



Insurance Policy Document
Home, Contents,
Private Motor Vehicle
and Pleasurecraft Insurance.

› [asb.co.nz](https://www.asb.co.nz)

ASB

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Welcome

Thank you for choosing ASB General Insurance.

Your house, vehicle, pleasurecraft and belongings can have significant financial value, so it's wise that you've chosen to protect them against things like accidental damage, loss and theft.

This ASB Insurance Policy Document along with your Policy Schedule contains all the information you need to know about your insurance cover. Please keep them on hand as you will find them useful in the event of a claim.

ASB and IAG - working together to cover you

Your insurance cover has been arranged by ASB through IAG New Zealand Limited (IAG). IAG manages your policy and their expert team will look after any claims you might have.



In the event of a claim call
0800 200 242
24 hours, 7 days a week.

If you're overseas call
+64 9 969 9282



24-hour breakdown service
0800 762 373
0800 ROAD RESCUE

Optional additional benefit

Introduction

About this policy

Your policy consists of:

1. this policy wording, and
2. the **schedule**, and
3. the information **you** have provided in the **application** and any subsequent information **you** provide.

This policy only covers **you** for the sections **you** are insured for, as shown in the **schedule**.

Your duty of disclosure

When **you** apply for insurance, **you** have a legal duty of disclosure. This means **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

1. whether to accept or decline **your** insurance, or
2. the cost or terms of the insurance, including the **excess**.

You also have this duty every time **your** insurance renews and when **you** make any changes to it. If **you** breach this duty, **we** may treat **your** policy as being of no effect and to have never existed.

Please ask us if you are not sure whether you need to tell us about something.

Changing your mind

If **you** are not happy with this policy, **you** are welcome to change **your** mind, provided **you** tell **us** within 15 days of the date this policy started. **We** will treat **your** policy as being of no effect and to have never existed and refund in full any premium **you** have paid. This does not apply if **you** have made a claim on **your** policy.

Reading this policy

Some of the words in this policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean at the end of each section that specifically relate to that section and also at the back of this policy in the section 'Policy definitions that apply to all parts of this policy'.

To make it easy for **you** to understand this policy, **we** have included some examples or comments in *italics*. The words in italics do not affect or limit the meaning of the section they refer to.

Please also note that the headings in this policy are designed to help **you** find **your** way around. They should not be used when interpreting this policy wording.

Our agreement

We have an agreement with **you**. **You** agree to pay **us** the premium. In exchange, **we** promise to cover **you** as set out in this policy wording.



Section 1 - Home Insurance



This section applies if the **schedule** shows you have cover for **your home**.

Part one - cover for your home

What you are covered for

You are covered for sudden and **accidental loss** to the **home** that occurs during the **period of insurance**.

What you are not covered for

48-hour restriction

You are not covered for **loss** that occurs during the first 48 hours of this Home Insurance, caused by storm, flood or landslip. This only applies when **you** first take out this Home Insurance with **us**.

However, this restriction does not apply where:

1. this Home Insurance started immediately following another policy that also insured the same property against the risks of storm, flood and landslip, or
2. this Home Insurance was taken out at the time **you** purchased the **home**.

Vacant homes

If **you**, or a person authorised by **you**, have not been living at the **home** for a period of more than 60 consecutive days, **we** will only pay for **loss** that is:

1. caused by fire, explosion or lightning, or
2. covered under the 'Natural disaster' automatic additional benefit.

However, this restriction does not apply where:

- a. **you** have notified **us** and **we** have agreed in writing to cover the **home** while unoccupied. **We** may, at this time, change the terms of **your** Home Insurance.
- b. **we** have the **home** recorded as a holiday home, and the following criteria are met:
 - i. the **home** is inspected inside and outside by **you** or a nominated person at least every 60 days, and
 - ii. the **home** and its grounds are adequately maintained, and
 - iii. mail is cleared regularly, and
 - iv. the water supply is turned off, and
 - v. all doors are locked, and all windows secured.

This restriction will end as soon as **you**, or a person authorised by **you**, is living in the **home** again.



Causes of loss not covered

You are not covered for **loss** to the **home** connected in any way with:

1. structural additions or structural alterations, unless:
 - a. **we** have been notified of the additions or alterations beforehand and **we** have agreed in writing to cover this, or
 - b. cover is provided under the 'New building work' automatic additional benefit, or
2. water in any form (including hail and snow) entering the **home** because any roofing material, exterior cladding, window or door has been removed by:
 - a. **you**, or
 - b. any other person who is acting on **your** authority, or
3. insects, rodents or vermin (other than possums), or
4. an animal owned by anyone living in the **home**, if the **home** is occupied by a tenant, or
5. hydrostatic pressure to swimming pools or spa pools, unless the **loss** is as a result of earthquake, storm or flood, or
6. **natural disaster**, unless cover is provided under the 'Natural disaster' automatic additional benefit.

However, exclusions 3., 4. and 5. apply only to the property directly affected. They do not apply to resultant sudden and **accidental loss** to other parts of the **home**.

Types of loss not covered

You are not covered for:

1. repairing or replacing floor coverings that are not in the room(s) where the **loss** occurred, or
2. repairing or replacing undamaged parts of a bathroom suite or kitchen suite that have not suffered the **loss**, or
3. **loss** to fuses, protective devices, or lighting or heating elements caused by electricity, or
4. **loss**, cost or expense arising from any fault, defect, error or omission in:
 - a. design, plan or specification, or
 - b. workmanship, construction or materials.

However, this exclusion 4. applies only to the property directly affected. It does not apply to resultant sudden and **accidental loss** to other parts of the property, or

5. the breakdown, failure or wearing out of any mechanical or electrical equipment, or any part thereof, unless burning out occurs as a result of an **accidental** and external force.

Gradual damage not covered

You are not covered for:

1. wear and tear, depreciation, corrosion or rust, or
2. rot or mildew, or
3. gradual deterioration, except for **loss** covered under the 'Hidden gradual damage' automatic additional benefit or the 'Landlord's protection: Hidden gradual damage' optional additional benefit.

Intentional acts not covered

You are not covered for **loss** that is intentionally caused by any:

1. tenant, or
2. guest of a tenant, or
3. person who occupies the **home**.

However, this exclusion does not apply where the **loss** is:

- a. a result of fire or explosion, provided the fire or explosion was not intentionally caused by **you** or **your partner**, or
- b. covered under the 'Methamphetamine contamination' automatic additional benefit or the 'Landlord's protection: Intentional acts and rent protection' optional additional benefit.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Home Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

The most we will pay

Home sum insured

1. The most **we** will pay for **loss** to the **home**, exclusive of **special features**, for any **event** that occurs during the **period of insurance** is the **home sum insured**. This includes:
 - a. compliance costs,
 - b. professional and other fees,
 - c. demolition and removal costs,
 - d. all automatic and optional additional benefits, unless stated otherwise.



2. However, within the **home sum insured**, the most **we** will pay in total for any **event** that occurs during the **period of insurance** for **loss** to:
 - a. all retaining walls is \$20,000, and
 - b. all **recreational features** is \$40,000,
 unless an increased limit is shown in the **schedule**, in which case that increased limit is the most **we** will pay for the respective property.

Special feature sum insured

3. The most **we** will pay for **loss** to any **special feature** for any **event** that occurs during the **period of insurance** is its **special feature sum insured**. This includes:
 - a. compliance costs,
 - b. professional and other fees,
 - c. demolition and removal costs.

Total sum insured

4. The most **we** will pay for **loss** under 'Part one - cover for your home' in total for any **event** that occurs during the **period of insurance** is the **total sum insured**. This includes:
 - a. the **home sum insured**,
 - b. any **special feature sums insured**,
 - c. all automatic and optional additional benefits, unless stated otherwise.

Reduction of sums insured

5. Following **loss** to the **home** or any **special feature** for which a claim is payable under this Home Insurance or under the **EQC Act**, the **total sum insured** and the relevant sum insured or policy limit are reduced from the time of the **loss** by the amount required to repair the **loss**.

For example, if a retaining wall suffers loss, the total sum insured and the home sum insured and the retaining wall limit are each reduced by the amount of that loss.

6. If, at the commencement of the current **period of insurance**, the **home** or any **special feature** has any pre-existing **loss** that was covered:
 - a. in a previous **period of insurance**, or
 - b. under any other policy, or
 - c. under the **EQC Act**,
 and such **loss** remains unrepaired at the start of the current **period of insurance**, the **total sum insured** and the relevant sum insured or policy limit are reduced from the start of this **period of insurance** by the amount required to repair that pre-existing **loss**.

Reinstatement of sums insured

7. When, and to the extent that any payment is applied to repair the **home** or any **special feature**, the **total sum insured** and the relevant sum insured or policy limit that were reduced by 'Reduction of sums insured' above are reinstated.

If your home is economic to repair

If, in **our** opinion, it is economic to repair the **loss** to the **home**, **we** may choose to:

1. pay **you** the reasonable cost incurred to repair the part of the **home** that suffered the **loss**, or
2. pay **you our** estimate of the reasonable cost **you** would incur to repair the part of the **home** that suffered the **loss**.

If your home is uneconomic to repair

1. If, in **our** opinion, it is uneconomic to repair the **loss** to the **home**, **you** may choose one of the following:
 - a. Rebuild on the same site: **We** will pay **you** the reasonable cost incurred to rebuild the part of the **home** that suffered the **loss** to an equivalent size and specification on its original site, or
 - b. Rebuild on another site: **We** will pay **you** the reasonable cost incurred to rebuild the part of the **home** that suffered the **loss** to an equivalent size and specification on another site that **you** provide anywhere in New Zealand. The cost must not be greater than **our** estimate of the reasonable cost of rebuilding the part of the **home** that suffered the **loss** on its original site less demolition and removal costs incurred, or
 - c. Buy another home: **We** will pay **you** the reasonable cost incurred to buy another home anywhere in New Zealand, including reasonable and necessary legal and associated fees. However, **we** will not pay more than **our** estimate of the reasonable cost that would have been payable if the part of the **home** that suffered the **loss** had been rebuilt within a reasonable timeframe on the original site less demolition and removal costs incurred. Compliance costs, and professional and other fees are not included in the estimated rebuilding costs as these are only incurred when rebuilding occurs, or



- d. Accept a cash payment with **our** consent: At **our** sole discretion, **we** will pay **you** **our** estimate of the reasonable cost **you** would incur to rebuild the part of the **home** that suffered the **loss** less demolition and removal costs incurred. Compliance costs, and professional and other fees are not included in the estimated rebuilding cost as these are only incurred when rebuilding occurs.
2. If, in **our** opinion, it is uneconomic to repair the **loss** to the **home**, and **you** sell the **home** before the rebuilding begins, the most **we** will pay is the lesser of:
 - a. the **total sum insured**, or
 - b. the difference between the market value of the **home** immediately before and immediately after the **loss**, plus demolition and removal costs **we** determine are necessary,less any costs covered under this Home Insurance which have been met by **us** up to the date on which the sale settles.

Settlement of your loss

The following clauses are subject to the provisions outlined above in 'What we will pay - The most we will pay'.

Standard of repair or rebuild

We will pay the reasonable cost to repair or rebuild the part of the **home** that suffered **loss** to a condition as similar as possible to when it was new, using current industry accepted building materials and construction methods.

We will not pay for:

1. additional materials, work and expense required solely to comply with government or local authority bylaws and regulations, unless covered under 'Compliance costs' below, or
2. design, engineers', surveyors' and building consultants' fees, and consents and other associated legal fees, unless covered under 'Professional and other fees' below.

Compliance costs

1. If **you** are repairing or rebuilding the **home**, **we** will also include the reasonable costs of additional materials, work and expense required solely to comply with government or local authority bylaws and regulations.

We will only pay these costs of compliance:

- a. if the **home** complied with all requirements that existed at the time it was originally built and at the time of any alteration, and
- b. for the part of the **home** that has suffered **loss** covered under this Home Insurance.

2. **We** will not pay any costs of compliance if notice of non-compliance had already been served before the **loss** occurred.
3. These costs are not payable when **you** buy another home or accept a cash payment as settlement of **your** claim, as described in 1. c. or d. of 'If your home is uneconomic to repair' above.

Professional and other fees

1. If **you** are repairing or rebuilding the part of the **home** that suffered **loss**, **we** will also include the reasonable costs of:
 - a. design, engineers', surveyors' and building consultants' fees, and
 - b. consents and associated legal fees.
2. These costs must be necessary to repair or rebuild the part of the **home** that has suffered **loss**, and approved by **us** before they are incurred.
3. These costs are not payable when **you** buy another home or accept a cash payment as settlement of **your** claim, as described in 1.c. or d. of 'If your home is uneconomic to repair' above.

Demolition and removal costs

1. If **we** accept a claim for **loss** to the **home**, **we** will also pay the reasonable costs of:
 - a. demolition of the part of the **home** that suffered the **loss** that is necessary to effect the repair or rebuild of that **loss**, and the removal of debris associated with that, and
 - b. removing **your** household contents when this is required to enable the **home** to be repaired or rebuilt, but not the cost of storing them or returning them to the **home**.
2. These costs must be necessary and approved by **us** before they are incurred.
3. If **we** pay to demolish any part of the **home**, this gives **us** the choice to take the debris and dispose of it as **we** see fit and retain any salvage obtained.

Costs not covered

We will not pay any costs that are incurred for:

1. any part of the **home** that has not suffered **loss**, unless this is necessary to repair or rebuild the **loss** covered, or
2. stabilising, supporting or restoring land, earth or fill, or
3. anyone **you** engage to prepare, advise on or negotiate a claim made under this Home Insurance.

We will not pay these costs. You will have to meet these.



Part one - automatic additional benefits

These benefits are subject to the terms of this Home Insurance, except where the terms are varied in the benefit. The amounts shown in these benefits are included in the **total sum insured**, unless expressly stated that it is an additional payment.

Alternative accommodation

This Home Insurance is extended to cover the reasonable additional cost of temporary alternative accommodation (of a similar standard to the **home**) for **you**, any family member who permanently resides with **you**, and **your** domestic pets, if the **home** is **your** principal residence and cannot be lived in due to **loss** or **contamination damage** to the **home** that occurs during the **period of insurance** that:

1. is covered under this Home Insurance, or
2. would have been covered under this Home Insurance, but is covered under the **EQC Act** instead.

Cover under this benefit ends on the earlier of the date on which **we**:

- a. settle **your** claim for **loss** or **contamination damage**, or
- b. have paid **you** 12 months' alternative accommodation costs.

Where **we** have settled **your** claim for **loss** or **contamination damage** by payment of **our** estimate of the cost **you** would incur to repair or **remediate**, **we** will cover the cost of temporary alternative accommodation for the reasonable estimated period that it would take to repair or **remediate** the part of the **home** that suffered the **loss** or **contamination damage**.

The most **we** will pay for any **event** or **contamination claim** for each residential dwelling shown in the **schedule** as covered under this Home Insurance is \$20,000.

This is in addition to any other payment under this Home Insurance.

If **you** have alternative accommodation cover under any other section of this policy or under any other policy with **us**, the most **we** will pay for any **event** or **contamination claim** for each residential dwelling under all policies in total is the highest applicable limit.

Electronic programs

You are covered for the reasonable cost of restoring, re-setting or re-programming programs, software and other coded instructions necessary to operate any electronic equipment covered under this Home Insurance as part of the **home** where that electronic equipment has suffered **loss** covered under this Home Insurance.

You are not covered for loss of any data stored on any of that electronic equipment.

Glass breakage

An **excess** of \$250 per **incident** applies to a claim that is solely for sudden and **accidental** breakage of:

1. glass in any:
 - a. window, or
 - b. door, or
 - c. screen of the **home**, or
2. any sink, bath, wash basin, toilet bowl, shower cabinet, bidet, fixed glass lampshade, permanently fixed mirror or glass in built-in furniture in the **home**.

Your claim-free discount will not be affected.

Hidden gradual damage

If **you** occupy the **home**, this Home Insurance is extended to cover:

1. **hidden gradual damage** to the **home** that occurs and that **you** discover during the **period of insurance**, and
2. any other part of the **home** that is not directly affected but must be damaged or destroyed to locate the cause of the **hidden gradual damage**, provided **we** have first given **our** permission.

The most **we** will pay during an **annual period** is \$5,000.

We will not pay the cost of searching for or repairing the source of the problem.



Keys and locks

If any key (including electronic keys or swipe cards or any equivalent device) or combination that gives access to:

1. the **home**, or

2. any safe or strongroom in the **home**,

is lost, damaged, stolen or believed on reasonable grounds to have been duplicated without **your** permission, during the **period of insurance**, we will pay the cost of:

a. replacing any key to the **home** and altering or replacing the locks that the key was for, or

b. opening any safe or strongroom.

The most **we** will pay during an **annual period** is \$1,000.

If **you** have keys and locks cover under any other section of this policy or under any other policy with **us**, the most **we** will pay during an **annual period** under all policies in total is \$1,000.

You will not have to pay an **excess** and **your** claim-free discount will not be affected.

Landscaping

This Home Insurance is extended to cover the reasonable cost to restore or reconstruct the garden or lawn within the residential boundaries of the **home**, provided:

1. the garden or lawn suffered **loss**, and a claim is payable for **loss** to the **home** from the same **event**, or
2. the garden or lawn suffered **loss** as a result of the **home** being repaired or rebuilt following **loss** covered under this Home Insurance.

