

# POLICE FIRE & GENERAL INSURANCE

## Policy Wording

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## INTRODUCTION

This is your insurance policy which is underwritten by Lumley Insurance. It consists of this wording, any proposal or declaration and the schedule(s).

In return for the premium, Lumley Insurance will provide the insurance cover(s) explained in this policy and accept all liability to meet valid claims made under the policy.

Please read this document carefully to ensure you understand the policy and that the cover(s) described here meet(s) your requirements.

If you find the cover you have chosen is not what you want, you can notify us in writing within 30 days of the date the cover begins and we will refund any premiums paid in full and cancel the cover. Of course, if that happens, we will not pay any claims under the policy either.

## GENERAL CONDITIONS

All the conditions and obligations of this policy must be complied with, or we may decline your claim.

### Disclosure/Accuracy of statements

We have issued this policy based on the information you have provided us. You must tell us everything that may be relevant to our decision as to whether we issue, continue or renew this cover, including (but not limited to) criminal activity or associations or convictions, bankruptcy or insolvency, flood, hazardous processes, or any other circumstances giving greater than normal risk of loss - note, this is not an exhaustive list.

All statements made in any application, proposal form, schedule, or claim, or any other information supplied must be correct in every respect. Otherwise, we may be entitled to consider you as being uninsured.

### Change in circumstances

If there is any change to any of the circumstances relevant to this insurance since it started that increases the risk, or alters the nature of the risk, you must notify us immediately. We may amend the terms of this policy with immediate effect to fairly reflect the change in circumstances, or may cancel it.

### Care of insured property

You must maintain the insured property in good repair and take all reasonable steps to safeguard it against loss.

### Reckless, wilful or deliberate acts

You must not cause or facilitate loss or incur any liability through any reckless, deliberate or wilful act nor must you knowingly allow or permit anyone else to cause loss or liability in this way.

### Making a claim

You must:

- immediately tell us in writing of any event that might result in a claim
- immediately tell the Police if property is lost or if you suspect theft, burglary, arson or malicious damage
- do as much as you can to minimise any loss or liability
- give us free access to examine and assess any loss or liability
- take reasonable steps to obtain details of any other person, property or vehicle involved, and any witnesses
- immediately send us any communication received from any other person
- fully co-operate with us and complete any documentation we require, including statements on oath

It is a requirement of this policy that you do not:

- without our prior written consent, dispose of any property involved in a claim on this insurance
- without our prior written consent, incur any expense in making good any loss, or incur any professional expense, except as is necessary to minimise any loss or safeguard the property
- admit responsibility for any loss or liability, or try to negotiate, defend or settle any claim yourself
- make any claim which is fraudulent in any respect. Otherwise all benefits under this policy are forfeited. No incorrect statements shall be made in relation to any claim.

We have the sole right and option to act in your name and on your behalf to negotiate, defend or settle any claim. Once we have accepted a claim, we may take over for our own benefit and settle any legal right of recovery you may have, including any counter claim. If we do this, it will be at our own expense.

Any other person entitled to cover under this policy must meet all of the conditions and obligations that you are required to meet, wherever this is applicable. Otherwise, this insurance may not cover them, or you.

## SECTION 1: HOME COVER

### What you are insured for

This insurance covers accidental loss to the home during the period of insurance.

We will pay the costs actually incurred to rebuild or repair the home to the same condition and extent as when it was new, limited to the sum insured shown in the schedule. We will pay for building materials and construction methods commonly used at the time of loss.

We may settle the claim by payment or, at our discretion, by rebuilding or repair.

Included in your cover are:

- any additional costs to rebuild or repair the damaged portion of the home which are required solely to comply with any statute or local body regulation, provided that:
  - you had not been served notice of these before the occurrence of the loss, and
  - the home complied with existing requirements at the time it was originally built, and at the time of any alterations.
- architects', engineers', and surveyors' fees to rebuild or repair the home if they have been authorised by us
- the cost to demolish and remove debris including contents.

You must co-operate to ensure that any rebuilding or repair authorised by us is carried out promptly.

If you decide not to rebuild or repair the home after a loss, we will pay you the present value. We will also pay the costs of demolition and removal of debris and contents provided these costs are actually incurred as a reasonable and necessary expense as a result of the loss.

If the home is mortgaged, we may make payments in respect of any loss to the mortgagee. Receipt by the mortgagee will discharge our responsibilities completely.

### Maximum amount payable

The most we will pay for any loss or series of losses arising from one event is the sum insured shown in the schedule, plus any extensions stated in the policy as being additional, less your excess.

The owner's liability extension is additional to the above.

### Extensions included in your cover

#### Unoccupied Home

If the home becomes unoccupied and:

- we have agreed to continue cover and
- there is no contents insurance in place at the situation

Then we will cover your carpets, blinds and drapes. We will pay present value only to a maximum of \$5,000.

#### Holiday Home

If your occupancy is shown in the schedule as 'holiday home' we will cover your appliances, furniture, carpets, blinds and drapes which are permanently in the home. We will pay present value only to a maximum of \$5,000.

#### Sale and purchase

Where a contract of sale and purchase of the home has been entered into, the purchaser shall be entitled to the benefit of this insurance until settlement date, but to obtain this benefit, the purchaser must:

- comply with all the conditions of this insurance
- claim under any other insurance that has been arranged prior to claiming under this insurance
- settle this purchase within 90 days of making such contract.

#### Landlord's chattels

If your occupancy is shown in the schedule as 'landlord', we will cover your appliances, furniture, carpets, blinds and drapes which remain in the home while it is let, lent, leased, rented or tenanted. We will pay present value only to a maximum of \$5,000.

#### Landscaping

If the home is damaged or destroyed and you have a valid claim under this insurance, we will pay for costs incurred to restore any part of your garden which was damaged as a result of the loss or any necessary rebuilding. We will also pay for costs incurred to restore any part of your garden which was damaged as a result of fire or impact by a vehicle (whether or not there is damage to the insured property). The most we will pay for any loss or series of losses arising from one event is \$2,500.

### Gradual damage protection

We will cover you for the costs of repairing the home (but not the cost of locating or repairing the leak) for up to \$3,000 if it suffers loss by mildew, rot or gradual deterioration, caused by water which accidentally leaks or overflows from:

- any internal water pipe or waste disposal pipe or internal water tank provided that when the leak or overflow first occurs and the loss is discovered:
  - you own the home
  - you are living in the home
  - it is your permanent residence
  - this policy is in force
  - you take immediate steps to minimise the loss.

### Optional extensions to your cover

#### Landlord's chattels – extended cover option

If the schedule shows that this option has been taken and an additional premium paid, the maximum amount payable is increased to \$10,000.

#### Deliberate damage by tenants

If the schedule shows that this option has been taken and an additional premium paid, this Home policy is extended to cover accidental loss to the home and/or the landlord's chattels during the period of insurance, caused by theft or deliberate damage by the tenants. For this cover to apply, you or the person who manages the tenancy on your behalf must complete an internal and external inspection of the property at a minimum of six monthly intervals and upon change of tenants. The most we will pay is \$25,000 for any one loss or series of losses arising from one event. A \$500 excess applies to this extension.

