



House  
Insurance Policy

# YOUR HOME IS MORE THAN A HOUSE



Call us today:

**0800 800 627**

Visit us online at [www.mas.co.nz](http://www.mas.co.nz)



## Contents

<b>Welcome</b>	<b>3</b>
<b>Policy Introduction</b>	<b>6</b>
<b>Section One: Loss To Your Property</b>	<b>8</b>
<b>Section Two: Legal Liability</b>	<b>12</b>
<b>Section Three: General Exclusions</b>	<b>13</b>
<b>Section Four: General Conditions</b>	<b>14</b>
<b>Section Five: Definitions</b>	<b>16</b>

# WELCOME

Thank **you** for choosing to entrust **us** with **your** house insurance policy needs. **We** have designed this document to provide a clear understanding of **your** contract with **us**. If anything is unclear or **you** have any questions, please contact **us** on **0800 800 627**.

Please read the following document carefully. It contains important information regarding what **we** can and can't cover in **our** agreement with **you**.

## Changing your mind

If **you** are not completely happy with this **policy**, or **you** change **your** mind, please tell **us** within 30 days of it commencing. **We** will cancel **your policy** as if it had never existed and refund in full any premium **you** have paid.

Please note that this clause does not apply if a claim has been made.

## Your policy and how it works

**Your policy** consists of:

1. **your application** and any other information **you** supplied **us**; and
2. this **policy** wording; and
3. the **schedule** and any subsequent renewal advice or endorsement notices.

Once **you** have agreed to pay the premium and **we** have accepted **your** application, **we** will insure **you** under this **policy** for the **term** shown in the **schedule**. **You** cannot make a claim until **you** have paid **your** premium.

Failure to pay the premium within 30 days of the commencement of the **term** will result in this **policy** being deemed null and void from the start date of the **term**.

The words in this **policy** in bold are defined. The definitions are at the back of this document, or where they apply only to one clause, within that clause.

The headings and section introductions are for reference only and must not be used in interpreting this document.

## Your duty of disclosure

When arranging, amending or renewing this **policy**, **you** have a legal duty of disclosure. **You** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

1. whether to accept or decline **your** insurance; and
2. the premium or other terms and conditions of the insurance, including the **excess**.

If **you** breach this duty, **your policy** cover may be cancelled as if it had never existed.

When in doubt, disclose. **We** treat all information confidentially.

## Change in circumstances

**You** must tell **us** immediately if, at any time after the start of this **policy**, there are changes that may alter the nature of the risk or increase the likelihood of a claim occurring (a **change in circumstances**).

Examples of a **change in circumstances** may include (but are not limited to):

1. renting out the **property** or leaving it unoccupied for a period exceeding 60 days; or
2. undertaking renovations or other significant building work, particularly if it involves removal of the roof, alterations to structural walls or piles and foundations; or
3. a local authority or government imposed or notified change affecting the **property** or the land, such as addition of heritage status, any notice on the land or **property** such as being subject to section 36(2) of the Building **Act** 1991, earthquake-prone status or flood risk changes; or
4. if **you** or any other person insured under the **policy** commits, is charged with, or convicted of, any criminal offence.

After **you** have told **us** about a **change in circumstances**, **we** may amend the premium and/or other terms and conditions of this **policy**.

If **you** are in any doubt, **you** should disclose information, whether or not **we** have asked questions that relate to it. If **we** are not told about a **change in circumstances**, **we** will be entitled to decline any claim and **we** may cancel this **policy** from the date of the change.

## Take reasonable care

**You**, and anyone else covered under this **policy**, must take reasonable care to avoid circumstances that may result in a claim and take all necessary action to minimise claim costs.

**Your** claim or that of any other person covered under this **policy** will not be covered if **you** or they are reckless or grossly irresponsible.

**Your property** must be locked and the keys removed when unattended.

## Interested parties

**You** must tell **us** if any party or entity, such as a bank or finance company, has a financial interest in any of the **property** insured under this **policy**.

**We** may pay all or part of the claim proceeds to them, and any such payment satisfies **our** obligations to **you** in respect of that payment.

By notifying **us** of the interested party, **you** authorise **us** to disclose personal information about **you** to this party. A party who **we** record as having a financial interest under this **policy** is not insured by this **policy** and has no rights to claim directly under this **policy**.

If the **property** is owned by anyone other than **you**, such as the trustees of a family trust, **you** must notify **us** so **we** can ensure that the correct party(s) or entity(s) are named as 'The Insured' in the **schedule**.

## Cancellation

**You** may cancel this **policy** at any time by giving **us** notice and **we** will refund any premium due to **you** based on the period of the **term** that **you** have not used. **We** may retain a minimum premium charge for the time cover has been provided.

**We** may cancel this **policy** at any time by giving **you** written notice at **your** last known postal or email address. Such a cancellation will be effective 14 days after the date on the notice. **We** will refund the unused portion of any premium **you** have already paid to **us**.

**Your policy** is automatically cancelled if **we** pay out the total **sum insured** value of **your policy** on a claim. If this happens, there will be no refund of premium.

## Fair Insurance Code

**We** are members of the Insurance Council of New Zealand, an organisation that promotes a code of practice among its members called the Fair Insurance Code.

