

# Personal Insurance Plan MaxiPlan House

## **Welcome to MaxiPlan – for your home**

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We would like to make sure you are aware of all your entitlements under this policy, so please read this document carefully. After you have read it, please contact us if you would like further information.

## **HELP service - emergency assistance**

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HELP is a 24 hour, 7 day a week emergency assistance service which Vero has negotiated as part of your insurance policy - at no extra cost.

With just one phone call you can sort out all the hassles that arise if you have an accident or disaster - even if no insurance claim is involved. Whatever the problem, ring HELP for practical advice and they'll locate the trades people or services you need. The toll free number is 0800 800 786 and you'll always receive friendly, professional service from specially trained operators.

Ringling HELP costs you nothing. The advice is free, but you will have to pay if you ask for a tradesperson to visit or for other services. Where the services are covered by your policy, you can claim back any bills paid, subject to the policy excess.

### **How HELP can help you:**

#### **Convenience**

Instead of looking through the yellow pages for a plumber at 11 o'clock at night, HELP can organise a call out.

#### **Quality**

All trades people are approved and monitored. Each call is followed up to ensure you are satisfied with the quality and cost of the service received.

#### **Guaranteed response**

Our systems will guarantee that someone will actually arrive.

#### **How do you qualify for HELP?**

HELP is automatically provided to all Vero house, contents or private motor vehicle policyholders (but not business cars or motorcycles). HELP is also available to members of your immediate family who live with you.

No matter which policy you have (of those listed above) you can use any of the HELP services provided.

#### **Service available**

HELP provides a 24-hour referral to a comprehensive nationwide network of recommended service organisations and trades people.

So if you've got a problem with plumbing, a leaking roof, broken glass, replacement of locks or electrical faults, our operators can provide rapid assistance.

Advice is also available on our claims procedures, including the appointment of assessors and tips on how to minimise damage.

If your car is stolen or involved in an accident you will have several immediate worries:

- transport - a taxi home or to your destination;
- alternative accommodation - if you are away from home;
- call out of a tow truck and where to take your car following an accident;
- urgent message relay to friends and relatives; and
- how to start the claim procedure.

HELP provides free access to a service that will advise and act on all of these concerns.

HELP also offers to arrange a host of other services for you even when no insurance claim is involved:

1. emergency call out service - for problems like flat batteries or keys locked in your car;
2. medical referral service - if you are away and want the name of a recommended local doctor, out of hours;
3. travel support service - rearranging bookings due to an unforeseen event;
4. replacement of personal effects following loss or theft away from home.

Remember, HELP is always available whether you are at home or miles away.

HELP - a valuable addition to your policy from Vero.

## Fair Insurance Code

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We belong to the Insurance Council of New Zealand and have made a commitment to the Council's Fair Insurance Code.

The Fair Insurance Code requires our company to:

1. provide insurance contracts which are understandable and show the legal rights and obligations of both the insurance company and the policyholder;
2. explain the meaning of legal or technical words or phrases;
3. explain the special meanings of particular words or phrases as they apply in the policy;
4. settle all valid claims fairly and promptly;
5. clearly explain the reason(s) why a claim has been declined;
6. provide policyholders with a written summary of the company's complaints procedure as soon as disputes arise and advise them how to lodge a complaint;
7. advertise the company's complaints procedure and the Insurance and Savings Ombudsman Scheme to policyholders and make these readily available in all branch offices of the company;
8. be financially sound as measured by the Council's solvency test, which means we have reserves equal to at least 20% of our premium income.

## 30-day money back guarantee

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If you are not satisfied with the cover provided by the policy you may return the policy within 30 days of receiving it.

If you have not made any claims during that 30 days you will be given a full refund of any premium paid.

If you have made a claim you will receive a pro-rata refund of premium paid.

## Privacy Act and the Insurance Claims Register (ICR)

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The ICR is a database of insurance claims to which participant insurers have access. The purpose of the ICR is to prevent insurance fraud. The ICR is operated by Insurance Claims Register Limited (ICR Ltd), PO Box 474, Wellington.