### Extensions additional to your cover

#### Loss of rent

If the home is rented and can't be lived in because of loss covered by this section of the policy, we will pay any loss of income from rents receivable for the time reasonably needed to rebuild or repair the home. We will pay for up to 12 months from the date of loss, to a maximum of \$20,000. This extension is additional to the sum insured.

#### Owner's liability

This insurance will cover:

- your legal liability as owner of the home for loss to someone else's property or for bodily injury to any person during the period of insurance as the result of any accident which happens at the home (or on any residential land belonging to it)
- any amount which you are legally required to pay under Section 43 or Section 46 of the Forest and Rural Fires Act 1977 arising from your ownership of the home (or any residential land belonging to it) in connection with an accidental event which happens during the period of insurance.

This insurance will not cover you for:

- liability caused by, or in connection with, or arising from:
  - the ownership or use of any:
    - a) mechanically propelled vehicle (other than a bicycle, domestic garden appliance, wheelchair or electric mobility scooter for personal use only)
    - b) trailer
    - c) caravan
    - d) boat or watercraft unless it is defined as contents in the 'definitions' section
    - e) aircraft or aerial or spatial device unless it is a model or toy not able to carry more than its own weight
  - any business, profession or employment, or earning of any income
  - an agreement, unless you would have been liable anyway, even without the agreement
  - the ownership of any land or building
  - the occupation or use of any premises other than the home
- liability for damage to property belonging to you or any person who is living at the home or property under your (or their) care or control
- liability for bodily injury to you or any member of your household or any person who has a family or business relationship with you
- gross negligence or deliberate damage caused by you
- any fine, or any punitive, exemplary or aggravated damages
- liability in connection with any seepage, pollution or contamination including the clean-up costs, unless the seepage, pollution or contamination happens during the period of insurance and is caused by a sudden accidental event which happens during the period of insurance.

Our liability for any loss or series of losses arising from one event shall not exceed \$100,000 in the case of bodily injury and \$2,000,000 in total. This sum includes any costs and expenses incurred by you with our prior written consent, or recoverable from you by any claimant. If you have liability protection with us under any other policy or section of this policy, then our maximum combined liability under all policies or sections shall be the limits stated in this 'owner's liability' extension.

### Fatal injury

If you or your spouse suffer death as a direct result of fire or burglary at your home, we will pay \$5,000 to your estate. Provided that:

- death occurs within 90 days of sustaining such injury and
- the most we will pay for any one event or during any 12 month period is \$10,000.

If you have cover with us under any other policy or section of this policy, then our maximum combined liability under all policies or sections shall be the limits stated in this extension.

### Stress benefit

If we pay a claim for the total loss of your home then we will pay you an extra \$1,000 for the stress caused by the loss. If you have this cover with us under any other policy or section of this policy, then the maximum amount we will pay under all policies or sections is \$1,000.

### General Extension - Natural disaster damage

The general extension on sheet 6-1 of this policy wording contains extensions to this cover.

### What you are not insured for

This insurance does not cover any loss which is, or arises from:

- wear and tear
- mildew, rot, corrosion, rust, or gradual deterioration (other than the cover provided under the 'gradual damage protection' extension)
- mechanical breakdown or failure, electrical or electronic breakdown or failure (however we will cover accidental loss to any part of household electrical or electronic equipment caused by the actual burning out of that part)
- defect in materials, workmanship or design
- theft or deliberate damage by:
  - tenants or their guests
  - any other person normally living at the home
 unless by fire or explosion.

Also not covered is any loss arising from:

- the action of light
- any process of cleaning, repairing or restoring
- insects or vermin other than opossums
- lifting or shifting the home (including preparatory work) or the removal of structural support or any part of the roof
- land movement of any kind, including settlement, shrinkage, expansion, landslide, subsidence, cracking or erosion (other than the cover provided under the 'natural disaster damage' extension on sheet 6-1 of this policy)
- underground water pressure.

However, these exclusions apply only to the part or item which is directly affected. This insurance will cover loss to any other part or item not otherwise excluded.

### General exclusions

The general exclusions on sheet 6-2 of this policy wording contain further exclusions to this cover.

### Special conditions

#### Limitation on rental or holiday homes

If at any time the home or any part of the home is lent, let, leased, rented or tenanted to anyone but you, or if it is a holiday home, then claims for glued floor coverings or wall coverings over five years old and burning out of household electrical equipment over five years old are restricted to present value.

#### Furnishing limitation

In respect of floor coverings, we will pay the cost of replacing or repairing only in the room in which the loss occurs.

#### Unoccupancy

Cover under this policy shall cease immediately if the home is unoccupied for more than 60 consecutive days, unless you have given us prior notice in writing and we have agreed in writing. We may be able to continue your cover however we may wish to change the terms of your cover to fairly reflect this change before we agree to do this.

This condition does not apply if the home is a holiday home. However, you must ensure that:

- the home is kept in a tidy condition
- all external doors and windows are securely locked
- all papers and mail are collected regularly
- the home is under regular supervision.

Cover automatically resumes as soon as someone lives in the home again.

#### Excess

Cover under this policy is subject to an excess, as specified on your schedule.

#### Residential Use

Your home must only be used for private residential purposes. If this is not the case, you must tell us immediately. We may be able to continue your cover however we may wish to change the terms of your cover to fairly reflect this change before we agree to do this.



## SECTION 2: CONTENTS COVER

### What you are insured for

This insurance covers accidental loss to the contents during the period of insurance.

### We will pay:

- the replacement cost, which means the full cost of replacement or repair for contents other than those listed below
- the present value for:
  - bicycles
  - books
  - clothing and footwear
  - compact discs, dvds, records, audio or video tapes
  - computers and computer hardware more than 5 years old
  - household linen
  - property used in connection with earning any income
  - sporting and camping equipment
  - video games, laser discs, computer software and related media
  - watches
  - items which you have decided not to replace or repair.

We may settle the claim by payment or, at our discretion, by replacement or repair.

It may not be reasonably practicable to replace or repair your contents exactly as they were. Then we will pay the costs to replace or repair your contents to a state as close to their original condition as is reasonably practicable.

### Maximum amount payable

The most we will pay for any loss or series of losses arising from one event is the sum insured shown in the schedule, plus any extensions stated in the policy as being additional, less your excess.

The personal liability extension is additional to the above.

### Where cover for your contents applies

Contents are covered while they are at the situation in the schedule or temporarily removed from there to anywhere else in New Zealand.

However, we will not cover contents which are:

- removed from the home for sale, storage or exhibition
- permanently removed from the home (other than the cover provided under the 'change of situation' extension) or in the course of removal or transit to or from any such place
- normally at some place other than the home.