The code sets out some of **your** rights when dealing with **us**. **We** view the Fair Insurance Code guidelines as a minimum only. Please contact **us** if **you** would like to receive a copy of the code. Alternatively, it can be accessed at: [www.icnz.org.nz](http://www.icnz.org.nz).

## Insurance and Savings Ombudsman Scheme

If **you** are not satisfied with **our** service, a decision **we** have made, or **our** company policies, please contact **us** and let **us** know. **We** have a formal complaints procedure to help resolve in a timely manner any problems that may arise.

If **we** fail to resolve **your** problem and it has gone through all the steps of **our** complaints procedure, **we** will provide **you** with a 'letter of deadlock'. Depending upon the nature of the problem, **you** may then have access to the Insurance and Savings Ombudsman Scheme, which is available to **you** to help resolve disputes.

## Insurance Claims Register

The Insurance Claims Register (**The Register**) is a database of insurance claims to which **we** have access. It is operated by Insurance Claims Register Limited, PO Box 474, Wellington.

The purpose of **The Register** is to check prior claims histories and to prevent fraudulent claims.

**We** provide this insurance to **you** on the basis that **you** authorise **us** to:

1. obtain details about **your** prior claims from **The Register**; and
2. provide to **The Register** details of **your** claims with **us**.

**You** have rights of access to, and correction of, **your** personal information on **The Register** under the Privacy **Act** 1993.

## Natural disaster cover

Where **your property** suffers **loss** due to a **natural disaster**, cover is provided by the Earthquake Commission through **EQCover**. The premium **you** pay to **us** includes the premium for **EQCover**. **We** are not liable under this **policy** for any **loss** to **your property** arising from **natural disaster** unless the Earthquake Commission declares the **natural disaster** to be an **event** covered by **EQCover**.

**We** will then:

- where the Earthquake Commission accepts a claim for the **loss** and assesses the **loss** as greater than the applicable limit of **EQCover**, cover the difference between the applicable limit of **EQCover** and the amount **we** would have paid to **repair or replace** the **property** if the **event** had been covered in full by this **policy**, up to the maximum limits of this **policy**, and subject to the 'How **we** will settle **your claim**' section of this **policy** wording; and
- provide cover for items of insured **property** that are not insured under **EQCover** (e.g. swimming pools, fences and paths) but which **we** have agreed to insure on the terms of this **policy**.

If the Earthquake Commission declares the **natural disaster** to be an **event** covered by **EQCover**, **we** will provide cover under the automatic additional benefits in this **policy**. If the Earthquake Commission declines **your** claim for **EQCover**, no cover will be available under this **policy** for the **loss** or for the automatic additional benefits. If the Earthquake Commission does not declare the **natural disaster** to be an **event** covered by **EQCover**, there is no cover for the automatic additional benefits unless **we** accept a claim under the terms of this **policy**.

There are a number of terms and conditions and exclusions of **your EQCover**, and **you** will be required to pay an **excess** on all **EQCover** claims.

If **you** would like more information about **EQCover**, please contact **us** for a brochure or phone the Earthquake Commission on 0800 508 765.

## Setting the sum insured

It is **your** responsibility to ensure the **sum insured** under **your policy** is adequate.

For an Agreed Value **policy**, the **sum insured** should be equal to the cost to rebuild the insured **property**. For an Area Replacement **policy**, the **square metre area** should represent the total external perimeter of each floor of the main building and any outbuildings.

When insuring a **house**, be sure to provide **us** with the area of each storey, the area of any basement or garage and any outbuildings. Please let **us** know if **you** have a swimming pool or any unusual feature such as a bridge or driveway exceeding 60 metres in length.

The Insurance Council of New Zealand offers the following guidelines to work out the **square metre area**:

*If you have commissioned a valuation of your property you will often find the total floor area included in the valuation report. When asking for a valuation, make sure the valuer knows you will be relying on the area measurements for insurance purposes. It is best not to rely on the Quotable Value floor area measurement. Experience has shown this can sometimes be incorrect.*

*To find the total area of your house:*

- 1. Using a tape, measure the external perimeter of the building. If you have a multi story house make sure you include the perimeter of each floor.*
- 2. Measure the external area of decks and covered pergolas. Don't include uncovered paved or concreted areas.*
- 3. Measure the perimeter of any garage or out buildings.*
- 4. Calculate the area of the building and any outbuildings. If you are uncertain how to do this, ask for the assistance of an architect, surveyor or valuer.*

If **you** feel premiums are too high for the **sum insured you** require, please discuss **your** concerns with **us**. **We** can offer solutions such as voluntary **excesses** to assist in keeping **your** insurance costs down.

It is important **you** review **your sum insured** or **square metre area** at every renewal and advise **us** of adjustments as required. For **your house**, **you** must increase the **square metre area** if alterations or additions are made to ensure these are included in the **policy** coverage.

## One event – one excess

Where an **event** results in a claim under this **policy** and another **policy you** have with **us**, **you** only have to pay one **excess**. This will be the highest applicable **excess** of any of the **policies**.

This clause is not applicable where an **event** results in a claim under this **policy** and a Business Risks or Contract Works **policy**.