This policy is issued to you conditional upon you

authorising us to place details of any claims made against this policy on the database of ICR Ltd, where they will be retained and be available for other insurance companies to inspect. You also authorise us to obtain from ICR Ltd personal information about you that is (in our view) relevant to this policy or any claim made against it. You have certain rights of access to and correction of this information, subject to the provisions of the Privacy Act 1993.

## DEFINITIONS

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*Definitions explain words frequently used in the policy. Defined words are shown in this type style.*

*Accidental* means a sudden and unforeseen event causing physical loss or damage that is not intended or expected by you.

*Home* means each dwelling (including residential flat or holiday home) within the residential boundaries of the property on which the home is situated.

It includes any part of the home used as a home office or health care practice. It also includes:

- domestic outbuildings, greenhouses and garages
- permanent decks, built in furniture
- fixed floor coverings
- aerials forming part of the building
- coverings fixed to the ceiling or wall but not curtains, drapes or blinds
- fixed light fittings, and appliances permanently attached to a gas, plumbing or electricity service
- letter boxes, exterior blinds and awnings, fixed clotheslines and built in barbecues
- septic tanks, oil heating tanks, service tanks and water tanks including their fixed pumps
- permanent spa or inground swimming pools, including their fixtures, pipes and fixed pumps
- walls, fences, gates
- gas pipes, fresh-water pipes, electricity and telephone cables
- any driveways, paths, footpaths and tennis courts.

### but does not include:

- retaining walls except for the cover provided under the Retaining Wall additional benefit
- planted hedges, trees, shrubs, lawns and plants except where cover is provided under the Landscaping additional benefit
- landlords fixtures and fittings, unless the Landlords Option is shown on the schedule
- wharves, piers, jetties or the like
- culverts, dams, slipways

- bridges or anything on them
- adjacent property owners' share in walls, fences, gates, retaining walls, pipes, cables or driveways where those things are jointly owned by *you* and other property owners
- the land itself.

*Indemnity value* is the amount needed to put *you* back in the same financial position *you* were in immediately before the loss occurred. This is either:

- a. the market value of the *home* at the time of loss or damage; or
- b. the cost of rebuilding or repairing the damaged portion of the *home* to a condition no better, or more extensive than it was when new, less an allowance for depreciation and wear and tear; or
- c. the market value of the Landlords furnishings at the time of loss or damage (where the Landlords Option is shown on *your schedule*).

*Period of cover* means the "period" or "period of insurance" specified in the *schedule*.

*Premium* is the consideration for this contract. This may mean the first *premium* or any subsequent *premium*.

*Schedule* is the latest current policy *schedule*, expiry notice or insurance renewal issued to *you*.

*We, us* or *our* means Vero Insurance New Zealand Limited.

*You* or *your* means the insured person or persons named in the *schedule*, and their partner. Partner means a marriage partner, or de facto partner as defined in the Property (Relationships) Act 1976 (or any replacement Act) and any subsequent amendments.

## **INTRODUCTION**

We will provide the cover set out in this policy during the *period of cover* shown in *your schedule* provided *you* have paid the *premium* and subject to the policy's terms, limits, conditions and exclusions. *Your* insurance contract consists of three parts:

1. this pre-printed policy document;
2. the personalised *schedule* with details of the cover which applies to *you*; and
3. the information in the proposal, application or declaration.

## **WHAT YOU ARE INSURED FOR**

We will insure *you* for *accidental* loss or damage to *your home* at the situation shown in the *schedule* during the *period of cover*.

### **What we will pay - at *our* option:**

1. the cost incurred in rebuilding or repairing the damaged portion of the *home* using currently equivalent building materials and techniques to a standard or specification no more extensive, nor better than its condition when new; or
2. the *indemnity value* should *you* not rebuild or repair within 12 months unless authorised by *us*.

### **Limits on what we will pay for:**

1. where a square metre area is specified in the *schedule*, the maximum we will pay is the cost to replace the square metre area;
2. where a sum insured is specified in the *schedule*, this is the maximum amount we will pay under this policy;
3. we will only replace damaged wallpaper or floor coverings in the room where the loss or damage occurred;
4. we will only pay *indemnity value* on swimming and spa pool liners;
5. we will only pay *indemnity value* on electric motors over 10 years of age.