### Limits

Unless specified in the schedule we will not pay more than:

\$3,000

- for any item of jewellery or watch (the limit of \$3,000 applies unless we receive a valuation prior to the loss confirming its sum insured)
- for any fur
- for any camera or item of photographic equipment
- for any bicycle or item of sporting or recreational equipment

\$2,000

- in total for stamps, medals, coins, telephone cards, collector cards or firearms
- in total for watercraft or outboard motors including their spare parts, accessories or associated equipment
- in total for spare parts, accessories or associated equipment which belong to but are not in or on any motor vehicle, motorcycle, caravan, trailer, aircraft or other aerial or spatial device
- in total for property used in connection with a profession or business carried on by you in the home (these items are only insured while at the home)

\$500

- in total for money, gold or silver or precious metals, unset precious or semi-precious stones, negotiable securities or documents of any kind.

If any item is subject to more than one limit, then the lesser limit will apply.

## Extensions included in your cover

### Change of situation

If you are moving into a new home within New Zealand where you are to permanently live, we will cover your contents while they remain in the home you are leaving and once they reach your new home. However you must notify us of the removal and relocation within 14 days of the date contents are first removed. Cover on contents at your former home will cease 14 days after contents are first removed, unless you request and we agree otherwise. Contents in the course of removal or transit to the new home are not covered.

### Gradual damage protection

We will cover you for the costs of replacing or repairing the contents (but not the cost of locating or repairing the leak) for up to \$2,000 if they suffer loss by mildew, rot or gradual deterioration, caused by water which accidentally leaks or overflows from:

- any internal water pipe, waste disposal pipe, or internal water tank provided that when the leak or overflow first occurs and the loss is discovered:
  - you own the home
  - you are living in the home
  - it is your permanent residence
  - this policy is in force
  - you take immediate steps to minimise the loss.

### Lost or stolen keys

Where any key giving access to the home is lost, stolen or believed on reasonable grounds to have been duplicated without your permission, this insurance extends to include the costs reasonably and necessarily incurred in replacing those keys and altering or replacing the locks which they are used for. The most we will pay for any one event is \$1,000. The standard excess does not apply.

### Overseas travel

We will cover up to \$5,000 in total for:

- your clothing, personal effects and baggage
- your articles of jewellery and valuables specified in the schedule,

that you take with you while travelling in Australia or the Pacific Islands and in transit between, for a period of no more than three weeks, from the time you leave New Zealand.

### Credit card/cheque cover

We will pay the outstanding balance of your credit cards as at the date of the accident to a maximum of \$500 should you or your spouse living with you suffer:

- death, or
- total disablement for a period exceeding six weeks, as a result of an accident in New Zealand.

If your credit card(s) or ATM/EFTPOS card(s) or cheque book(s) are lost or stolen and used fraudulently by any person not related to you or living at the home, we will pay up to \$500, provided your loss cannot be recovered from any other source.

### Personal effects at work

We will cover up to \$1,000 in total for your personal effects that are normally kept at your place of work.

### Waiver of excess following burglary

We will waive the standard policy excess in the event of a claim for a burglary if your monitored burglar alarm activates and is responded to by a registered security guard.

### Young persons extension

We will insure your child's (under the age of 21) contents while they are living away from home at boarding school or in accommodation supplied by an educational institution. This extension shall not exceed \$5,000 per person nor \$500 for any one item, and is subject to all the terms of the policy. It excludes theft (unless following actual forcible and violent entry to or exit from a building) and property lost or mislaid.

### Wedding or Christmas gifts

If you have wedding gifts or Christmas presents temporarily stored in the home for others, we will cover them in the same way as your own contents.



## Extensions additional to your cover

### Personal liability

This insurance covers you and members of your family that live permanently with you at the home for:

- legal liability for loss to someone else's property or for bodily injury to any person during the period of insurance as the result of any accident occurring anywhere in New Zealand, Australia and the Pacific Islands
- any amount which you are legally required to pay under Section 43 of the Forest and Rural Fires Act 1977 in connection with an accidental event which happens during the period of insurance.

This insurance does not cover:

- liability caused by, or in connection with, or arising from:
  - the ownership or use of any:
    - a) mechanically propelled vehicle (other than a bicycle, domestic garden appliance, wheelchair or electric mobility scooter for personal use only)
    - b) trailer
    - c) caravan
    - d) boat or watercraft unless it is defined as contents in the 'definitions' section
    - e) aircraft or aerial or spatial device unless it is a model or toy not able to carry more than its own weight
  - any business, profession or employment, or earning of any income
  - an agreement, unless you would have been liable anyway even without the agreement
  - the ownership of any land or building
  - the occupation or use of any premises other than the home
- liability for damage to property belonging to you or any person who is living at the home or property under your (or their) care or control
- liability for bodily injury to you or any member of your household or any person who has a family or business relationship with you
- gross negligence or deliberate damage caused by you
- any fine, or any punitive, exemplary or aggravated damages
- liability in connection with any seepage, pollution or contamination including the clean-up costs, unless the seepage, pollution or contamination happens during the period of insurance and is caused by a sudden accidental event which happens during the period of insurance.

Our liability for any loss or series of losses arising from one event shall not exceed \$100,000 in the case of bodily injury and \$2,000,000 in total. This sum includes any costs and expenses incurred by you with our prior written consent, or recoverable from you by any claimant. If you have liability protection with us under any other policy or section of this policy, then our maximum combined liability under all policies or sections shall be the limits stated in this 'personal liability' extension.

### Temporary accommodation

If the house can't be lived in because of loss covered by this section of the policy, we will pay:

- reasonable additional costs actually incurred by you for:
  - your temporary accommodation
  - the boarding out of your domestic cat(s) and dog(s) normally kept at your home
  - to move contents to the temporary accommodation and return them to your home
  - to move contents to a secure storage facility and for storage costs while you are in temporary accommodation, and to return them to your home.

This cover will be provided for up to 12 months from the date of the loss to a maximum of \$20,000. If you have this cover with us under any other policy or section of this policy, then our maximum combined liability under all policies or sections shall be the limits stated in this 'temporary accommodation' extension.

### Fatal injury

If you or your spouse suffer death as a direct result of fire or burglary at your home, we will pay \$5,000 to your estate. Provided that:

- death occurs within 90 days of sustaining such injury and
- the most we will pay for any one event or during any 12 month period is \$10,000.

If you have cover with us under any other policy or section of this policy, then our maximum combined liability under all policies or sections shall be the limits stated in this extension.

### Stress benefit

If we pay a claim for the total loss of your home then we will pay you an extra \$1,000 for the stress caused by the loss. If you have this cover with us under any other policy or section of this policy, then the maximum amount we will pay under all policies or sections is \$1,000.

### General Extension - natural disaster damage

The general extension on sheet 6-1 of this policy wording contains extensions to this cover.

## Optional Extensions

### Young persons extension - extended cover

If the schedule shows that this option has been taken and an additional premium paid, we will insure your child's contents while they are living away from home attending an educational institution. Cover excludes Theft (unless following actual forcible and violent entry to or exit from a building) and property lost or mislaid. This extension shall not exceed \$5,000 per person nor \$500 for any one item, and is subject to all the terms of the policy.

### Business Equipment

If the schedule shows that this extension has been taken and an additional premium paid we will cover up to \$15,000 in total for property used in connection with a profession or business carried on by you in the home.