## Secured No Claims Bonus

If **you** hold this **policy** for a continuous period of five years and do not make a claim (excluding glass claims), **you** qualify for **our** Secured No Claims Bonus. Once **you** qualify and 'Secured No Claims Bonus' is shown in your **schedule**, **your** maximum No Claims Bonus is protected for the life of the **policy**, regardless of the number of claims **you** may make.

This benefit does not apply to Holiday Homes.



# POLICY INTRODUCTION

## House use

Special conditions apply to this **policy** when **your house** is being used for different purposes. **You** must comply with all the following conditions before any claims will be accepted.

### Unoccupied property

**You** must notify **us** immediately if **you** think **your house** is going to be unoccupied for more than 60 days. If no one has been living in the **house** for more than 60 days, then cover under this **policy** is limited to **loss** by **restricted perils** unless **we** have agreed in writing to continue cover on standard terms.

If **you** have advised **your house** is going to be unoccupied and **we** agree to continue **your policy**, the conditions below automatically apply and **we** may choose to change other terms of the **policy** as well. All changes will become effective immediately upon notification to **you**.

1. An additional **excess** of \$5,000 applies to **loss** to **your property** caused by burglary, **theft**, attempted **theft** or malicious persons unless the following protection measures are taken:
  - (a) The **house** is inspected inside and outside by **you** or another person authorised by **you** at least every 60 days; and
  - (b) All doors are locked and all windows secured; and
  - (c) The **property** and its grounds are maintained to a standard consistent with a tended property and neighbouring properties; and
  - (d) Mail is cleared regularly.

### Holiday home

**You** must notify **us** immediately if **you** list **your** holiday home on a rental site such as [www.bookabach.co.nz](http://www.bookabach.co.nz) or rent out **your** holiday home – this includes all casual, short-term and fixed term contracts.

If **your property** is noted in the **schedule** as a ‘Holiday home’, an additional **excess** of \$5,000 applies to **loss** to **your property** caused by burglary, **theft**, attempted **theft** or malicious persons unless the following protection measures are taken:

- (a) The **house** is inspected inside and outside by **you** or another person authorised by **you** at least every 60 days; and
- (b) All doors are locked and all windows secured; and
- (c) The **property** and its grounds are maintained to a standard consistent with a tended property and neighbouring properties; and
- (d) Mail is cleared regularly.

## Rental property

**You** must notify **us** immediately if **you** rent out **your property**. The following conditions apply to all rented properties:

1. **You** are required to follow good business practice in managing the tenancy including the following:
  - (a) **You** must exercise all due care in the selection of any tenants including obtaining satisfactory references prior to the start of any tenancy agreement; and
  - (b) **You** must inspect the **property** inside and out at least every six months; and
  - (c) **You** must maintain the **property** in a safe and secure condition. Repairs and maintenance must be carried out promptly and to a reasonable standard; and
  - (d) If rent is more than 30 days in arrears, **you** must apply to the Tenancy Tribunal for vacant possession in accordance with the provisions of the Residential Tenancies **Act** 1986.
2. If **you** have not complied with the terms above, then:
  - (a) there is no cover for **loss** caused by the manufacture, storage, or distribution of any ‘controlled drug’ as defined in the Misuse of Drugs **Act** 1975; and
  - (b) there is no cover under the ‘Intentional damage by tenants’ automatic additional benefit.

## Home office or healthcare practice

**We** will cover any part of the **property** used as a home-based:

1. office for clerical work only; or
2. **healthcare practice**; or
3. other minor business with **our** written agreement,

Provided that:

1. the primary use of the **house** is for residential occupation.
2. the office, practice or business activity is restricted to no more than two rooms of **your house**, or 20% of the total **square metre area**, except with **our** written agreement.

## Property under repair or alteration

**You** must tell **us** prior to the start of any alterations or repairs to **your property** where the works involve any of the following:

1. Excavations, earthworks or retaining walls, and/or;
2. Foundations, and/or;
3. Structural alterations, and/or;
4. Lifting or shifting of the **property** or any part of the **property**, and/or;

5. Alterations that may affect the weather tightness or security of the **house**, including alterations or repairs to the roof, walls, doors or windows of **your house**, and/or;
6. Alterations requiring a building consent or similar.

## Your property

It is important to understand the property that has cover under this **policy** – and what doesn't. **You** may require a contents **policy** or other insurance **policy** for **uninsured property** – if **you** are unsure, please contact **us**.

What is covered by this **policy**:

### 1. Your house

Each dwelling or domestic outbuilding (including garages and sheds) owned by **you** within the residential boundaries of the **property's address**. It also includes any of the following items permanently fixed to each dwelling or domestic outbuilding:

- (a) Light fixtures and fittings; and
- (b) Furniture, furnishings and home appliances that are permanently plumbed, wired or built into the **house**; and
- (c) Domestic underground and overhead services, including gas pipes, freshwater pipes, electricity and telephone cables for which **you** are legally responsible, extending from the **house** or **other insured property** to the residential boundaries of the **property's address**; and
- (d) Aerials and satellite dishes; and
- (e) Exterior blinds and awnings; and
- (f) Fitted floor coverings including glued, smooth edge or tacked carpet.

