

Personal Insurance Plan BasicPlan Contents

Welcome to BasicPlan - for your contents

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

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

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

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)

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

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

Accidental and accidentally means a sudden event that happens by chance, not being intentional or expected.

Contents shall mean anything normally in or around the *home*, belonging to or hired by *you* or in *your* custody or control for which *you* are responsible, not being otherwise insured, but excluding:

- a. mechanically propelled vehicles (except ride-on mowers and other domestic garden appliances, wheelchairs and mobility scooters), trailers, caravan, or aircraft including accessories and spare parts attached to any of them;
- b. livestock and pets;
- c. trees, shrubs and plants (other than pot plants);
- d. fixtures and fittings (and their accessories) permanently attached to the *home*;
- e. *contents* used in any way for professional or business purposes;
- f. *personal effects* or *valuables*.

Furniture shall mean items such as chairs, tables, beds, shelves, pictures and items of a similar type or nature, all being used or intended to be used around the *home*. *Furniture* shall not include linen, blankets, compact disks, records, tapes, books, sporting or recreational equipment, tools, cutlery, crockery, and items of a similar type or nature.

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

Home appliance(s) shall mean any mechanical or electronic device powered by external means (other than human) used or intended to be used about the *home* but shall not include *personal effects* or *valuables*.

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 *contents* at the time of loss or damage; or
- b. the cost of replacing, repairing or reinstating the *contents* to a condition no better or more extensive than when new, less an allowance for depreciation and wear and tear.

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.

Market value means the reasonable value of the *contents* immediately prior to the loss or damage.

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

Personal effects shall mean articles for personal use which are designed to be either worn or carried, belonging to *you*, or in *your* custody or control for which *you* are responsible, not otherwise insured, including dentures, spectacles, clothing, hearing aids and contact lenses but not *contents* or *valuables* or any item permanently attached to *you*.

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*.

Valuables shall mean any item of jewellery, photographic or video camera equipment, camera, laptop computer, fur, watch, computer including hardware and software or any similar item of electronic device, telecommunications equipment including any portable hand-held telephone, bicycle or any collection of coins or stamps belonging to *you* or hired by *you* or in *your* custody or control for which *you* are responsible, not otherwise insured, but shall not include articles used for professional, trade or business purposes.

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

You or *your* means the insured person or persons named in the *schedule*, their partner and members of *you* or *your* partner's immediate family permanently residing at the *home*, not being otherwise insured. 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 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 agree to insure *you* for **loss, damage** or **destruction** to *your contents, personal effects* and *valuables occurring* at the *home* during any period of insurance for which we accept a *premium* resulting from:

1. fire, explosion or lightning;
2. storm or flood;
3. burglary or theft: but not by anybody renting, living or staying in *your home*;
4. riot, civil commotion, strikes or labour disturbance;
5. malicious damage or vandalism other than by persons lawfully in the *home*; (however, where the *home* is leased or rented this insurance will cover loss or damage from fire or explosion resulting from malicious acts or vandalism by tenants);
6. escape of water from any *internal water system* or oil from any heating equipment or reticulation installed in the *home*;
7. aircraft, aerial devices or articles dropped from them;
8. animals and birds other than domestic pets entering the *home*;
9. collision or impact by vehicles, animals, masts and falling trees and aerials or their fittings;
10. *accidental* breakage resulting in a fracture through the entire thickness of mirrors, light fittings, plate-glass tops to *furniture* or fixed glass in *furniture*, pictures, radio or television sets.

WHAT WE WILL PAY

We will pay:

Indemnity value for all insured property.

However,

1. The maximum we will pay is the sum insured shown in the *schedule*.
2. The maximum amount payable for any valuable not specified in the *schedule* is \$2,000.
3. We will only replace damaged floor coverings, drapes, curtains or blinds in the room or rooms where the loss or damage occurred.

Limits

The maximum we will pay for any of the following items is the amount listed below unless the item is specified in the *schedule* for another amount;

- \$500 for watercraft and outboard motors and their parts and accessories if worth no more than \$500 but not while in use or caused by theft while away from the *home*;
- \$500 in total for money, negotiable securities, bonus bonds, travellers cheques or travel tickets;
- \$500 in total for unset precious stones, bullion or gold or silver (other than silverware) or precious metals;
- \$500 in total for motor vehicle parts and accessories while detached from any vehicle;
- \$500 for certificates or documents.

ADDITIONAL BENEFITS -

We will also pay for:

1. Alternative accommodation

We will pay reasonable additional costs of temporary accommodation including the boarding of domestic pets and temporary storage of *your contents* incurred by *you* while *your home* is uninhabitable due to loss or damage covered by this policy. We will pay for the period *your home* is uninhabitable.

