOUR RESPONSIBILITIES

You must:

- › keep *your home* and *contents well maintained and in good condition*;
- › maintain locks or alarms in good working condition;
- › take all reasonable care to prevent theft, *loss or damage* or legal liability;
- › follow all the terms and responsibilities set

out in *your policy*;

- › provide honest, accurate and complete information in relation to any claim, statement or document, including proposal, application, or declaration, supplied to *us*;
- › ensure that *your home* complies with local government or other statutory requirements at all times;
- › exercise reasonable care in the selection of each person who is a *tenant*;
- › obtain satisfactory references for each adult *tenant* prior to that *tenant* moving into the *home*; and
 - keep records of the checks undertaken and references obtained and provide these to *us* if *we* ask for them;
 - at 6 monthly intervals, or whenever there is a change of *tenant* complete an internal and external inspection of the property;
- › keep photos and written records of the inspections and provide these to *us* if *we* ask for them;
- › mitigate any claim *you* make for *your* loss of *rent* under this *policy* by taking all reasonable steps to promptly find suitable alternative *tenants* and must provide *us* with records of steps taken if *we* ask for them; and
- › actively monitor *rent* for *your home*; and
 - if the *rent* is **10** days in arrears, provide a written notice requiring the *tenant* to remedy the arrears;
 - If the unpaid *rent* is not received within a further **5** days, personally deliver a second notice to the *tenants* requiring the arrears to be remedied, and ascertain at this time whether the *tenants* are still living at the *home*.

Not meeting your responsibilities

If *you* do not meet *your* responsibilities, it may lead *us* to do one or both of the following:

- › reduce or refuse to pay *your* claim;
- › cancel *your* insurance *policy*.

When your home will be unoccupied for more than 60 days

We will still cover *your home* if it is *unoccupied* provided that *you* ensure that its lawns and gardens are kept in a tidy condition, that all external doors and windows are kept locked, that all papers and mail are collected weekly and that *your home* is under weekly supervision.

We will apply the unoccupied excess to each *event* covered by *your policy* if, at the time of the *loss or damage*, the *home* has been *unoccupied* for more than **60** continuous days.

A period of unoccupancy starts when the *home* becomes *unoccupied* and comes to an end when *you*, or someone nominated by *you*, has *occupied* the *home* for at least 2 consecutive nights. *You* may be asked to prove the occupancy of the *home* in the *event* of a claim. We will decide if the unoccupied excess applies.

If *you* have to pay an unoccupied excess it is payable in addition to any other excess that applies to *your claim*. For more details about the unoccupied excess see 'Your excess'.

WHEN YOU NEED TO CONTACT US

You must contact us when you are aware of the following:

- › any detail on *your policy schedule* is no longer accurate;
- › *you* intend to demolish *your home*, have lodged an application to do this, or a government authority has issued a demolition order;
- › the *insured address* ceases to be *tenanted*;
- › trespassers (squatters) occupy the *insured address*;
- › *you* commence building or renovations at the *insured address*;
- › *you* or any person living at the *insured address* is convicted of a crime;

- › anything else happens that increases the chance that *loss or damage* will occur at the *insured address*;
- › *your contact details* change;
- › *you* no longer have a *tenancy agreement*.

What we will do when you contact us:

When *you* contact *us* and tell *us* about these changes, *we* may decide to impose an additional excess, charge an additional premium, apply a special condition to *your policy*, or a combination of these. In some cases, it could mean *we* can no longer insure *you* and *we* will cancel *your policy*.

2. ABOUT YOUR COVER

WHO WE COVER – YOU/YOUR

You/your refers to the person or persons named as the insured on your *policy schedule*, and their partner. Partner means a marriage partner, or de facto partner as defined in the Property (Relationships) Act 1976 or civil union partner as defined in the Civil Union Act 2004.

If the insured shown on your *policy schedule* is a company, trust, trustee of a trust or body corporate, then you/your refers to:

- › that company, trust, trustee or body corporate; and
- › any company director, company owner, trustee or trust beneficiary.

WHERE WE COVER – THE INSURED ADDRESS

We cover *your home* and/or *contents* at the insured address. The insured address is the address/location within New Zealand that is shown on your *policy schedule* ('insured address'). The insured address does not include *common property* unless the benefit 'Contents on common property' applies.

WHAT WE COVER AS YOUR HOME

Where *you* have purchased cover for *your home* and this is shown on your *policy schedule*, we cover *your home* that *you* own, that is used primarily for domestic purposes within the *residential boundaries* by *you* and *your tenants* or just by *your tenants*. Your home also includes the following items that are owned by *you*, used for domestic purposes and located within the *residential boundaries* at the *insured address* ('home'):

- › each additional self-contained dwelling unit that is capable of being lived in and is intended by *you* to be, or actually is, the home of one or more persons, if your *policy schedule* specifically indicates that the home includes additional dwelling units;
- › separate outbuildings that are not self-contained and/or not capable of being lived in;
- › fixed floor coverings (glued, tacked or smooth-edged);
- › garages, carports, outdoor walls (but not *retaining walls*), gates, fences (limits apply, see 'The most we will pay for home claims');

- › decks, pergolas, pagodas, verandas and balconies, patios, fixed water tanks, fixed swimming pools and spas and their accessories, sheds, tennis courts;
- › garden borders, pathways and paved or concreted floor areas;
- › driveways (limits apply, see 'The most we will pay for home claims');
- › sealed roads and access ways including private roads, lanes, right-of-ways, access ways or bridges (including associated guttering, drains, piping, cables and lighting) providing access to a driveway owned by *you* or shared by *you* with other property owners, and for which *you* are responsible (limits apply, see 'The most we will pay for home claims');
- › drains, pipes and cables;
- › services, both above and below ground that are *your* property and *you* are responsible for;
- › any permanently housed, connected or wired electrical appliances;
- › any permanently fixed outdoor items, including solar panels, satellite dishes, play equipment, clothes lines, animal housing, letter boxes, exterior blinds and awnings, built in barbeques and outdoor lights;
- › sculptures and artwork that are permanently affixed to the home and/or land;
- › gas appliances permanently plumbed to a gas supply;
- › any permanently attached *fixtures and fittings* including wall, ceiling and floor coverings;
- › water tanks, sewer storage tanks or treatment tanks permanently plumbed to *your* home;
- › *your* share in any walls (except *retaining walls*), fences, gates, pipes, cables or driveways where those things are jointly owned by *you* and other property owners;
- › any uninstalled building *fixtures and fittings* and materials (limits apply, see 'The most we will pay for home claims') but only when kept in a locked and secured building at the *insured address*.

WHAT WE DO NOT COVER AS YOUR HOME

Home does not include:

- › anything defined as *contents*;
- › any new building in the course of construction;
- › any part of the building used for farming of any description such as, but not limited to, a barn, dairy, shearing shed, silo or stable;
- › any temporary or mobile structures, including caravans, houseboats, watercraft or motorised vehicles or craft of any type;
- › inflatable or portable swimming pools and spas and their accessories;
- › any loosely laid carpets, rugs, blinds, drapes or curtains;
- › loose or compacted soil, lawn, artificial grass, gravel, pebbles, rocks or granular rubber;
- › used or applied chemicals, fertilisers or pesticides;
- › plants, trees and shrubs or hedges in the ground (unless covered under the benefit 'Damage to gardens and plants');
- › *retaining walls* (except the cover specifically provided under the benefit 'Retaining walls');
- › a hotel, motel, boarding or guest house;
- › wharves, piers, jetties, pontoons, any fixed or temporary dead weight moorings, mushroom moorings or screw in moorings, mooring poles and their attachments and accessories;
- › culverts, ponds, dams, slipways;
- › sea walls, *flood walls* and levees;
- › land, earth or fill.

THE MOST WE WILL PAY FOR HOME CLAIMS

If we accept *your* claim, the most we will pay for *loss or damage* to the *home* for any one event is the *home sum insured* shown on *your policy schedule*, unless a different limit elsewhere in *your policy* or the 'SumExtra' optional benefit applies.

Some items also have fixed limits that cannot be increased and these limits are the most we will pay for those items as shown in the table below.

Fixed limits apply to	Limits for any one event
Uninstalled building <i>fixtures and fittings</i> , and materials but only when kept in a locked and secured building at the <i>insured address</i>	Up to \$1,000 in total
Fencing*	Up to 2 kilometres
Driveways*	Up to 100 metres
Sealed roads and access ways	Up to \$25,000 in total

* Despite the distance limit shown, *our* payment for these items is still subject to, and does not increase, the *home sum insured* shown on *your policy schedule*.

WHAT WE COVER AS YOUR CONTENTS

Where *you* have purchased cover for *your* contents, and this is shown on *your policy schedule*, we cover *your* household items that *you* own or are responsible for and that are at the *insured address* for *your tenant's* domestic use. We will call these items *your* contents. Contents are items which are not permanently attached to *your home* or *insured address* such as, but not limited to, furniture, furnishings, unfixed electrical goods, internal blinds, drapes and curtains, loosely laid carpets, plants in pots, paintings and works of art.

The only swimming pools, saunas and spas that we deem to be contents are those that are designed to be easily relocatable.