### 2. Other insured property

Means any of the following property at the **property's address** owned by **you** within the residential boundaries of the **property's address**:

- (a) Permanent decks, whether attached or detached from the **house**; and
- (b) Greenhouses, including glasshouses and shadehouses, used for domestic purposes only; and
- (c) Built-in furniture attached to **other insured property**; and
- (d) Cess pits, septic tanks, oil heating tanks, service tanks and water tanks including their fixed pumps (and drain inspection covers); and
- (e) Permanent spa, sauna or in-ground swimming pools, including their fixtures, pipes and fixed pumps not permanently fixed to each dwelling or domestic outbuilding; and

- (f) Fences, walls and gates within 60 metres of the **house**; and
- (g) Driveways, paths, and paving within 60 metres of the **house**; and
- (h) Engineered tennis courts; and
- (i) Ornamental fountains and ponds, hard courts, terraces, patios, lamp posts and fixed statues; and
- (j) Retaining walls; and
- (k) Building materials after they have been newly purchased by **you** at the premises of the seller or retailer, during transit to and while at **your house**, provided they are to be permanently incorporated into **your house**; and
- (l) **Your house** fixtures and fittings temporarily removed from **your house**, to anywhere in New Zealand and during transit, for the purpose of restoration, renovation or repair.

What is not covered by this **policy**:

### 1. Uninsured property

- (a) Any property not at the **property's address** except fixtures and fittings temporarily removed from **your house**, to anywhere in New Zealand and during transit, for the purpose of restoration, renovation or repair; and
- (b) Any property which is used for business use, except for the cover provided under the 'Home office or healthcare practice' clause in the policy introduction; and
- (c) Plants, hedges, trees, shrubs and lawns, except for the cover provided under the 'Landscaping' and 'Tree removal' automatic additional benefits; and
- (d) Landlord's furniture, furnishings, fixtures and fittings; and
- (e) Wharves, piers, jetties or the like, unless specified in the **schedule**; and
- (f) Bridges or anything on them, unless specified in the **schedule**; and
- (g) Culverts, dams, slipways, unless specified in the **schedule**; and
- (h) **Land**, earth or fill; and
- (i) Any temporary structure; and
- (j) Any above-ground swimming pool or spa pool; and
- (k) **Lifestyle buildings**.

# SECTION ONE: LOSS TO YOUR PROPERTY

**You** are covered for:

Sudden **accidental loss** to **your property** during the **term**.

**You** are not covered for:

1. loss of use, consequential loss, depreciation or loss or reduction of value whether or not following repair; or
2. **loss** directly or indirectly arising from, or in any way related to, the presence or penetration of moisture or water into **your property** because of any aspect of its design, construction, or alteration, including due to poor workmanship, or of materials used in its construction or alteration; or
3. rot, mildew or gradual deterioration except for **loss** covered by 'Hidden gradual loss' automatic additional benefit; or
4. **loss** due to fault, defect, error or omission in design or construction; or
5. **loss** to swimming and spa pools or water tanks caused by hydrostatic pressure; or
6. **loss** to fuses, protective devices or lighting or heating elements caused by electricity; or
7. defects or damage to **your property** existing at the start of the **term**; or
8. **loss** caused by or due to:
  - (a) lifting or shifting **your property**; or
  - (b) vibration or removal of support; or
  - (c) scratching, chipping or denting; or
  - (d) subsidence, erosion, shrinkage or expansion of **your property** or **land**; or
  - (e) settling, warping or cracking caused by earth or other movements; or
- (f) water entering the **house** because any external element such as a window or door, roofing material or cladding has been removed by **you** or any other person (other than a tenant) legally at the **property's address**,  
  
or
9. **loss** caused by additions or alterations to the **property**, unless:
  - (a) cover is provided under 'New building work' automatic additional benefit; and
  - (b) **we** have been notified of the additions or alterations before they commence,  
or
10. **loss** caused by or due to:
  - (a) wear and tear, corrosion, or rust; or
  - (b) mechanical or electrical breakdown or failure; or
  - (c) defects in workmanship; or
  - (d) any process of cleaning, renovation or restoration; or
  - (e) insects, rodents or vermin (other than possums)

These exclusions apply only to the part of the **property** first affected. They do not apply to any resultant **accidental loss** to other parts of the **property**; or
11. **loss** caused by the manufacture, storage, or distribution of any 'controlled drug' as defined in the Misuse of Drugs Act 1975 unless the **house** is leased or rented to a tenant and all conditions of the **policy** have been met; or
12. intentional **loss** except as a result of fire or explosion caused by any tenant, guest of a tenant or **your** guest.

Please also see Section three: General Exclusions for other circumstances in which cover does not apply.

## Automatic additional benefits

The following benefits are automatically included in addition to the standard cover for **your house**. Unless specifically noted otherwise, the sub-limits are in addition to any **policy sum insured**.

### Accidental death

1. If **you** are injured and, as a consequence, die as a result of a sudden **accidental event**, **we** will pay \$20,000 to **your** estate.
2. If more than one person's estate is entitled to this benefit, the benefit will be divided equally among each estate.
3. The most **we** will pay during the **term** is \$20,000, irrespective of how many **policies** **you** have with **us**.