The most **we** will pay for any **event** is \$2,500.

This is in addition to any other payment under this Home Insurance.

Loss of rent

This Home Insurance is extended to cover the amount of any rent **you** have lost, if the **home** cannot be lived in due to **loss** or **contamination damage** to the **home** that occurs during the **period of insurance** that:

1. is covered under this Home Insurance, or
2. would have been covered under this Home Insurance, but is covered under the **EQC Act** instead,

while the **home** is a residential rental property and this is shown in the **schedule**.

Cover under this benefit ends on the earlier of the date on which **we**:

a. settle **your** claim for **loss** or **contamination damage**, or

b. have paid **you** 12 months' loss of rent.

Where **we** have settled **your** claim for **loss** or **contamination damage** by payment of **our** estimate of the cost **you** would incur to repair or **remediate**, **we** will cover the amount of rent lost for the reasonable estimated period that it would take to repair or **remediate** that part of the **home** that suffered the **loss** or **contamination damage**.

The most **we** will pay for any **event** or **contamination claim** for each residential dwelling shown in the **schedule** as covered under this Home Insurance is \$20,000.

This is in addition to any other payment under this Home Insurance.

If **you** have loss of rent cover under the 'Landlord's protection: Intentional acts and rent protection' optional additional benefit or under any other policy with **us**, the most **we** will pay for any **event** or **contamination claim** for each residential dwelling under all policies in total is the highest applicable limit.

Methamphetamine contamination

This Home Insurance is extended to cover **contamination damage** to the **home** that first occurs and that **you** discover during the **period of insurance**, subject to the following:

There is no cover for any **contamination damage** where any contamination existed or occurred prior to the current **period of insurance**, unless the pre-existing contamination was disclosed to and accepted by **us** in writing. If **you** have insured the **home** with **us** (or any other brand underwritten by **us**) continuously since the earlier period when the **contamination damage** first occurred, **we** will waive the requirement for the **contamination damage** to have first occurred during the current **period of insurance**.

Damage by you and certain others not covered

You are not covered for any **contamination damage** that is caused or contributed to, directly or indirectly, by or in connection with **you** or **your partner**, or any member of **your** or their family.

For the purposes of this exclusion, **you** includes any trustee or beneficiary of the trust if the **home** is owned by the trust, or any director or shareholder of the company if the **home** is owned by the company, or any unit title holder.



Where you do not live in the home

Where the **contamination damage** occurs in connection with any tenancy or occupancy of:

1. more than 90 days, there is no cover unless **you**, or the person who manages the tenancy on **your** behalf, have fully met the 'Landlord's obligations' in the section 'Conditions that apply to all parts of this Home Insurance', or
2. 90 days or less, there is no cover unless the **contamination damage** was caused by an **accidental incident** in connection with the manufacture, distribution or storage (but only where the storage is in connection with supply or distribution) of **methamphetamine** at the **home**.

What we will pay

1. Where there is cover under this benefit, **we** will:
 - a. reimburse **you** for the reasonable cost **you** have incurred during the **period of insurance** for testing, provided:
 - i. the testing is carried out in accordance with New Zealand Standard NZS 8510 or by an operator approved by **us**, and
 - ii. the testing confirms **contamination damage** to the **home**, and
 - b. pay to **remediate** that part of the **home** that suffered **contamination damage** subject to the provisions below.

Please note - the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination and will not restore the home to its condition when it was new.
2. **We** may choose to:
 - a. pay **you** the reasonable cost incurred to **remediate** the part of the **home** that suffered the **contamination damage**, or
 - b. pay **you our** estimate of the reasonable cost **you** would incur to **remediate** the part of the **home** that suffered the **contamination damage**.
3. The most **we** will pay for any **contamination claim** for each residential dwelling shown in the **schedule** as covered under this Home Insurance is \$30,000.
4. An **excess** of \$2,500 or the **excess** shown in the **schedule**, whichever is greater, will apply to any **contamination claim** for each residential dwelling shown in the **schedule** as covered under this Home Insurance.

Natural disaster

This Home Insurance is extended to cover sudden and **accidental loss** to the **home** that occurs during the **period of insurance** caused by **natural disaster**, subject to the following:

Where EQC cover applies

1. If that **loss** is covered under the **EQC Act**, or would have been but for:
 - a. the application of an excess under the **EQC Act**, or
 - b. a failure by **you** to correctly notify a claim to the Earthquake Commission within the time required under the **EQC Act**, or
 - c. a decision by the Earthquake Commission to decline a claim or limit its liability for that **loss** in whole or in part and for any reason whatsoever, or
 - d. any act or omission on **your** part, the part of **your** agent, or the part of the Earthquake Commission,

and the cost to repair or rebuild the part of the **home** that suffered the **loss** exceeds **your** maximum entitlement available (or that would have been available but for the reasons in 1. a. to d. above), for that **loss** under the **EQC Act** (plus the excess under that Act), **we** will pay the difference between that maximum entitlement (plus that excess) and the cost to repair or rebuild the part of the **home** that suffered the **loss**.
2. The most **we** will pay under this benefit for any **event** is the difference between that maximum entitlement (plus the excess) under the **EQC Act** and the **total sum insured**.

Where no EQC cover applies

3. Where **your** claim for **loss** to the **home** under this benefit is for, or includes, any part of the **home** that is not covered under the **EQC Act**, then the **excess** will be the higher of:
 - a. \$5,000, and
 - b. the **excess** otherwise applicable to the claim under this Home Insurance.

Some examples of parts of the home not covered under the EQC Act are any:

- > gate or fence,
- > driveway,
- > patio, path, paving, tennis court or other artificial surface,
- > swimming pool or spa pool.



New building work

This Home Insurance is extended to cover sudden and **accidental loss** that occurs during the **period of insurance** to:

1. any new structure being built within the residential boundaries of the **home**, if **you** own it (or if **you** are responsible for it while it is being built), provided it will be covered under this Home Insurance when complete, and
2. any materials within the residential boundaries of the **home** that are to be included in the new structure,

but only if the **loss** was caused by:

- a. fire, explosion or lightning,
- b. storm or flood, but not exposure to normal weather conditions,
- c. riot or labour disturbance,
- d. aircraft or other aerial or spatial device, or an article dropped from them,
- e. impact by any **motor vehicle** or animal.

What is not covered

We do not cover any structure:

1. where the expected value of the completed work, or the price of the contract including materials, is more than \$10,000, or
2. that involves alteration to any part of the existing **home**, or
3. that involves excavation more than 1 metre deep, or
4. that has not been granted a building consent or similar if one is required.

What we will pay

The most **we** will pay during an **annual period** is \$10,000.

Post-event inflation protection

We may, at **our** sole discretion, increase the cover available under this Home Insurance if:

1. a **natural disaster**, flood or storm has occurred in the vicinity of the **home** causing widespread **loss** and, as a direct result of this widespread **loss**, building costs have increased due to a statistically significant increase in demand in **our** opinion, and
2. the **home** has suffered sudden and **accidental loss** that is covered under this Home Insurance and **your** claim in respect of that **loss** is settled on the basis of an actual repair or rebuild of the **home**, and
3. the actual cost to repair or rebuild:
 - a. the **home** is higher than the **home sum insured**, or
 - b. any retaining wall or **recreational feature** is higher than its corresponding limit shown in this Home Insurance, or
 - c. any **special feature** is higher than its corresponding **special feature sum insured**, solely due to the increase in building costs described in paragraph 1. above.

The most **we** will pay, in total, for all increases in cover is the amount calculated by applying the percentage of the statistically significant increase in demand to:

- i. the **home sum insured**, and
- ii. the corresponding limit for any retaining wall or **recreational feature** shown in this Home Insurance, and
- iii. the **special feature sums insured**, up to a maximum of 10% more than those respective sums insured or limits.

However, under no circumstances will **we** pay more than an additional 10% of the **home sum insured** in total for i. and ii. under this clause.

For example:

An earthquake causes damage to a large number of homes in your town and substantially damages your home. As a result of all of the homes needing to be repaired/rebuilt, the cost of building materials and labour increases sharply. If your total sum insured of \$500,000 is no longer adequate because of the increased costs, we may pay up to \$550,000 to rebuild or repair your home and any retaining walls or recreational features.



Sale and purchase

Where **loss** occurs after **you** have entered into an unconditional contract to sell the **home**, the purchaser is covered under this Home Insurance for that **loss** until the final settlement, or until they take possession of the **home**, whichever occurs first, provided:

1. they meet the terms of this Home Insurance, and
2. they have not otherwise insured the **home** at the time of the **loss**.

Stress payment

If, in **our** opinion, it is uneconomic to repair the **loss** to the **home**, **we** will also pay **you** \$2,000 for the stress caused by the **loss**.

If **you** have stress payment cover under any other section of this policy or under any other policy with **us**, the most **we** will pay for any **event** under all policies in total is \$2,000.

This is in addition to any other payment under this Home Insurance.

Sustainability upgrade

If, in **our** opinion, it is uneconomic to repair the **loss** to the **home**, **we** will also pay up to \$15,000 to upgrade the **home** with **sustainable products**, provided:

1. **you** rebuild the **home** (on the same site or on another site), and
2. **you** occupy the **home** as **your** principal residence at the time of the **loss**, and
3. the **sustainable products** are approved by **us**.

This is in addition to any other payment under this Home Insurance.

Water or sewage blockage

We will pay the reasonable cost towards clearing a blockage in an underground water or sewage pipe, provided the blocked pipe is within the residential boundaries of the **home**.

This benefit only covers the cost of clearing the blockage, and does not cover any other maintenance costs.

The most **we** will pay during an **annual period** is \$500.

You will not have to pay an **excess** and **your** claim-free discount will not be affected.

Part one - optional additional benefit

The following benefit is an optional additional benefit for residential rental properties. Cover applies only if **you** have purchased the benefit and it is shown in the **schedule**. This benefit is subject to the terms of this Home Insurance, except where the terms are varied in the benefit. The amounts payable under this benefit are included in the **total sum insured**, unless expressly stated that it is an additional payment.

Landlord's protection

Contents

This Home Insurance is extended to cover sudden and accidental **loss** to **landlord's contents** at the **home** that occurs during the **period of insurance**.

We will at **our** option pay:

1. the **present value** of the **loss**, or
2. the cost to repair the item as near as possible to the same condition it was in immediately before the **loss** occurred.

The most **we** will pay for any **event** is \$10,000.

This is in addition to any other payment under this Home Insurance.

Hidden gradual damage

This Home Insurance is extended to cover:

1. **hidden gradual damage** to the **home** that occurs and that **you** discover during the **period of insurance**, and
2. any other part of the **home** that is not directly affected but must be damaged or destroyed to locate the cause of the **hidden gradual damage**, provided **we** have first given **our** permission.

The most **we** will pay during an **annual period** is \$3,000.

We will not pay the cost of searching for or repairing the source of the problem.



Intentional acts and rent protection

This Home Insurance is extended to cover:

1. sudden and **accidental loss** to the **home** or **landlord's contents** at the **home** that occurs during the **period of insurance**, caused by:
 - a. an intentional act, or
 - b. vandalism, or
 - c. theft,by any:
 - i. tenant, or
 - ii. guest of a tenant, or
 - iii. person who occupies the **home**.

The most **we** will pay for any **event** for both the **home** and **landlord's contents** in total is \$25,000, and within this amount the most **we** will pay for **landlord's contents** is \$10,000.

2. loss of rent where the tenant can legally stop paying rent under the tenancy agreement because of:
 - a. prevention of access to, or
 - b. accidental failure of public utilities at, the **home** during the **period of insurance**.The most **we** will pay for any **event** is 6 weeks' rent.
3. loss of rent following the tenant vacating the **home** without giving the required notice during the **period of insurance**.
The most **we** will pay for any **event** is 6 weeks' rent, less any amount recoverable by **you** from rent paid in advance.
4. loss of rent following eviction of the tenant for non-payment of rent during the **period of insurance**.
The most **we** will pay for any **event** is 12 weeks' rent, less any amount recoverable by **you** from rent paid in advance.

5. loss of rent due to the **home** being left unable to be lived in as a result of **loss** covered under 1. above.

The most **we** will pay for any **event** is 52 weeks' rent.

The most **we** will pay for loss of rent for any **event** is \$20,000.

Legal liability

'Part two - your legal liability' is extended to cover **your** legal liability for:

1. **accidental loss** to someone else's property, or
 2. **bodily injury** to someone else,
- that occurs during the
- period of insurance**
- in New Zealand, caused by or through or in connection with
- your**
- ownership of
- landlord's contents**
- .

The terms, conditions and limitations outlined in 'Part two - your legal liability' below apply.

Methamphetamine contamination

The 'Methamphetamine contamination' automatic additional benefit is extended to cover **landlord's contents** at the **home** on the same terms as outlined in the benefit wording.

The most **we** will pay for any **contamination claim** for both the **home** and **landlord's contents** in total is \$30,000, and within this amount the most **we** will pay for **landlord's contents** is \$10,000.

IMPORTANT

Please also read 'Landlord's obligations' under 'Conditions that apply to all parts of this Home Insurance'.





Part two - your legal liability

What you are covered for

Legal liability

You are covered for **your** legal liability for:

1. **accidental loss** to someone else's property, or
2. **bodily injury** to someone else,

that occurs during the **period of insurance** in New Zealand, caused by or through or in connection with **your** ownership of the **home** or its grounds.

Defence costs

You are also covered for defence costs **you** necessarily and reasonably incur, with **our** prior approval, in relation to liability arising under the items above.

Reparation

You are covered for **your** legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** committing an offence during the **period of insurance** in connection with **your** ownership of the **home** or its grounds, provided:

1. **you tell us** immediately if **you** are charged with any offence in connection with **your** ownership of the **home** or its grounds that resulted in **loss** of property or **bodily injury** to another person, and
2. **we give our** written approval before any offer of **reparation** is made.

There is no cover for any amounts that are covered under the Accident Compensation Act 2001 ('the Act'), or would be covered but for:

- a. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- b. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act, or
- c. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this clause should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

What you are not covered for

You are not covered for:

1. liability connected in any way with:
 - a. any business (other than renting the **home** as a residence), trade, profession or sponsorship, or
 - b. any contract or agreement, unless **you** would have been liable even without the contract or agreement, or
 - c. the ownership or use of any **motor vehicle** (other than any domestic garden appliance), trailer, caravan, watercraft, or aircraft or other aerial device, or
 - d. any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination occurs during the **period of insurance** and is caused by a sudden and **accidental event** that occurs during the **period of insurance**.
2. punitive or exemplary damages or fines.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Home Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Legal liability

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

This is in addition to any other payment under this Home Insurance.

Defence costs

Defence costs covered under this Home Insurance will be paid in addition to the 'Legal liability' limit (above) and any other payment under this Home Insurance.

Settlement of any claim

We may pay the full amount under this part of this Home Insurance, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this Home Insurance.



Exclusions that apply to all parts of this Home Insurance

Consequential loss

You are not covered for any kind of consequential loss other than as specifically provided for under the 'Alternative accommodation' and 'Loss of rent' automatic additional benefits, and the 'Landlord's protection: Intentional acts and rent protection' optional additional benefit.

For example, you are not covered for financial loss that occurs as a result of physical loss or physical damage that is covered under this Home Insurance.

Earth movements

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with:

1. subsidence or erosion, or
2. settling, warping or cracking caused by earth or other movements. However, this exclusion 2. does not apply to **loss** covered under the 'Natural disaster' automatic additional benefit.

Excess

For each **incident** the relevant **excess** will be deducted from the amount of **your** claim, unless stated otherwise under an additional benefit.

If **you** have more than one dwelling covered under this Home Insurance, the **excess** applies individually to each dwelling.

If **we** insure both the **home** and its contents (at the same address) and **you** claim under both for **loss** caused by the same **incident**, only one excess will apply, being the highest applicable excess.

Where an **incident** occurs that results in a claim under more than one benefit (or sub-section of a benefit) of this Home Insurance, only one **excess** will apply, being the highest applicable **excess**.

The **excess** is deducted after any policy limits have been applied.

For example, if a limit of \$1,000 applies and an excess of \$400 is payable by you, the amount we will pay is \$600.

Unlawful substances

You are not covered for any loss, damage, cost, expense, prosecution or liability in connection with the presence at the **home** of any 'controlled drug' as defined in the Misuse of Drugs Act 1975.

However, this exclusion does not apply to:

1. loss covered under the 'Alternative accommodation', 'Loss of rent' or 'Methamphetamine contamination' automatic additional benefits, or the 'Landlord's protection: Methamphetamine contamination' optional additional benefit, or
2. **loss** caused by the **accidental** spread of fire or explosion, or
3. liability for **accidental loss** to someone else's property as a result of **your** being a residential landlord and caused by, through or in connection with **your** ownership of the **home**, provided:
 - a. **you**, or the person who manages the tenancy on **your** behalf, have fully met the 'Landlord's obligations' in the section 'Conditions that apply to all parts of this Home Insurance', and
 - b. **you**, or the person who manages the tenancy on **your** behalf, have tested for the presence of **methamphetamine** before and after each tenancy of the **home**, such testing having been completed in accordance with the New Zealand Standard NZS 8510 or by an operator approved by **us**, and such testing confirmed that **methamphetamine** contamination at the **home** does not exceed the **contamination level** for a **methamphetamine** manufacturing laboratory.