## **ADDITIONAL BENEFITS -**

### **We will also pay for:**

#### **1. Gradual Damage**

We will pay for damage to *your home* resulting from the action of micro-organisms, mould, mildew, rot, fungi or gradual deterioration, caused by water leaking or overflowing from any internal water system, provided that the loss or damage first occurs during the time that *you* own the *home*.

The limit includes costs for searching for the source of the problem if they are reasonably incurred and we have accepted a claim for the loss or damage.

An internal water system is any water pipe, waste disposal pipe, water cylinder or water storage tank which is permanently connected and contained within the walls, floors or roof of the dwelling structure.

Any payment will be limited to \$3,000 for any one event and must be applied towards repair of the damage.

## 2. Landscaping

We will pay for *accidental loss* or damage to *your* gardens (including planted hedges, trees, shrubs and plants) and lawns, provided *your home* was also damaged in the same event and we have agreed to pay a claim for loss or damage to *your home*.

We will pay up to \$2,500 for any one event.

## 3. Retaining Walls

We will pay for loss or damage to retaining walls arising out of any one event. This includes the cost of gaining access to the wall, stabilising the soil, and providing footings and drainage materials.

A retaining wall means a completed retaining wall, but only where the sole purpose of the wall is to retain land. However, retaining walls more than 1.5 metres in height above ground level are insured only if the appropriate local authority has issued any necessary permit, consent or certificate.

Any payment will be limited to \$10,000 for any one event.

## 4. Home Office or Healthcare Practice

The policy will extend to include any part of the *home* used as a *home* office or health care practice.

Health care practice is the part of the *home* that is:

- a. exclusively used by *you* for the carrying on of the business of a legally qualified medical practitioner including dentists;
- b. used by customers for access to that part of the *home*.

*Home* office means the part of the *home* that is:

- a. exclusively used by *you* for the carrying on of a business of an administrative, clerical or professional nature;
- b. used by customers for access to that part of the *home*.

## 5. Rebuilding Elsewhere

If we have agreed to pay a claim for loss or damage to *your home* covered by this policy, and *you* want to rebuild elsewhere, then *you* can do so if *you* have *our* agreement in writing, provided:

- a. *you* will have to pay for any extra costs associated with rebuilding elsewhere; and
- b. rebuilding must be completed within 12

months of the date of the loss or damage, unless authorised by *us*.

## 6. Fees and Clearance Costs

We will pay:

1. costs of clearing the building site or demolition of the damaged portion of the *home* and the removal of debris of contents from the *home* and; in addition
2. architects, surveyors, consultants, legal and council fees to reinstate or repair the *home*, incurred with *our* prior consent following any loss insured by this policy.

## 7. Statutory Requirements

If we pay to rebuild or repair *your home*, we will pay the extra costs to rebuild or repair the damaged portion of the *home* needed solely to comply with any statute or local body regulation. Provided that:

1. notice of such had not been served on *you* before the damage occurred; or
2. there is not an entry on *your* Certificate of Title;

unless we have agreed in writing to provide cover.

## 8. Automatic Reinstatement of Cover

We will not reduce cover by the amount of any claim provided *you* pay any additional *premium* that may be required.

## 9. Authorities Damage

We will pay for damage to the *home* caused by government or local authorities in order to prevent loss or damage covered by this policy.

## 10. Inflation Protection

Where cover under this policy is limited to a sum insured, that sum insured will be increased at each renewal in accordance with the estimated increase in consumer costs. We may alter the *premium* each year to allow for changes in building costs.

## 11. Goods and Services Tax-GST

The Total Replacement option is GST inclusive. Otherwise (provided the GST is recoverable by *us*), the sum insured under this policy is exclusive of GST. This means that we will pay up to a maximum of the sum insured plus GST to a maximum of the current rate of GST applied to that sum insured.