WHAT WE DO NOT COVER AS YOUR CONTENTS

Contents do not include:

- › anything defined as *home*;
- › personal effects and valuables designed to be worn or carried by a person such as:
 - footwear, baggage, handbags, wallets, furs;
 - jewellery, watches, clothing;
- › cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps;
- › medals;
- › *memorabilia*;
- › *collections* or *sets*;
- › items made of, or plated with, gold or silver;
- › precious stones;
- › musical instruments;
- › sporting or recreational equipment (including bicycles and firearms);
- › portable battery operated appliances such as: tablets, cameras, mobile phones, iPods, MP3 players;
- › recorded, saved or stored audio, video, data or media;
- › computers and their printers or software;
- › electrical or electronic items that are no longer able to be used for the purpose they were intended;
- › any pets or animals;
- › items that are or were stock or samples related to any *business activities*;
- › loose or compacted soil, lawn, artificial grass, gravel, pebbles, rocks, granular rubber or water;
- › plants, trees, shrubs or hedges in the ground;
- › used or applied chemicals, fertilisers and pesticides;
- › *fixtures and fittings*, sculptures or artwork permanently affixed to the *home* or land;

- › contents used for *business activities* except when used for clerical purposes only
- › laptops, phones and similar handheld devices;
- › contents at the *insured address* which belong to *you* and are not for the *tenant's* domestic use;
- › contents normally housed in an address not named on the *policy schedule*;
- › any vehicle, any aircraft, any watercraft and *drones*, and their accessories and spare parts;
- › vehicle accessories in or on a vehicle;
- › vehicle keys or vehicle remote controls;
- › entertainment and communication systems that are in or on a vehicle, including any parts that attach to these systems;
- › navigation systems or radar detectors in or on a vehicle, including any parts that attach to them;
- › items that *you* do not own, or for which *you* are not responsible, including any items owned by *your tenant*.

THE MOST WE WILL PAY FOR CONTENTS CLAIMS

The most we will pay for contents claims

If we accept *your* claim the most we will pay for *loss or damage* to all *contents* arising from any one *event* is the lesser of the *indemnity value* of *your contents* or the *contents sum insured*.

There are also limits that apply to individual *content* items or types of items. These limits are set out in the tables headed 'Contents with fixed limits'.

Contents with fixed limits

The following table lists *contents* that have fixed limits that cannot be changed and these limits are the most we will pay for those *contents* items.

Item	Limits for any one event
Paintings, pictures, works of art, antiques, sculptures, ornaments and art objects	\$2,000 per item or set up to a total of \$10,000

GST

Limits, excesses and the most we pay amounts stated in this policy document and on *your policy schedule* include GST.

WHAT YOU ARE COVERED FOR – LOSS OR DAMAGE

You can choose to insure *your home* and *contents*, or just *home* or just *contents*. *Your policy schedule* will show what covers *you* have.

Home cover

When *you* have *home cover*, *your home* is covered for *loss or damage* at the *insured address* during the *period of insurance*, subject to the conditions, limits and exclusions in this *policy*.

There are some things we do not cover and these are shown under the heading 'General exclusions'.

Contents cover

When *you* have *contents cover*, *your contents* are covered for *loss or damage* at the *insured address* during the *period of insurance*, subject to the conditions, limits and exclusions in this *policy*.

There are some things we do not cover and these are shown under the heading 'General exclusions'.

BENEFITS

We also provide the following benefits. Some benefits will only be available where we accept your claim for *loss or damage*, and others can be available independently of a claim for *loss or damage to your home or contents*. For benefits that are only available where there is *loss or damage to your home or contents*, we may decide to make a payment for a benefit before we accept or agree to pay your claim. This does not mean that your claim has been accepted, or that we have agreed to pay your claim. If we do not accept your claim, you

must re-pay these amounts to us. All of the conditions of this *policy* apply to the benefits, unless the cover says otherwise.

BENEFITS THAT APPLY ONLY TO YOUR HOME COVER

Where you have *home cover*, the following benefits and their limits are included in the *home sum insured*, except where we specifically state otherwise. There are some things we do not cover under these benefits and these are shown in the 'We do not cover' section of the tables which follow each benefit and under the heading 'General exclusions'.

Other repair/rebuilding costs

We cover

When we are paying to rebuild or repair *damaged* parts of your home, we will pay the reasonable and necessary costs:

- ▶ of any temporary work (excluding any work related to land) required to make the *damaged or destroyed home safe*;
- ▶ for the services of professionals, such as architects or surveyors, which are needed to repair or rebuild at the *insured address*, and which are agreed with us before they are incurred;
- ▶ of the additional work required to the *damaged* parts of your home to make those *damaged* parts comply with current building regulations and laws.

This benefit will be paid within the *home sum insured* for any one event.

We do not cover

The cost of:

- ▶ removing tree stumps and roots still in the ground;
- ▶ removing or lopping fallen trees or fallen branches that have not damaged your home;
- ▶ additional work to undamaged parts of your home to make those undamaged parts comply with current building regulations and laws, even if the *damaged* parts of your home cannot lawfully be repaired without the additional work to the undamaged parts being undertaken;
- ▶ additional work to any *damaged* parts of your home to make those *damaged* parts comply with current building regulations and laws if the *damaged* parts could lawfully be repaired without the additional work being undertaken;
- ▶ making your home comply with building regulations and laws that existed but were not complied with when your home was originally built or altered.

Removal of debris - Home

We cover

When we are paying to rebuild or repair *damaged* parts of *your home*, we will pay the reasonable and necessary costs of:

- › demolishing and removing the *damaged* parts of *your home* from the *insured address*;
- › removing debris when required in order to repair *your home*.

This benefit will be paid within the *home sum insured* for any one event.

We do not cover

The cost of:

- › removing tree stumps and roots still in the ground;
- › removing any debris, including fallen trees or fallen branches that have not damaged *your home*.

Damage to gardens and plants

We cover

We will pay the cost of replacing trees, shrubs, plants, hedges or garden beds at the *insured address* with ones that are reasonably similar to the ones *lost or damaged* if:

- › the trees, shrubs, plants, hedges or garden beds at the *insured address* are *damaged*
- › we have accepted a claim for *loss or damage to your home* resulting from the same event.

The most we will pay for any one event is **\$1,000**. This benefit is paid in addition to the *home sum insured*.

We do not cover

Loss or damage to lawns, grass or pot plants.

Temporary accommodation for shared homes

We cover

Where you live in your home with a tenant and your home suffers loss or damage which makes it *unliveable*, we will pay for your reasonable temporary accommodation costs while it is *unliveable* and for the time it will take to repair or rebuild your home to a condition where it is no longer *unliveable*. We will also pay for temporary accommodation for your domestic pets in a commercial boarding establishment for the same period that we pay for your temporary accommodation.

The most we will pay is up to 12 months in residential accommodation of a similar standard to your home. If necessary, as part of your 12 month allowance, we will pay a maximum of 1 month in short term accommodation agreed to by us (e.g. standard rates for a hotel, motel or serviced apartment).

We will also pay the reasonable and necessary costs for:

- › redirection of mail from the *insured address* for up to 12 months;
- › utility connection costs at the temporary accommodation residence;
- › assistance with bond payment if required, however any amount we pay in bond is recoverable from you by us. We may deduct this amount from any amount payable to you.

The most we will pay under this benefit is 10% of the *home sum insured* and the longest period you can claim for is 12 months for any one event. This benefit is paid in addition to the *home sum insured*.

We do not cover

- › Temporary accommodation costs:
 - if damage to the *contents* is the only reason why you cannot live at your home;
 - if you do not intend to repair or rebuild your home;
 - if before the *loss or damage* occurred, you had planned to demolish your home;
 - if you do not need to pay for temporary accommodation;
 - if your home was not your principal place of residence at the time of the *loss or damage*;
 - if you had not intended to be living at your home during the repair or rebuild period (had your home not been damaged);
 - beyond the period it should reasonably take to replace or repair your home so you can live there again;
 - where the *loss or damage* is only to land;
 - where you decide that you do not wish to live in the home and it is not *unliveable*;
 - incurred in respect of your tenant.
- › Any costs related to any *business activity* operated at your home.

Mortgage discharge costs

We cover

When we pay a claim for *your home* to a credit provider which results in *your home* loan being fully repaid, we will pay the reasonably incurred administrative and legal costs of:

- › discharging the mortgage; and
- › deleting the mortgagee from the land title on *your home*.

The most we will pay for any one event is **\$1,000**. This benefit is paid in addition to the *home sum insured*.

We do not cover

Penalty interest rate charges or early loan repayment charges imposed on *you* by the credit provider.

Retaining walls

We cover

Where we pay a claim for *loss or damage* to your home, we will also pay for:

- ▶ *loss or damage* to retaining walls, including your share in retaining walls that are jointly owned by you and other property owners; and
- ▶ the cost of gaining access to the wall, stabilising the soil and providing footings and drainage materials directly necessary for the work to the retaining wall or part of the retaining wall that has suffered *loss or damage*.

The most we will pay for any one event is **\$50,000**, unless:

- ▶ you are able to provide us with a valuation for your home that:
 - was issued by a quantity surveyor, suitably qualified valuer or builder prior to the *loss or damage*; and
 - separately identifies the total amount that would be required to completely rebuild each retaining wall and all other improvements contained within the residential boundaries; and
- ▶ the home sum insured is at least the total amount that would be required to completely rebuild the home and all other improvements, including the retaining wall, as shown in the valuation;

in which case we will pay up to the full value of the retaining wall/s as shown in the valuation.

This benefit will be paid within the home sum insured for any one event.

We do not cover

- ▶ retaining walls that are over 1.5 metres above ground level and which do not have appropriate local authority permit, consent or certificate;
- ▶ incomplete retaining walls;
- ▶ *loss or damage* to retaining walls which is caused by earthworks excavations.

BENEFITS THAT APPLY ONLY TO YOUR CONTENTS COVER

Where you have contents cover, the following benefits and their limits are included in the contents sum insured, except where we specifically state otherwise. There are some things we do not cover under these benefits and these are shown in the 'We do not cover' section of the tables which follow each benefit and under the heading 'General exclusions'.

Removal of debris - Contents

We cover

The reasonable and necessary costs to dispose of *your damaged contents*.

The most we will pay under this benefit is **15%** of the *contents sum insured*. This benefit is paid in addition to the *contents sum insured* for any one event.

We do not cover

Disposal or storage of or removal of anything that is not defined as *contents*.

Storage of undamaged contents

We cover

If *you* make a claim for *loss or damage* to *your contents* (which we refer to in this benefit as the original claim) and we agree that *your undamaged contents* cannot be kept at the *insured address* because it is *unliveable*, we will also pay the reasonable cost to store the undamaged *contents* until the *contents* can be kept at the *insured address*.