The following limits apply:

- \$5,000 in total for all computers and computer hardware and software and related media
- \$2,000 in total for all cellphones and portable communication equipment.

There is no cover for:

- money
- customers' goods
- anything which is covered by any other insurance.

## What you are not insured for

This insurance does not cover any loss which is or arises from:

- wear and tear
- mildew, rot, corrosion, rust, or gradual deterioration (other than the cover provided under the 'gradual damage protection' extension)
- mechanical breakdown or failure, electrical or electronic breakdown or failure (however we will cover accidental loss to any part of household electrical or electronic equipment caused by the actual burning out of that part)
- defect in materials, workmanship or design
- theft or deliberate damage by:
  - tenants or their guests
  - any other person normally living at the home unless by fire or explosion.

Also not covered is any loss arising from:

- the action of light
- any process of cleaning, repairing or restoring
- insects or vermin other than opossums
- lifting or shifting the home (including preparatory work), or the removal of structural support or any part of the roof
- land movement of any kind, including settlement, shrinkage, expansion, landslip, subsidence, cracking or erosion (other than the cover provided under the 'natural disaster damage' extension on sheet 6-1 of this policy)
- underground water pressure.

However, these exclusions apply only to the part or item which is directly affected. This insurance will cover loss to any other part or item not otherwise excluded.

## General exclusions

The general exclusions on sheet 6-2 of this policy wording contain further exclusions to this cover.

## Special conditions

### Residential use of the situation

The situation must only be used for private residential purposes. If this is not the case, you must tell us immediately. We may be able to continue your cover however we may wish to change the terms of your cover to fairly reflect this change before we agree to do this.

### Limitation on the contents of rental or holiday homes

If at any time the home or any part of it is lent, let, leased, rented or tenanted to anyone but you, or if it is a holiday home, and replacement cost conditions apply, claims on contents over five years old are restricted to present value.

### Limitation on contents for tenants sharing

If you are a tenant and you are sharing the home with anyone other than your family and replacement cost conditions apply, claims on contents over five years old are restricted to present value.

### Furnishing limitation

In respect of floor coverings, we will pay the cost of replacing or repairing only in the room in which the loss occurs.

### Unoccupancy

Cover under this policy shall cease immediately if the home is unoccupied for more than 60 consecutive days, unless you have given us prior notice in writing, and we have agreed in writing. We may be able to continue your cover however we may wish to change the terms of your cover to fairly reflect this change before we agree to do this.

This condition does not apply if the home is a holiday home. However, you must ensure that:

- the home is kept in a tidy condition
- all external doors and windows are securely locked
- all papers and mail are collected regularly
- the home is under regular supervision.

Cover automatically resumes as soon as someone lives in the home again.

### Excess

Cover under this policy is subject to an excess, as specified in your schedule.

## SECTION 3: PRIVATE MOTOR VEHICLE COVER

### Types of cover available

The type of cover you have will be shown on the schedule. The different types of cover available under this policy are:

- Option 3A - full cover - means you have cover under Section 3.1: Cover for the vehicle; and Section 3.2: Legal liability.
- Option 3B - third party, fire and illegal conversion - means you have cover under Section 3.2: Legal liability; and Section 3.1: Cover for the vehicle - only if the loss is caused by:
  - fire, or
  - theft of the whole vehicle, or
  - illegal conversion of the whole vehicle.
- Option 3C - third party only - means you only have cover under Section 3.2: Cover for Legal liability.

### Use of the vehicle

These covers only apply in the following circumstances:

- if the accident occurs in New Zealand
- if the vehicle is being driven by you or any other person with your permission (unless specifically excluded by this policy), and the driver holds the appropriate motor driver's licence which is in full force and effect and is not breaching any of the licence conditions. (These restrictions do not apply if any person steals or illegally converts your vehicle, but you must lay a complaint with the Police.)
- if the vehicle is being used for any of the following purposes:
  - private, social, or domestic
  - farm
  - business or professional purposes but only if:
    - a) it is not excluded, and
    - b) you are the driver.
  - religious, social welfare or youth organisation work
  - to teach a person to drive, provided all legal requirements are complied with.

These covers do not apply while the vehicle is being used in the following circumstances:

- to carry or deliver goods or samples in connection with any trade, business or profession, except for farming
- by any person who is acting as a commission agent, commercial traveller, company representative, sales or service person, stock or station agent, insurance representative assessor or loss adjuster or in any similar capacity
- in connection with the motor trade, other than while being repaired or serviced
- to carry fare paying passengers
- preparing or practising for, or taking part in or imitating any race, time trial, rally, sprint or drag race, or any similar motor sport, event, demonstration or test
- under any type of hire arrangement or agreement
- by a motor driving instructor unless it is to teach you or a member of your immediate family to drive.

### 'Innocent party' protection

If you are involved in an accident which is caused by the driver of another vehicle, then your no claim bonus will not be changed and your excess will be refunded if you can:

- establish the identity and address of the other driver, and
- prove to our satisfaction that the other driver was completely at fault.

For Options 3B and 3C we will also cover you for accidental loss to the vehicle up to a maximum of \$3000 in the above circumstances if the other driver has no insurance.

## SECTION 3.1: COVER FOR THE VEHICLE

### What you are insured for

This insurance covers you for:

- accidental loss to the vehicle during the period of insurance
- the reasonable cost of removing the vehicle to the nearest safe place and the reasonable storage costs if:
  - you have a valid claim, and
  - the vehicle is not in a driveable condition because of the accident.

We can choose to:

- reimburse you (or pay your repairer) for reasonable costs actually incurred to repair the vehicle, or
- pay you the amount equivalent to the cost of having the vehicle repaired (however, if new or replacement parts are not available, we will only pay the latest known list price of the parts and if there is no list price, we will pay the list price of the nearest equivalent parts of a reasonably comparable vehicle), or
- pay you the market value of the vehicle immediately before the accident and keep the vehicle, or
- pay you the difference between the market value of the vehicle immediately before and the value immediately after the accident, or
- pay you the sum insured stated in the schedule.

If the vehicle is improved as a result of repairs, you may need to contribute towards the costs.

Where the claim is settled by a cash payment and a financial interest has been noted on the policy, we may make payment direct to the interested party. Receipt by them will discharge our responsibilities completely.

### What you are not insured for

This insurance does not cover you for:

- loss of use of the vehicle or any costs or expenses resulting from loss of use of the vehicle and any consequential loss
- depreciation or loss of value/wear and tear, deterioration, rust, corrosion
- any loss which is breakage, breakdown or failure of any part of:
  - the engine and transmission systems
  - the electrical or electronic systems or equipment
  - any other mechanically operated systems (including hydraulic, pneumatic, or similar) or equipment and any loss which this causes to the rest of these systems or equipment.