All limits amounts or excesses shown are GST inclusive.

## 12. Sale and Purchase

If *you* have contracted to sell *your* interest in

the *home*, section 13 of the Insurance Law Reform Act 1985 provides the purchaser with cover under this policy, provided the purchaser is not otherwise insured. The terms, conditions and exclusions apply to *you* and the purchaser as if *you* are insured jointly.

### 13. Property Owners' Liability

We will pay *you* up to a maximum of \$1,000,000 (plus legal costs and expenses incurred with *our* consent), for *your* legal liability for *accidental* damage to property caused by negligence and arising out of any one event occurring in New Zealand. In order for this benefit to apply *your* liability in negligence must arise out of *your* ownership of the *home*. But we will not pay for:

1. liability for damage to property belonging to *you* or under *your* control; and
2. liability arising out of:
  - a. any business, profession or employment; or
  - b. the ownership, possession or use of any mechanically propelled vehicle, trailer, aircraft or watercraft; or
  - c. liability assumed by agreement (unless *you* would have been liable anyway), except liability normally agreed to by a Landlord under a tenancy or lease agreement.

We will not cover *you* for any punitive or exemplary damages awarded against *you*.

**If *you* have home, contents, motor or boat insurance with *us*, *you* can only claim this benefit under one policy.**

### 14. Forest and Rural Fires Act

We will pay *you* up to a maximum of \$1,000,000 (plus legal costs and expenses incurred with *our* consent) for all sums that *you* shall become legally liable to pay, arising from *your* ownership of *your home*, whether or not damage to property has occurred, in respect of:

1. costs incurred and apportioned by any Fire Authority under the Forest and Rural Fires Act 1977, or any amendments or replacing Act;
2. costs which relate to levies under Sections 46 & 46A of the Forest and Rural Fires Act 1977, but limited to a maximum of \$100,000 (including legal costs and expenses) for any one event;
3. costs claimed by any other party in order to protect their property from fire.

But we will not pay for:

- a. levies for expenditure under Sections 44 & 45 of the Forest and Rural Fires Act 1977;
- b. fines or penalties;

- c. gross negligence or deliberate damage caused by *you*;
- d. fire intentionally lit by *you* that does not comply with the Forest and Rural Fires Act 1977 and its amendments or any other statutory or local body requirement governing the lighting of fires.

**Any payment made under this additional benefit shall be cumulative on any payment that may be made under the Property Owners' Liability Benefit, and in no way will *our* combined indemnity for this benefit and the Property Owners' Liability Benefit exceed \$1,000,000 (plus legal costs and expenses incurred with *our* consent) for any one event.**

**If *you* have home, contents or motor insurance with *us*, *you* can only claim this benefit under one policy.**

### 15. Natural Disaster Insurance

In the event of the *home* suffering damage caused by earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami, or fire resulting from any of these, we will pay:

1. the difference between the cost of reinstatement and the amount received by *you* under the Earthquake Commission Act 1993 and its amendments provided that:
  - a. the Earthquake Commission has accepted liability under the Act for the loss or damage;
  - b. we shall not be liable for any excess imposed by the Act; and
  - c. the total amount paid by *us* with the addition of the amount recoverable from the Earthquake Commission shall not exceed the amount that would be paid under the policy if the cause of loss was other than natural disaster;
2. for loss or damage to any permanently installed swimming or spa pools, drains, pipes and cables, paths, driveways, garden walls (other than retaining walls that will be limited to \$10,000) and tennis courts.

The basis for settling claims and all other policy terms and conditions will apply.

## OPTIONAL ADDITIONAL BENEFIT:

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### 16. Landlords Option

If *you* have paid for this extension and it is shown on the *schedule*, the following cover applies:

#### A. Landlord's furnishings

If Landlord's furnishings suffer loss or damage then we will pay the *indemnity value* of these items.

Landlord's furnishings means, dishwasher, stove, washing machine, dryer, microwave, carpets, drapes, curtains, blinds, fixed light fittings.