The most we will pay for the storage of undamaged *contents* is **10%** of the *contents sum insured*. This part of the benefit is paid in addition to *your contents sum insured* for any one event.

We will also pay for any *loss or damage* to the *contents* that were undamaged in the original claim, provided that the *loss or damage* occurs while they are at the place of storage. We will only pay up to the *contents sum insured* shown on *your policy schedule* (less any amount paid or payable for *loss or damage* to *your contents* as part of the original claim). The cover for damage to *your contents* while at the place of storage will cease when *your policy* is cancelled or lapses, or we cease paying for storage of *your contents* under this benefit, whichever happens first. All the conditions, limits and exclusions of this *policy* apply to this cover.

This part of the benefit is paid within the *contents sum insured*.

We do not cover

- › storage costs once we decide the *contents* could be returned to the *insured address*;
- › storage of *contents* outside New Zealand;
- › if *your* temporary accommodation is the place where *your contents* are stored;
- › if *your contents* can be stored at the location of *your* temporary accommodation;
- › where we have already agreed to cover the relevant *loss or damage* under another benefit.

Contents on common property

We cover

If you insure *your contents* in a *unit* that you own under this *policy*, we will cover *your contents* permanently fixed on or to *common property* of *your* residential complex on the same basis as if they were at the *insured address*.

The most we will pay for any one *event* is **\$1,000**. This benefit is paid within the *contents sum insured*.

We do not cover

Loss or damage:

- › for which *your* body corporate is liable;
- › to any item not owned solely by *you*.

BENEFITS THAT APPLY TO BOTH HOME AND CONTENTS COVERS

The following benefits are available for *loss or damage* to *your home* only where you have *home cover*, and for *loss or damage* to *your contents* only where you have *contents cover*. Where you have both *home* and *contents cover*, you will only receive the following benefits once for any *event*. There are some things that we do not cover under these benefits and these are shown in the 'We do not cover' section of the tables which follow each benefit and under the heading 'General exclusions'.

Methamphetamine contamination

We cover

If you have *home* or *contents* cover we will pay the reasonable costs incurred for the testing, decontamination and repair of the damaged portion of *your home* or *contents* if they suffer *loss or damage* as a result of use, consumption, storage or manufacture of methamphetamine or its precursor chemicals by *your tenants* or persons at the *home* with *your tenants'* permission. This benefit includes the reasonable costs incurred in searching for and identifying contamination, if testing confirms that the *home* or *contents* are contaminated.

Cover under this benefit will only apply where, at the time of the claim being made, the level of chemical contamination exceeds applicable recommendations or guidelines for acceptable indoor surface residues in New Zealand made available by the Ministry of Health, or any New Zealand standard for indoor surface residues. We will only pay for decontamination to the extent required to achieve the acceptable level for indoor surface residues outlined in the applicable recommendations, guidelines or standard.

The most we will pay in total for any one *event* is **\$30,000**. This benefit is paid within the *home sum insured* if you have *home* cover, the *contents sum insured* if you have *contents* cover, or where you have both, it will be paid from the cover where the sum insured is least likely to be exhausted.

We will only provide cover under this benefit for *loss or damage* caused by one *event* while the *home* was let to the same *tenants* or under the same *tenancy agreement*.

We do not cover

- › the cost associated with decontaminating or repairing land even if this is required to facilitate decontamination, repair or rebuilding of the *home* or to comply with government or local authority statutes, bylaws or regulations.

Lock replacement

We cover

If you have *home* or *contents* cover we will cover the necessary costs of replacing or recoding locks to the external doors or windows of *your home* at the *insured address* if *your tenant*:

- ▶ leaves the *insured address* before the end of the rental period stated in *your* written *tenancy agreement* without giving *you* or *your* agent the notice required by the written *tenancy agreement*; or
- ▶ is legally evicted from the *insured address*;

and the *tenant* has not returned the keys to *you*.

The most we will pay for any one event is **\$500**. This benefit is paid within the *home sum insured* if you have *home* cover, the *contents sum insured* if you have *contents* cover, or where you have both, it will be paid from the cover where the sum insured is least likely to be exhausted.

We do not cover

The cost of replacement of the keys.

Gradual damage

We cover

We will pay for gradual physical damage to *your home* and/or to *your contents* resulting from water leaking or overflowing from any internal water system, provided that the damage first occurs during the *period of insurance* and the water leak or overflow causing the damage was not visible, noticeable, or obvious.

The most we will pay for claims under this benefit is **\$2,500** for any one *event*, inclusive of the cost of searching for the source of the leak or overflow, where reasonably incurred, and the cost to repair and restore the damage to *your home* caused by the search. This benefit is paid within the *home sum insured* if you have *home cover*, the *contents sum insured* if you have *contents cover*, or where you have both, it will be paid from the cover where the sum insured is least likely to be exhausted.

Internal water system means any water pipe, waste disposal pipe or water storage tank which is hidden from view within the dwelling structure and is permanently connected and/or contained within its walls, cupboards, floors, ceiling or roof, or connected to any water cylinder, refrigerator, water purifier, washing machine, dishwasher or similar household item.

We do not cover

- › damage that occurs when you could reasonably be expected to be aware of this condition;
- › any other gradually occurring damage.

OPTIONAL BENEFITS

You can ask us to add one or more of the following optional benefits to *your policy* for an extra premium. If you choose and pay for an optional benefit, that benefit will be shown on *your policy schedule* and the cover provided is as shown in the 'We cover' section of the following tables.

There are some things we do not cover under these benefits. The 'We do not cover' section under each benefit shows the things that we do not cover that are specific to that benefit. The 'General exclusions' also contain things that we do not cover that apply to all parts of this *policy*. All of the conditions of this *policy* apply to optional benefits unless the cover says otherwise.

OPTIONAL BENEFITS APPLICABLE TO YOUR HOME COVER

SumExtra

We cover

If we have accepted a claim for *loss or damage* to *your home* under this *policy* and we elect to settle *your* claim by repairing or rebuilding *your home* or by paying *you* the *replacement cost* to repair or rebuild *your home* (including where *you* will be building at a different location), and the *replacement cost* exceeds the *home sum insured*, we will pay:

- › up to a further 10% of the *home sum insured* towards the *replacement cost*, where the *loss or damage* is caused by *natural disaster*; or
- › the full *replacement cost* where the *loss or damage* arises from any cause other than *natural disaster*.

We will only provide this benefit where all of the following conditions are met:

- › the *home sum insured* at the time of *loss or damage* is equal to or greater than the estimated replacement cost that we generated when *you* applied for this *policy* or when this *policy* was renewed;
- › the information that *you* supplied to *us* about *your home* which we used to calculate the estimated replacement cost was complete and correct in all respects;
- › *you* inform *us* immediately of any changes to *your home*, including but not limited to, the size or the quality of *your home*, so that we can calculate an updated estimated replacement cost; and
- › where there are changes to *your home* which increase the estimated replacement cost, *you* increase *your home sum insured* to at least the amount of the updated estimated replacement cost.

The benefit is paid in addition to the *home sum insured*.

We do not cover

- › any amount under this benefit where *you* are purchasing an established home elsewhere;
- › any amount under this benefit where *you* are not repairing or rebuilding *your home*;
- › an amount in excess of any other benefit limit in this *policy*, including any benefit that is based on a percentage of the *home sum insured*. This SumExtra benefit does not have the effect of increasing the *home sum insured* under this *policy*.

Loss of rent

We cover

Loss of rent due to loss or damage covered by this policy

If *your home* is *unliveable* because:

- › of *loss or damage* covered by this *policy*, or which would be covered but for the operation of the Earthquake Commission Act 1993; or
- › a government or local authority prevents access to the *home* due to possible or impending damage to an otherwise safe or sanitary *home* and this is initiated during the *period of insurance*;

we will pay or reimburse *you* for loss of *rent* from the date that the *home* becomes *unliveable*, provided that:

- › the *home* was *occupied* by a *tenant* at the time of *loss or damage* or prevention of access; or
- › at the time of *loss or damage* or prevention of access, *you* had a signed *tenancy agreement* for a new *tenant* to let the *home* for an ongoing period intended to be no less than 90 days; and
- › *you* take reasonable steps to promptly reinstate the *home* to minimise the loss of *rent*.

We will pay an amount equal to the average weekly *rent* *you* received for renting out the *home* during the weeks it was *occupied* by *tenants* in the 12 months prior to the *loss or damage*, or where a *tenancy agreement* was signed for a new *tenant* prior to the *loss or damage*, the amount of the weekly *rent* in the agreement, up to the weekly *rent* amount noted on the *policy schedule*.

Where *your claim* for *loss or damage* to the *home* is covered entirely by the Earthquake Commission, we will still pay *your* loss of *rent* under this benefit unless the *loss or damage* covered by the Earthquake Commission is *loss or damage* only to land.

We will pay for loss of *rent* due to *loss or damage* covered by this *policy*:

- › for the period necessary to rebuild or repair the *home*, up to a maximum of 12 months or,
- › where *you* don't want the *home* repaired or rebuilt, up to a maximum of 2 months; or
- › for the period of prevention of access to the *home*, up to a maximum of 12 months.

Loss of rent due to non-payment by tenants

We will pay or reimburse *you* for loss of *rent* due to non-payment by *your tenants* up to the weekly *rent* amount noted on the *policy schedule*, in the following circumstances:

- › **Prevention of access:** Where the *tenant* is lawfully entitled to vacate the *home* due to prevention of access to the *home* or failure of public utilities, we will pay up to a maximum of **8 weeks rent**; or
- › **Vacating without notice:** Where the *tenants* vacate the *home* without giving the required notice, we will pay up to a maximum of **8 weeks rent**; or
- › **Eviction of tenants:** Where *your tenants* are lawfully evicted from the *home* as a result of non-payment of *rent*, we will pay up to a maximum of **8 weeks rent**; or
- › **Tenancy tribunal order:** Where the Tenancy Tribunal makes an order for the *tenants* to leave the *home* and for the tenancy to end, we will pay up to **8 weeks rent**, provided *you* or *your property manager* enforce the order within **5 working days** of the order being issued.