Conditions that apply to all parts of this Home Insurance

Assignment

Except as outlined in 'Other parties with a financial interest' under 'Policy conditions that apply to all parts of this policy', **you** cannot otherwise transfer or assign any of **your** entitlements or benefits under this Home Insurance to any person or entity without **our** prior written consent.

However, this restriction does not apply to the amount payable under 'If your home is uneconomic to repair, 2'.

Cancellation

If, in **our** opinion it is uneconomic to repair the **loss** to the **home**, this Home Insurance will be automatically cancelled from the date **we** pay **your** claim or the date on which rebuilding commences, whichever occurs first. **We** will not refund **you** any premium for the unused portion of the **period of insurance**.

This means that you will need to make new insurance arrangements on any replacement home.

Landlord's obligations

If the **home** is tenanted, **you**, or the person who manages the tenancy on **your** behalf, must:

1. exercise reasonable care in the selection of the tenant(s) by at least obtaining satisfactory identification and written or verbal references for each adult tenant; and when a reasonable landlord would consider it appropriate, also check their credit and Tenancy Tribunal history, and
2. keep written records of the pre-tenancy checks conducted for each adult tenant, and provide to **us** a copy of these if **we** request it, and
3. collect a total of 3 weeks' rent in any combination of rent in advance and bond that will be registered with Tenancy Services, and
4. complete an internal and external inspection of the **home** at a minimum of 3-monthly intervals and the relevant residential dwelling upon every change of tenant(s), and
5. keep photographs and a written record of the outcome of each inspection, and provide to **us** a copy of these if **we** request it, and
6. monitor rents on a weekly basis with written notification being sent to the tenant(s) whenever rent is 14 days in arrears, together with a personal visit to determine if the tenant(s) remains in residence, and
7. make application to the Tenancy Tribunal for vacant possession in accordance with the provisions of the Residential Tenancies Act 1986 if:
 - a. the rent is 21 days in arrears, or
 - b. **you** become aware of any illegal activity by the occupant(s) at the **home**, or
 - c. intentional damage to the **home** is caused by the occupant(s).

If the **home** is provided to and occupied by **your** employee as part of their employment package with **you**, then obligations 3., 6. and 7.a. do not apply.

IMPORTANT

Please refer to 'Unlawful substances' in 'Exclusions that apply to all parts of this Home Insurance' above for an additional requirement (point 3.b.) in order to be covered for methamphetamine contamination-related liability as a landlord.



Definitions that apply to all parts of this Home Insurance

The definitions apply to the plural and any derivatives of the words in this Home Insurance.

For example, the definition of 'accidental' also applies to the words 'accident', 'accidents' and 'accidentally'.

There are other defined words used in this section as well as other sections of this policy. **You** can find out the meaning of these other defined words by referring to 'Policy definitions that apply to all parts of this policy' on page 61.

accidental

unexpected and unintended by **you**.

contamination claim

contamination damage arising out of or attributable to an **event** or multiple **events** regardless of the number of acts, persons, tenancies, occupancies or **incidents** involved.

contamination damage

loss caused by **methamphetamine** contamination that exceeds the **contamination level**.

contamination level

the relevant guideline value for indoor surface contamination as set out in the most recent version of the New Zealand Standard NZS 8510.

EQC Act

Earthquake Commission Act 1993 or any Act in substitution of that Act.

hidden gradual damage

hidden rot, hidden mildew or hidden gradual deterioration, caused by water leaking from any internal:

- tank that is plumbed into the water reticulation system of the **home** and is permanently used to store water, or
- water pipe, or
- waste disposal pipe, installed at the **home**.

home

the residential dwelling(s) that **you** own at the Situation of Property shown in the **schedule** including any of the following used at all times solely for domestic purposes:

- outbuildings within the residential boundaries of the situation on which the residential dwelling(s) is situated. This includes any fixed domestic: garage, carport, glasshouse, animal shelter,
- fixtures and fittings permanently attached to the residential dwelling(s) or any outbuildings included above. This includes: kitchen stove, hob or range hood, any other home appliance that is permanently wired, permanently plumbed or permanently built-in,
- kitchen oven permanently attached or not,
- fitted floor coverings (including glued, smooth edge or tacked carpet and floating floors) of the residential dwelling(s) or any outbuildings included above,
- driveway of permanent construction that provides direct access to the residential dwelling(s) or any outbuildings included above,
- patio, paths and paving of permanent construction, deck, steps, gate or fence, provided they are on or within the residential boundaries within which the residential dwelling(s) is situated,
- walls including garden and retaining walls,
- **recreational features**,
- public utility services supplying the residential dwelling(s) or any outbuildings included above, including, but not limited to, power and telephone lines, data cables, supply and waste water pipes,
- permanently sited water storage tank, septic tank or heating oil tank and its associated equipment (excluding its contents),
- solar power and solar water heating systems.



It also includes any of the following at the Situation of Property shown in the **schedule** that **you** own primarily for domestic use but that may also have limited use for rural lifestyle purposes:

- outbuildings for the storage of:
 - a. tools,
 - b. animal feed,
 - c. uninstalled equipment, or
 - d. machinery and vehicles,
- bridge, culvert, permanent ford or dam, provided the replacement cost is \$15,000 or less,
- well or bore hole including its pump, lining or casing, provided the replacement cost is \$10,000 or less,
- private utility plant and associated equipment, including, but not limited to, wind or water mills, or diesel generators, provided the replacement cost is \$10,000 or less.

It does not include any of the following, unless it is shown in the **schedule** as a **special feature** with a corresponding **special feature sum insured**:

- bridge, culvert, permanent ford or dam, with a replacement cost of more than \$15,000,
- well or bore hole including its pump, lining or casing, with a replacement cost of more than \$10,000,
- private utility plant and associated equipment, including, but not limited to, wind or water mills, or diesel generators, with a replacement cost of more than \$10,000,
- wharf, pier, landing or jetty,
- cable car and its associated equipment.

It does not include any of the following:

- any part of the home that is used for business or commercial purposes except where:
 - a. it is rented out as a residential property, or
 - b. it is used solely as a home office for clerical purposes by **you** or **your** tenant,
- any part of the home that is built for or used for farming or rural lifestyle purposes whether commercial or not, including, but not limited to, stables, barns or other farm buildings that provide animal shelter, or outbuildings that are solely used to store animal feed or machinery,
- any part of the home being constructed, de-constructed or undergoing alterations and not suitable for permanent residential use or occupation, unless cover is provided under the 'New building work' automatic additional benefit,
- gravel or shingle, including a gravel or shingle: driveway, path, patio, or paving,

- loose floor covering including: mats, rugs or runners,
- temporary structure,
- fittings that are not permanently attached, including, but not limited to, curtains and blinds,
- appliances that are not permanently wired, permanently plumbed or permanently built-in other than a kitchen oven,
- household goods and personal effects, unless cover is provided under the 'Landlord's protection: Contents' optional additional benefit,
- live plants, including any: tree, shrub, hedge or grass, other than the cover provided under the 'Landscaping' automatic additional benefit,
- land, earth or fill,
- structure or property not at the Situation of Property shown in the **schedule**.

home sum insured

the amount shown in the **schedule** of the same name. This includes any increased limits for retaining walls and **recreational features**.

landlord's contents

any of the following:

- fixture or fitting, including drapes and light fittings,
- household goods, including, but not limited to, washing machines, dryers, refrigerators, freezers, dishwashers and heaters,
- domestic garden appliance (including its parts and accessories),

that are owned by or hired to **you** (provided **you** are legally liable under the hire agreement), and provided by **you** for use by the tenant.

It does not include any:

- personal effects, or
- livestock, domestic pet or other creature, or
- fitted floor covering (including glued, smooth edge or tacked carpet, or floating floor) of the dwelling or its domestic outbuildings, or
- watercraft or outboard motor and their parts and accessories that are in them or attached to them, or
- **motor vehicle**, trailer or caravan and their parts and accessories that are in them or attached to them, or
- aircraft or other aerial device and their parts and accessories that are in them or attached to them.



Home Insurance

methamphetamine

the Class A controlled drug Methamphetamine or Class B controlled drug Amphetamine as defined by the Misuse of Drugs Act 1975 or any of their precursor chemicals and by-products.

motor vehicle

any type of machine on wheels or caterpillar tracks that is made or intended to be propelled by its own power, as well as anything towed by the machine.

natural disaster

an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the **EQC Act**.

recreational features

any tennis court or permanently fixed swimming pool or permanently fixed spa pool including its ancillary equipment and pump(s).

remediate

to reduce the level of **methamphetamine** contamination to below the **contamination level**.

Please note - the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination and will not restore the home to its condition when it was new.

special feature

any item that is listed in the **schedule** with a corresponding **special feature sum insured**.

special feature sum insured

the Sum Insured amount shown in the **schedule** that corresponds with the **special feature**.

sustainable products

sustainable products are:

- products that increase the efficiency of the **home** relating to **your** use of energy or water, and
- rebuilding materials that reduce environmental impacts.

Sustainable products include:

- solar water heating system,
- home sprinkler system,
- heat pump(s),
- rainwater collection tank,
- 'best practice' insulation (as recommended by Standards New Zealand),
- environmentally friendly paint,
- pellet burner(s).

total sum insured

the amount shown in the **schedule** of the same name inclusive of:

- the **home sum insured**, which includes any limits for retaining walls and **recreational features**, and
- any **special feature sums insured**, and
- automatic and optional additional benefits, unless stated otherwise within such benefit(s).

you

the person(s) or entity shown as the Insured in the **schedule**.

IMPORTANT

Please also read 'Policy definitions that apply to all parts of this policy'.



Section 2 - Contents Insurance

This section applies if the **schedule** shows you have cover for **your contents**.

Classic Contents



Classic Contents applies if the **schedule** shows 'Type of Cover: Classic'.

Part one - cover for your contents

What you are covered for

You are covered for sudden and **accidental loss to contents** that occurs during the **period of insurance** while they are in New Zealand:

1. at the **home**, or
2. in **your** possession or in the possession of a member of **your family** while in transit from the place where they were acquired to the **home**, or
3. **temporarily removed** from the **home**.

What you are not covered for

48-hour restriction

You are not covered for **loss** that occurs during the first 48 hours of this Contents Insurance, caused by storm, flood or landslip. This only applies when **you** first take out this Contents Insurance with **us**.

However, this restriction does not apply where this Contents Insurance started immediately following another policy that also insured the same property against the risks of storm, flood and landslip.

Vacant homes

If **you**, or a person authorised by **you**, have not been living at the **home** for a period of more than 60 consecutive days, **we** will only pay for **loss to contents** that is:

1. caused by fire, explosion or lightning, or
2. covered under the 'Natural disaster' automatic additional benefit.

However, this restriction does not apply where:

- a. **you** have notified **us** and **we** have agreed in writing to cover the **contents** while the **home** is unoccupied. **We** may, at this time, change the terms of **your** Contents Insurance.



Classic Contents Insurance

- b. **we** have the **home** recorded as a holiday home, and the following criteria are met:
 - i. the **home** and **contents** are inspected inside and outside by **you** or a nominated person at least every 60 days, and
 - ii. the **home** and its grounds, and **contents** are adequately maintained, and
 - iii. mail is cleared regularly, and
 - iv. the water supply is turned off, and
 - v. all doors are locked, and all windows secured.

This restriction will end as soon as **you**, or a person authorised by **you**, is living in the **home** again.

Causes of loss not covered

You are not covered for **loss** to **contents** connected in any way with:

1. structural additions or structural alterations, unless **we** have been notified of the additions or alterations beforehand and **we** have agreed in writing to cover this, or
2. water in any form (including hail and snow) entering the **home** because any roofing material, exterior cladding, window or door has been removed by:
 - a. **you**, or
 - b. any other person who is acting on **your** authority, or
3. insects, rodents or vermin (other than possums), or
4. **natural disaster**, unless cover is provided under the 'Natural disaster' automatic additional benefit.

However, exclusions 1., 2. and 3. apply only to **contents** directly affected. They do not apply to resultant sudden and **accidental loss** to other **contents**.

Types of loss not covered

You are not covered for:

1. repairing or replacing parts of a pair or set that have not suffered **loss**, unless **loss** to one hearing aid prevents the hearing aid set from functioning, or
2. **loss** to fuses, protective devices, or lighting or heating elements caused by electricity, or
3. **loss**, cost or expense arising from any fault, defect, error or omission in:
 - a. design, plan or specification, or
 - b. workmanship, construction or materials.

However, this exclusion 3. applies only to **contents** directly affected. It does not apply to resultant sudden and **accidental loss** to other **contents**, or

4. the breakdown, failure or wearing out of any mechanical or electrical equipment, or any part thereof, unless burning out occurs as a result of an **accidental** and external force.

Gradual damage not covered

You are not covered for:

1. wear and tear, depreciation, corrosion or rust, or
2. rot or mildew, or
3. gradual deterioration, except for **loss** covered under the 'Hidden gradual damage' automatic additional benefit.

Intentional acts not covered

You are not covered for **loss** that is intentionally caused by any:

1. tenant, or
2. guest of a tenant, or
3. person who occupies the **home**.

However, this exclusion does not apply where the **loss** is a result of fire or explosion, provided the fire or explosion was not intentionally caused by **you**.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Contents Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Contents covered for repair or replacement

For any **replacement cover item**, **we** will at **our** option pay:

1. the cost to repair the item, where in **our** opinion it is economical to do so, or
2. the cost to replace the item as nearly as possible equal to its condition when new, where the item cannot be repaired.

Contents covered for sustainability upgrade

For any whiteware appliance less than 10 years of age, **we** will at **our** option pay:

1. the cost to repair the appliance, where in **our** opinion it is economical to do so, or
2. the cost to replace the appliance as nearly as possible equal to its condition when new, where the appliance cannot be repaired.

If a comparable model appliance that has more energy-efficient features is available, **we** will pay for that model.



All other contents

For any other item of **contents**, we will at our option pay:

1. the cost to repair the item as nearly as possible to the same condition it was in immediately before the **loss** occurred, or
2. its **present value**.

Maximum payment for specific types of contents

Unless the item is shown as a **specified item**, the most we will pay for any **event** for any of the following is:

1. \$10,000 for any: ornament, painting, picture or work of art, and
2. \$3,000 for any single:
 - a. pair of earrings, or
 - b. item of jewellery or watch, and
3. \$3,000 for any: surfboard, windsurfer, paddleboard, kite surfer, surf ski, dinghy, kayak or canoe (including their parts and accessories that are in them or attached to them), and
4. \$3,000 for any remotely piloted aircraft (including its parts and accessories that are in it or attached to it), and
5. \$2,500 for any: bicycle, collection of stamps, medals or coins, **camera** or **camera** accessory, and

6. \$2,500 in total for all parts and accessories of any:
 - a. **watercraft**, or
 - b. **motor vehicle**, trailer or caravan, or
 - c. aircraft or other aerial device,
 that are not in them or attached to them, and
7. \$500 in total for all: money, bullion, unset precious stones and stamps not being part of a collection.

Maximum payment for multiple items of unspecified jewellery and watches

Unless a different maximum payment amount is shown in the **schedule**, the most we will pay for any **event** for multiple items of jewellery and watches that are not **specified items** is \$15,000.

For example, if you lose 10 pieces of jewellery, each with a value of \$2,000, the most we will pay is \$15,000 unless we have previously agreed to increase the limit to \$20,000.

Maximum payment for specified items

The most we will pay for any **event** for a **specified item** is its **specified sum insured**.

Maximum payment for all other contents

Except as otherwise stated in this Contents Insurance, the most we will pay under 'Part one - cover for your contents' for any **event** is the Sum Insured as shown in the **schedule**.





Part one - automatic additional benefits

These benefits are subject to the terms of this Contents Insurance, except where the terms are varied in the benefit. The amounts shown in these benefits are included in the Sum Insured shown in the **schedule**, unless expressly stated that it is an additional payment.

Alternative accommodation

This Contents Insurance is extended to cover the reasonable additional costs:

1. of temporary alternative accommodation (of a similar standard to the **home**) for **you**, any **family** member who permanently resides with **you**, and **your** domestic pets, and
2. to move **your contents** to the alternative accommodation and return them to the **home**, and
3. to move **your contents** to a secure storage facility, for storage while **you** are in alternative accommodation, and to return them to the **home**,

if the **home** is **your** principal residence and cannot be lived in due to **loss** to the **home** or to **your contents** at the same **home** that occurs during the same **period of insurance** where the **loss**:

- a. is covered under:
 - i. this Contents Insurance, or
 - ii. any home policy, or
 - iii. the **EQC Act** but would have been covered under i. or ii. above, or
- b. is to the **home** in which **you** are the tenant and that would have been covered under a home policy if **we** had insured that property, or would have been but is covered under the **EQC Act** instead.

If **you** occupy the **home** as a tenant, cover under this benefit ends on the date that:

1. **your** tenancy agreement ends, or
2. **you** move to another rental property, whichever occurs first.

The most **we** will pay for any **event** is \$20,000.

We will pay these costs for a maximum of 12 months for any **event**.

This is in addition to any other payment under this Contents Insurance.

If **you** have alternative accommodation cover under any other section of this policy or under any other policy with **us**, the most **we** will pay for any **event** under all policies in total is the highest applicable limit.

Children living away from home

This Contents Insurance is extended to cover sudden and **accidental loss** that occurs during the **period of insurance** to **contents** of a **family** member who is a student attending a school, polytechnic or university and living away from **home** during the **period of insurance**.