If *you own your own home* any payment will be limited to 6 months or \$25,000 in total, whichever is less. But if *you* are renting the *home* we will pay for one months costs or until *you* find another *home* and purchase enough *contents* to live in it, whichever comes first.

Any payments will be in addition to the Sum Insured.

2. Authorities Damage

We will within the sum insured pay for damage to *your contents* caused by government or local authorities in order to prevent loss or damage covered by this policy.

3. 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.

4. Fatal Injury

If *you* are injured at the *home*, as a result of fire or burglary, and death occurs within 3 months of such injury we will pay \$5,000 for any one event or in any one period of cover, to the legal representative of the deceased.

5. Fusion of Electric Motors

If an electric motor burns out or fuses we will pay *indemnity value*. We will also pay for:

1. an exchange sealed compressor for motors in a sealed refrigeration or air-conditioning compression unit; and
2. regassing the unit.

6. Goods and Services Tax - GST

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.

7. Inflation Protection

For *your* protection the sum insured will be increased at each renewal in accordance with the estimated increase in consumer costs.

8. Occupiers and Personal Liabilities

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 negligence resulting in *accidental* damage to:

1. property not belonging to *you* or in *your* custody and control; or
2. the *home* when occupied by *you* as a tenant. But we will not pay for liability arising from:
 - a. the ownership of the *home*, its land or any other buildings or land;
 - b. the occupation of any premises other than the *home*;

- c. any business profession or employment other than part-time baby-sitting;
- d. the ownership possession or use of any mechanically propelled vehicles (except ride-on mowers and other domestic garden appliances, wheelchairs and mobility scooters), trailer, aircraft or watercraft (other than watercraft valued at less than \$500) mechanically propelled vehicles;
- e. exemplary or punitive damages.

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

9. 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, 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 claimed by any other party in order to protect their property from fire.

However, we will not pay you for:

- a. levies for expenditure under Sections 44, 45, 46 and 46A 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 Occupiers' and Personal Liabilities benefit, and in no way will our combined indemnity for this benefit and the Occupiers' and Personal Liabilities 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.

10. Natural Disaster Insurance

We will pay for loss or damage to your contents, but limited to the additional natural disaster sum insured shown in the schedule, 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 Earthquake Commission Act 1993 for the loss or damage;
 - b. we shall not be liable for any excess imposed by the Earthquake Commission Act 1993; 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 your contents, which are not covered by the Earthquake Commission Act 1993; and

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

11. Removal of debris

We will pay the costs of removing the debris of contents from the home incurred with our prior consent.

OPTIONAL ADDITIONAL BENEFITS:

If you pay additional premiums, these options will be shown on the schedule:

12. BasicPlan Extra

Where indicated on the schedule that the policy is Contents BasicPlan Extra we will pay the cost incurred in replacement, repair or reinstatement without deduction for wear and tear or depreciation for:

- 1. furniture and home appliances;
 - 2. carpets floor-coverings blinds and drapes; and
 - 3. jewellery;
- not more than 5 years old.

For all items suffering loss or damage that are not repaired replaced or reinstated we will pay the indemnity value.

If the home is let to anyone other than you we will pay the indemnity value.

13. Personal effects extension

You are also insured for *accidental* loss damage or destruction not otherwise excluded by this policy occurring anywhere in New Zealand:

1. to items that are specified on the *schedule* where we shall pay up to the sum insured shown for each item; and
2. where this extension is indicated on the *schedule* cover shall apply to *your* baggage, *personal effects*, money and *valuables*, sporting and recreational equipment and bicycles. We shall not pay more than \$2,000 for any one loss.

14. Food Spoilage

If *your* refrigerator or freezer in *your home* is *accidentally* damaged, or breaks down, or the power supply is *accidentally* turned off then we will:

1. pay up to \$500 to replace any spoiled food;
2. repair any loss or damage caused by the spoiled food.

EXCLUSIONS - You are not insured for:

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 \$150 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 elements 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 or any other gradually operating cause;
- d. insects or vermin (except opossums);
- e. 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;
- f. 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;
- g. vibration or removal of support;
- h. 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. Loss, destruction, damage or liability directly or indirectly caused by:

- a. war, invasion, act of foreign enemy, act of terrorism, 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.

6. Loss of or damage to contents:

- a. permanently removed from the *home*;

- b. removed to any place for sale, storage or exhibition;
- c. during the course of household removal including loading and unloading.

7. Any sporting or recreational equipment (other than bicycles) while in use.

8. Unoccupancy

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

- 9. 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

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 *contents* 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 & 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* any changes to any circumstances relevant to this policy as soon as *you* know about them.

8. Government EQC cover

Where the policy insures *contents* at more than one named location, for the purposes of the Earthquake Commission Act 1993, each location is deemed to be subject to a separate contract.

9. 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.

10. 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.

11. Jurisdiction

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

12. 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.

13. Other interests

If *your contents* are 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.