What we will pay

Loss of *rent* under this Loss of rent benefit is calculated from the date when unpaid *rent* first became due until the *home* is re-*tenanted* or the maximum period in the relevant circumstance above is reached. The maximum amount that we will pay for any loss of *rent* is **\$30,000** per dwelling unit and **\$100,000** in total for all dwelling units insured under this *policy*.

Any payment made by *us* for any *loss or damage* covered under this optional benefit will be reduced by the amount of *rent* received by *you* in advance and/or any bond.

This benefit is paid in addition to the *home sum insured*.

We do not cover

- › if *you* do not intend to repair or rebuild *your home*;
- › if before the *loss or damage* occurred, *you* had planned to demolish *your home*;
- › if *you* had not intended to rent *your home* during the repair or rebuild period (had *your home* not been damaged);
- › beyond the period it should reasonably take to rebuild or repair *your home*;
- › where the *loss or damage* is only to land; or
- › where *you* decide that *you* do not wish to rent the *home* and it is not *unliveable*.

OPTIONAL BENEFIT APPLICABLE TO BOTH HOME AND CONTENTS COVERS

Malicious damage

We cover

We will pay for malicious, intentional or deliberate damage to the *home* or *contents*, or theft of any part of the *home* or *contents*, committed by the *tenant(s)* or persons at the *home* with *your tenants'* permission, provided that *you* establish that *you* did not have reason to suspect that this was taking place.

We will pay:

- ▶ the reasonable cost incurred in rebuilding, repairing or replacing the damaged portion of the *home* to 'new for old' condition; or
- ▶ the *indemnity value* should *you* not rebuild, repair or replace *your home* within a reasonable time; and/or
- ▶ the *indemnity value* of *your contents*.

Under this benefit, *your home* includes unfinished parts of *your home* in the course of construction.

The maximum we will pay under this benefit for any one *event* is **\$25,000**, unless the *loss or damage* is fire or theft, in which case the maximum we will pay is the *home sum insured* for the *home* and the *contents sum insured* for *your contents*.

Any payment made by *us* for any *loss or damage* covered under this optional benefit will be reduced by the amount of *rent* received by *you* in advance and/or any bond.

We will only provide cover under this benefit for *loss or damage* caused by one *event* while the *home* was let to the same *tenants* or under the same *tenancy agreement*.

We do not cover

LEGAL LIABILITY

We cover *your* legal liability to pay *damages* or *reparation* for *loss* or *damage* to property or for *bodily injury* to other people which happens during the *period of insurance* resulting from an event:

- › in connection with *you* owning or living in *your home* or owning *your contents*; and
- › at the *insured address*.

You will only have cover under this benefit for *your* liability in connection with *your home* if *your policy schedule* states *you* have *home cover*, and for *your* liability in connection with *your contents* if *your policy schedule* states that *you* have *contents cover*.

The most we will pay for liability for any one event is **\$1,000,000**.

In addition, where *your* legal liability is to pay *damages* for *loss* or *damage* to property, we will pay *your* legal defence costs and expenses incurred with *our* prior written consent.

However we will not pay *your* legal defence costs and expenses, or any legal costs incurred by other parties which *you* are liable to pay, in relation to an offence or where *your* legal liability is to pay *reparation*.

Legal liability – what we do not cover

We do not cover legal liability directly or indirectly caused by, arising from, in connection with or involving:

Agreements you enter into

any agreement or contract *you* enter into (except a *tenancy agreement*), but we will cover *your* legal liability if it would have existed had *you* not entered into the agreement or contract;

Aircraft

using or owning any aircraft, *drone* or the facilities to land or store aircraft

Asbestos

exposure to or potential exposure to asbestos in any form.

Building, structurally altering or renovating

structural building work being carried out at the *insured address* where the total cost of building, structurally altering, extending or renovating is more than **\$50,000**.

Business activity

any *business activity*, unless the *business activity* is *you* renting the *home* to the *tenant*.

Caravans and trailers

using or towing a caravan, mobile home or trailer.

Committee members or officials

your actions or duties as a committee member or director of a club or association.

Bodily injury

Bodily injury of:

- › *you*;
- › a child (born or unborn) under **18** years who is *your* child or the child of *your* spouse, de facto or partner;
- › *your* pets;
- › anyone who usually lives at the *insured address*, unless the person is a *tenant* and not a person under **18** who is *your* child or the child of *your* spouse, de facto or partner.

Fines, penalties and other damages

civil or criminal penalties (other than *reparation*) or fines, or aggravated, exemplary, punitive or multiple damages.

Health and Safety at Work Act 2015

reparation arising from a prosecution of an offence under the Health and Safety at Work Act 2015

Legal actions in other countries

legal actions or legal claims brought against *you*, decided or heard in countries outside New Zealand.

Motor vehicles or motorcycles

the use or ownership of a motor vehicle or motorcycle or instructing someone on how to use it unless at the time of the *event*, it was being used legally and was:

- › a remote controlled motor car;
- › a wheelchair or a mobility scooter designed to accommodate physical disabilities or the elderly;
- › a golf cart or buggy;
- › domestic gardening equipment (e.g. a ride-on mower).

Property owned by you or property in your physical or legal custody

Loss or damage to property which:

- › is owned by *you* or *your family*, or anyone who usually lives with *you* at the *home*;
- › belongs to someone else and is in *your* physical or legal custody or control.

Watercraft

using or owning any watercraft unless it is a sailboard, surfboard, wave board, canoe, kayak, non-motorised surf ski, motorised kontiki or remote controlled scale model or toy watercraft.

Your employees

death or injury of *your* employees or damage to their property while they are working for *you*.

GENERAL EXCLUSIONS

You are not covered under any section of this *policy* for *loss or damage*, cost or legal liability directly or indirectly caused by, arising from, in connection with or involving:

Actions or movements of the sea

any rises in the level of the ocean or sea, sea waves, high tides or king tides, any other actions or movements of the sea. Actions or movements of the sea do not include a tsunami or storm surge. A storm surge means a rush of water onshore associated with a low

pressure system and caused by strong winds pushing on the ocean's surface.

Animals

- › any animal owned by *you* or for which *you* are responsible;
- › any animal allowed onto the *insured address* by *you*, or anyone living at the *insured address*;
- › any animal pecking, biting, clawing, scratching, tearing or chewing *your home* or *contents*, or damage caused by their urine or excrement, but we will cover damage caused by an animal (except insects, vermin or rodents) which becomes accidentally trapped inside *your home*;
- › insects, vermin or rodents, but we will cover:
 - fire damage they cause;
 - water damage they cause.

The Accident Compensation Act 2001

amounts that are recoverable (including by the victim of an offence) under the provisions of the Accident Compensation Act 2001, or which would be recoverable but for:

- › a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the *Act*, or to claim any amount he or she would be entitled to under the *Act* for any other reason whatsoever; or
- › the Accident Compensation Corporation's decision to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Biological, chemical, other pollutant or contaminant

- › any actual or threatened biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or
- › any looting or rioting following the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or

- › any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant.

This exclusion does not apply to:

- › fire damage that results from the above;
- › the cover provided for in the "Methamphetamine contamination" benefit;
- › *your* legal liability arising from *your* use of pesticides or herbicides at the *insured address*;
- › the cost to remove asbestos or its derivatives from the *insured address* during repairs or rebuilding if we have accepted a claim for *loss or damage to your home or contents*;

Breaking the law

- › *you*, or someone with *your* knowledge or permission, committing or trying to commit an unlawful or criminal offence;
- › *your* manufacture, possession, supply or consumption of any illegal substances or illegal drugs;
- › *you* not obeying any government or local authority statute, bylaw or regulation, including but not limited to, those relating to:
 - installing smoke alarms;
 - pool fencing;
 - failing to install a balcony railing or balustrade when required;
 - dangerous goods and liquids;
 - firearms;
 - control and safekeeping of dangerous or restricted breeds of dogs, including not obeying any legal requirement to restrain a dog in public or keep it fenced in.

This exclusion will not apply to the extent of the cover in the Legal Liability benefit for *your* legal liability to pay *reparation* provided that *you* establish that *you* did not have reason to suspect that the illegal activity was taking place.

Building extensions, structural alterations or renovations

building extensions, structural alterations or structural renovations to *your home*, including the removal of external walls, roof materials, external cladding, windows or doors. We also do not cover:

- › damage caused by cracking, collapse, subsidence or damage to *your home* and *contents* caused fully or partially by the building work;
- › damage caused by storm, *flood* or water entering *your home* through openings in the walls or roof or other unfinished parts of *your home* whether or not they are temporarily covered at the time of the damage;
- › damage caused by storm or *flood* to any part that is not fully built;
- › theft or damage by someone who enters or leaves through an unlockable part of *your home*;
- › malicious damage or vandalism to unfinished parts of *your home*, except to the extent of the cover provided by the 'Malicious damage' optional benefit.

Business activities

business activities that *you* or *your tenant* carry out at the *home*, except where the *business activity* is *you* renting the *home* to the *tenant*.

Chemical damage when cleaning

chemicals, such as detergents and solvents, when *you* or someone authorised by *you* is using them for cleaning, renovation, restoration or repair.

Computer virus or computer hacking

a computer virus, hacking, data destruction, denial of service or any other unauthorised access to computers, networks or other data storage devices.

Confiscation or damage by a legal authority

confiscation, nationalisation, requisition, acquisition, designation, decision, destruction or damage caused by the police, a government authority or someone with the legal authority to do this.