However, if they are not living in a hostel or other accommodation run by or for that school, polytechnic or university:

1. there is no cover for **loss** arising from **contents** being:
 - a. stolen, unless the theft follows forceful and violent entry to any building, or
 - b. lost or misplaced.
2. the most **we** will pay for any **event** is:
 - a. \$1,000 for any one item of **contents**, and
 - b. \$5,000 in total.

Contents in storage

This Contents Insurance is extended to cover sudden and **accidental loss** to **contents** while they are stored in a building, provided the **loss** occurs during the **period of insurance** and:

1. they are in storage in a safe deposit box at a bank or commercial vault anywhere in New Zealand, or
2. **you** have notified **us** of the storage arrangement and **we** have approved it, and provided the **loss** is caused by any of the following:
 - a. fire, lightning or explosion, or
 - b. theft following forceful and violent entry to the storage building, or
 - c. storm or flood (but not if the water originates from inside the building), or
 - d. water that leaks, overflows, or is discharged from a water system installed at the storage building, or
 - e. **natural disaster**, or
 - f. aircraft or other aerial or spatial device, or an article dropped from them, or
 - g. impact by **motor vehicle**.



Contents in transit

This Contents Insurance is extended to cover sudden and **accidental loss to contents** while in transit from the **home** to any permanent residence in New Zealand, provided the **loss** occurs during the **period of insurance** and the **loss** is caused by any of the following:

1. fire, lightning or explosion, or
2. theft following forceful and violent entry to a **motor vehicle** or building, or
3. storm or flood, or
4. **natural disaster**, or
5. aircraft or other aerial or spatial device, or an article dropped from them, or
6. **motor vehicle** collision.

Credit/debit cards

This Contents Insurance is extended to cover the irrecoverable amount **you** have lost, if **your** credit card or debit card is lost or stolen and used fraudulently during the **period of insurance**, provided **you** have complied with the terms and conditions of **your** credit card or debit card.

We will not pay if the fraudulent use is by any person:

1. related to **you**, or
2. living at the **home**, or
3. covered under this Contents Insurance.

The most **we** will pay during an **annual period** is \$1,000.

This is in addition to any other payment under this Contents Insurance.

Electronic data and programs

This Contents Insurance is extended to cover sudden and **accidental loss to contents** that occurs during the **period of insurance** consisting of:

1. licensed computer software (including gaming software) and programs, or
2. digital data (including audio and video files), in any format, provided:
 - a. **you** legally owned the software, programs or digital data, and
 - b. it was on **your** own storage device which suffered **loss** covered under this Contents Insurance, and
 - c. it was at the **home**, or **temporarily removed** from the **home** for use anywhere else in New Zealand.

We will not pay for any of the following:

- i. the cost of re-installing, re-setting or recreating the software, programs or digital data, or
- ii. **loss** caused directly or indirectly by or in connection with a **computer virus**.

We will only pay the **present value** of the **loss**.

Fatal injury

If **you** or a **family** member suffers fatal injury as a result of fire, home invasion, burglary or theft that occurs at the **home** during the **period of insurance**, **we** will pay **you** or their legal representative \$5,000 for each fatality.

The most **we** will pay for any **event** is \$10,000.

This is in addition to any other payment under this Contents Insurance.

You will not have to pay an **excess** and **your** claim-free discount will not be affected.

Frozen food

This Contents Insurance is extended to cover **accidental loss to contents** that occurs during the **period of insurance** caused by a refrigerator or freezer suddenly stopping or breaking down, or the power supply being **accidentally** disconnected (including by an electricity supply company).

We will pay the reasonable costs to:

1. replace the perished items in **your** refrigerator or freezer (other than items kept by **you** in connection with any business), and
2. repair **loss to contents** caused by the perished items.

We will not pay for **loss to contents** caused by the power supply being disconnected because of any failure to pay a power bill.

Hidden gradual damage

This Contents Insurance is extended to cover:

1. **hidden gradual damage to contents** that occurs and that **you** discover during the **period of insurance**, and
2. any other **contents** that are not directly affected but must be damaged or destroyed to locate the cause of the **hidden gradual damage**, provided **we** have first given **our** permission.

The most **we** will pay during an **annual period** is \$5,000.

We will not pay the cost of searching for or repairing the source of the problem.



Home office

This Contents Insurance is extended to cover sudden and **accidental loss** to **your** office furniture and office equipment used for earning income that occurs during the **period of insurance**.

The most **we** will pay for any **event** is:

1. \$10,000 when the **loss** occurs at the **home**, or
2. \$1,500 when the **loss** occurs when **temporarily removed** from the **home**.

Keys and locks

If any key (including electronic keys or swipe cards or any equivalent device) or combination that gives access to:

1. the **home**, or
2. any safe or strongroom in the **home**, is lost, damaged, stolen or believed on reasonable grounds to have been duplicated without **your** permission, during the **period of insurance**, **we** will pay the cost of:
 - a. replacing any key to the **home** and altering or replacing the locks that the key was for, or
 - b. opening any safe or strongroom.

The most **we** will pay during an **annual period** is \$1,000.

If **you** have keys and locks cover under any other section of this policy or under any other policy with **us**, the most **we** will pay during an **annual period** under all policies in total is \$1,000.

You will not have to pay an **excess** and **your** claim-free discount will not be affected.

Natural disaster

This Contents Insurance is extended to cover sudden and **accidental loss** to **contents** that occurs during the **period of insurance** caused by **natural disaster**.

However, if that **loss** is covered under the **EQC Act**, or would have been but for:

1. the application of an excess under the **EQC Act**, or
2. a failure by **you** to correctly notify a claim to the Earthquake Commission within the time required under the **EQC Act**, or
3. a decision by the Earthquake Commission to decline a claim or limit its liability for that **loss** in whole or in part and for any reason whatsoever, or
4. any act or omission on **your** part, the part of **your** agent, or the part of the Earthquake Commission,

and the cost to repair or replace **contents** that suffered the **loss** exceeds **your** maximum entitlement available (or that would have been available but for the reasons in 1. to 4. above), for that **loss** under the **EQC Act** (plus the excess under that Act), **we** will pay the difference between that maximum entitlement (plus that excess) and the cost to repair or replace **contents** that suffered the **loss**.

The most **we** will pay under this benefit for any **event** is the difference between that maximum entitlement (plus the excess) under the **EQC Act** and the Sum Insured shown in the **schedule**.

Overseas travel

This Contents Insurance is extended to cover sudden and **accidental loss** to **your** clothing, personal effects, suitcases, bags, jewellery and watches, while **you** and members of **your family** accompanying **you** are in transit to and from, and travelling in, Australia or the South Pacific Islands during the **period of insurance**, provided the entire trip does not exceed 3 weeks in total.

The most **we** will pay for any one trip is \$5,000.

Spectacles, contact lenses, hearing aids and dentures

If **you** are 55 years of age or over and **your** claim is only for sudden and **accidental loss** to **your** spectacles, contact lenses, hearing aids or dentures, **you** will not have to pay an **excess** and **your** claim-free discount will not be affected.

Stress payment

If **we** settle a claim for **contents** as a total loss, **we** will also pay **you** \$2,000 for the stress caused by the **loss**.

If **you** have stress payment cover under any other section of this policy or under any other policy with **us**, the most **we** will pay for any **event** under all policies in total is \$2,000.

This is in addition to any other payment under this Contents Insurance.



Part two - your legal liability

What you are covered for

Legal liability

You and members of **your family** are covered for legal liability (but not as a property owner) for:

1. **accidental loss** to someone else's property, or
2. **bodily injury** to someone else, or
3. General Average or salvage charges that **you** or they are legally required to pay as a result of **contents** being carried by ship that are covered under the 'Contents in transit' automatic additional benefit,

that occurs during the **period of insurance** in New Zealand.

Defence costs

You and members of **your family** are also covered for defence costs necessarily and reasonably incurred, with **our** prior approval, in relation to liability arising under the items above.

Reparation

You and members of **your family** are covered for legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** or their committing an offence during the **period of insurance**, provided:

1. **you**, or any other person entitled to cover under this clause, tell **us** immediately if **you** or they are charged with any offence that resulted in **loss** of property or **bodily injury** to another person, and
2. **we** give **our** written approval before any offer of **reparation** is made.

There is no cover for any amounts that are covered under the Accident Compensation Act 2001 ('the Act'), or would be covered but for:

- a. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- b. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act, or
- c. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this clause should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

What you are not covered for

There is no cover for:

1. liability connected in any way with:
 - a. any business, trade, profession or sponsorship, or
 - b. any contract or agreement, unless **you** or they would have been liable even without the contract or agreement, or
 - c. the ownership or use of any:
 - i. **motor vehicle** (other than any domestic garden appliance, electric wheelchair, mobility scooter, golf cart or children's motorbike not exceeding 50cc used only off road), trailer or caravan, or
 - ii. aircraft or other aerial device, unless it is a remotely piloted aircraft as defined by the Civil Aviation Authority, or
 - iii. watercraft, unless it is covered under this Contents Insurance, or
 - d. any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination occurs during the **period of insurance** and is caused by a sudden and **accidental event** that occurs during the **period of insurance**.
2. punitive or exemplary damages or fines.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Contents Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Legal liability

The most **we** will pay for any **event** is \$1,000,000. This is in addition to any other payment under this Contents Insurance.

Defence costs

Defence costs covered under this Contents Insurance will be paid in addition to the 'Legal liability' limit (above) and any other payment under this Contents Insurance.



Settlement of any claim

We may pay the full amount under this part of this Contents Insurance, or any lesser amount for

which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this Contents Insurance.

Exclusions that apply to all parts of this Contents Insurance

Consequential loss

You are not covered for any kind of consequential loss other than as specifically provided for under the 'Alternative accommodation' automatic additional benefit.

For example, you are not covered for financial loss that occurs as a result of physical loss or physical damage that is covered under this Contents Insurance.

Where an **incident** occurs that results in a claim under more than one benefit (or sub-section of a benefit) of this Contents Insurance, only one **excess** will apply, being the highest applicable **excess**.

The **excess** is deducted after any policy limits have been applied.

For example, if a limit of \$1,000 applies and an excess of \$250 is payable by you, the amount we will pay is \$750.

Earth movements

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with:

1. subsidence or erosion, or
2. settling, warping or cracking caused by earth or other movements. However, this exclusion 2. does not apply to **loss** covered under the 'Natural disaster' automatic additional benefit.

Remotely piloted aircraft

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with the use of a remotely piloted aircraft outside of the Civil Aviation Authority rules.

Excess

For each **incident** the relevant **excess** will be deducted from the amount of **your** claim, unless stated otherwise under an additional benefit.

If **we** insure both the **contents** and the **home** (at the same address) and **you** claim under both for **loss** caused by the same **incident**, only one excess will apply, being the highest applicable excess.

Unlawful substances

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with contamination from any 'controlled drug' as defined in the Misuse of Drugs Act 1975. However, this exclusion does not apply to **loss** caused by the **accidental** spread of fire or explosion.

IMPORTANT

Please also read 'Policy exclusions that apply to all parts of this policy'.

Condition that applies to all parts of this Contents Insurance

Cancellation

If **we** settle **your** claim as a total loss, this Contents Insurance will be automatically cancelled. **We** will not refund **you** any premium for the unused portion of the **period of insurance**.



Definitions that apply to all parts of this Contents Insurance

The definitions apply to the plural and any derivatives of the words in this Contents Insurance.

For example, the definition of 'accidental' also applies to the words 'accident', 'accidents' and 'accidentally'.

There are also other defined words used in this Contents Insurance as well as other sections of this policy. **You** can find out the meaning of these other defined words by referring to 'Policy definitions that apply to all parts of this policy' on page 61.

accidental

unexpected and unintended by **you**.

camera

the camera body (film, video or digital) and the standard lens that would normally be supplied with that body at the time of the original purchase. Any additional lenses and accessories are separate items.

contents

any of the following:

- household goods and personal effects,
- loose floor covering including: mats, rugs or runners,
- **watercraft** (including its parts and accessories in it or attached to it),
- domestic garden appliance, electric wheelchair, mobility scooter, golf cart or children's motorbike not exceeding 50cc that is used only off road (including their parts and accessories),
- portable swimming pool or portable spa pool,
- parts or accessories of any:
 - a. **watercraft**, or
 - b. **motor vehicle**, trailer or caravan, or
 - c. aircraft or other aerial device,
 that are not in them or attached to them,

that are owned by or hired to **you** or members of **your family** (provided **you** or they are legally liable under the hire agreement) but that are not used at any time for earning income, unless cover is provided under the 'Home office' automatic additional benefit, and it includes:

- gifts belonging to other people being kept at the **home**, and
- contents that are owned by any of **your** children that are left with **you** while they live outside New Zealand.

It does not include any of the following:

- livestock, domestic pet or other creature,
- fitted floor covering (including glued, smooth edge or tacked carpet, or floating floor) of the dwelling or its domestic outbuildings,

- **motor vehicle**, trailer or caravan and their parts and accessories that are in them or attached to them,
- aircraft or other aerial device and their parts and accessories that are in them or attached to them, unless it is a remotely piloted aircraft as defined by the Civil Aviation Authority.

EQC Act

Earthquake Commission Act 1993 or any Act in substitution of that Act.

family

any member of **your** family who:

- permanently resides with **you**, or
- is a student attending a school, polytechnic or university and living away from **home** while attending the school, polytechnic or university.

hidden gradual damage

hidden rot, hidden mildew or hidden gradual deterioration, caused by water leaking from any internal:

- tank that is plumbed into the water reticulation system of the **home** and is permanently used to store water, or
 - water pipe, or
 - waste disposal pipe,
- installed at the **home**.

home

the buildings and grounds at the Situation of Risk shown in the **schedule**. It does not include any land or earth or fill.

motor vehicle

any type of machine on wheels or caterpillar tracks that is made or intended to be propelled by its own power, as well as anything towed by the machine.

natural disaster

an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the **EQC Act**.



Classic Contents Insurance

replacement cover item

an item of **contents** other than any:

- book, or
- clothing or footwear, or
- audio, video or optical storage media, including, but not limited to, records, tapes, CDs, DVDs or Blu-ray discs, or
- licensed computer and gaming software (including gaming cartridges) and programs, or
- digital data (including audio and video files), or
- **watercraft** and its parts and accessories, or
- parts and accessories of any **motor vehicle**, trailer or caravan that are not in them or attached to them, or
- remotely piloted aircraft over 2 years of age (including its parts and accessories that are in it or attached to it), or
- parts and accessories of any aircraft or other aerial device that are not in them or attached to them, or
- household linen, or
- camping equipment, or
- sports equipment, or
- bicycle, or
- item that **you** choose not to repair or replace.

specified item

any item that is listed in the **schedule** with a corresponding **specified sum insured**.

specified sum insured

the amount shown in the **schedule** that corresponds with the **specified item**.

temporarily removed

contents temporarily removed for a particular reason or purpose, with the intention that they will be returned to the **home**. This includes taking items to **your** place of work or on holiday.

It does not include any **contents**:

- permanently removed from the **home**, or
- removed from the **home** to any place for storage, sale or exhibition, or
- removed during the course of moving house or household removal, or
- owned by or in the custody of any **family** member who is a student and is:
 - a. living away from **home**, and
 - b. attending a school, polytechnic or university,unless cover is provided under the 'Children living away from home', 'Contents in storage' or 'Contents in transit' automatic additional benefits.

watercraft

any of the following:

- surfboard, windsurfer, paddleboard, kite surfer, surf ski, dinghy, kayak or canoe (including their parts and accessories),
- any other watercraft powered by motor or sail, with a **present value** of no more than \$2,000 including its parts and accessories.

you

- the person(s) or entity shown as the Insured in the **schedule**, and
- that person's **partner**.

Important

Please also read 'Policy definitions that apply to all parts of this policy'.



Basic Contents



Basic Contents applies if the **schedule** shows 'Type of Cover: Basic'.

Part one - cover for your contents

What you are covered for

You are covered for sudden and **accidental loss to contents** that occurs during the **period of insurance** while they are in New Zealand:

1. at the **home**, or
2. in **your** possession or in the possession of a member of **your family** while in transit from the place where they were acquired to the **home**, or
3. **temporarily removed** from the **home**.

What you are not covered for

48-hour restriction

You are not covered for **loss** that occurs during the first 48 hours of this Contents Insurance, caused by storm, flood or landslide. This only applies when **you** first take out this Contents Insurance with **us**.

However, this restriction does not apply where this Contents Insurance started immediately following another policy that also insured the same property against the risks of storm, flood and landslide.

Vacant homes

If **you**, or a person authorised by **you**, have not been living at the **home** for a period of more than 60 consecutive days, **we** will only pay for **loss to contents** that is:

1. caused by fire, explosion or lightning, or
2. covered under the 'Natural disaster' automatic additional benefit.

However, this restriction does not apply where:

- a. **you** have notified **us** and **we** have agreed in writing to cover the **contents** while the **home** is unoccupied. **We** may, at this time, change the terms of **your** Contents Insurance.
- b. **we** have the **home** recorded as a holiday home, and the following criteria are met:
 - i. the **home** and **contents** are inspected inside and outside by **you** or a nominated person at least every 60 days, and
 - ii. the **home** and its grounds, and **contents** are adequately maintained, and
 - iii. mail is cleared regularly, and
 - iv. the water supply is turned off, and
 - v. all doors are locked, and all windows secured.