### Alternative accommodation

1. **We** will pay:
  - (a) the additional and reasonable costs necessarily incurred by **you** for alternative accommodation within New Zealand, comparable to the standard of **your house**, for **you** and **your** domestic pets; and
  - (b) to move **your** contents to the alternative accommodation and return them to **your house**; and



- (c) to move **your** contents to a secure storage facility, for storage costs while **you** are in alternative accommodation, and to return them to **your house**,

provided that:

- (a) **we** have agreed that the **house** is uninhabitable; and
  - (b) it is **your** main residence; and
  - (c) **we** have accepted a claim in respect of the **loss** to **your property**; or
  - (d) **we** would have accepted a claim in respect of the **loss** to **your property**, but for the Earthquake Commission accepting a claim under the Earthquake Commission Act 1993.
2. **We** will pay up to \$50,000 in total under this benefit and irrespective of how many **policies you** hold with **us**, and only until:
- (a) **we** have proven the **house** is habitable; or
  - (b) the repairs to the **house** are completed; or
  - (c) 30 days after **we** have given notice to **you** of **our** intent to stop paying because the claim on the **house** has been settled.
3. **We** will not pay for any other increased or associated costs including, but not limited to:
- (a) letting fees, or any travel, utility service, meal, internet, phone or subscription costs; or
  - (b) any costs associated with the existing **house**.
4. If **you** are receiving cover under this benefit and **you** claim for another **event** for which **you** could receive alternative accommodation cover, the most **we** will pay is \$50,000 for all claims or **events** combined.
5. If any portion of **your** alternative accommodation costs is covered by another insurance company, or **you** receive government or other financial assistance, **we** will only pay the difference between the amount **you** receive and the cover **you** have under this benefit, the combined total of which must not exceed the maximum amount payable under this benefit.

### Emergency entry

- 1. **We** will pay for **loss** to **your property** caused by emergency services gaining access to **your house** due to an emergency situation.
- 2. The most **we** will pay for any **event** is \$10,000.

### Emergency evacuation

- 1. **We** will pay the reasonable costs incurred under the 'Alternative accommodation' automatic additional benefit if, due to safety concerns or other emergency, a local authority or the police:
  - (a) advises, and **we** agree, against **you** living in **your house**; or

- (b) prevents **you** from accessing the **house**.

- 2. Subject to all limits and conditions of the 'Alternative accommodation' automatic additional benefit, **we** will pay these costs for a maximum of 30 days from the first notification from the local authority or the police.

### Glass breakage – excess and No Claims Bonus protection

If a claim is solely for sudden **accidental** breakage of glass in windows, doors or screens of the **house**, **we** will cover the costs of repair or replacement. **You** do not need to pay an **excess** and **your** No Claims Bonus will not be affected by the claim.

### Hidden gradual loss

- 1. Provided **your property** is not rented out, **we** will pay for:
  - (a) **hidden gradual loss** to **your property** that **you** first discover during the **term**; and
  - (b) any costs that **you** reasonably incur to locate and repair the **hidden gradual loss** and the cause of the **loss**, including damaging undamaged **property**, provided that any work has been authorised by **us** before it is incurred.
- 2. The most **we** will pay during the **term** is \$5,000.
- 3. **We** will not provide cover under this benefit if the **policy** condition of 'Take reasonable care' has not been observed, and **we** will not be liable for any increased claims costs due to a delay in notification to **us** of a possible claim under this benefit.

### Intentional damage by tenants

This **policy** is extended to cover **loss** due to a fire or explosion intentionally caused by any tenant, guest of a tenant or **your** guest.

### Landscaping

- 1. If **we** accept a claim under this **policy**, **we** will also cover the reasonable cost of replanting or repairing lawns, flowers, trees, hedges or shrubs, and any other reasonable landscaping costs, at the **property's address**.
- 2. The most **we** will pay for any **event** is \$5,000.

### Locks and keys – excess and No Claims Bonus protection

- 1. **We** will cover the reasonable cost of replacing locks and keys (including electronic access cards and transponders, remote door openers, or any other equivalent device) for **your house** if:
  - (a) they have been lost or damaged; or
  - (b) **you** have good reason to believe they have been stolen or duplicated without **your** consent during the **term**.
- 2. **You** do not need to pay an **excess** and **your** No Claims Bonus will not be affected by a claim under this benefit.

### New building work

1. This **policy** is extended to cover sudden **accidental loss** during the **term** to:
  - (a) any new structure being built; and
  - (b) any building materials that are to be incorporated into the new structure, at the **property's address**.
2. **We** will not cover any building works or resulting structure where:
  - (a) the value of any building works, including materials and labour, is more than \$20,000; or
  - (b) it involves alteration or addition to the existing **house**; or
  - (c) it involves excavation more than 1 metre deep; or
  - (d) it has not been granted a building consent or similar if one is required.
3. The most **we** will pay during the **term** is \$20,000.
4. **You** must notify **us** to increase any **sum insured** or the **square metre area of your house** to include any completed new structure resulting from the building works in order for it to be insured under any renewal of this **policy** beyond the **term** in which the building works are completed.