Consequential losses or extra costs

consequential loss (financial and non-financial loss) or extra costs, such as, but not limited to, the following:

- › loss of income or wages;
- › loss of value;
- › medical expenses;
- › loss or costs, including the cost of *your* time (e.g. inconvenience), to prove *your* loss or to help *us* with *your* claim (e.g. telephone calls, postage);
- › cost of hiring appliances after *your* appliances are *lost or damaged*;
- › professional, expert, legal, consulting or valuation costs unless *you* obtained *our* prior written approval to incur these costs;
- › cost of replacing or reapplying pest control chemicals and baits in or around the *insured address*;
- › cleaning costs;
- › any costs related to stress or anxiety;
- › loss of use or loss of enjoyment;
- › any other intangible loss;
- › any costs not specifically covered by *your policy*.

Contaminated land

contamination of land from any cause, or any requirement to test land for contamination.

Defect, structural fault, design fault or inherent fault

- › a defect, structural fault, design fault or inherent fault
- › the failure of the *home* to contain or incorporate materials or to utilise a design, a system, or a standard of workmanship which

effectively prevents or manages the presence or penetration of moisture or water to which the *home* might reasonably be subjected.

Deliberate actions by you

an act or omission by *you, your family, your* guest, *your* boarder, or anyone living at the *insured address, or your tenant* or persons at the *home with your tenant's* permission, or any owner or part owner of *your home or contents*, or anyone acting with *your* consent, which:

- › is deliberate;
- › is a deliberate lack of action; or
- › demonstrates a reckless disregard for the consequences of that action or omission.
- › and includes burglary, theft, or malicious, intentional or deliberate *loss or damage*.

This exclusion will not apply:

- › to any *loss or damage* to the *home* from fire or explosion resulting from malicious, intentional or deliberate damage by *tenants* or persons at the *home with your tenant's* permission; or
- › to the extent of the cover provided by the 'Malicious damage' optional benefit.

Failing to take care of your home or contents

your failure to:

- › take reasonable care of *your home and contents*;
- › keep *your home and contents well maintained and in good condition*;
- › fix faults and defects as soon as *you* become aware of them;
- › take reasonable steps to limit or minimise any *loss or damage* once it has started to occur.

Fences in a state of disrepair

gates, fences or outdoor wall fences that were in a state of disrepair which would have been obvious to a reasonable person before the damage occurred.

Ground movement

erosion, vibration, weakening or removal of support, subsidence, landslip (other than *natural landslip* as referred to under the *natural disaster* exclusion), shrinkage, expansion, settling, ground heave or any other earth movement.

Hazardous materials

any hazardous materials if not stored or used in accordance with the relevant law, controls and manufacturer's instructions.

Historic homes

compliance with any heritage order or covenant that applies to the *home* where the *home* is registered with the Heritage New Zealand Pouhere Taonga.

Illegal drug contamination

the manufacture, supply, storage, possession or use of any illegal drugs or substances including methamphetamine or any pre-cursor chemicals or materials used in any of these activities in or near *your home*. This exclusion doesn't apply:

- › to the extent of the cover provided for in the "Methamphetamine contamination" benefit; or
- › to any *loss or damage* to the *home* from fire and explosion.

Land damage

- › *loss or damage* to land;
- › costs associated with stabilising land in order to facilitate the repair or rebuild of the *home*;
- › treatment of the land required to make it suitable for repair or rebuilding of the *home*;
- › erecting or upgrading improvements to land, which are required to avert or mitigate *loss or damage* to the *home*, even if such *loss or damage* or costs are covered by the Earthquake Commission

but we will cover the digging of foundations or piles as required by government or local authority statutes, bylaws or regulations,

necessary to allow for the repair or rebuild of the *damaged* portion of *your home* following *loss or damage* covered by this *policy*.

Mechanical or electrical breakdown

mechanical or electrical failure, breakdown or anything that fails to operate properly, but we will cover damage caused by:

- › fire spreading from an electrical fault to other parts of *your home* and *contents*;
- › lightning;

Moving the home

lifting or moving the *home*, or removal of structural support.

Natural disaster damage

natural disaster, but we will cover:

- › *loss or damage* to *your home* caused by *natural disaster* where:
 - the *loss or damage* to *your home* is covered under the Earthquake Commission Act 1993 (the EQC Act); and
 - the Earthquake Commission has accepted liability and has paid the maximum amount that it is liable for under the EQC Act for *your* claim; and
 - all amounts paid to *you* by the Earthquake Commission have been used by *you* to carry out repairs, or to rebuild the *home*, and/or to mitigate further *loss or damage*.
- › *loss or damage* caused by *natural disaster* to the following items that are part of *your home* if they are covered by this *policy* but are not subject to insurance under the EQC Act:
 - permanently installed swimming or spa pools; or
 - drains, pipes, and cables; or
 - driveways, paths, patios, fences and walls (*policy* limits apply); or
 - tennis courts.

A natural disaster excess of \$5,000 will apply to claims for these items.

- › *loss or damage to your contents* caused by *natural disaster* where:
 - the *loss or damage to your contents* is covered under the EQC Act; and
 - the Earthquake Commission has accepted liability and has paid the maximum amount that it is liable for under the EQC Act for *your claim*.
- › *loss or damage* caused by *natural disaster* to items of *your contents* if they are covered by this *policy* but are not subject to insurance under the EQC Act.

Where the *loss or damage to your home or contents* caused by *natural disaster* is covered by this *policy*, we will only pay:

- the difference between the amount we would have paid under this *policy* if the cause of the *loss or damage* was other than *natural disaster*, and the amount paid or payable by the Earthquake Commission (including EQC excesses);
- less any excess payable under this *policy*.

All other benefits in this *policy* will apply.

Not complying with building regulations

Your home not complying with building laws or regulations, except those laws or regulations introduced after *your home* was originally built or altered which *your home* was not required to comply with.

Electronic data, photographs and images

any *loss or damage* of electronic data of any kind, or any loss of use, reduction in functionality, or any other associated loss or expense or liability directly or indirectly arising from or in connection with the loss of electronic data. This includes:

- › any electronic data that is purchased in place of an item that could be purchased in a non-electronic format;
- › repairing, replacing or fixing:
 - electronic data or files that are corrupted, damaged or lost, including software,

photographs, films, music or other visual images or audio files stored electronically or on any other medium, unless the device that they are stored in was *lost or damaged* and the electronic data or files were legally purchased and *you* cannot restore them free of charge.

- hard copies of photographs, films or other visual images that are *lost or damaged*, but we will cover the cost of reproducing hard copy photographs *you* have purchased from, or had produced by, a professional photographic business or retail outlet.

Radioactivity

Radioactivity, and contamination from radioactivity, or the use, existence or escape of:

- › nuclear fuel;
- › nuclear material or waste;
- › action of nuclear fission including detonation of any nuclear device;
- › nuclear weapon;
- › ionising radiations; or
- › any looting or rioting following such an event.

Replacement of water

the loss, storage and replacement of water in any tank, container, pool, spa and any other water storage vessel.

Revolution, war

- › revolution, hostilities, war or other acts of foreign enemy, war like activity (whether war is declared or not), invasion, military coup, civil war, mutiny, civil commotion assuming proportions of or amounting to a popular uprising, military uprising, rebellion, insurrection, military or usurped power; or
- › any looting or rioting following these incidents.

Roots of trees, shrubs and plants

the roots of trees, shrubs or plants, but we will cover damage to *your home* and *contents* caused by:

- liquid leaking or overflowing from pipes or drains that are blocked or *damaged* by these roots;
- roots from a fallen tree.

Scorching

scorching or burning by cigars, cigarettes or pipes.

Seepage of water

water seeping or running:

- › through the earth (hydrostatic water seepage);
- › down the sides of earth or earth fill that is up against *your home*;
- › down the sides or underneath swimming pools or spas causing them to move, change shape, lift or leak through their hydrostatic valves;
- › against or through retaining walls and forcing them to move or crack;
- › from agricultural pipes.

Structural improvements at units

- › structural improvements owned by *your* body corporate or equivalent body;
- › structural improvements located on *common property*,

Paying guest or boarders

paying guests, boarders, visitors who are in *your home* as part of an accommodation swap arrangement, or someone who lives or stays in *your home* with them or a person who entered the *home* with their consent, but we will cover *loss or damage to your home or contents* to the extent it is caused by:

- › fire;
- › explosion;
- › impact by a vehicle;

- › breakage of fixed glass;
- › water or liquid leaking or overflowing from pipes or water containers.

Terrorism

any act of terrorism, including but not limited to the use of force or violence, or the threat of force or violence which from its nature and context is done with political, religious, ideological, ethnic or similar purposes, including the intention to influence any government and/or to put the public or any member of the public in fear.

Tree lopping

trees being lopped, felled or transplanted by *you* or someone authorised by *you*.

Unrepaired land

land where:

- › *you* are aware that the land requires repair or poses a threat to the *home*, or
- › *you* or a previous owner of the *home* has received payment from the Earthquake Commission to effect repairs to land, and those repairs have not been undertaken.

Wear, tear and gradual deterioration

wear, tear, rust, fading, rising damp, mould, mildew, corrosion, rot, fungi, action of light, atmospheric or climatic conditions or gradual deterioration (other than the cover provided under the benefit 'Gradual damage').

When security or alarms are not working

loss or damage if the door locks, window locks or alarms *you* told *us* were installed, were in fact not installed, not in working condition, disconnected, or not used as intended and we relied on them being there as a reason for accepting and continuing *your policy* (however, forgetting to turn on *your alarm* or to lock a door will not in itself affect theft cover under *your policy*, unless *you* have failed to take reasonable care).

3. CLAIMS

MAKING A CLAIM

Contact *us* as soon as possible if *you* suffer *loss or damage*, or if there is an *event* that could result in a claim under this *policy*.

What you must do

Step 1 Make sure everyone is safe. For emergencies, please call 111.

Step 2 Try to prevent further loss or damage.

If possible take reasonable steps to prevent further *loss or damage* or liability.

Step 3 Immediately report any theft and malicious damage to the police.