However, we will pay for any loss which this breakage, breakdown or failure causes to other parts of the vehicle or if the breakage, breakdown or failure is due to:

- fire, collision, overturning of the vehicle or impact, or
- malicious acts by anyone other than you or persons acting with your knowledge and consent (provided you lay a complaint with the Police).
- breakage, breakdown or failure of any load-bearing component unless this is due to:
  - fire, collision, overturning of the vehicle or impact, or
  - malicious acts by anyone other than you or persons acting with your knowledge and consent (provided you lay a complaint with the Police).
- any loss resulting from inadequate or unsuitable cooling or lubrication
- any loss to tyres or their tubes by:
  - punctures, cuts, splits or bursts
  - the application of brakes.

However, we will cover you if any of these losses directly result from loss to any other part or component for which you have a valid claim under this policy.

### Special and general exclusions

The special exclusions on sheet 6-1 and general exclusions on sheet 6-2 of this policy wording contain further exclusions to this cover.

### Extensions included in option 3A - full cover

These are automatically included only if you are covered by option 3A - full cover.

#### Replacement vehicle

We will cover replacement or additional vehicles up to \$100,000. However you must tell us within 30 days of the date of purchase and pay any additional premium required.

#### Trailers

We will cover you under this policy for accidental loss to:

- any trailer owned by you or your spouse
- any trailer which you do not own but which is in your care or control, as long as the loss is not covered by any other insurance. The most that we will pay for any loss is \$2,500. This cover applies whether the trailer is attached to a vehicle or not. This extension will not cover any:
  - boat trailer
  - caravan or camper trailer
  - horse float
  - trailer not normal for your vehicle
  - contents of any trailer.

The only excess which applies to this extension is \$100, and your no-claim bonus is not affected.

#### Windscreen extension

We will not change your no claim bonus or require you to pay any excess if your claim is for accidental loss to the vehicle's windscreen, window glass, sunroof, headlights, headlight protectors or tail lights.

#### Keys and locks

Where any key giving access to your vehicle is lost, stolen or believed on reasonable grounds to have been duplicated without your permission, this insurance extends to include the costs reasonably and necessarily incurred in replacing them and altering or replacing the locks which they are used for. The most we will pay in respect of any one event is \$1,000. An excess of \$100 applies to this benefit, and your no claim bonus is not affected.

#### New vehicle cover

If your vehicle is a motor car or station wagon and is less than one year old from the time of its original registration or purchase (whichever occurred first) we will supply a new vehicle of the same make, model and specification, subject to availability within New Zealand provided:

- you are the original owner of the vehicle
- we assess the reasonable cost of repairing the vehicle at more than 60% of its market value
- you assign your vehicle's ownership to us.

If the model is not available or you do not want your vehicle replaced with a new one, we will pay you the market value of your vehicle or the sum insured, whichever is the lesser. This is subject to the agreement of any interested party named in the policy.

#### Courtesy car insurance

This benefit applies only if this policy insures a passenger car or station wagon.

If you are driving a courtesy car supplied by a vehicle repairer because your vehicle cannot be used as a result of a valid claim under this policy, this benefit covers:

- the courtesy car against loss that would be covered under this policy, and
- your liability to other parties that would be covered under Section 3.2: 'Legal liability'. For this cover to apply the courtesy car must be a passenger vehicle.

The most we will pay for loss to the courtesy car is \$50,000. The excess that would apply to your own vehicle will apply to the courtesy car.

**Extensions additional to Option 3A – full cover****Alternative transport allowance**

If we have accepted a claim for loss or damage to your vehicle, at your request we will arrange a hire vehicle for you to use for up to 14 days while your vehicle is being repaired or has been stolen.

If we assess your vehicle to be a total loss, you must return the hire vehicle immediately we pay you or the owner.

The hire vehicle will be a passenger vehicle up to 2000cc which is the closest reasonable equivalent to your vehicle available. This benefit does not cover:

- any bond or deposit required by our supplier
- any fuel used
- any additional charge required by the supplier for additional distance over 100km per day on average
- claims for motorcycles, caravans or trailers

You must also contribute \$25 per day to be paid directly to our supplier when the hire vehicle is obtained.

**Additional accident costs**

We will also pay the reasonable cost of any of these, up to \$500 each, if it is a direct result of an accident to your vehicle resulting in a valid claim:

- to remove vehicle debris from the accident site if this is your responsibility
- to provide transport home or to the next immediate destination, or to provide overnight accommodation, for the driver and passengers and domestic pets travelling in your vehicle if it is not fit to drive, or is missing after being stolen
- to return your vehicle to your home address, or any other place we agree to, after it is repaired.

**Fatal injury**

If you die as a result of injury following an accident to your vehicle for which a claim is accepted, we will pay \$5,000 to your estate. Provided that:

- death occurs within 90 days of sustaining such injury and
- the most we will pay for any one event or during any 12 month period is \$10,000.

**General extension – natural disaster damage**

The general extension on sheet 6-1 of this policy wording contains extensions to this cover.

**Caravan insurance**

Where a caravan is insured under this section, the sum insured includes the fixtures, fittings, furniture and equipment which would normally be sold with it. In addition to the sum insured, we will pay up to \$1,000 for personal effects and utensils lost or damaged as a result of a loss for which a claim is payable on the caravan.

We will not pay any claim for:

- theft, unless the caravan is securely locked and the theft is as a result of actual forcible and violent entry
- storm or wind damage to any awning if it has been left erected and unattended for more than 48 consecutive hours.

The only excess that applies to caravan insurance is \$100.

**SECTION 3.2: LEGAL LIABILITY****What you are insured for**

This insurance covers you for your legal liability for loss to someone else's property or for bodily injury to any person during the period of insurance arising from an accident involving the vehicle.

We will also give you this liability cover for any trailer insured under 'Extensions included in option 3A - full cover –Trailers'.

This cover includes legal costs and expenses arising out of a claim against you which are either recoverable from you or incurred by you with our prior written consent.

If there is no other insurance, we will cover the legal liability of:

- the driver, provided he/she is driving with your permission and complies with all the requirements of this policy
- you, while driving another private car or motorised caravan provided:
  - you do not own, lease or rent the vehicle
  - your legal liability would have been covered if the vehicle was shown in the schedule
  - your vehicle is not a motorcycle, trailer or caravan.
- your employer, if the vehicle is being used by you (or a fellow employee with your permission) for your employer's business, provided the business is not excluded under 'use of the vehicle'.

Our liability for any loss or series of losses arising from one event shall not exceed \$100,000 in the case of bodily injury and \$5,000,000 in total. This includes any costs and expenses incurred by you with our consent, or recoverable from you by any claimant. If any claim is more than \$5,000,000, we will apply the benefit to you first. If you have liability protection under any other policy, our maximum combined liability under all policies shall be the limits stated in this 'legal liability' section.

**What you are not insured for**

This insurance does not cover you for your legal liability for:

- loss to someone else's property which is in the care or control of you or any person using or travelling in your vehicle, except for any car which is being towed because it is not driveable
- liability for bodily injury to you or the driver, or to any person who lives with, or has a family or business relationship with, you or the driver
- liability for bodily injury to any person who is a passenger in your vehicle
- any fine, or any punitive, exemplary or aggravated damages
- liability in connection with any seepage, pollution or contamination including the clean-up costs, unless the seepage, pollution or contamination happens during the period of insurance and is caused by a sudden accidental event which happens during

the period of insurance

- loss which you or the driver has agreed to accept, unless you/the driver would have the liability anyway
- loss arising from the use of any form of trailer or caravan while it is attached to any powered vehicle, other than a vehicle covered by this policy.