### Protection costs

1. **We** will pay the necessary and reasonable costs incurred to:
  - (a) safeguard the **property** from, or minimise, **loss** where a peril threatens imminent **loss** that would be covered by this **policy**; and
  - (b) shore up and protect the **property** following a **loss** covered by this **policy**,provided these costs have been authorised by **us** before they are incurred, unless required to avoid imminent **loss**.
2. The most **we** will pay for any **event** is \$10,000.

### Tree removal

1. If **we** accept a claim under this **policy**, **we** will pay the reasonable costs incurred to remove fallen trees or partial fallen trees from within the residential boundary of **your property's address**, including any part still standing and the stump from the ground.
2. **We** will not pay any costs where a tree was unsound and unstable prior to the **event** and in need of removal, or where the remaining portion of the tree is secure and does not pose a threat of falling.
3. The most **we** will pay for any **event** is \$2,000.

### You choose your repairer

1. If **we** have accepted a claim under this **policy** and **your property** is repairable, **you** are entitled to select a repairer of **your** choice.
2. If **you** select **your** own repairer, **we** will not be liable to pay more than the repair cost as estimated by an appropriately qualified party appointed by **us**.
3. If **you** select a repairer approved by **us**, **we** will guarantee the quality of the repairs completed under the claim, on the same terms and conditions of this **policy**, while **you**:
  - (a) own the **property**; and
  - (b) continue to insure the **property** with **us**.

# What you will receive

The following section outlines when **we** will choose to **repair or rebuild your house**, and what **you** can expect to receive once **your** claim has been accepted by **us**.

## How we will settle your claim

**We** have the sole right to settle **your** claim, or any part of **your** claim, by choosing one or more of the options below.

Subject to any limits **we** will, at **our** option:

1. pay the reasonable costs to **repair or replace** the item or **property** as and when costs are incurred, in accordance with this **policy**. **We** may, at **our** option, elect to manage the **repair or replacement** of the **property** for this purpose; or
2. pay **you** the cost that is reasonably required to **repair or replace** the item or **property** (including the costs covered under Additional costs) as estimated by an appropriately qualified party appointed by **us**.

## Additional costs

If **we** accept a claim under this **policy**, **we** will also pay:

1. the reasonable fees of any council, architects, engineers, surveyors, lawyers and any other professionals that **we** agree to cover in respect of **repairing or replacing the property**, provided they have been authorised by **us** before they are incurred; and
2. reasonable **compliance costs**, provided that:
  - (a) the **house** met all such requirements in existence at the time that the **house** was originally built and that were required at any time that it was altered; and
  - (b) **you** would not have been required (either immediately or within a defined period of time) to comply with any such Government or local authority bylaws or regulations if the **loss** had not occurred; and
3. the reasonable costs incurred for demolition and removal of debris in respect of **repairing or replacing the property**, provided they have been authorised by **us** before they are incurred.

**We** will not pay:

1. **Compliance costs**:
  - (a) where **your** certificate of title for the land at the **property's address** contains an entry under an **Act** relating to building consent conditions or any natural or other hazard, including an entry under section 36(2) of the Building **Act** 1991, or an entry under section 74 of the Building **Act** 2004, unless **we** have agreed in writing to cover this; or
  - (b) where notice of non-compliance had been served on **you** before the **loss** occurred; or
  - (c) for work required to any part of the **property** that did not suffer **loss** covered by this **policy**; or

- (d) where a new resource consent is required solely due to **you** choosing to change the specifications of the **property** when **repairing or replacing** it.

2. Any costs related to:
  - (a) reinstating or improving the bearing capacity of the **land**; or
  - (b) **land** improvement or protection measures.
3. To replace wall, floor or window coverings not located in the room or rooms where the **loss** occurred, but **we** will request that **our** repairer uses reasonable endeavours to match the item as near as is reasonably practical to any undamaged matching **property**.

## Rebuilding on an alternative site

If the **property** is totally destroyed, and **you** wish to rebuild **your property** on an alternative site, **we** will not pay more than would have been payable under this **policy** to **repair or replace** the **property** at the **property's address**.

## Shared ownership or responsibility

If any **property** (such as, but not limited to, a fence or retaining wall) is subject to shared ownership or joint responsibility between **you** and another party such as a neighbour, subject to any limits, **we** will at **our** option:

1. pay the reasonable costs to **repair or replace your** proportion of interest or ownership in the item or **property** as and when costs are incurred, in accordance with this **policy**; or
2. pay **you** the cost that is reasonably required to **repair or replace your** proportion of interest or ownership in the item or **property** as estimated by an appropriately qualified party appointed by **us**.

## Limits to what we will pay

1. Where the **schedule** shows the **property** is insured for 'Replacement Area', **we** will pay the reasonable actual costs (or where applicable, the estimated costs) incurred to **repair or replace the house** up to a size not exceeding the **square metre area** shown in the **schedule**, as well as **other insured property** and all additional costs covered under this **policy**.
2. Where the **schedule** shows the **property** is insured for 'Agreed Value', the most **we** will pay to **repair or replace the property** and all additional costs, is the **sum insured** shown in the **schedule**.
3. If **your property** is also insured under the Earthquake Commission **Act** 1993 (**EQCover**):
  - (a) **we** will pay only the difference between **EQCover** and the cover **you** have under this **policy**; and
  - (b) **we** will not pay any **excess** under **EQCover**; and
  - (c) the combined total of what **we** pay and the **EQCover** pays must not exceed the maximum amount payable under this **policy** for any one **event**; and
  - (d) if the Earthquake Commission declines **your** claim, **we** may decline **your** claim on the same grounds.