Give them a list of all stolen or damaged items. Keep details of the date reported, name of the police officer, police station reported to and the report number.

Step 4 Contact us as soon as possible.

You can call *us* 24 hours a day. If *you* delay reporting *your* claim, *we* may refuse to pay *your* claim or may not pay for any additional *loss or damage* caused by *your* delay. *You* must provide details of what has been affected by the *event*.

If the damage to *your home or contents* was caused by another person, please provide *us* their name and address.

Legal liability claims

You must tell *us* about any *event* that has caused *loss or damage* to property, or which may give rise to a claim.

You must also immediately tell *us* about any written or verbal communications that *you* receive about any possible claim or any demands made on *you* to pay loss, cost, expense or compensation to others and any court actions or offers of settlement and send these to *us*. *You* must not incur any expense or negotiate, pay, settle, admit, repudiate or make any agreement in relation to any claim without *our* written consent.

If *you* make a claim that is covered under this *policy* for cover for legal liability to pay *damages*, *we* can decide to defend *you*, settle any claim against *you* or represent *you* in court proceedings, but *we* are not obliged to do so.

If *we* decide to defend *you*, settle any claim against *you* or represent *you*, then *you* must give *us* all the help *we* need, including help after *your* claim is settled.

You must tell us immediately if you or any other person entitled to cover under the *policy* is charged with any offence which resulted in *bodily injury* to another person or *loss or damage* to someone else's property.

You must obtain *our* written approval before any offer of *reparation* is made.

For us to process your claim for loss or damage to your home or contents you must

- › allow us to inspect *your* damaged *home* and/or *contents*;
- › allow us to arrange for experts to assess *your* damaged *home* and/or *contents* and to quote on repair or replacement;
- › provide us with a quote for repair or replacement if we ask for this. If you choose to use *our* recommended repairers (when available), there is no need to obtain *your* own quotes;
- › when requested, and at *your* expense, provide us with all proofs of ownership and value, information, cooperation and assistance in relation to a claim as we may reasonably require, including attending meetings and giving evidence in a court or tribunal;
- › when requested, and at *your* expense, cooperate with *our* assessors, investigators, lawyers and anyone else we may appoint to help us;
- › allow us, or a person nominated by us, to recover, salvage or take possession of *your* *home* and/or *contents*. When we ask, you must send any items to us, or cooperate in *our* collection or retrieval of such items;
- › consult an expert if we ask for this.

What you must not do

- › do not dispose of any damaged parts or items of *your* *home* or *contents* without *our* consent;
- › do not carry out or authorise repairs without *our* consent unless you cannot contact us and need to make emergency repairs to protect *your* *home* or *contents*;
- › do not wash or clean or remove debris from any area damaged by fire without *our* consent unless you need to do this to prevent further *loss or damage*;
- › do not admit liability or responsibility to anyone else unless we agree;
- › do not negotiate, pay, make any agreement or settle a claim with anyone else unless we agree;
- › do not accept payment from someone who admits fault for *loss or damage* to *your* *home* or *contents*. Refer them to us instead.

If you do not comply

If you do not comply with *our* requirements when making a claim we can reduce or refuse *your* claim and/or recover from you any costs and/or any money we have paid and/or cancel *your* *policy*.

YOUR EXCESS

What is an excess?

An excess is the amount *you* have to pay for each *event* when *you* make a claim. The excess is the first part of any *loss* or *damage* or any liability cover being claimed for. Sometimes *you* might have to pay more than one type of excess. The amount and types of excess are shown on *your policy schedule* and/or in this policy document. *Your* excess or excesses are payable irrespective of the sum insured or policy limit applicable to *your* claim. Where *you* sustain *loss* or *damage* or are claiming for liability cover from more than one *event*, the excess (or each applicable excess) will be payable for each separate *event*.

The types of excess are:

Standard excess

A standard excess applies to all claims unless stated otherwise in this policy document. *You* can choose a higher standard excess to reduce *your* premium.

The amount of the standard excess applied to the *home* can be different to the standard excess applied to the *contents*.

Additional excess

In some circumstances, an additional excess may apply based on *our* assessment of the risk. This excess is payable in addition to any other excess unless stated otherwise in this policy document or *your policy schedule*.

Natural Disaster excess

This excess applies in addition to any other excess if *you* make a claim as a result of *natural disaster* for *loss* or *damage* to items of *your home* that are not insured under the Earthquake Commission Act.

Unoccupied excess

This excess applies in addition to any other excess, unless stated otherwise in the policy document, if, at the time of the *loss* or *damage*

covered by *your policy*, the *home* has been *unoccupied* for more than 60 continuous days.

When you claim for both home and contents

When both *your home* and *contents* at the one *insured address* are insured with *us* under this *policy* and *your* claim is for *loss* or *damage* to both arising from the one *event*, *you* must pay whichever is the higher of *your* standard excesses under either *your home* or *your contents policy*. *You* must also pay any of the other excesses which apply to *your* claim.

How to pay your excess

When *you* make a claim *we* will choose whether to deduct the applicable excesses from the amount *we* pay *you* or direct *you* to pay the excesses to *us* or to the appointed repairer or supplier. *We* may require *you* to pay the excess in full before *we* pay *your* claim or provide any benefits under *your policy*. The fact *we* have asked for payment of *your* excess does not of itself mean that *your* claim has or will be accepted by *us* either in whole or in part.

HOW WE SETTLE YOUR CLAIM

We choose how we settle home claims

If *we* agree to pay a claim for *loss* or *damage* to *your home*, *we* will decide if *we* will:

- ▶ repair *damage* to *your home* at *our* option to the 'new for old' condition or to a similar condition to what *your home* was in before the *loss* or *damage* occurred;
- ▶ rebuild *your home* to the 'new for old' condition;
- ▶ allow *you* to repair or rebuild *your home* and pay *you* up to the *replacement cost* after *you* have incurred it. If *we* choose this option, *we* will have the right to inspect the building works at any time, to be fully informed about the works, and to inspect any relevant documentation;

- › pay you up to the *replacement cost* to repair or rebuild *your home* if we are satisfied that you will incur that cost within **12** months. If we choose this option we will agree with you the terms on which you will provide us with security for our payment to you until the cost is incurred;
- › allow you to build a home at a different location and pay you up to the *replacement cost* after you have incurred it, but we will not pay for any additional costs associated with building at that location, or for the cost of land. If we choose this option, building must be completed within **12** months (unless we agree in writing to extend the time period) and we will have the right to inspect the building works at any time, to be fully informed about the works, and to inspect any relevant document;
- › pay up to the *replacement cost* to assist you in purchasing an established home elsewhere within **12** months provided we can agree with you the terms on which you will provide us with security for our payment to you until the purchase is completed;
- › pay you the *home sum insured* for your *home*;
- › pay you the *indemnity value* where you do not intend to repair or rebuild *your home* within **12** months, unless we agree in writing to extend that time;
- › pay any part of the *replacement cost* or *indemnity value* to any mortgagee or other party with a secured financial interest in the *home*, and settle your claim by choosing one of the other settlement options in this section;
- › give you a voucher, store credit or stored value card for the amount it would cost us to repair or rebuild an item.

We may deduct any amounts you owe us from any amount we owe you. Regardless of which of the above settlement options we choose, we will never pay more than the *home sum*

insured, plus any additional benefit limits which are specified in this *policy* to be paid in addition to the *home sum insured*.

We choose how we settle contents claims

If we agree to pay a claim for *loss or damage* to your *contents*, we will decide if we will:

- › pay you the reduction in *market value* of your *contents* caused by the *loss or damage*;
- › repair damage to your *contents*;
- › pay you what it would cost us to repair your *contents*;
- › pay you the *contents sum insured*;
- › give you a voucher, store credit or stored value card for the amount it would cost us to repair your *contents*.

Regardless of which of the above settlement options we choose, we will never pay more than the *contents sum insured*, and never more than any lower limit noted in "contents with fixed limits". If we repair (or pay you what it would cost us to repair), this will at our option be to a similar condition to what your *contents* were in before the *loss or damage* occurred.

We may deduct any amounts you owe us from any amount we owe you.

We will not:

- › pay more than the relevant sum insured or *policy* limit;
- › pay extra to repair or rebuild *your home* to a better standard, specification or quality than it was before the *loss or damage* occurred except as stated in the meaning of 'new for old' condition;
- › pay extra to repair your *contents* to a better standard, specification or quality than they were in before the *loss or damage* occurred;
- › pay for any additional costs or fees required for your *home* to comply with any heritage order or covenants that applies to your *home* or costs associated with your *home*

being considered or declared an archaeological site;

- › fix a fault that existed before the *loss or damage* occurred;
- › pay any decrease in the value of a pair, *set or collection* when the *lost or damaged* item forms part of a pair, *set or collection*. We pay only in respect of the item which was *lost or damaged*.

‘New for old’ condition means:

your home is rebuilt, replaced or repaired

- › with new materials that are readily available at the time of rebuilding or repairing from New Zealand suppliers;
- › the materials and techniques used are the current equivalents to those used when *your home* was new or last enhanced; and
- › to the condition that is not better or more extensive than the condition the *home* was in when it was new or last enhanced, with no allowance for depreciation.

‘New for old’ condition does not mean:

- › paying the extra cost of replacing or purchasing an extended warranty on any item;
- › of a better standard, specification or quality than the *home* was when it was new or last enhanced; or
- › that heritage features in *your home* will be replicated if it is not possible to do this easily using equivalent techniques and/or building materials that are readily available in New Zealand.

HOME CLAIMS

This section relates specifically to a claim made on *your home policy* and is in addition to the information in ‘How we settle your claim’.

If we choose to settle *your* claim by paying *you* the cost of repairing or rebuilding *your home*, the amount we pay will be calculated on the basis of the costs we would have met if we were repairing or rebuilding *your home*, as set out in this section.