### Special and general exclusions

The special exclusions on sheet 6-1 and general exclusions on sheet 6-2 of this policy wording contain further exclusions to this cover.

### Special exclusions applying to Section 3.1: Cover for the vehicle; and Section 3.2: Legal liability

#### Alcohol or drugs

There is no cover for loss or liability under this policy if the driver:

- is under the influence of alcohol, or any intoxicating substance or drug, or
- has a proportion of alcohol in his/her breath or blood higher than allowed by law:
  - if the driver dies from injuries received in an accident, the proportion of alcohol in any blood sample taken from his/her body is agreed to be conclusive proof that the proportion in his/her blood at the time of the accident was not less than this amount
  - the result of any evidential breath test or analysis of blood is agreed to be conclusive proof that the proportion of his/her breath or blood at the time of the accident was not less than this amount
  - a certificate of conviction for a driving offence involving alcohol is agreed to be conclusive proof that the requirements of this exclusion have been satisfied.
- has refused to supply any sample of breath or blood or undergo any test when required to do so by anyone authorised by law.

#### Duty after accident

There is no cover for loss or liability under this policy if the driver did not stop after the accident as required by law, or failed to comply with any other legal requirement in connection with the accident.

#### Safe condition of the vehicle

There is no cover for loss or liability under this policy if the accident occurs while the vehicle is, or is being used, in an unsafe or unroadworthy condition unless:

- you can satisfy us that this did not cause or contribute to the accident, or
- you can show that you (or the person in charge of the vehicle at the time) did not know about the condition of the vehicle and could not have been reasonably expected to know.

#### Exclude drivers under 25 years

If the schedule shows that this option applies, there is no cover while the vehicle is being used by any person under 25 years of age.

#### Named driver Only Option

If the schedule shows that this option applies, an additional \$250 will be added to any excess which may apply to the claim under this policy if the vehicle is being used by any person other than those listed as 'named drivers' on the schedule.

#### Restricted drivers warranty

If this principal driver is under 25 years of age, there is no cover while the vehicle is being used by any person who is under the age of 25 years, other than those listed as 'intended drivers' on the schedule.

These exclusions do not apply to any person who steals or illegally converts your vehicle, but you must lay a complaint with the Police.

### Special conditions

#### Modification to the vehicle

We have agreed to cover the vehicle on the basis that it has not been modified after manufacture. This includes changing or replacing any of these so that it is different from the manufacturer's original specification or recommendations: the engine, steering, suspension, bodywork, exhaust or wheels. You must obtain our written approval to any modifications.

#### Safety of the vehicle

You must take all reasonable steps to:

- maintain the vehicle properly
- safeguard the vehicle from loss at all times, including after any accident.

#### Inspection of the vehicle

You must make the vehicle available to us at a reasonable time and place if we wish to inspect it.

#### Excess

Your excess is the total of:

- the vehicle excess stated in the schedule, plus
- the additional driver excess stated in the schedule for the driver or person in charge of the vehicle at the time of the loss, plus
- the higher of:
  - the relevant 'young driver excess' shown in the schedule if the driver or person in charge of the vehicle is under 25 years of age, or
  - the 'inexperienced driver excess' shown in the schedule if the driver or person in charge of the vehicle has not held a current full New Zealand driver's licence for all the preceding 12 months.

For Option 3A full cover, the excess only applies to Section 3.1 unless otherwise noted on the schedule.

For Option 3B third party, fire and illegal conversion, the excess applies to both Section 3.1 and Section 3.2.

For Option 3C third party only, the excess applies to Section 3.2.

## SECTION 4: PLEASURECRAFT COVER

### SECTION 4.1: COVER FOR THE BOAT

#### What you are insured for

This insurance covers accidental loss to the boat during the period of insurance while the boat is in New Zealand and is either:

- afloat on inland waterways or coastal waterways to a limit no more than 200 nautical miles from the coastline of the North and South Islands of New Zealand, or
- ashore, or
- in transit by land on a purpose built conveyance or by a recognised sea or air freight service. We will pay:
  1. In respect of the boat, other than property described under 2. below, the cost of repair or replacement.
  2. In respect of masts, spars, standing rigging, sails, covers, running rigging:
    - (a) where the item is less than three years old – the reasonable cost to repair or replace the item;
    - (b) where the item is three years or older – the present value of the item.

We may settle claims by payment, or at our discretion, by replacement or repair. However, the most we will pay for any loss or series of losses resulting from one event is the sum insured shown in the schedule.

#### What you are not insured for

This insurance does not cover:

- the excess stated in the schedule for each claim
- the cost of repairing or renewing any defective part condemned solely as a result of a defect or error in design, materials, or construction – note this exclusion does not apply to resulting accidental loss to other parts of the boat
- loss or damage caused by vermin, wear and tear, depreciation, deterioration, rust, electrolysis, de-lamination and/or osmosis – note this exclusion does not apply to the resulting accidental loss to other parts of the boat
- loss of, or damage to, inboard machinery caused by fire or explosion, unless there is a one kilogram approved fire extinguisher on board
- mechanical breakdown failures or breakages or damage to engine or transmission system resulting therefrom or electrical breakdown failures or breakages
- food or drink
- sails, masts, spars, and attached fittings standing or running, rigging and blocks while racing (unless this section is extended to include racing risks)
- the cost of making good any defect in maintenance or repair or alteration work
- un-repaired damage in addition to a total loss
- sails and protective covers split by wind or blown away while set, unless caused by the boat grounding or colliding
- theft of masts, spars, sails, rigging and parts, outboard motors, dinghies or gear or equipment, except if the theft was the result of:
  - forcible entry into a place of storage, or
  - illegal entry or conversion of the boat, or
  - forcible and violent removal from the boat.

#### General exclusions

The general exclusions on sheet 6-2 of this policy wording contain further exclusions to this cover.

### SECTION 4.2: LEGAL LIABILITY

#### What you are insured for

This insurance will cover you, or any other person using the boat with your consent, for legal liability for loss to someone else's property or bodily injury to any person during the period of insurance that is the result of any accident caused by the use of the boat.

Our liability for any loss or series of losses arising from one event shall not exceed \$1,000,000. This includes any costs and expenses incurred by you with our consent or recoverable from you by any claimant. If you have liability protection under any other policy, our maximum combined liability under all policies shall be \$1,000,000.

This Section 4.2 is extended to cover you while in charge of any other boat used for pleasure purposes which is otherwise subject to the terms and conditions of this section.

#### What you are not insured for

This insurance does not cover liability:

- to an employee arising out of or during employment
- arising out of the towing in the air of persons or objects
- to fare-paying passengers.

#### General exclusions

The general exclusions on sheet 6-2 of this policy wording contain further exclusions to this cover.