# SECTION TWO: LEGAL LIABILITY

## Your legal liability

**You** are covered for:

1. **your** legal liability during the **term** in New Zealand and due to **your** ownership of the **property** or its grounds, for:
  - (a) **accidental loss** to the property of others; and/or
  - (b) **accidental bodily injury** to others.
2. costs or levies recoverable from **you** under Sections 43, 46 or 46a of the Forest and Rural Fires **Act** 1977, occurring during the **term**, caused by, through, or in connection with, **your** ownership of **your property** or its grounds.
3. where it is alleged **you** are legally liable, and that legal liability would be covered under this **policy** if established, **we** will also cover **you** for **your** reasonable legal expenses to defend that allegation.

**You** are not covered for:

1. legal liability connected in any way with:
  - (a) any business, trade or profession; or
  - (b) any contract or agreement with any person, except where **you** would have been liable even without a contract or agreement; or
  - (c) damage to property **you** own, or that is under **your** care or control; or
  - (d) **your** ownership of any land, whether it is insured by this **policy** or otherwise; or
  - (e) gross negligence or deliberate loss caused by **you**; or
  - (f) fire intentionally lit by **you** that does not comply with the Forest and Rural Fires **Act** 1977; or
  - (g) **bodily injury** to **you** or anyone living at **your house**; or
  - (h) **bodily injury** that is covered by the Accident Compensation **Act** 2001; or
  - (i) **your** ownership or use of any aircraft or other aerial device, watercraft or **vehicle**; or
  - (j) any seepage, pollution or contamination (including clean-up costs), unless the seepage, pollution or contamination happens during the **term** and is caused by a sudden **accidental event** that happens during the **term**.
2. fines, penalties or exemplary damages.

Please also see Section three: General Exclusions for other circumstances in which cover does not apply.

## What you will receive

The following section outlines what **you** can expect to receive once **your** claim has been accepted by **us**.

### Property damage

The most **we** will pay for legal liability for damage to property is \$10,000,000 per **event**.

### Bodily injury

The most **we** will pay for legal liability for **bodily injury** is \$1,000,000 per **event**.

### Forest and Rural Fires Act

The most **we** will pay for legal liability under the Forest and Rural Fires **Act** 1977 is \$1,000,000 per **event**.

### Total per event

The most **we** will pay in total for all legal liability, including costs and expenses for any one **event** and irrespective of how many **policies** **you** hold with **us**, is \$10,000,000.

# SECTION THREE: GENERAL EXCLUSIONS

The following exclusions are applicable to all sections of this **policy** wording.

## ACC

There is no cover under this **policy** for costs that can be recovered under the provisions of the Accident Compensation Act 2001.

## Civil commotion/riot

There is no cover under this **policy** for **loss** or liability and defence costs connected in any way with civil commotion assuming the proportions of or amounting to an uprising, insurrection, rebellion, military or usurped power.

## Confiscation

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to confiscation, requisition, acquisition, destruction or damage to **property** by the order of the Government or a local authority, unless for the controlling of a peril covered under this **policy**.

## Excess

1. Unless specifically stated otherwise under another part of this **policy**, **you** are not covered for any applicable **excesses**.
2. The applicable **excesses** will be deducted from the amount of **your** claim.

## Loss of electronic data

There is no cover under this **policy** for **loss** of **electronic data** and/or any liability arising from this. This includes the loss of use, reduction in functionality or any other associated **loss** or expense in connection with the **electronic data**.

This exclusion continues to apply even when **we** have accepted a claim for **loss** to hardware of computers or other electronic equipment.

## Nuclear risk

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to:

- (a) nuclear weapons material; or
- (b) the operations of a nuclear power plant; or
- (c) ionising radiation or contamination by radioactivity from:
  - any nuclear waste; or
  - the fusion or fission of nuclear fuel.

## Terrorism

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to **terrorism**.

## War

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to war, invasion, act of foreign enemy, warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, insurrection, military or usurped power.



# SECTION FOUR: GENERAL CONDITIONS

The following conditions are applicable to all sections of this **policy** wording and must all be met before **we** will pay any claim under this **policy**.

## Alteration of terms

**We** may alter the terms of this **policy** at any time by giving notice to **you**. Such an alteration will be effective 14 days after the date on the notice.

## Betterment

If **we** choose to **repair or replace your property** and this results in an improvement to **your property** beyond **your** entitlement under this **policy**, **you** must pay for the value of that improvement before **repair or replacement** commences.

## Breach of conditions

If **you**, or any other person **we** insure under this **policy** breaches any of the conditions of this **policy**, **we** may at **our** sole discretion:

- (a) decline or reduce any claim; or
- (b) declare this **policy** to be void or unenforceable.

## Goods and Services Tax (GST)

All **sum insured** values, **policy** limits, and **excesses** include GST.