When we authorise repairs or rebuilding of your home

If we need to source material in order to repair or rebuild *your home*, we will do *our* best to obtain new materials that are the same type, standard and specification as those that have been *lost or damaged*. If the same materials are not available, we will use materials of a similar type, standard and specification that are readily commercially available and compliant with current building regulations. If the exact materials used in *your home* are no longer used in building modern homes and there is a current equivalent material which serves the same function and provides no obvious difference in appearance, we will use the current equivalent material.

We may enter into any building contract with the selected repairer and/or supplier on *your* behalf. If we do this, we will oversee the repairs and keep *you* informed of their progress.

When we cannot match materials

If we cannot find materials to match undamaged parts, we will use the closest match available to *us*.

If *you* are not satisfied with the materials we find as the closest match before we repair *your home*:

- › if we agree, *you* can pay the extra cost of replacing undamaged parts of *your home* to achieve a uniform appearance, or

- › we will pay *you* what it would have cost *us* to repair or rebuild the *damaged* part.

Repairing or rebuilding damaged parts

We will only repair or rebuild (or pay to repair or rebuild) the parts that are *damaged* in the event covered by *your policy*. You cannot claim to replace undamaged parts of *your home* to create a uniform appearance. Examples of when we will not replace undamaged parts are when:

- › **one garage door is damaged**
We will only replace or repair the *damaged* one, not other doors.
- › **roof tiles are damaged**
We will only replace the *damaged* ones, not the undamaged tiles, even if the undamaged tiles are faded and do not match the new ones used for repairs.
- › **roof sheeting is damaged**
We will only replace the *damaged* roof sheeting, not the undamaged roof sheeting, even if the closest match available to *us* is a different shade or colour to the undamaged roof sheeting.
- › **an external wall is damaged**
We will replace the *damaged* parts of the wall, not undamaged areas of the wall or other sides of *your home*.

These examples are not an exhaustive list of the times when we will not replace undamaged parts. For the limited circumstances when we will replace undamaged parts, see the next section.

When we will repair or rebuild undamaged parts

If we cannot match the new materials with the undamaged parts, we will only pay extra to create a uniform appearance when:

- › **internal wall tiles are damaged**
We will replace undamaged wall tiles in the same room, stairs, hallway or passageway*

so they match or complement new tiles used for repairs.

- › **other internal wall coverings are damaged** (e.g. paint, wallpaper, wood panels, but not tiles)

We will pay extra to paint, wallpaper or replace undamaged wall coverings in the same room, stairs, hallway or passageway* where the damage occurred.

- › **internal floor coverings are damaged (including tiles)**

We will pay extra to replace continuously joined undamaged floor coverings of the same material in the same room, stairs, hallway or passageway* where the damage occurred.

- › **kitchen cabinets, cupboards or benchtops are damaged**

see 'Repairing or replacing kitchen cabinets, cupboards or benchtops'.

*See 'What we mean by same room, stairs, hallway or passageway'

Repairing or replacing kitchen cabinets, cupboards or benchtops

We will repair damaged parts of your kitchen

We will pay to repair the *damaged* parts of *your* kitchen cabinets, cupboards or benchtops.

When we will replace undamaged parts of the kitchen

To create a uniform appearance, we will pay extra to replace undamaged parts of the same cabinet, cupboard or benchtop so that they match the repaired parts.

Same cabinet, cupboard or benchtop means:

- › those parts continuously joined to the *damaged* parts (this is one 'section');
- › made out of the same materials; and
- › on the same level.

Sometimes replacing the benchtop, door fronts or drawers in the undamaged area is all that is necessary to create a uniform appearance.

We will decide what is necessary depending on the circumstances.

What we mean by same room, stairs, hallway or passageway

Same room

A room is an area starting and finishing at:

- › its nearest walls;
- › nearest doorway, archway or similar opening of any width;
- › a change in the floor or wall covering.

A hallway next to a room is not the same room, even if it has the same floor or wall covering as the room.

Any archway or similar opening separates a room unless it is a combined lounge-dining room.

Combined lounge-dining room

We will only combine rooms with a shared doorway, archway or similar opening when:

- › they are lounge and dining rooms; and
- › the shared doorway, archway or similar opening is wider than 82cm; and
- › the floor or wall covering is the same in both rooms.

Open plan areas

When there is no wall, archway, doorway or similar opening, the room continues until:

- › a change in the floor or wall covering;
- › the nearest wall, doorway, archway or similar opening.

Same passageway or hallway

A passageway or hallway has the same meaning as a room. We will not combine a hallway and a room.

Changes to your home

If you want to change the design of your home

When repairing or rebuilding *your home*, if we agree, *you* can choose to change the design of *your home* or upgrade parts of it, providing *you* pay the extra costs of doing this. If *you* want to downsize *your home*, we will not pay more than it costs *us* to rebuild the downsized home.

Choosing to rebuild on another site

If *your home* is to be rebuilt following *loss or damage* covered by *your policy* *you* can choose to have *your home* rebuilt on another site providing *you* pay any extra costs involved. We do not pay the costs of purchasing the land at the other site.

Lifetime guarantee on home repairs

When we repair or rebuild *your home*, we guarantee the quality of materials and workmanship of that work for the lifetime of *your home* while *you* own it if we:

- › authorise;
- › arrange; and
- › pay the builder or repairer directly for this work.

What we guarantee

We guarantee that the material used and standard of the workmanship at the time of repairs or rebuilding will be free of defects. If a defect arises in the lifetime of *your home* and while *you* are the owner of *your home* as a result of poor quality workmanship or use of incorrect materials, taking into account the relevant building standards and materials used at the time of repair or rebuilding, then we will rectify the problem. This guarantee cannot be assigned to any other person or entity.

This guarantee does not apply:

- › to repairs *you* authorise or make yourself;
- › to *loss or damage* to or failure of any electrical or mechanical appliances or machines;
- › to wear and tear consistent with normal gradual deterioration of *your home* (e.g. paint peeling off after its expected life cycle, wood rotting from moisture in the air or ground, roofs weathering or a hot water tank leaking after its guaranteed life);
- › where we agree with a repair quote and we give *you*, or the builder or repairer, payment for the cost of the repairs and *you* arrange the repairs.

CONTENTS CLAIMS

This section relates specifically to a claim made on *your contents policy* and is in addition to the information in 'How we settle your claim'.

When we repair your contents

If we choose to repair damage to *your contents*, we will repair with materials of a similar age, type, standard and specification to the *contents* that are reasonably available at the time of repair or replacement from New Zealand suppliers.

If *you* are not satisfied, before we repair the *contents*:

- › if we agree, *you* can pay the extra cost of repairing on a 'new for old' basis; or
- › we will pay *you* what it would have cost *us* to repair, but only if we agree to this.

Items that form part of a set or collection

You cannot claim to repair undamaged parts of the *contents* (e.g. when a lounge chair which is part of a suite is *damaged*, we will pay to repair that chair only, not recover the whole lounge suite).

But there are limited circumstances where we will repair undamaged parts of *contents* to create a uniform appearance. These are:

- › **internal blinds and curtains**
if we can't match the repair materials or parts with the undamaged ones, if necessary, we will pay extra to replace undamaged blinds and curtains in the same room, stairs, hallway or passageway* where the damage occurred.
- › **loosely laid carpets or other floor coverings**
if we can't match the repair material or parts with the undamaged ones, if necessary, we will pay extra to replace undamaged loosely laid carpets and other *contents* floor coverings in the same room, stairs, hallway or passageway* where the damage occurred.

*See the explanation earlier in this *policy* for 'What we mean by same room, stairs, hallway or passageway'.

OTHER CLAIMS INFORMATION

Potential impact on cover and premiums

After a home claim

If we only pay part of the *home sum insured* to *you*, *your home policy* continues for the *period of insurance*. The amount of cover available for future claims will be reduced from the *home sum insured* stated on *your policy schedule* by the amount of the *loss or damage* to *your home*. The amount of cover shall be restored as and to the extent that the *loss or damage* to *your home* is repaired or rebuilt. This includes where *your policy* has been renewed before *you* have repaired or rebuilt the *loss or damage*. Before the amount of cover is restored, *you* must pay any additional premium we may charge. The amount of cover will be increased back to the amount stated on the *policy schedule* only once during the *period of insurance*, unless we confirm in writing that we will increase it more than once.

If we pay the full *home sum insured* to you, all cover under *your home policy* ceases. There is no refund of premium. If you have been paying premiums by instalments, you must pay the rest of the remaining unpaid instalments for the *period of insurance*.

After a contents claim

If we pay part of, or the full *contents sum insured*, the amount of cover available for future claims will be reduced from the *contents sum insured* stated on *your policy schedule* by the amount of the *loss or damage* to *your contents*. The amount of cover shall be restored as and to the extent that the *loss or damage* to *your contents* is repaired or the item replaced. This includes where *your policy* has been renewed before you have repaired or replaced *your contents*. The cover for *your contents* continues for the *period of insurance* at no extra cost. You should reassess *your contents sum insured* after a *contents* claim. There is no refund of premium if *your contents sum insured* is reduced by the amount of *your* claim.

Salvaged home and contents items

If we replace or compensate you for an item of *contents* or part of *your home*, we then own the *damaged* or recovered item or part. If we agree you can keep an item or part we will determine the salvage value and we can deduct this amount from any payment we make to you.

Reparation

If any person is ordered to pay *reparation* to anyone we insure under this *policy* for *loss or damage* to any property that we have or will pay a claim under this *policy* for, then you must tell us. Any payments received must first reimburse our claims payment up to the amount of any *reparation* received.

Our right to recover claims we pay from those responsible

After we pay a claim under this *policy*, we can decide to take legal action in *your* name to recover money from the person or entity which caused the *loss or damage* or liability. You must give us all the help we need to do this. If we recover money which exceeds the amount we have paid you or was not part of the claim we paid, we will give this to you. However, where you receive a payment, we may ask you to contribute on a pro-rata basis to the costs that we have incurred in recovering the money.