If *you* make a claim for loss or damage to *your* carpets, drapes, curtains or blinds, we will not pay for those items that are not in the room or rooms where loss or damage occurred.

Payment is limited to \$20,000, or the amount shown in the schedule whichever is higher, for any one event.

#### B. Loss of rent

If we agree *your home* cannot be lived in because of loss or damage covered by this policy we will also pay or reimburse *you* for loss of rent, as long as *your home* had been rented out, or *you* had signed a tenancy agreement to let *your home* prior to the loss or damage. We will pay:

- a. a weekly amount equal to the average weekly rental *you* received for renting *your home* during the weeks it was rented in the 12 months prior to the loss or damage or where a tenancy agreement was signed prior to the loss or damage the amount of the weekly rental in the agreement, and
- b. any other costs incurred with *our* written consent.

The longest we will pay for is the period necessary to replace or repair *your home*. (If *you* don't want *your home* reinstated we will pay, at *our* option, up to 2 months lost rent).

Payment is limited to \$40,000, or the amount shown in the *schedule* whichever is higher, for any one event.

## EXCLUSIONS - We will not pay for:

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### 1. Any excess

*you* must contribute the amount shown in the *schedule* as the excess for the first amount of any claim.

If the *home* is let to tenants other than *you* an additional excess of \$250 applies.

All excesses are cumulative.

Where a single event causes loss or damage to property or items insured by *you* with *us* under more than one policy, only one policy excess shall apply. The amount of the excess shall be the highest excess that we could apply under any of the policies affected.

### 2. We will not pay for:

- a. any loss of use or consequential loss;
- b. any loss of electronic data;
- c. damage to swimming and spa pools caused by hydrostatic pressure;

### 3. Loss caused by:

- a. mechanical or electrical breakdown or failure unless actual burning out occurs but always excluding lighting or heating element fuses or protective devices or electrical contacts where arcing occurs in ordinary working; or
- b. defect in design or inherent fault.

However this policy will cover any resulting loss or damage provided it is not also excluded.

### 4. Loss or damage caused by:

- a. wear and tear;
- b. corrosion or rust;
- c. action of micro-organisms, mould, mildew, rot, fungi or gradual deterioration (unless covered under the gradual damage additional benefit);
- d. any other gradually operating cause;
- e. insects or vermin (except opossums);
- f. defect in workmanship or any process of cleaning, renovation, repair or restoration but only in respect of the article or property that has undergone such process;
- g. lifting or moving the *home* or as a result of structural additions or structural alterations to the *home* unless we have been notified and agreed in writing;
- h. vibration or removal of support;
- i. burglary, theft, malicious or deliberate damage (unless the loss or damage results from fire or explosion) by anybody renting, living or staying in *your home*;

- j. earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or fire resulting from any of these (except where cover is provided by the natural disaster insurance additional benefit), subsidence, settling, ground heave, shrinkage or erosion.

**5. Any loss or damage:**

To *your home* where that loss or damage arises from, is consequent upon or in connection with the failure of *your home* to contain materials, a design, a system, or a standard of workmanship which effectively prevents or manages the presence or penetration of moisture or water to which *your home* might reasonably be subjected.

**6. Loss, destruction, damage or liability directly or indirectly caused by:**

- a. war, invasion, act of foreign enemy, warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, destruction or acquisition by government or local authorities;
- b. nuclear weapons, ionising radiations or contamination by radioactivity from nuclear fuel or the combustion of waste from nuclear fuel.
- c. Any act of terrorism including but not limited to loss, destruction, damage or liability that arises from, is consequent upon or arises in connection with biological, chemical, radioactive, or nuclear:
  - pollution
  - contamination, or
  - explosion.

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

**7. Unoccupancy**

- a. Any loss or damage to the *home* if unoccupied (which means that no authorised person has slept there overnight), for more than 60 consecutive days unless we have been notified and have agreed in writing, or the *home* is occupied as a holiday *home* or weekend *home*.
- b. Any loss or damage to the *home* while unattended if normally used as a holiday-*home* or weekend *home* unless:
  - i. the *home* is kept in a tidy condition; and

- ii. all external doors and windows are kept locked; and
- iii. all papers and mail are collected regularly; and
- iv. the *home* is under regular supervision.