This restriction will end as soon as **you**, or a person authorised by **you**, is living in the **home** again.



Causes of loss not covered

You are not covered for **loss** to **contents** connected in any way with:

1. structural additions or structural alterations, unless **we** have been notified of the additions or alterations beforehand and **we** have agreed in writing to cover this, or
2. water in any form (including hail and snow) entering the **home** because any roofing material, exterior cladding, window or door has been removed by:
 - a. **you**, or
 - b. any other person who is acting on **your** authority, or
3. insects, rodents or vermin (other than possums), or
4. **natural disaster**, unless cover is provided under the 'Natural disaster' automatic additional benefit.

However, exclusions 1., 2. and 3. apply only to **contents** directly affected. They do not apply to resultant sudden and **accidental loss** to other **contents**.

Types of loss not covered

You are not covered for:

1. repairing or replacing parts of a pair or set that have not suffered **loss**, unless **loss** to one hearing aid prevents the hearing aid set from functioning, or
2. **loss** to fuses, protective devices, or lighting or heating elements caused by electricity, or
3. **loss**, cost or expense arising from any fault, defect, error or omission in:
 - a. design, plan or specification, or
 - b. workmanship, construction or materials.

However, this exclusion 3. applies only to **contents** directly affected. It does not apply to resultant sudden and **accidental loss** to other **contents**, or

4. the breakdown, failure or wearing out of any mechanical or electrical equipment, or any part thereof, unless burning out occurs as a result of an **accidental** and external force.

Gradual damage not covered

You are not covered for:

1. wear and tear, depreciation, corrosion or rust, or
2. rot or mildew, or
3. gradual deterioration.

Intentional acts not covered

You are not covered for **loss** that is intentionally caused by any:

1. tenant, or
2. guest of a tenant, or
3. person who occupies the **home**.

However, this exclusion does not apply where the **loss** is a result of fire or explosion, provided the fire or explosion was not intentionally caused by **you**.

Theft not covered

You are not covered for **loss** connected in any way with the theft or disappearance of **contents** that **you** leave:

1. unattended in a public place, or
2. in an unlocked and unattended vehicle, or
3. in an unlocked building or room.

Important

Please also read 'Exclusions that apply to all parts of this Contents Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Contents covered for repair or replacement

For any **replacement cover item**, we will at **our** option pay:

1. the cost to repair the item, where in **our** opinion it is economical to do so, or
2. the cost to replace the item as nearly as possible equal to its condition when new, where the item cannot be repaired.

All other contents

For any other item of **contents**, we will at **our** option pay:

1. the cost to repair the item as nearly as possible to the same condition it was in immediately before the **loss** occurred, or
2. its **present value**.



Maximum payment for specific types of contents

Unless the item is shown as a **specified item**, the most **we** will pay for any **event** for any of the following is:

1. \$1,000 for any remotely piloted aircraft (including its parts and accessories that are in it or attached to it), and
2. \$1,000 for any single:
 - a. pair of earrings, or
 - b. item of jewellery or watch, and
3. \$1,000 for any: bicycle, collection of stamps, medals or coins, **camera** or **camera** accessory, and
4. \$1,000 for any: surfboard, windsurfer, paddleboard, kite surfer, surf ski, dinghy, kayak or canoe (including their parts and accessories that are in them or attached to them), and
5. \$1,000 for any: ornament, painting, picture or work of art, and

6. \$1,000 in total for all parts and accessories of any:
 - a. **watercraft**, or
 - b. **motor vehicle**, trailer or caravan, or
 - c. aircraft or other aerial device,that are not in them or attached to them, and
7. \$125 in total for all: money, bullion, unset precious stones and stamps not being part of a collection.

Maximum payment for specified items

The most **we** will pay for any **event** for a **specified item** is its **specified sum insured**.

Maximum payment for all other contents

Except as otherwise stated in this Contents Insurance, the most **we** will pay under 'Part one - cover for your contents' for any **event** is the Sum Insured as shown in the **schedule**.





Part one - automatic additional benefits

These benefits are subject to the terms of this Contents Insurance, except where the terms are varied in the benefit. The amounts shown in these benefits are included in the Sum Insured shown in the **schedule**, unless expressly stated that it is an additional payment.

Alternative accommodation

This Contents Insurance is extended to cover the reasonable additional costs:

1. of temporary alternative accommodation (of a similar standard to the **home**) for **you**, any **family** member who permanently resides with **you**, and **your** domestic pets, and
2. to move **your contents** to the alternative accommodation and return them to the **home**, and
3. to move **your contents** to a secure storage facility, for storage while **you** are in alternative accommodation, and to return them to the **home**,

if the **home** is **your** principal residence and cannot be lived in due to **loss** to the **home** or to **your contents** at the same **home** that occurs during the same **period of insurance** where the **loss**:

- a. is covered under:
 - i. this Contents Insurance, or
 - ii. any home policy, or
 - iii. the **EQC Act** but would have been covered under i. or ii. above, or
- b. is to the **home** in which **you** are the tenant and that would have been covered under a home policy if **we** had insured that property, or would have been but is covered under the **EQC Act** instead.

If **you** occupy the **home** as a tenant, cover under this benefit ends on the date that:

1. **your** tenancy agreement ends, or
2. **you** move to another rental property, whichever occurs first.

The most **we** will pay for any **event** is \$5,000.

We will pay these costs for a maximum of 12 months for any **event**.

This is in addition to any other payment under this Contents Insurance.

If **you** have alternative accommodation cover under any other section of this policy or under any other policy with **us**, the most **we** will pay for any **event** under all policies in total is the highest applicable limit.

Children living away from home

This Contents Insurance is extended to cover sudden and **accidental loss** that occurs during the **period of insurance** to **contents** of a **family** member who is:

1. a student attending a school, polytechnic or university, and
2. living in a hostel or other accommodation run by or for that school, polytechnic or university.

Natural disaster

This Contents Insurance is extended to cover sudden and **accidental loss** to **contents** that occurs during the **period of insurance** caused by **natural disaster**.

However, if that **loss** is covered under the **EQC Act**, or would have been but for:

1. the application of an excess under the **EQC Act**, or
2. a failure by **you** to correctly notify a claim to the Earthquake Commission within the time required under the **EQC Act**, or
3. a decision by the Earthquake Commission to decline a claim or limit its liability for that **loss** in whole or in part and for any reason whatsoever, or
4. any act or omission on **your** part, the part of **your** agent, or the part of the Earthquake Commission,

and the cost to repair or replace **contents** that suffered the **loss** exceeds **your** maximum entitlement available (or that would have been available but for the reasons in 1. to 4. above), for that **loss** under the **EQC Act** (plus the excess under that Act), **we** will pay the difference between that maximum entitlement (plus that excess) and the cost to repair or replace **contents** that suffered the **loss**.

The most **we** will pay under this benefit for any **event** is the difference between that maximum entitlement (plus the excess) under the **EQC Act** and the Sum Insured shown in the **schedule**.



Part two - your legal liability

What you are covered for

Legal liability

You and members of **your family** are covered for legal liability (but not as a property owner) for:

1. **accidental loss** to someone else's property, or
2. **bodily injury** to someone else,

that occurs during the **period of insurance** in New Zealand.

Defence costs

You and members of **your family** are also covered for defence costs necessarily and reasonably incurred, with **our** prior approval, in relation to liability arising under the items above.

Reparation

You and members of **your family** are covered for legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** or their committing an offence during the **period of insurance**, provided:

1. **you**, or any other person entitled to cover under this clause, tell **us** immediately if **you** or they are charged with any offence that resulted in **loss** of property or **bodily injury** to another person, and
2. **we** give **our** written approval before any offer of **reparation** is made.

There is no cover for any amounts that are covered under the Accident Compensation Act 2001 ('the Act'), or would be covered but for:

- a. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- b. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act, or
- c. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this clause should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

What you are not covered for

There is no cover for:

1. liability connected in any way with:
 - a. any business, trade, profession or sponsorship, or
 - b. any contract or agreement, unless **you** or they would have been liable even without the contract or agreement, or
 - c. the ownership or use of any:
 - i. **motor vehicle** (other than any domestic garden appliance, electric wheelchair, mobility scooter, golf cart or children's motorbike not exceeding 50cc used only off road), trailer or caravan, or
 - ii. aircraft or other aerial device, unless it is a remotely piloted aircraft as defined by the Civil Aviation Authority, or
 - iii. watercraft, unless it is covered under this Contents Insurance, or
 - d. any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination occurs during the **period of insurance** and is caused by a sudden and **accidental event** that occurs during the **period of insurance**.
2. punitive or exemplary damages or fines.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Contents Insurance' and 'Policy exclusions that apply to all parts of this policy'.



What we will pay

Legal liability

The most we will pay for any **event** is \$1,000,000. This is in addition to any other payment under this Contents Insurance.

Defence costs

Defence costs covered under this Contents Insurance will be paid in addition to the 'Legal liability' limit (above) and any other payment under this Contents Insurance.

Settlement of any claim

We may pay the full amount under this part of this Contents Insurance, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this Contents Insurance.

Exclusions that apply to all parts of this Contents Insurance

Consequential loss

You are not covered for any kind of consequential loss other than as specifically provided for under the 'Alternative accommodation' automatic additional benefit.

For example, you are not covered for financial loss that occurs as a result of physical loss or physical damage that is covered under this Contents Insurance.

Earth movements

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with:

1. subsidence or erosion, or
2. settling, warping or cracking caused by earth or other movements. However, this exclusion 2. does not apply to **loss** covered under the 'Natural disaster' automatic additional benefit.

Excess

For each **incident** the relevant **excess** will be deducted from the amount of **your** claim, unless stated otherwise under an additional benefit.

If **we** insure both the **contents** and the **home** (at the same address) and **you** claim under both for **loss** caused by the same **incident**, only one excess will apply, being the highest applicable excess.

Where an **incident** occurs that results in a claim under more than one benefit (or sub-section of a benefit) of this Contents Insurance, only one **excess** will apply, being the highest applicable **excess**.

The **excess** is deducted after any policy limits have been applied.

For example, if a limit of \$1,000 applies and an excess of \$250 is payable by you, the amount we will pay is \$750.

Remotely piloted aircraft

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with the use of a remotely piloted aircraft outside of the Civil Aviation Authority rules.

Unlawful substances

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with contamination from any 'controlled drug' as defined in the Misuse of Drugs Act 1975. However, this exclusion does not apply to **loss** caused by the **accidental** spread of fire or explosion.

IMPORTANT

Please also read 'Policy exclusions that apply to all parts of this policy'.



Condition that applies to all parts of this Contents Insurance

Cancellation

If we settle **your** claim as a total loss, this Contents Insurance will be automatically cancelled. We will not refund **you** any premium for the unused portion of the **period of insurance**.

Definitions that apply to all parts of this Contents Insurance

The definitions apply to the plural and any derivatives of the words in this Contents Insurance.

For example, the definition of 'accidental' also applies to the words 'accident', 'accidents' and 'accidentally'.

There are also other defined words used in this Contents Insurance as well as other sections of this policy. **You** can find out the meaning of these other defined words by referring to 'Policy definitions that apply to all parts of this policy' on page 62.

accidental

unexpected and unintended by **you**.

camera

the camera body (film, video or digital) and the standard lens that would normally be supplied with that body at the time of the original purchase. Any additional lenses and accessories are separate items.

contents

any of the following:

- household goods and personal effects,
- loose floor covering including: mats, rugs or runners,
- **watercraft** (including its parts and accessories in it or attached to it),
- domestic garden appliance, electric wheelchair, mobility scooter, golf cart or children's motorbike not exceeding 50cc that is used only off road (including their parts and accessories),
- portable swimming pool or portable spa pool,
- parts or accessories of any:
 - a. **watercraft**, or
 - b. **motor vehicle**, trailer or caravan, or
 - c. aircraft or other aerial device,
 that are not in them or attached to them,

that are owned by or hired to **you** or members of **your family** (provided **you** or they are legally liable under the hire agreement) but that are not used at any time for earning income, and it includes:

- gifts belonging to other people being kept at the **home**, and

- contents that are owned by any of **your** children that are left with **you** while they live outside New Zealand.

It does not include any of the following:

- livestock, domestic pet or other creature,
- fitted floor covering (including glued, smooth edge or tacked carpet, or floating floor) of the dwelling or its domestic outbuildings,
- **motor vehicle**, trailer or caravan and their parts and accessories that are in them or attached to them,
- aircraft or other aerial device and their parts and accessories that are in them or attached to them, unless it is a remotely piloted aircraft as defined by the Civil Aviation Authority.

EQC Act

Earthquake Commission Act 1993 or any Act in substitution of that Act.

family

any member of **your** family who:

- permanently resides with **you**, or
- is a student attending a school, polytechnic or university and living away from **home** while attending the school, polytechnic or university.

home

the buildings and grounds at the Situation of Risk shown in the **schedule**. It does not include any land or earth or fill.



Basic Contents Insurance

motor vehicle

any type of machine on wheels or caterpillar tracks that is made or intended to be propelled by its own power, as well as anything towed by the machine.

natural disaster

an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the **EQC Act**.

replacement cover item

any of the following **contents**:

- furniture, furnishing, home appliance, stereo or television less than 5 years old, or
- desktop computer, laptop computer or tablet computer (including their parts and accessories) less than 3 years old.

specified item

any item that is listed in the **schedule** with a corresponding **specified sum insured**.

specified sum insured

the amount shown in the **schedule** that corresponds with the **specified item**.

temporarily removed

contents temporarily removed for a particular reason or purpose, with the intention that they will be returned to the **home**. This includes taking items to **your** place of work or on holiday.

It does not include any **contents**:

- permanently removed from the **home**, or

- removed from the **home** to any place for storage, sale or exhibition, or
- removed during the course of moving house or household removal, or
- owned by or in the custody of any **family** member who is a student and is:
 - a. living away from **home**, and
 - b. attending a school, polytechnic or university, unless cover is provided under the 'Children living away from home' automatic additional benefit.

watercraft

any of the following:

- surfboard, windsurfer, paddleboard, kite surfer, surf ski, dinghy, kayak or canoe (including their parts and accessories),
- any other watercraft powered by motor or sail, with a **present value** of no more than \$1,000 including its parts and accessories.

you

- the person(s) or entity shown as the Insured in the **schedule**, and
- that person's **partner**.

IMPORTANT

Please also read 'Policy definitions that apply to all parts of this policy'.



Section 3 – Motor Vehicle Insurance



This section applies if the **schedule** shows you have cover for **your car**.

Use of your vehicle

When cover applies

This Motor Vehicle Insurance applies only when any **vehicle** is being **used** in New Zealand (including in transit between places in New Zealand) during the **period of insurance** for any personal or business purposes not excluded below.

When cover does not apply

This Motor Vehicle Insurance does not apply when any **vehicle** is being **used**:

1. in connection with the following occupations or businesses:
 - a. salesperson or commission agent,
 - b. insurance agent or insurance broker,
 - c. land or real estate agent,
 - d. stock or station agent,
 - e. courier driver or delivery person,
2. in connection with the motor trade,

3. to carry fare-paying passengers, e.g. as a taxi (other than private, not-for-profit car pooling) or for hire,
4. to carry any goods or samples in connection with any trade or business other than farming,
5. in any race, competitive trial or speed test,
6. on any race track, e.g. in driver training or track days,
7. to tow for financial gain or reward.



Type of cover that applies

Cover options

There are three cover options:

- FC** 1. Full Cover
- TPFT** 2. Third Party, Fire & Theft
- TPO** 3. Third Party Only

The type of cover that applies will be shown in the **schedule**.

You will note that **we** have used symbols for each cover option. **We** have used these symbols throughout this Motor Vehicle Insurance to help **you** know whether or not a benefit applies to **you**.

Full Cover **FC**

1. If the **schedule** shows 'Type of Cover: Full Cover', then **you** are fully covered under:
 - a. 'Part one - cover for your car', and
 - b. 'Part one - automatic additional benefits', and
 - c. 'Part two - legal liability', and
 - d. 'Part two - automatic additional benefits'.

Third Party, Fire & Theft **TPFT**

2. If the **schedule** shows 'Type of Cover: Third Party, Fire & Theft', then **you**:
 - a. have limited cover under 'Part one - cover for your car'. It only covers sudden and **accidental loss** to the **car** caused by:
 - i. fire, or
 - ii. theft or attempted theft, or unlawful conversion, or
 - iii. **natural disaster**, and

- b. are fully covered under the following 'Part one - automatic additional benefits':
 - i. 'Electrical or electronic hardware or system', and
 - ii. 'Methamphetamine contamination', and
 - iii. 'Protection against uninsured drivers', and
 - iv. 'Restricted and excluded drivers', and
 - v. 'Road clearing costs', and
 - vi. 'Towing costs', and
 - vii. 'Transport costs', and
- c. are fully covered under 'Part two - legal liability', and
- d. are fully covered under 'Part two - automatic additional benefits'.

Third Party Only **TPO**

3. If the **schedule** shows 'Type of Cover: Third Party Only', then **you**:
 - a. have no cover under 'Part one - cover for your car', and
 - b. are fully covered under the following 'Part one - automatic additional benefits':
 - i. 'Protection against uninsured drivers', and
 - ii. 'Restricted and excluded drivers', and
 - iii. 'Road clearing costs', and
 - c. are fully covered under 'Part two - legal liability', and
 - d. are fully covered under 'Part two - automatic additional benefits'.