**Extensions included in your cover****Cover continuation**

We will continue to insure the boat if the policy is due to be renewed and the boat, on renewal date, is at sea, in distress or at a port or place of refuge or of call. Provided you give us notice as soon as practicable, this policy may be extended for a reasonable limited period nominated by us, or until the boat arrives at its destination or reaches a place of safety. An additional premium will be payable.

**Loss of earnings**

We will pay you an amount for loss of earnings each day you attend legal proceedings where attendance is necessary, and which we agree to institute or defend in connection with this policy. These payments are limited to \$70 a day for a maximum of 15 days.

**Replenishment costs**

Providing a claim is admitted we will pay up to \$100 to replenish, refill or replace fire extinguishers or safety flares.

**Salvage/wreck removal**

In addition to the sum insured shown in the schedule for the boat, we will also pay the costs of salvaging and/or wreck removal costs, including expenses incurred in safeguarding or recovering the boat.

**Special conditions (applying to Section 4.1: Cover for the boat; and Section 4.2: Legal liability)****Safeguard against theft**

The boat must be sufficiently secured at all times while unattended to safeguard it against theft.

**Safeguard from loss or damage**

You must take all reasonable steps to safeguard the boat from loss or damage and maintain it in efficient condition. We will have free access at all times to examine the property insured.

**Financial agreements**

If the boat is mortgaged or secured by any other financial agreement, we may make payment for any loss directly to the interested party. Receipt of payment by them will discharge us completely.

**Permanent mooring**

The boat's permanent mooring must comply with the regulations, specifications, standards and/or certificates required for the boat's size, by the relevant harbour board or local authority. Otherwise we may be entitled to consider you as being uninsured. The permanent mooring is to be adequate, maintained in good order and lifted and inspected at intervals no greater than two years.

**Temporary mooring**

This insurance excludes all claims caused by or arising from the boat being left moored, or anchored and unoccupied off a beach or shore, other than a permanent mooring as defined above, for more than 24 consecutive hours.

**Special exclusions (applying to Section 4.1: Cover for the boat; and Section 4.2: Legal liability)**

This policy does not cover claims:

- arising from unseaworthiness or lack of repair of the property insured
- loss of use of the boat
- that arise whilst the boat is:
  - operated or the trailer is towed by a person who is under the influence of alcohol or drugs
  - engaged in power racing or power speed trials or tests
  - let out on hire, or charter, or used for other than private pleasure purposes and emergency services
  - towing or being towed unless as is customary or when giving or in need of assistance
  - used for permanent living accommodation
  - navigating outside a seaward limit of 200 nautical miles from the coastline of the North and South Islands of New Zealand
  - undergoing any voyage to/from ports and/or places outside New Zealand.
- For water jet propelled boats, unless in waters navigable by propeller propelled boats.



## GENERAL EXTENSION APPLYING TO ALL COVERS

### NATURAL DISASTER DAMAGE

#### What you are insured for

This extension applies to all sections of the policy and will cover any loss during the period of insurance that occurs:

- as the direct result of natural disaster, or
- as a direct result of measures taken under proper authority to avoid the spread, or otherwise mitigate the consequences, of a natural disaster. It does not include any loss for which compensation is payable under any Act of Parliament other than the Earthquake Commission Act 1993

You receive the following:

- (a) For the home and contents insured under Sections 1 or 2, we will pay the difference between the EQ Cover and the cover under this policy, on the condition that we do not pay:
- for any excess which applies to the EQ Cover, and
  - until the Earthquake Commission has paid or has agreed to pay the EQ Cover.
- (b) For the home insured under Section 1, we will pay the cover under this policy for:
- walls (other than retaining walls)
  - gates
  - fences
  - paths
  - driveways
  - swimming pools or spa pools which are permanently fixed.
- on the condition that you first pay the natural disaster special excess specified in the schedule, which shall replace the standard policy excess.
- (c) For the contents insured under Section 2, we will pay the cover under this policy for:
- jewellery
  - precious stones
  - money
  - paintings and works of art
  - securities
  - documents
  - stamps.
- (d) If the home cannot be lived in because of loss covered by this 'Natural disaster damage' extension, we will pay the reasonable additional costs you incur for:
- your temporary accommodation, and
  - moving your contents to the temporary accommodation and returning them to your home, and
  - moving contents to a secure storage facility and for storage costs while you are in temporary accommodation and returning them to your home, and
  - the boarding out of your domestic cats and dogs normally kept at your home
- we will pay up to twelve (12) months to a maximum of \$20,000.
- (e) If we pay a claim for the total loss of your home under this 'Natural disaster damage' extension then we will pay you an extra \$1,000 for the stress caused by the loss.
- (f) If the home is rented and cannot be lived in because of loss covered by this 'Natural disaster damage' extension we will pay any loss of income from rents receivable for the time reasonably needed to repair or rebuild the home. We will pay for up to twelve (12) months from the date of loss, to a maximum of \$20,000.
- (g) If the home suffers loss covered by this 'Natural disaster damage' extension, we will also pay for the reasonable costs incurred to restore any part of your garden which was damaged as a result of the loss or any necessary rebuilding. We will pay up to \$2,500.
- (h) For the vehicle insured under Section 3, we will pay up to the sum insured on the vehicle shown in the schedule or the market value of the vehicle immediately before the loss, whichever is the lesser.
- (i) For the property insured under Section 4: Pleasurecraft Cover, we will pay up to the sum insured shown in the schedule or its market value immediately before the loss, whichever is the lesser.

This entire general extension is subject always to the terms, conditions and limits of the policy.

These amounts are inclusive of your sum insured, except for the benefits under (d), (e), and (f) above.

## GENERAL EXCLUSIONS

There is no cover under any part of this policy for any loss or liability caused directly or indirectly in any way by any of the following:

- war, invasion, act of foreign enemy, warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power
- nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel (for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission or fusion)
- earthquake, volcanic eruption, hydrothermal or geothermal activity, tsunami, landslip or any event where cover is provided under the Earthquake Commission Act 1993, except to the extent that cover is provided by the 'natural disaster damage' extension
- any event where cover is provided under the Accident Insurance Act 1998
- confiscation, nationalisation or requisition by the order of the Government or local authority. However:
  - we will pay for damage as a result of such an order if it is to prevent a loss which would otherwise have been covered under this policy
  - for any property insured under Section 4 this exclusion is waived upon the Police requisitioning the boat for Search and Rescue or Civil Defence purposes.
- for the cost of defending any legal proceedings or for any amount awarded by any court unless all proceedings took place in New Zealand.
- any act of terrorism
 

For the purpose of this exclusion, terrorism means an act including but not limited to the use or threat of force or violence 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) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar, purposes or reasons, including the intention to influence any government and/or to put the public, in fear.
- the corruption, destruction or alteration of or damage to data, coding programme or software.
- the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips.
- any building or structure:
  - containing moisture or being penetrated by external moisture or water, or
  - containing mould, fungi, mildew, rot, micro-organisms, bacteria, protozoa or anything similar that is caused directly or indirectly when the building or structure was constructed, altered or repaired by:
    - non-compliance with the New Zealand Building Code, or
    - faulty or defective design or specification, or
    - faulty materials, or
    - inappropriate material use, or
    - faulty workmanship or faulty assembly.