- 8. Costs which can be recovered under the provisions of the Injury Prevention, Rehabilitation, and Compensation Act 2001 (or any replacement Act) and any subsequent amendments.

**POLICY CONDITIONS**

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These conditions give *you* information about *your* and *our* obligations arising from this policy.

**1. Assignment**

*You* must not assign or attempt to assign this policy or *your* interest in this policy to any other person or party without *our* written consent.

**2. Breach of Policy Terms and Conditions**

No claim shall be payable where any person entitled to indemnity under this policy breaches any of the policy terms and conditions. However, nothing in this policy affects the common law rights of either party, including the right to avoid the policy for non-disclosure.

**3. Cancellation**

*We* may cancel this policy at any time by sending a letter to this effect to *you* at *your* last known postal address. The cancellation will take effect at 4.00 pm on the 7th day after the letter has been sent. *We* will refund the unused part of *your* paid *premium*. *You* may cancel this policy by giving written notice to *us*. *We* will refund 80% of the unused part of *your* paid *premium*.

**4. Care of Insured Property**

*You* must take all reasonable steps to prevent loss or damage and maintain the insured property in good repair.

**5. Claims**

- a. On the happening of any event that may give rise to a claim under this policy *you* must:
  - i. immediately notify *us* of such event;
  - ii. take all reasonable steps to minimise the extent of loss or damage;
  - iii. immediately send *us* any communications which *you* receive in relation to an event which may give rise to a claim;

- iv. obtain *our* consent before proceeding with repairs (other than for replacement or repair of window glass);
  - v. provide all proofs, information and other evidence, and otherwise give all possible assistance that *we* may require; and
  - vi. in the case of loss, theft, burglary or vandalism advise the Police immediately.
- b. *You* shall not without *our* written consent incur any expense or negotiate, pay, settle, admit, repudiate or make any agreement in relation to any claim;
- c. *We* shall be entitled at *our* expense and in *your* name to take any proceedings necessary to obtain relief from any other party and to take over and conduct the defence and settlement of any claim. *You* must provide all reasonable assistance and co-operation.

#### 6. Correctness of Statements and Fraud

The proposal, application or declaration form is the basis of this contract. All statements made by *you* or on *your* behalf either on the proposal form or otherwise in support of this policy or any claim must be complete and correct in all respects. If any claim under this policy is supported by any incorrect information or statement all benefits will be forfeited.

#### 7. Duty of Disclosure/Change of Circumstances

*You* must tell *us* everything that may be relevant to *our* decision to issue, renew or alter the policy and *you* must tell *us* of any changes to any circumstances relevant to this policy as soon as *you* know about them.

#### 8. Instalment premiums

Where *we* have agreed to accept payment of *premium* by instalments:

- a. *we* reserve the right in the event of a claim being made to require immediate payment of the balance of any annual *premium*; and
- b. all benefits under this policy will be forfeited from the date the first unpaid instalment was due and *your* policy automatically cancelled if:
  - i. any three consecutive fortnightly instalments remain unpaid; or
  - ii. any two consecutive monthly instalments remain unpaid; or
  - iii. any quarterly or half yearly payments remain unpaid 14 days after the due date of the instalment.

Where any instalment is overdue and the policy has not been cancelled, all benefits under this policy will be forfeited from the date the first unpaid instalment was due until the date *we* receive all the overdue instalment *premiums*.

Any claim proceeds payable to *you* under this policy will be withheld by *us* until *you* have brought all instalments up to date.

#### 9. Joint Insureds

Where this policy is issued in joint names, then this policy is a joint policy. This means that if one of *you* does or fails to do anything so that there is no cover, there will be no cover for any of *you*, not just the person responsible.

#### 10. Jurisdiction

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

#### 11. Other Insurance

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

#### 12. Other Interests

If *your home* is mortgaged or secured by any other financial agreement, *we* may make payment for any loss direct to the interested party. This will meet *our* obligations under this policy.