4. OTHER IMPORTANT INFORMATION

WHAT HAPPENS WITH CANCELLATIONS?

Cancellation by you

You may cancel this policy at any time. If you cancel this policy, you will be refunded the unexpired portion of the premium if the refund is more than \$10. The cancellation will take effect from the time that we receive your request to cancel.

Cancellation by us

We can cancel your policy by giving you notice of cancellation. This cancellation will take effect 7 days after we advise you of the cancellation. Where we cancel with notice, you will receive a refund of the unexpired portion of the premium if the refund is more than \$10.

Where:

- › *you do not provide honest, accurate or complete information in relation to a claim, including in a statement given to our agents, in a claim form or another document, or where you omit to tell us something; or*
- › *you are fraudulent in making your claim, or you exaggerate your loss or damage;*

we can cancel your policy back to the time that you gave the fraudulent, inaccurate, incomplete or exaggerated information, and refuse to pay any claim or recover any money paid since that time.

If you breach your duty of disclosure by failing to give honest, accurate or complete answers to our questions or by failing to provide information that is relevant or material to our decision to enter into this policy with you, we can avoid this policy from the start date and your policy will be treated as if it had never existed. This may mean that you have to refund to us any claims that we have already paid you.

For more information about cancellation see 'Paying your premium'.

WORDS WITH SPECIAL MEANINGS

Act

means any Act of the New Zealand Parliament in force at the commencement of the *period of insurance*, or which comes into force during the *period of insurance*, and any substitution of, amendment to, replacement of, or any statutory regulation made under such Act.

bodily injury

means bodily injury (including death), illness, disability, disease, shock, fright, mental anguish or mental injury to another person not intended or expected by *you*.

business activity

means any activity specifically undertaken for the purposes of earning an income, whether or not *you*:

- › are a sole trader, a trust, or an incorporated business;
- › are registered with Inland Revenue or with the Companies Office;
- › pay tax to Inland Revenue on the income derived from such activity.

collection

means a set of objects, specimens, writings, and the like, gathered together and which collectively have a special value above that of the items individually if separated.

common property

means land or areas at the *insured address* that both *you* and other people are entitled to use at a *unit* or strata title development.

contents

has the meaning given under 'What we cover as your contents' on page 9.

contents sum insured

means the amount stated on *your* latest *policy schedule for contents*.

damaged

means to have suffered sudden physical damage not intended or expected by *you*.

damages

means amounts payable in accordance with judgement against *you* and/or settlements negotiated by *us*, including the other party's costs and interest on any judgement where applicable. Damages do not include punitive or exemplary damages, fines, penalties, *reparation*, or any other form of criminal sanction, non-pecuniary relief, taxes, or any payment deemed to be unlawful to insure against.

destroyed

means that the *home* is so damaged that it would not be reasonably practicable to repair the *home*.

drone

means an unmanned, unpiloted or remotely operated aerial vehicle (including associated equipment required to operate it, and any recording equipment attached to it) capable of being controlled:

- › autonomously by a computer; or
- › by a person, when it is outside of the person's visual line of sight.

event

means a single incidence, accident or occurrence.

family

means:

- › *your* spouse, partner or de facto;
- › *your* parents, parents-in-law;
- › *your* children, brothers and sisters, including their respective spouse, partner or de facto; and
- › the children, parents, parents-in-law, brothers and sisters of *your* spouse, partner or de facto.

fixtures and fittings

means items used for domestic and residential purposes and which are permanently attached to *your home*.

flood

means the inundation of land by water escaping from or released from the normal confines of the sea, any watercourse, reservoir, pond, dam, or lake, as well as the runoff, accumulation, or pooling of water.

However, flood does not include inundation of land where it affects only *your* property.

home

has the meaning given under 'What we cover as your home' on page 7.

home sum insured

means the amount stated on *your* latest *policy schedule* for home sum insured.

indemnity value under the home policy

means *our* option of:

- › the *market value*
- › the depreciated *replacement cost* as assessed by an independent registered valuer, or
- › the cost of repairs, less wear and tear and depreciation, but including the cost of complying with government or local authority by-laws or regulations to the extent this cost would be covered by this *policy* if the *home* had been repaired.

indemnity value under the contents cover

means *our* option of:

- › the cost of repairs, less wear and tear and depreciation, or
- › the *market value*.

insured address

has the meaning given under 'Where we cover – the insured address' on page 7.

loss or damage (including lost or damaged)

means sudden physical loss or sudden physical damage not intended or expected by *you*.

market value under the home cover

means the market value of *your home* excluding land, immediately prior to the *loss or damage*, as determined by an independent registered valuer.

market value under the contents cover

means the cost to replace the insured item with an item of comparable age, quality and capability in the same general condition as the insured item was in prior to the *loss or damage*.

memorabilia

means things saved or collected as souvenirs and/or for their historical interest.

natural disaster

means earthquake, *natural landslip*, volcanic eruption or activity, hydrothermal activity, tsunami or fire resulting from any of these. It does not include any gradual or slow movement of land.

natural landslip

means the sudden movement (whether by way of falling, sliding, or flowing, or by a combination of these) of ground-forming materials composed of natural rock, soil, artificial fill, or a combination of such materials, which, before movement, formed an integral part of the ground, but does not include any gradual or slow movement of these materials.

'new for old' condition

has the meaning given under "'New for old' condition means' and "'New for old' condition does not mean' on page 36.

period of insurance

means when *your policy* starts to when it ends. It is shown on *your policy schedule*.

policy

means *your* insurance contract.

policy schedule

means the policy schedule *we* have given *you*. It is an important document as it shows the covers *you* have chosen and other *policy* details.

rent

means the periodic payments due to *you* by the *tenant(s)* for use of the *home* as agreed under the current *tenancy agreement*.

reparation

means an amount ordered by a New Zealand court under section 32 of the Sentencing Act 2002 to be paid to the victim of an offence.

Reparation does not include:

- a. *damages*, court costs, fines, penalties, any other form of criminal sanction, non-pecuniary relief, taxes, any payment deemed to be unlawful to insure against; or
- b. *your* legal defence costs or expenses in relation to an offence.

replacement cost

means the cost reasonably required to, at *our* option:

- › repair the *damaged* portion of the *home* to the 'new for old' condition
- › repair the *damaged* portion of the *home* to a similar condition to what *your home* was in before the *loss or damage* occurred, or
- › rebuild the home to the 'new for old' condition.

This cost is calculated at the time of the *loss or damage* giving rise to a claim under this *policy*. It does not include any cost which is not covered by this *policy*, unless the only reason the cost is not covered is because the *home sum insured* has been exceeded.

residential boundaries

means that part of the land on which the dwelling which constitutes *your home* is situated, which is used by *you*, by members of *your family*, or by *your tenant*, for predominantly domestic purposes. It does not include:

- › any part of the land which is used for commercial or farming purposes;
- › any part of the land that is more than 150 metres away from a dwelling or garage used for domestic purposes, where the *home* is situated on a property greater than 10,000 square metres in size, and is not serviced by a dedicated town mains water supply.

retaining wall

means a wall, which is not part of *your* residential *home*, that holds back or prevents the movement of earth.

set

means a number of things customarily used together or forming a complete assortment, outfit, or collection such as a set of dishes.

tenancy agreement

means the written contract of tenancy between *you* and the *tenant(s)* over the *home*.

tenant

means any person or persons (including the person's husband, wife, or partner, and the person's family) who are party to a *tenancy agreement* with *you*, for a period of no less than 90 days, having the right under such agreement to occupy the *home* in consideration of regular *rent*.

tenanted

means that *your home* is occupied by *tenants* and *your home* is noted on *your policy schedule* as being tenanted.

unit

means unit, villa, townhouse or apartment in a unit or strata title development or cross-lease development. It does not include *common property*.

unliveable

means the *home* is no longer a safe and sanitary place to live, as determined by government or local authorities, or by *us*, due to physical damage to the *home*, and where notice to this effect has been issued. It does not mean a disinclination by *you* to remain in occupancy of an otherwise safe or sanitary *home*.

unoccupied and occupied

unoccupied means:

- › *your home* is not furnished enough to be lived in; or
- › no-one is eating, sleeping and living at *your home* with *your* permission; or
- › *your home* is not connected to utilities.

occupied means:

- › *your home* is furnished enough to be lived in; and
- › someone is eating, sleeping and living at *your home* with *your* permission; and
- › *your home* is connected to utilities.

furnished enough to be lived in means *your home* contains at least:

- › a bed; and
- › a clothes and linen storage area; and
- › an eating table or bench; and
- › a refrigerator and a cooking appliance.

well maintained and in good condition

means *your home* and *contents* do not have any faults or defects that might cause *loss or damage* to *your home* and *contents*, or *loss or damage* to property of others. This includes but is not limited to the following:

- › the roof does not leak when it rains;
- › there are no areas of the roof that are rusted through;
- › there is no wood rot in *your home*;
- › there are no holes in floors, walls, ceilings or any other parts of *your home* (e.g. external wall cladding, internal plaster, floorboards);
- › there are no boarded up or broken windows;
- › there are no steps, gutters, flooring, walls, ceilings or any other areas of *your home* that are loose, falling down, missing or rusted through;
- › all previous damage including damage caused by any previous *insured event* has been repaired;

- › *your home* is not infested with vermin;
- › there are no squatters or unauthorised persons occupying *your home*.

we, our and us

means Vero Insurance New Zealand Limited.

you, your

has the meaning given under 'Who we cover – you/your' on page 7.

HOW WE WILL DEAL WITH A COMPLAINT

If *you* are not satisfied with *our* products or services or a decision made in relation to *your* insurance, please let *us* know so that *we* can help. *We* take all customer feedback seriously and would like the opportunity to resolve any issues. *We* have a complaints process that *we* will follow when *you* contact *us* about a complaint. Please refer to *your* policy documentation for details on how to contact *us*.



VCPLP 11/16

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