Part one - cover for your car

What you are covered for

Accidental loss

You are covered for sudden and **accidental loss** to the **car** that occurs during the **period of insurance** in New Zealand (including in transit between places in New Zealand).

What you are not covered for

Types of loss not covered

You are not covered for:

1. depreciation, or
2. wear and tear, rust or corrosion, or
3. loss of use, or
4. gradual deterioration, or
5. consequential loss, unless provided for under an additional benefit.

For example, you are not covered for any loss in value of the vehicle following an accident.



Breakdown or failure not covered

You are not covered for damage or failure that is:

1. mechanical, or
2. electrical, or
3. electronic.

However, this exclusion does not apply:

- a. to the above types of loss to the **car** where it results from: fire, collision, overturning, immersion in water, flood, malicious damage, theft or illegal conversion, earthquake, volcanic eruption, hydrothermal activity or tsunami, or
- b. to the extent that cover is provided under the 'Electrical or electronic hardware or system' automatic additional benefit or the 'Roadside Rescue' optional additional benefit.

Tyres

You are not covered for:

1. damage to tyres caused by braking, or
2. punctures, cuts or bursts to **your** tyres.

However, this exclusion does not apply to punctures, cuts or bursts that result in or from:

- a. fire, or
- b. collision, or
- c. overturning, or
- d. malicious damage, or
- e. theft or illegal conversion, or
- f. **natural disaster**.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Motor Vehicle Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Repairable damage

If **we** consider the **car** is economic to repair, **we** will at **our** option:

1. arrange to repair the **car** to basically the same condition as it was in before the **loss** occurred, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

Wheels and tyres

If any wheel or tyre fitted to the **car** suffers **loss** covered under this Motor Vehicle Insurance and a new wheel or tyre is fitted, **we** may ask **you** to make an appropriate contribution towards this cost.

Total loss

If **we** consider the **car** is a **total loss**, **we** will at **our** option:

1. pay **you** the **sum insured** if the **car** was in a good and well-maintained condition in **our** opinion when the **loss** occurred, or
2. pay **you** the **market value** up to the **sum insured** if the **car** was not in a good and well-maintained condition in **our** opinion when the **loss** occurred, or
3. replace the **car** with a new vehicle of the same model and specification, provided:
 - a. the **loss** occurred within 12 months of **you** purchasing the **car** new, and
 - b. the model and specification is available in New Zealand.

Availability of parts

If any new parts, **accessories** or tools are unobtainable in New Zealand, **we** will pay up to the last known selling or list price in New Zealand plus the reasonable cost of fitting.

Repair guarantee

We will give **you** a quality guarantee on all repairs to the **car** undertaken through **our** Approved Repairer Network following **loss** covered under this Motor Vehicle Insurance, while **you** own the **car**.



Part one - automatic additional benefits

These benefits are subject to the terms of this Motor Vehicle Insurance, except where the terms are varied in the benefit. The amounts shown in these benefits are included in the **sum insured**, unless expressly stated that it is an additional payment.

Accidental death and permanent disablement

FC

If **you, your partner** or any member of **your family** suffers **injury** as a result of **loss** covered under this Motor Vehicle Insurance during the **period of insurance**, we will pay the amounts below if **you** or they suffer any or a combination of the events below within 90 days from the date of the **injury**.

Event	Amount
1. Death	\$10,000
2. Permanent total loss of sight of an eye	\$5,000
3. Permanent total loss of use of a hand	\$5,000
4. Permanent total loss of use of a foot	\$5,000

If **you, your partner** or any member of **your family** suffers from a combination of Events 2., 3. or 4., the amount payable under each Event will be cumulative to a maximum of \$10,000 during the **period of insurance**.

This is in addition to any other payment under this Motor Vehicle Insurance.

If **you** have cover for Event 1. under any other section of this policy or under any other policy with **us**, the most **we** will pay under all policies in total is \$10,000.

This benefit also provides cover for **you, your partner** or any member of **your family** when **you** drive any other motorcar with the owner's permission, provided this **use** meets all the requirements that **you** would have to meet for this Motor Vehicle Insurance to cover **loss** involving the **car**.

We will not pay for death resulting from suicide, or any self-inflicted **injury**.

Accommodation costs

FC

We will pay the reasonable additional cost of accommodation for **you, your** passengers and domestic pets in the **car** if the **car** cannot be driven following **loss** covered under this Motor Vehicle Insurance.

The most **we** will pay for any **event** is \$750.

This is in addition to any other payment under this Motor Vehicle Insurance.

Contents of the caravan

If the **car** shown in the **schedule** is a caravan, this Motor Vehicle Insurance is extended to cover any:

1. fixture, fitting or furnishing that would normally be expected to be sold with the caravan, and
2. utensils, supplies, appliances and personal effects in the caravan belonging to **you, your partner** or any member of **your family**.

We can choose to either pay the cost of repairing the item as nearly as possible to the same condition it was in immediately before the **loss** occurred, where in **our** opinion it is economical to do so, or pay **you** its **present value**.

Electrical or electronic hardware or system

FC TPFT

Where any electrical or electronic hardware component or system (excluding **electronic data**) of the **car** has suffered **loss** covered under this Motor Vehicle Insurance, **we** will pay the necessary and reasonable cost of restoring, re-setting or re-programming:

1. software, programs and other coded instructions to restore manufacturer's settings, and
2. where work is required on any hardware component or system as part of repairing **loss** to other parts of the **car**.

We will not pay any cost or expense incurred for any data stored on any hardware component or system (this includes data affected as part of any repair to the **car**).

Excess and claim-free discount protection

FC

If the **car** suffers **loss** covered under this Motor Vehicle Insurance caused by a driver of another vehicle, **you** will not have to pay an **excess** and **your** claim-free discount will not be affected, provided **you** give **us**:

1. enough information to establish that the driver of the other vehicle was completely at fault, and
2. the correct registration number of the other vehicle or information **we** need to positively identify the driver (including name and address), and
3. reasonable help to recover costs incurred through **your** claim.



Keys and locks FC

If any of the keys to the **car** are **lost**, stolen or believed on reasonable grounds to have been duplicated without **your** permission during the **period of insurance**, **we** will pay the reasonable cost of replacing the keys and their locks.

For a claim of \$1,000 or less, **you** will not have to pay an **excess** and **your** claim-free discount will not be affected.

Medical expenses FC

We will pay the reasonable costs of medical, surgical, therapeutic, dental and nursing treatment (including x-rays) for **you** or **your** passengers in the **car** following **injury** as a result of **loss** covered under this Motor Vehicle Insurance.

The most **we** will pay for any **event** is \$500.

This is in addition to any other payment under this Motor Vehicle Insurance.

We will not pay any expenses that can be claimed from any other source.

Methamphetamine contamination FC TPFT

This Motor Vehicle Insurance is extended to cover **contamination damage** to the **car**, provided such **contamination damage** occurred in connection with the theft or illegal conversion of the **car** during the **period of insurance**.

There is no cover for any **contamination damage** that is caused or contributed to, directly or indirectly, by or in connection with **you** or **your partner**, or any member of **your** or their family (including the theft or illegal conversion by any of them).

For the purposes of this exclusion, **you** includes any trustee or beneficiary of the trust if the **car** is owned by the trust, or any director or shareholder of the company if the **car** is owned by the company.

We will at **our** option:

1. arrange to **remediate** the **car**, or
2. pay **you** the reasonable cost to **remediate** the **car** as estimated by **our** assessor.

The most **we** will pay for any **event** is the **sum insured**.

If the cost of **remediation** will put the **car** in a substantially better condition, **you** may be required to make an appropriate contribution towards this cost if **we** ask **you** to.

Protection against uninsured drivers TPFT TPO

If the **schedule** shows that **you** have 'Third Party, Fire & Theft' cover or 'Third Party Only' cover, then this Motor Vehicle Insurance is extended to cover sudden and **accidental loss** to the **car** during the **period of insurance** caused by an uninsured driver of another vehicle.

If **we** consider the **car** is economic to repair, **we** will at **our** option:

1. arrange to repair the **car** to basically the same condition as it was in before the **loss** occurred, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

If **we** consider the **car** is a **total loss** **we** will pay **you** its **market value**, provided **you** give **us**:

- a. enough information to establish that the driver of the other vehicle was completely at fault, and
- b. the correct registration number of the other vehicle or information **we** need to identify the driver (including name and address), and
- c. reasonable help to recover costs incurred through **your** claim.

The most **we** will pay for any **event** is \$3,000.

You will not have to pay an **excess** and **your** claim-free discount will not be affected.

Replacement vehicle FC

When **you** buy a replacement car for the **car**, **we** will automatically provide cover for that replacement car under this Motor Vehicle Insurance from the date of purchase, provided:

1. **you** notify **us** within 30 days of the date of purchase, and
2. the purchase price does not exceed \$100,000, and
3. the purchase price will be the sum insured, and
4. **you** pay any additional premium that is required.

Restricted and excluded drivers FC TPFT TPO

If the **schedule** shows that only specified named drivers are covered and/or drivers under 25 years of age are excluded, **we** will not apply these restrictions to any claim that would otherwise be payable under 'Part one - cover for your car', 'Part two - legal liability' or 'Part two - automatic additional benefits' of this Motor Vehicle Insurance for **loss** caused by or arising from:

1. fire, or
2. theft, or



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3. the **car** being driven or **used** by a person:
 - a. who is a member or employee of the motor trade in connection with the repair or servicing of the **car**, or
 - b. providing a 'Dial a driver' or similar commercial service to **you** or anyone else covered under this Motor Vehicle Insurance, or
 - c. providing a valet parking service to **you** or anyone else covered under this Motor Vehicle Insurance, or
 - d. in the course of a medical emergency.

Road clearing costs

FC TPFT TPO

We will pay the reasonable cost of removing debris from any road or adjacent area, following **loss** covered under this Motor Vehicle Insurance.

This is in addition to any other payment under this Motor Vehicle Insurance.

Temporary repairs

FC

We will pay the reasonable cost of temporary repairs to the **car** needed to make it roadworthy, to enable **you** to get to **your** destination or to a repairer following **loss** covered under this Motor Vehicle Insurance.

This is in addition to any other payment under this Motor Vehicle Insurance.

Towing costs

FC TPFT

We will pay the necessary and reasonable towing and rescue costs to move the **car** to the nearest repairer or place of security if the **car** cannot be driven following **loss** covered under this Motor Vehicle Insurance.

This is in addition to any other payment under this Motor Vehicle Insurance.





Trailer cover

FC

This Motor Vehicle Insurance is extended to cover sudden and **accidental loss** to any **trailer** during the **period of insurance**.

We will at **our** option pay:

1. the cost of repairs, or
2. the **market value**.

The most **we** will pay during the **period of insurance** is \$1,000.

This is in addition to any other payment under this Motor Vehicle Insurance.

A \$100 **excess** applies.

Your claim-free discount will not be affected.

1. occurred to **your** home or to **your** nearest immediate destination, and
2. returning the **car** to **your** home or to another place **you** and **we** agree, after the **car** has been repaired,

if the **car** cannot be driven following **loss** covered under this Motor Vehicle Insurance.

If the **car** is recovered following theft or conversion, **we** will pay the reasonable cost incurred to return the **car** to the place from where it was stolen or to another place that **you** and **we** agree.

This is in addition to any other payment under this Motor Vehicle Insurance.

Transport costs

FC TPFT

We will pay the reasonable costs of:

1. transport for **you**, **your** passengers and domestic pets in the **car**, from the place where the **loss**

Windows

FC

Where a claim is only for sudden and **accidental loss** to windscreens and windows of the **car**, **you** will not have to pay an **excess** and **your** claim-free discount will not be affected.

Part one - optional additional benefit

The following benefit is an optional additional benefit. Cover applies only if **you** have purchased the benefit and it is shown in the **schedule**.

This benefit is subject to the terms of this Motor Vehicle Insurance, except where the terms are varied in the benefit.

Roadside Rescue

FC TPFT TPO

This Motor Vehicle Insurance is extended to provide Roadside Rescue for the **car** during the **annual period**.

1. Roadside Rescue will:
 - a. fit the **car's** spare tyre if it has a flat tyre, and
 - b. access the **car** if its keys are locked inside, and
 - c. provide 5 litres of fuel if the **car** is out of fuel, and
 - d. jump-start the **car** if it has a flat battery.
2. Roadside Rescue will arrange to tow the **car** to the nearest approved repairer or place of safety if it suffers mechanical or electrical damage or failure and:
 - a. cannot be easily mobilised at the roadside, or
 - b. needs replacement parts.
3. Roadside Rescue will not assist where the **car**:
 - a. has been left unattended, or
 - b. needs specialised salvage equipment, or
 - c. is not within easy access of a public road accessible by a two-wheel drive vehicle, or

- d. cannot be accessed due to extreme conditions such as snow, ice, flooding, road slips or the like, or
- e. was being **used** for competitions or off-road activity, or
- f. was involved in an accident or collision, or
- g. was being misused.
4. Roadside Rescue will not assist:
 - a. towed vehicles such as boats, trailers and caravans, or
 - b. **cars** exceeding 3,000 kg.

You are entitled to five call outs during the **annual period**.

Extra call outs can be made; however, these will be charged to **you** at **our** standard fee and further assistance is at **your** expense.

You will not have to pay an **excess** and **your** claim-free discount will not be affected.



Part two - legal liability

FC TPFT TPO

What you are covered for

Your legal liability

You are covered for **your** legal liability and defence costs arising from:

1. **accidental loss** to someone else's property (including loss of use), or
2. **bodily injury** to someone else, that occurs during the **period of insurance**, caused by **your use** of a **vehicle** or **trailer**, or caravan attached to it, in New Zealand (including in transit between places in New Zealand).

General average

You are covered for General Average or salvage charges that **you** must legally pay as a result of the **car** being carried by ship between places in New Zealand during the **period of insurance**.

'General Average' is a marine term that describes how the cost of losses will be shared between those persons with property on the ship.

Reparation

You are covered for **your** legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** committing an offence during the **period of insurance** in connection with **your use** of a **vehicle** or **trailer**, or caravan attached to it, in New Zealand (including in transit between places in New Zealand), provided:

1. **you**, or any other person entitled to cover under this clause, tell **us** immediately if **you** or they are charged with any offence in connection with such **use** that resulted in **loss** of property or **bodily injury** to another person, and
2. **we** give **our** written approval before any offer of **reparation** is made.

There is no cover for any amounts that are covered under the Accident Compensation Act 2001 ('the Act'), or would be covered but for:

- a. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- b. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act, or
- c. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this clause should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

Other person's liability

We will cover the legal liability, including legal liability to pay **reparation**, of another person caused by or through or in connection with their **use** of the **car**, occurring during the **period of insurance**, in the same manner as **we** cover **you**, provided:

1. such **use** has **your** permission, and
2. their liability is not covered under any other insurance, and
3. they meet the terms of this Motor Vehicle Insurance.

Vicarious liability

This Motor Vehicle Insurance is extended to cover **your** employer's vicarious liability while the **car** is being **used** for the business of **your** employer by **you**, or by another employee who has **your** permission, provided:

1. the liability is not covered under any other insurance, and
2. they meet the terms of this Motor Vehicle Insurance, and
3. the **use** of the **car** meets the terms of this Motor Vehicle Insurance.

Vicarious liability means that your employer may be held responsible for injury or damage, even if they were not actively involved in the incident.

What you are not covered for

You are not covered for:

1. liability for **loss** to any property:
 - a. owned by or in the care of **you** or anyone **we** cover under this Motor Vehicle Insurance, other than for:
 - i. a disabled vehicle being towed without charge by any **vehicle**, or
 - ii. personal effects being carried by and belonging to any passenger in any **vehicle**, or
 - b. being carried by or loaded into or unloaded from any **vehicle** or a caravan or **trailer** attached to any **vehicle**, other than specified under a. ii. above.
2. liability connected in any way with any contract or agreement, unless **you** would have been liable even without the contract or agreement.
3. any fine, penalty, or punitive or exemplary damages.



4. legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any regulations, rules or bylaws made under any Act of Parliament.
5. liability connected in any way with any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination occurs during the **period of insurance** and is caused by a sudden and **accidental event** that occurs during the **period of insurance**.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Motor Vehicle Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Amount payable for property damage

We will pay for:

1. liability, including liability for **reparation**, for **loss** to property, and
2. reasonable legal costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a court.

The most **we** will pay for any **event** is \$20,000,000.

This is in addition to any other payment under this Motor Vehicle Insurance.

Amount payable for bodily injury

We will pay for:

1. liability, including liability for **reparation**, for **bodily injury**, and
2. reasonable legal costs and expenses incurred with **our** approval, and
3. costs awarded against **you** by a court.

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

This is in addition to any other payment under this Motor Vehicle Insurance.

Amount payable for a claim for bodily injury and property damage

The most **we** will pay for property damage and **bodily injury** resulting from one **event** is \$20,000,000.

This is in addition to any other payment under this Motor Vehicle Insurance.

Settlement of any claim

We may pay the full amount under this part of this Motor Vehicle Insurance, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this Motor Vehicle Insurance.

Part two - automatic additional benefits

These benefits are subject to the terms of this Motor Vehicle Insurance, except where the terms are varied in the benefit.