## OTHER IMPORTANT INFORMATION

### Acts of Parliament

Where this policy refers to any Act of Parliament, this includes any Regulations and Amendments to that Act. It also includes any other Act or Regulation passed as an addition, an amendment, or in its place.

### Other insurance

If any loss or liability covered by this policy is also covered by any other policy, we will only pay over and above the cover provided by the other policy. We will not pay for any excess which applies to the other policy. You must tell us as soon as you are aware of any other such insurance.

### Automatic reinstatement of cover

If we pay a claim for any partial loss, we will automatically reinstate your insurance cover provided you carry out all recommendations we make to prevent further loss.

### Total loss payment

If we pay a claim for a total loss, then that section of this policy comes to an end and no refund of premium is due to you.

### Goods and Services Tax (GST)

The following amounts exclude GST provided that GST is recoverable by us:

- any sum insured specified in the schedule (other than specified items)
- legal liability cover.

The following amounts include GST:

- any sum insured specified in the schedule for Section 1 or Section 2
- any excess
- specified items
- any other amounts, additional cover or limits.

### Alterations

You may only alter the terms of this policy with our prior written agreement.

We may alter the terms of this policy by writing to your last known postal address. The change will take effect 14 days after the date the letter is posted. Prior to the change taking effect you have the opportunity to terminate the contract immediately in which case we will refund you all of the unused part of the premium.

### Cancellation of this policy

#### By you

You may cancel any section of this policy by writing to us. If your period of insurance is annual, we will refund the unused part of the premium less an administration fee. Otherwise no refunds are allowed.

#### By us

We may cancel any section of this policy by sending you 14 days written notice to your last known postal address. If we do, we will refund you all of the unused part of the premium.

## DEFINITIONS

**Accident** - means an unforeseen or unintended happening or event. Whenever the word 'accidental' is used this refers to 'accident' as defined above.

**Boat** - means the following:

- the craft, which means the hull, fixtures and fittings, and such gear and equipment as would normally be sold with it
- inboard or outboard motors
- 'sails', which means sails, masts, spars, rigging
- 'ancillary equipment', which means navigational aids, communication equipment and all other equipment excluding personal effects and fishing gear
- 'trailer', which means a boat trailer or a trailer to which is secured a special frame to carry the boat.

**Contents** - means household goods and personal effects owned by you or by members of your family permanently residing with you or for which you or your family are legally responsible, including contents under hire purchase.

It does not include:

- animals
  - trees, shrubs and other plant life (other than pot plants)
  - any of the following:
    - motor vehicles (except garden implements for home use only, electric wheelchairs and electric mobility scooters for personal use only)
    - motorcycles including mini bikes
    - caravans
    - trailers
    - aircraft or other aerial or spatial devices unless it is a model or toy not able to carry more than its own weight (but not if damaged while in use)
- or their spare parts, accessories or associated equipment when in or on them
- watercraft and outboard motors valued over \$2,000 including their spare parts, accessories and associated equipment.
  - Contents which are used in connection with any business unless cover is provided under 'Limits' or under Optional Extensions 'Business Equipments'.

**EQ Cover** - means the insurance of the home provided by Section 18 and/or the insurance of the contents provided by Section 20 of the Earthquake Commission Act 1993.

**Excess** - means the amount specified in the schedule which is the first amount of any claim which you must bear as you are not insured for this amount. If as a result of a single accident, there is loss to your home, contents, vehicle or boat covered by this policy, only the highest excess will apply.

**Home** - means the dwelling at the situation shown in the schedule and its outbuildings, permanently attached fixtures and fittings, glued floor coverings, underground and overhead services, walls, gates, fences, swimming and spa pools which are permanently fixed, paths and driveways, and other domestic improvements of a structural nature.

The home does not include trees, shrubs and other plant life other than the cover given under the 'landscaping' extension.

The home must be used only for private residential purposes unless you advise us and we agree otherwise in writing. Any such agreement will not affect the terms of the owner's liability extension or the personal liability extension.

**Loss** - means sudden physical loss, damage or destruction.

**Lumley Insurance, we, the company, the underwriter, our or us** - means Lumley General Insurance (N.Z.) Limited.

**Market value** - means the reasonable resale value immediately before a loss.

**Natural disaster** - means an earthquake, volcanic eruption, hydrothermal activity, tsunami, natural landslip or natural disaster fire.

**Natural disaster fire** - means fire occasioned by or through or in consequence of an earthquake, volcanic eruption, hydrothermal activity, tsunami, or natural landslip.

**Natural landslip** - means the movement (whether by way of falling, sliding, or flowing, or by a combination thereof) of ground-forming materials composed of natural rock, soil, artificial fill, or a combination of such materials, which, before movement, formed an integral part of the ground but does not include the movement of ground due to below-ground subsidence, soil expansion, soil shrinkage, soil compaction or erosion.

**Period of insurance** - means the period in the schedule during which this insurance is in force.

If the period of insurance is weekly, fortnightly or monthly the period starts at the 'START' date and ends at 4.00pm (New Zealand time) on the first payment date. If we agree to keep insuring you the policy will be continuously extended thereafter:

- for a period of insurance of 7 days if the premium is paid weekly, or
- for a period of insurance of 14 days if the premium is paid fortnightly, or
- for a period of insurance of 1 month if the premium is paid monthly until such time as this insurance is cancelled or expires or lapses.

If the period of insurance is annual, the period starts at the 'START' date and ends at 4.00pm (New Zealand time) on the 'REVIEW' date.

No claim will be payable if at the time of loss any premium due has not been paid.

**Present value** - means the cost immediately before the loss of rebuilding, replacing or repairing your home or contents to a condition no better than new less an appropriate allowance for depreciation and deferred maintenance.

**Principal driver** - means the person who drives the vehicle the most.

**Schedule** - means the most recently dated schedule(s) which we issue. This includes any schedule(s) issued to renew or endorse your insurance.

**Vehicle** - means the vehicle whose details are shown in the schedule or any replacement vehicle insured under the replacement vehicle extension to Option 3A full cover.

This includes:

- its spare parts
- standard equipment for the particular make and model of your vehicle supplied and fitted by the manufacturer
- fitted air conditioning, bull bar, towing equipment
- other fitted equipment not factory fitted by the manufacturer when the vehicle was new, but added later (e.g. audio system, radar detector, car seat covers) but not more than \$1,500 any one item or system
- accessories (including those used with an item of fitted equipment such as audio cassettes) but not more than \$300 in total and only if not covered by any other insurance
- tools and breakdown equipment supplied by the manufacturer which would normally be sold with your vehicle, but not more than \$500 in total while they are in or attached to the vehicle or while they are being used in connection with it.

**You, Your** - means the person (or persons), shown on the schedule as 'the insured'. Wherever the words 'yourself' or 'your' are used this refers to 'you' as defined above. If there is more than one insured shown on the schedule, this policy insures you jointly.