Manslaughter defence costs

FC TPFT TPO

We will pay:

1. legal defence costs and expenses necessarily and reasonably incurred to defend a charge of manslaughter, or dangerous driving causing death or careless driving causing death, and
2. costs necessarily and reasonably incurred for legal representation at any inquiry or coroner's inquest in connection with a death,

resulting from:

- a. **you** or **your partner** driving the **car**, or
- b. any member of **your family** driving the **car** with **your** permission, or

- c. **you** or **your partner** driving a **vehicle** that **you** or **your partner** do not own and are not purchasing, provided **you** or **your partner** has the owner's permission to drive the **vehicle**,

during the **period of insurance**.

'Part two - legal liability' 'What you are not covered for' - clause 4 (defence costs) does not apply to this benefit.

The most **we** will pay during the **period of insurance** is \$10,000.

You will not have to pay an **excess**.

Towing

FC TPFT TPO

We will cover **you** while the **car** is being **used** for towing, provided such towing is not for financial gain or reward (financial gain does not include the reimbursement of normal running costs of the **car**).



Exclusions that apply to all parts of this Motor Vehicle Insurance

Alcohol, drugs and other intoxicating substances

You are not covered if the driver of, or the person using the **vehicle**:

1. has a breath alcohol or blood alcohol concentration that exceeds the legal limit, or
2. refuses to undergo a breath or blood test after an accident when legally required to do so, or
3. is under the influence of a drug or any other intoxicating substance to such an extent so as to be incapable of having proper control of the **vehicle**, or
4. fails or refuses to stop, or remain at the scene, following an accident (as required by law).

However, this exclusion does not apply if the driver of the **vehicle** has stolen or illegally converted it, provided **you** lay a complaint with the police.

Excess

For each **incident** the relevant **excess** will be deducted from the amount of **your** claim, unless stated otherwise under an additional benefit.

If **you** have multiple vehicles covered under this Motor Vehicle Insurance, the **excess** applies individually to each vehicle.

The **excess** is deducted after any policy limits have been applied.

For example, if a limit of \$1,000 applies and an excess of \$400 is payable by you, the amount we will pay is \$600.

Modified vehicle

You are not covered if the **car** has been **modified**, unless details of all the **modifications** have been given to **us** and **we** have agreed to those **modifications** in writing.

Other use of your vehicle

You are not covered for any loss, damage, cost, expense, prosecution or liability where the **vehicle** or anything attached to the **vehicle** is not being **used** in accordance with the description in 'Use of your vehicle'.

Unlawful substances

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with contamination from any 'controlled drug' as defined in the Misuse of Drugs Act 1975. However, this exclusion does not apply to **loss** covered under the 'Methamphetamine contamination' automatic additional benefit.

Unlicensed drivers

You are not covered under this Motor Vehicle Insurance if the driver of any **vehicle**:

1. does not comply with all the conditions of their driver licence, or
2. is not legally allowed to drive in New Zealand.

However, this exclusion does not apply if the driver of the **vehicle** has stolen or illegally converted it, provided **you** lay a complaint with the police.

Unsafe or unroadworthy

You are not covered if the **vehicle** is being **used** in an unsafe or unroadworthy condition, and:

1. the condition of the **vehicle** contributed to **loss** or liability, and
2. the driver should have been aware of that condition and that the condition could result in damage to the **vehicle**.

IMPORTANT

Please also read 'Policy exclusions that apply to all parts of this policy'.



Conditions that apply to all parts of this Motor Vehicle Insurance

Salvage

You must not abandon the car to us. However, after the car is declared a **total loss**, we may keep the car and retain the salvage.

Total loss

If we have paid your claim for a car that is a **total loss**:

1. this Motor Vehicle Insurance is automatically cancelled, and
2. the car will become **our** property, and
3. **we** will credit any unused premium towards insurance arranged with **us** on a replacement car. If you do not arrange insurance for a replacement car with **us**, **we** will not refund any premium.





Definitions that apply to all parts of this Motor Vehicle Insurance

The definitions apply to the plural and any derivatives of the words in this Motor Vehicle Insurance.

For example, the definition of 'accidental' also applies to the words 'accident', 'accidents' and 'accidentally'.

There are other defined words used in this section as well as other sections of this policy. **You** can find out the meaning of these other defined words by referring to 'Policy definitions that apply to all parts of this policy' on page 62.

accessory

a part of the **car** that is fitted to it, usually fitted to it or permanently stored in it that is not directly related to its function as a vehicle, including, but not limited to, any:

- audio, multimedia, communication or navigation equipment, and
- roof racks, and
- child car seats, and
- tools and breakdown equipment permanently kept with the **car** and purchased to repair the **car**, and
- first aid kit, torch, fire extinguisher and map, and
- car seat covers or floor mats.

It does not include any mobile phone, laptop computer or tablet computer.

accidental

unexpected and unintended by **you** and anyone **using** the **car** or **vehicle**.

car

the **vehicle** described in the **schedule**, and including any:

- standard tool supplied by the **vehicle's** manufacturer or a similar substitute tool, and
- **accessory** or spare part whilst in or on the **vehicle**, and
- **accessory** that has been temporarily removed from the **vehicle** for security purposes, cleaning or servicing.

contamination damage

loss caused by **methamphetamine** contamination that exceeds the **contamination level**.

contamination level

the relevant guideline value for indoor surface contamination as set out in the most recent version of the New Zealand Standard NZS 8510.

family

any member of **your** family who permanently resides with **you**.

injury

a bodily injury caused solely and directly by violent, accidental, external and visible means.

market value

the reasonable cost of replacing the **car** with one of the same make, model, year, specification and condition at the time of the **loss**.

methamphetamine

the Class A controlled drug Methamphetamine or Class B controlled drug Amphetamine as defined by the Misuse of Drugs Act 1975 or any of their precursor chemicals and by-products.

modification

any change to the **car** that is different to the manufacturer's original specification or recommendations.

Examples include:

- *changes to the engine, steering, performance, suspension, chassis, or*
- *body kits, paintwork, interior modifications, or*
- *tyres or wheels of the car, or*
- *a changed sound system valued at over \$1,000.*

We do not consider a conversion of the **car** to run on CNG, LPG or Bio Gas to be a modification, provided the **car** has a current Warrant of Fitness and a current Alternative Fuel Inspection Certificate.

natural disaster

an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the Earthquake Commission Act 1993 or any Act in substitution of that Act.

remediate

to reduce the level of **methamphetamine** contamination to below the **contamination level**.

Please note - the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination and will not restore the car to its condition when it was new.

**sum insured**

the Sum Insured shown in the **schedule**.

total loss

the **car** is:

- uneconomic or unsafe to repair, or **remediate**, or
- stolen and not recovered.

trailer

any general use trailer:

- owned by **you** or in **your** care, and
- that is not covered under any other insurance, and
- **used** in accordance with 'Use of your vehicle' (as described in this Motor Vehicle Insurance).

It does not include:

- a caravan, boat trailer, camper trailer or horse float, or
- the contents, equipment or accessories of any trailer.

use

includes the driving, parking, garaging or storing of the **car** or **trailer**.

vehicle

- the **car** or **trailer** when being **used** by **you** or anyone else with **your** permission, and
- any other motorcar that is not owned by **you**, being **used** by **you** provided **you** have the owner's permission to **use** it and the liability is not covered under any other insurance.

you

the person(s) or entity shown as the Insured in the **schedule**.

IMPORTANT

Please also read 'Policy definitions that apply to all parts of this policy'.



Section 4 - Pleasurecraft Insurance

This section applies if the **schedule** shows you have cover for **your craft**.

Part one - cover for your craft

What you are covered for

Accidental loss

You are covered for sudden and **accidental loss** to the **craft** that occurs during the **period of insurance** in **New Zealand**.

What you are not covered for

Causes not covered

You are not covered for **loss** to:

1. the **craft** caused by any of the following:
 - a. faulty:
 - i. design or manufacture, or
 - ii. construction or assembly, or
 - b. latent defect, or
 - c. wear and tear, osmosis, gradual deterioration, marine and non-marine infestations or weathering.

2. electrical or electronic equipment, fuses, protective devices, or lighting or heating elements caused by electrical current.

However, exclusions 1. and 2. only apply to the part of the **craft** first affected. They do not apply to resultant sudden and **accidental loss** to other parts of the **craft**.

Losses not covered

You are not covered for rot, corrosion, rust, mildew, delamination, electrolysis or fouling.

However, this exclusion only applies to the part of the **craft** first affected. It does not apply to resultant sudden and **accidental loss** to other parts of the **craft**.

Theft of unsecured property

You are not covered for **loss** to the **craft** caused by theft of **your** property while the **craft** is unattended, that would otherwise be covered under this Pleasurecraft Insurance if the property is not:

1. locked securely within the **craft**, or



2. securely attached to the **craft**, or
3. removed from the **craft** and stored in a locked and secure vehicle or building.

Breakdown or failure not covered

You are not covered for:

1. mechanical or electrical breakdown or failure. However, **we** will pay for **loss** which breakdown or failure causes to any other part of the **craft** or if the breakdown or failure is a direct result of the following:
 - a. fire, collision or impact to the **craft**, or
 - b. malicious act.
2. **loss** to the motors or electrical equipment of **personal watercraft** caused by water ingestion.

Sails, masts, spars and rigging

You are not covered for **loss** to sails, masts, spars or rigging that occurs while the **craft** is racing, unless the **loss** is caused by:

1. fire, swamping, stranding, sinking or collision, or
2. contact with an external object (ice included) other than water, or
3. malicious acts,

not otherwise excluded under this Pleasurecraft Insurance.

However, this clause does not apply to **social yacht racing**.

Recreational gear in use

You are not covered for **loss** to fishing, diving, water skiing gear or other personal effects while in use.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Pleasurecraft Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Repairable damage

If **we** consider the **craft** is economic to repair, **we** will at **our** option:

1. arrange to repair the **craft** to substantially the same condition as it was in before the **loss** occurred, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

Total loss

If **we** consider the **craft** is a **total loss**, **we** will at **our** option:

1. pay **you** the **sum insured**, or
2. replace the **craft** with a new **craft** of the same model and specification, provided:
 - a. the **loss** occurred within 3 years of **you** purchasing the **craft** new, and
 - b. it is available in **New Zealand**, and
 - c. it is not a 'one-off' or custom-build **craft**, and
 - d. the **craft** costs no more than \$1,000,000 to replace.

Sails, outboard motors and protective covers

The most **we** will pay for **loss** to:

1. sails, or
 2. outboard motors, or
 3. protective covers,
- over 3 years of age is the **present value**.

Recreational gear

The most **we** will pay for **loss** to:

1. fishing equipment, or
 2. diving equipment, or
 3. water skiing equipment,
- is the **sum insured** for that item.

Theft of an unsecured craft trailer

Where the **loss** arises from theft of the **craft** trailer and:

1. the **craft** trailer is not contained within a locked and secure building, or
2. the **craft** trailer is:
 - a. not fitted with a suitable anti-theft device, or
 - b. not physically attended by **you**,

then an additional \$2,000 **excess** applies.

You will not have to pay this additional **excess** where the theft is accompanied by violence or threat of violence to **you**.

Specified items

The most **we** will pay for any **event** for a specified item is its specified **sum insured**.

Maximum payment

The most **we** will pay in total for any **event** is the **total sum insured**.

(Unless the total loss new craft replacement provision above applies).



Part one - automatic additional benefits

These benefits are subject to the terms of this Pleasurecraft Insurance, except where the terms are varied in the benefit. The amounts shown in these benefits are included in the **sum insured**, unless expressly stated that it is an additional payment.

Additional expenses

We will pay expenses incurred by **you, your partner** or **family** member of up to \$250 per day to attend:

1. court proceedings, or
2. any other statutory enquiry,

in connection with **loss** to the **craft** that is covered under this Pleasurecraft Insurance.

The most **we** will pay in total during an **annual period** is \$10,000.

This is in addition to any other payment under this Pleasurecraft Insurance.

You will not have to pay an **excess**.

Additions

We will cover any additional property **you** purchase, during the **period of insurance**, in connection with or for use on the **craft**, provided:

1. the most **we** will pay is the lesser of:
 - a. 25% of the **sum insured**, and
 - b. \$25,000 in total, and
2. **you** give **us** receipts and invoices.

You must tell **us** of any additions prior to **your** next renewal date.

Any adjustments to premium or sum insured will be completed upon renewal.

Emergency towing

We will pay the reasonable cost incurred by **you** to remove the **craft** from anywhere in **New Zealand** to the nearest place of repair, following the mechanical or electrical breakdown of the **craft** while afloat, during the **period of insurance**.

The most **we** will pay for any **event** is \$2,000.

The most **we** will pay in total during an **annual period** is \$4,000.

This is in addition to any other payment under this Pleasurecraft Insurance.

You will not have to pay an **excess**.

Medical expenses

We will pay the reasonable medical expenses, including surgical, ambulance, hospital and other associated services that arise as a result of **bodily injury** to any person when on board, boarding or leaving the **craft**.

The most **we** will pay for any **event** is \$5,000 regardless of the number of persons who suffer **bodily injury** arising from the **event**.

You will not have to pay an **excess**.

We will not pay any expenses that can be claimed from any other source.

Personal effects

This Pleasurecraft Insurance is extended to cover sudden and **accidental loss** to **your** personal effects while on the **craft**.

For the purpose of this benefit, personal effects include articles of wearing apparel, watches, cameras, binoculars and possessions that would normally be used on a boat. Personal effects do not include any money, travellers' cheques, papers and documents, jewellery or fashion accessories.

We will pay the **present value** or the **sum insured**, whichever is the lesser.

The most **we** will pay for any **event** is \$10,000.

Prevention of loss to your craft

We will pay:

1. the reasonable costs incurred by **you** in trying to prevent or minimise imminent **loss** that is or would be covered under this Pleasurecraft Insurance, and
2. the cost of having to replenish, refill or replace safety flares or fire extinguishers that were used in trying to prevent or minimise **loss** covered under this Pleasurecraft Insurance.

The most **we** will pay for any **event** is 25% of the **sum insured**.

This is in addition to any other payment under this Pleasurecraft Insurance.

You will not have to pay an **excess**.



Replacement craft

When **you** buy a replacement craft of a similar type, **we** will automatically provide cover for 30 days for that replacement craft under this Pleasurecraft Insurance from the date of purchase, provided:

1. the purchase price will be the sum insured, and
2. the purchase price does not exceed \$1,000,000, and
3. **you** pay any additional premium that is required, and
4. after the 30-day period **we** retain the right to accept or reject **your** application for cover and determine the terms upon which that cover is offered.

Rescue costs

We will pay the reasonable cost for the rescue of **you**, **your** passengers or members of **your** crew from anywhere in **New Zealand** during the **period of insurance**.

The most **we** will pay for any **event** is \$25,000.

This is in addition to any other payment under this Pleasurecraft Insurance.

You will not have to pay an **excess**.

Salvage costs

We will pay the reasonable cost incurred by **you** to remove the **craft** from anywhere in **New Zealand** to the nearest place of repair following **loss** covered under this Pleasurecraft Insurance.

The most **we** will pay for any **event** is the **sum insured** for the **lost** item.

This is in addition to any other payment under this Pleasurecraft Insurance.

You will not have to pay an **excess**.

Social yacht racing

We will cover **you** for sudden and **accidental loss** to the **craft** during the **period of insurance** while it is being used for **social yacht racing** in **New Zealand**.

Temporary accommodation

We will pay the reasonable cost of temporary accommodation that **you**, **your partner**, **your family** and domestic pets have incurred as a result of being unable to return to **your** usual place of residence following **loss** to the **craft** that is covered under this Pleasurecraft Insurance.

The most **we** will pay for any **event** is \$2,000.

You will not have to pay an **excess**.

Transportation costs

We will pay the reasonable cost of transport for **you**, **your partner**, **your family** and domestic pets in the **craft**, from the place where the **loss** occurred to **your** home or **your** nearest immediate destination at **our** option, if the **craft** can no longer be used following **loss** covered under this Pleasurecraft Insurance.

The most **we** will pay for any **event** is \$500 for each person (or domestic pet), up to \$2,000 in total.

This is in addition to any other payment under this Pleasurecraft Insurance.

Wreckage removal

We will pay the reasonable cost incurred by **you** to remove the **craft** from any place **you** own or occupy in **New Zealand**, to a landfill or similar disposal site, following **loss** covered under this Pleasurecraft Insurance, provided the **craft** is a **total loss**.

The most **we** will pay for any **event** is 10% of the **sum insured**.

This is in addition to any other payment under this Pleasurecraft Insurance.

You will not have to pay an **excess**.



Part two - your legal liability

What you are covered for

Your legal liability

You are covered for **your** legal liability and necessary and reasonable defence costs for:

1. **accidental loss** to someone else's property, or
2. **bodily injury** to someone else, that occurs during the **period of insurance**, arising in connection with **your** use in **New Zealand** of the **craft** or another craft used for pleasure purposes, provided **you** had the owner's permission to use their craft and it is not under hire purchase to **you** or leased by **you**. There is no cover for **loss** to that craft.

Reparation

You are covered for **your** legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** committing an offence during the **period of insurance** in connection with **your** use in **New Zealand** of the **craft** or another craft used for pleasure purposes, provided **you** had the owner's permission to use their craft, provided:

1. **you**, or any other person entitled to cover under this clause, tell **us** immediately if **you** or they are charged with any offence in connection with the use of the **craft** or another craft used for pleasure purposes, which resulted in **loss** of property or **bodily injury** to another person, and
2. **we** give **our** written approval before any offer of **reparation** is made.

There is no cover for any amounts that are covered under the Accident Compensation Act 2001 ('the Act'), or would be covered but for:

- a. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- b. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act, or
- c. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this clause should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

Other person's liability

We will cover the legal liability and necessary and reasonable defence costs, and legal liability to pay **reparation**, of another person arising in connection with their use of the **craft** in **New Zealand**, or engaged in water skiing or any other similar water sport involving being towed by the **craft** in **New Zealand**, in the same manner as **we** cover **you**, for:

1. **accidental loss** to someone else's property, or
2. **bodily injury** to someone else, that occurs during the **period of insurance**, provided:
 - a. such use has **your** permission, and
 - b. their liability is not covered under any other insurance, and
 - c. they meet the terms of this Pleasurecraft Insurance.

What you are not covered for

Liability and costs not covered

You are not covered for:

1. liability or defence costs for **loss** to any property:
 - a. owned by **you** or anyone **we** cover and who claims under this Pleasurecraft Insurance, or
 - b. in **your** care or in the care of anyone **we** cover under this Pleasurecraft Insurance, other than for:
 - i. a craft being towed without charge by the **craft**, or
 - ii. clothing, personal effects and luggage being carried by and belonging to any passenger on the **craft**,
 - c. being carried by, loaded into or unloaded from the **craft** or any dinghy or similar craft attached to the **craft** other than specified under b.ii. above.
2. liability or defence costs:
 - a. arising while the **craft** is in transit by road while it is attached to a car or vehicle, or
 - b. arising out of a contract or agreement, unless **you** would have been liable even without the contract or agreement.
3. liability, or defence costs for **bodily injury** to:
 - a. **you**, **your partner** or **family**, or
 - b. any other person or persons **we** cover under this Pleasurecraft Insurance.
4. any fine or penalty.



5. any legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any regulations, rules or bylaws made under any Act of Parliament.
6. liability or defence costs in any way connected with any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination occurs during the **period of insurance** and is caused by a sudden and **accidental event** that occurs during the **period of insurance**.

IMPORTANT

Please also read 'Exclusions that apply to all parts of this Pleasurecraft Insurance' and 'Policy exclusions that apply to all parts of this policy'.

What we will pay

Amount payable

The most **we** will pay for any **event** under this part of this Pleasurecraft Insurance, including defence costs, is \$5,000,000.

Settlement of any claim

We may pay the full amount under this part of this Pleasurecraft Insurance, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this Pleasurecraft Insurance.

Part two - automatic additional benefit

This benefit is subject to the terms of this Pleasurecraft Insurance, except where the terms are varied in the benefit.

Raising or removing the craft

We will pay the costs necessarily and reasonably incurred by **you** in raising or removing the **craft** during the **period of insurance** in **New Zealand**, where **you** are instructed to do so by a legally authorised statutory authority.

Exclusions that apply to all parts of this Pleasurecraft Insurance

Excess

For each **incident** the relevant **excess** will be deducted from the amount of **your** claim, unless stated otherwise under an additional benefit.

Where an **incident** occurs that results in a claim under more than one benefit (or sub-section of a benefit) of this Pleasurecraft Insurance, only one **excess** will apply, being the highest applicable **excess**.

The **excess** is deducted after any policy limits have been applied.

For example, if a limit of \$1,000 applies and an excess of \$550 is payable by you, the amount we will pay is \$450.

Losses not covered

You are not covered for **loss** or legal liability:

1. arising while the **craft** is on hire or charter or is being used, other than for private pleasure purposes, unless used for search and rescue work, by or on behalf of the police, coastguard or other authority, or
2. caused by the **craft** being in an unsafe or unseaworthy condition, where **you** or the person using the **craft** was aware, or with any reasonable diligence ought to have been aware, of the **craft** being in that condition, or



3. arising while the **craft** (unless it is a yacht) is engaged in any race or speed test (at a speed in excess of 30 kilometres per hour), or is being tested for any race or speed test, or
 4. arising when:
 - a. **you**, while **you** are operating or are in charge of the **craft**, or
 - b. any other person, while they are operating or are in charge of the **craft** with **your** permission,are under the influence of alcohol or other intoxicating substance, or
 5. arising if at the time of any **event** giving rise to a claim, the **craft** is attached to a motor vehicle that is being driven by or is in the charge of any person who:
 - a. is driving with an excess breath alcohol or blood alcohol concentration in terms of New Zealand Land Transport Law, whether or not a conviction is entered against that person, or
 - b. fails or refuses to permit a breath test or specimen of blood to be taken after having been lawfully required to do so, or
 - c. is under the influence of drugs or other intoxicating substances, or
 - d. fails or refuses to stop, or remain at the scene, following an accident (as required by law)
- Clauses 4 and 5 do not apply if the person in charge of the **craft** has stolen or converted the **craft** within the terms of New Zealand criminal law, or
6. arising while the **craft**, if it is a jet-boat, is being used in water not normally navigable by conventional propeller-driven craft and is constructed of material other than steel or aluminium, or
 7. arising when inboard petrol engine powered craft, excluding sailing yachts or **personal watercraft**, do not have an operating bilge blower or gas detector, or
 8. arising when the **craft** is being operated at a speed in excess of 100 kilometres per hour.

IMPORTANT

Please also read 'Policy exclusions that apply to all parts of this policy'.

Conditions that apply to all parts of this Pleasurecraft Insurance

Mooring requirements

If the **craft** is normally moored, then the mooring must:

1. conform with all licensing and statutory regulations, and
2. be suitable for the size, displacement and the type of **craft**, and
3. be regularly maintained and in good order and condition, and
4. be visually inspected out of the water:
 - a. in accordance with the regulations set down by the controlling authority, or
 - b. at least every two years where no controlling authority applies.

Salvage

You must not abandon the **craft** to **us**. However, after the **craft** is declared a **total loss**, **we** may keep the **craft** and retain the salvage.

Total loss

If **we** have paid **your** claim for a **craft** that is a **total loss**:

1. this Pleasurecraft Insurance is automatically cancelled, and
2. the **craft** will become **our** property, and
3. **we** will credit any unused premium towards insurance arranged with **us** on a replacement craft.

If **you** do not arrange insurance for a replacement craft with **us**, **we** will not refund any premium.

Definitions that apply to all parts of this Pleasurecraft Insurance

The definitions apply to the plural and any derivatives of the words in this Pleasurecraft Insurance.

For example, the definition of 'accidental' also applies to the words 'accident', 'accidents' and 'accidentally'.

There are also other defined words used in this section as well as other sections of this policy. **You** can find out the meaning of these other defined words by referring to 'Policy definitions that apply to all parts of this policy' on page 62.

accidental

unexpected and unintended by **you** and anyone using the **craft**.

craft

the vessel described in the **schedule**, including its: auxiliary dinghy, trailer and any other equipment or accessories that are either attached to or permanently kept on board the vessel. This also includes **your** fishing, diving and water skiing equipment that are normally kept on board the vessel, provided they are not covered under any other insurance.

family

any family member who permanently resides with **you**.

New Zealand

1. afloat on the coastal or inland waterways of New Zealand, and
2. afloat on any area of sea that is not more than 200 nautical miles off the North and South Islands of New Zealand, and
3. during transit in New Zealand, including transit by sea, provided the transit is by a purpose-built trailer, transporter, cradle or beach trolley that is designed for transit of the **craft**, and
4. on land in New Zealand, however, not in transit except during slipping, hauling out or re-launching.

However, 1. and 2. above do not apply during the time from when Customs clearance is gained or required to be gained, on departure from New Zealand, until Customs clearance is gained upon return to New Zealand.

personal watercraft

a craft that is a jet-propelled watercraft that has a fully enclosed hull and does not take on water if capsized. It is designed to be operated by a person standing, sitting astride or kneeling on it, but not seated within it and can carry up to 3 passengers in 'pillion passenger' style.

social yacht racing

yacht racing where the use of a spinnaker or extras is not permitted and the race distance is no more than 25 nautical miles.

sum insured

the Sum Insured shown in the **schedule** for that section or item.

total loss

the **craft** is:

- uneconomic or unsafe to repair, or
- stolen and not recovered.

total sum insured

the Total Sum Insured shown in the **schedule**.

you

the person(s), or entity shown as the Insured in the **schedule**.

IMPORTANT

Please also read 'Policy definitions that apply to all parts of this policy'.



Other important policy information

Policy exclusions that apply to all parts of this policy

Confiscation

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with confiscation, nationalisation, requisition, acquisition, or destruction of or damage to property by order of government, public or local authority or under any statute or regulation, unless such order is required to prevent or control **loss** that would otherwise have been covered under this policy.

Electronic data and programs

You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with **electronic data** arising from any cause whatsoever, including, but not limited to, a **computer virus**.

This includes loss of use, reduction in functionality or any other associated loss or expense in connection with **electronic data**.

However, this exclusion does not apply to:

1. physical damage to other covered property that results from that loss of or damage to **electronic data**, and which is not otherwise excluded, and

2. loss covered under the following automatic additional benefits:

- i. Home Insurance 'Electronic programs', or 'Keys and locks', or
- ii. Contents Insurance 'Electronic data and programs' or 'Keys and locks', or
- iii. Motor Vehicle Insurance 'Electrical or electronic hardware or system' or 'Keys and locks'.

Intentional or reckless acts

You are not covered for any loss, damage, cost, expense, prosecution or liability arising from any intentional or reckless act or omission by **you** or anyone else covered under this policy.

Nuclear

You are not covered for any loss, damage, cost, expense, prosecution or liability of any type in connection with:

1. ionising radiation or contamination by radioactivity from:



- a. any nuclear fuel, or
 - b. any nuclear waste from the combustion or fission of nuclear fuel.
2. nuclear weapons material.

Sanctions

You are not covered for any loss, damage, cost, expense, prosecution or liability to the extent that the provision of such cover or the payment of such claim would contravene any:

1. sanction, prohibition or restriction under any United Nations resolution, or
2. trade or economic sanctions, laws or regulations of New Zealand, Australia, the United Kingdom, the United States of America or the European Union.

Terrorism

You are not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with an **act of terrorism**, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an **act of terrorism**.

War

You are not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with any of the following, including controlling, preventing or suppressing any of the following:

war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, insurrection, rebellion, revolution, or military or usurped power.

How to claim under all parts of this policy

What you must do

If anything occurs that may lead to a claim under this policy, **you** must:

1. do what **you** can to take care of the covered property and to prevent any further loss, damage, cost, expense, prosecution or liability, and
2. tell **us** as soon as possible, and
3. notify the police as soon as possible if **you** think any **loss** was caused by an illegal act, and
4. allow **us** to examine the covered property before any repairs are started, and
5. send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
6. give **us** any information or help that **we** ask for, and
7. consent to **your** personal information, in connection with the claim, being:
 - a. disclosed to **us**, and
 - b. transferred to the Insurance Claims Register Limited, and
8. not destroy or dispose of anything that is or could be part of a claim, and
9. tell **us** immediately if **you** are charged with any offence which resulted in **loss** of property or **bodily injury** to another person.

What you must obtain our agreement to do

You must obtain **our** agreement before **you**:

1. incur any expenses in connection with any claim under this policy, or
2. negotiate, pay, settle, admit or deny any claim against **you**, or
3. do anything that may prejudice **our** rights of recovery, or
4. negotiate, offer to pay or pay any **reparation**, including, but not limited to, offers made as part of any case management conference or sentencing hearing.

Actions we may take

We may take action in **your** name to:

1. negotiate, defend or settle any claim against **you** that is covered under this policy, and
2. recover from any other person anything covered under this policy.

You must assist **us** with these actions. **We** will be responsible for the reasonable legal costs of these actions.



Policy conditions that apply to all parts of this policy

Breach of any condition

If:

1. **you**, or
2. any other person **we** cover under any section of this policy, or
3. anyone acting on **your** behalf,

breaches any of the conditions of this policy, **we** may at **our** sole discretion:

- a. decline **your** claim, either in whole or in part,
- b. decline any claim connected with the same **event** that **you** make on any other policies **you** have with **us**,
- c. declare either the insurance **you** have with **us** under any section of this policy or all insurance **you** have with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act, or breach.

True statements and answers

True statements and answers must be given (whether by **you** or any other person) in all communications with **us**, including, but not limited to, when:

1. this insurance is **applied** for and renewed, and
2. **we** are notified about any change in circumstances, and
3. **you** make any claim under this policy.

Cancellation

By you

You may cancel this policy or any section of this policy at any time by notifying **us** or ASB. If **you** do, **we** will refund any premium that is due to **you** based on the unused portion of the **period of insurance**.

You must pay any outstanding premium for the used portion of the **period of insurance**.

By us

We may cancel this policy or any section of this policy at any time by giving **you** notice in writing or by electronic means at **your** last known address. Unless otherwise specified in this policy, cancellation will take effect from the 14th day after the date of the notice. **We** will refund **you** any premium that is due to **you** based on the unused portion of the **period of insurance**.

Automatically

This policy will be automatically cancelled if **you** do not pay the premium. Cancellation under this clause will be effective from the date to which the policy was paid up to.

Change of terms

We may change the terms of this policy or any section of this policy (including the **excess**) at any time by giving **you** notice in writing or by electronic means at **your** last known address. Unless otherwise specified in this policy, the change in terms will take effect from the 14th day after the date of the notice.

Changes in circumstances

You must notify **us** immediately if, after **we** have accepted **your application** for this policy, there is a material:

1. increase in the risk covered, or
2. alteration in the risk covered.

We may change the terms of this policy in response to any material change in circumstances **you** or anyone else advises to **us**. The change in terms will be effective from the date of the change in circumstances.

Information is 'material' where we would have made different decisions about either:

(a) accepting your insurance, or (b) setting the terms of your insurance, including the premium and excess, if we had known that information. If in any doubt, notify us anyway.

The 'risk covered' refers to both: (a) the actual property or liabilities covered and (b) you or other persons covered under this policy.



Currency

Any amounts shown in this policy or any section of this policy and in the **schedule** are in New Zealand dollars.

Goods and Services Tax (GST)

Any amounts shown in this policy or any section of this policy and in the **schedule** include GST.

Governing law and jurisdiction

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

Joint insurance

If this policy or any section of this policy covers more than one person, then all persons are jointly covered.

This means that a breach of this policy by any one person affects everyone's ability to claim under this policy.

Legislation changes

Any reference to any Act of Parliament or subordinate regulations or rules referred to in this policy includes any amendments made or substitutions to that law.

Other insurance

You must tell **us** as soon as **you** know of any other insurance policy that covers **you** for any of the risks covered under this policy. This policy does not cover **your loss** or liability at all if it is insured to any extent under any other insurance policy. **We** will not contribute towards any claim under any other insurance policy.

However, this condition does not apply to the Contents Insurance 'Fatal injury' automatic additional benefit or the Motor Vehicle Insurance 'Accidental death and permanent disablement' automatic additional benefit.

Other parties with a financial interest

If **we** know of any financial interest over the insured property, **we** may:

1. pay part or all of any claim settlement to that other party and this will go towards meeting the obligations **we** have under this policy for the **loss**, and
2. disclose information about the claim to that other party if required.

Any other party who has a financial interest under this policy is not covered and does not have rights to claim under this policy.

Reasonable care

You must take reasonable care at all times to avoid circumstances that could result in a claim.

Your claim will not be covered if **you** are reckless or grossly irresponsible.

Where cover is provided under Motor Vehicle Insurance, this condition also applies to anyone who drives the **car** with **your** permission.

Where cover is provided under Pleasurecraft Insurance, **you** and anyone using the **craft** with **your** permission must take reasonable care to:

1. protect the **craft** and maintain it in a safe and seaworthy condition, and
2. prevent **loss** or liability.

You must go onboard to check the anchor and tackle, and general safety of the **craft**, at least once every 24 hours, while the **craft** is:

- a. unattended at anchor, or
- b. on a temporary mooring to **you**.



Policy definitions that apply to all parts of this policy

The definitions apply to the plural and any derivatives of the words used in all parts of this policy.
For example, the definition of 'we' also applies to the words 'our' and 'us'.

act of terrorism

an act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that:

- involves violence against one or more persons, or
- involves damage to property, or
- endangers life other than that of the person committing the action, or
- creates a risk to health or safety of the public or a section of the public, or
- is designed to interfere with or disrupt an electronic system.

annual period

the **period of insurance**. However, if:

- **your** premium is paid by instalments other than annual payments, or
- the **period of insurance** is for more than 12 months, the annual period is the current 12-month period calculated consecutively from the date this policy first started.

application

the information provided by **you** to **us** when **you** purchased this insurance or requested a quotation for this insurance from **us**.

bodily injury

the **accidental** death of, or **accidental** bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.

computer virus

a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes, but is not limited to, 'Trojan horses', 'worms' and 'time or logic bombs'.

electronic data

facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

event

any one event or series of events arising from one source or original cause.

excess

the first amount of the claim that **you** must pay, which is shown in either the **schedule** or in this policy wording.

incident

something that occurs at a particular point in time, at a particular place and in a particular way.

loss

physical loss or physical damage.

partner

your husband or wife or person with whom **you** are living in the nature of a marriage.

period of insurance

the Period of Insurance shown in the **schedule**.

present value

the estimated reasonable cost to replace an item with an item in New Zealand that is of equivalent age, quality and capability, and is in the same general condition.

reparation

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

schedule

the latest version of the Schedule **we** issued to **you** for this policy.

we, us, our

IAG New Zealand Limited.







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