## Governing law

This **policy** is governed by the laws of New Zealand and the courts of New Zealand have exclusive jurisdiction in relation to any issues, disputes or claims arising under or in relation to it.

## Joint insurance

If more than one person or entity is insured under this **policy**, they are insured jointly. A breach of the **policy** by one of them is a breach by all.

## Making a claim

### 1. **You** must:

- (a) tell **us** as soon as **you** are aware of any circumstances that could lead to a claim or any **loss** or liability possibly covered under this **policy**. Please telephone **us** on 0800 800 627; and
- (b) take all reasonable steps to minimise **your loss** or liability, and try to avoid any further **loss** or liability; and
- (c) complete **our** claim form in full, if requested; and
- (d) allow **us** to investigate and inspect the **loss** or liability; and
- (e) provide reasonable justification for any claim, and any other information or assistance that **we** need; and
- (f) act reasonably and cooperate fairly in **your** communications and dealings with **us**; and
- (g) give **us** permission to obtain personal information which relates to **your** claim held by any other party, and give any such third party permission to disclose any such information; and
- (h) give **us** permission to provide personal information which relates to **your** claim held by **us** to any other party to assist with the settlement of **your** claim; and
- (i) forward to **us** all relevant information and correspondence; and
- (j) lay a complaint with the police if **you** suspect a crime has been committed, and provide **us** with a copy of the police complaints acknowledgement form, and if requested, any other police reports in relation to the circumstances in which any claim arises; and
- (k) take reasonable steps to obtain details of any other person, property or vehicle in the circumstances giving rise to the claim, and any witnesses to the **event** giving rise to the claim.
- (l) ensure that as soon as practicable following a **natural disaster**, **you** lodge a claim with the Earthquake Commission. Failure to do this prior to the **EQCover** claim deadline will result in all rights under this **policy** being forfeited.

### 2. **You** must not:

- (a) dispose of **your property** being claimed for without **our** permission; or
- (b) start any repairs without **our** permission, unless required to limit further **loss**; or

- (c) admit responsibility for any **loss** or liability; or
  - (d) say or do anything that may prejudice **our** ability to defend any claim made against **you**, or make recovery for the **loss** from any other person who may be responsible for it.
3. After **you** have made a claim:
- (a) **we** have the sole right to act in **your** name and negotiate, defend or settle any liability on **your** behalf, at **our** own expense. **We** may appoint **our** own lawyers to defend the matter who will report to **us**; and
  - (b) **we** may pay the maximum amount payable under section two of this **policy** (or any lesser amount for which the liability can be settled), plus the legal costs and expenses incurred to date. This will satisfy **our** obligations under section two of this **policy** in full; and
  - (c) **we** may take over in full any legal right of recovery that **you** have. **You** must assist **us** in doing this, including, without limitation, providing documents and other evidence and attending court hearings if required; and
  - (d) if **your** claim relates to damaged **property**, **we** are entitled to retain possession of the damaged **property** and deal with salvage in a reasonable manner. **You** cannot abandon **property** to **us**; and
  - (e) if any lost or stolen **property** for which **we** have paid a claim is later found or recovered, **you** must:
    - tell **us** immediately; and
    - return the **property** to **us** if **we** request it; and
  - (f) **you** must reimburse **us** if **you** receive any money from any person ordered to make reparation to **you** in relation to a claim **we** have paid.
4. If **your** claim is dishonest or fraudulent in any way, **we** may decline **your** claim, wholly or partially and, at **our** discretion, declare that this **policy** is void and unenforceable from the date of the dishonest or fraudulent act.

All statements and answers, whether by **you** or anyone else, must be true when **you**:

- (a) apply for or renew this **policy**; and
- (b) notify **us** regarding any change in circumstances; and
- (c) make any claim under this **policy**.

These conditions apply to anyone else who may be entitled to claim under this **policy**.

### Policy renewal

1. This insurance is for the **term** shown in the **schedule**. **We** may offer to renew it for a further **term** at **our** sole discretion. If **we** do, **you** will receive an offer from **us** before the **term** expires.
2. **You** must pay the premium for the new **term** before the current **term** expires. Failure to do so will result in the **policy** lapsing on the expiry date of the current **term**.
3. **We** may at **our** sole discretion adjust **your sum insured** for inflation, depreciation, changes in repair costs or cost of materials (as determined by **us**).
4. **You** are solely responsible for ensuring that the **sum insured** (or **square metre area**) for **your house** is sufficient to meet **your** needs.

### Other insurance

1. **You** must notify **us** immediately of any other insurance policy that covers **you** for any of the risks covered under this **policy**.
2. If any other insurance policy exists, **we** will only pay over and above the amount payable under that other policy.

### Policy compliance

Before **we** pay any claim under this **policy**, **you** must:

- (a) comply with all its terms; and
- (b) pay any outstanding premium.

# SECTION FIVE: DEFINITIONS

The following words have special meaning within this **policy** wording and have been defined below to assist in **your** understanding of the **policy** terms and conditions.

The definitions apply to the plural and to any derivatives of those words. For example, the definition of 'accidental' also applies to the words 'accident', 'accidentally' and 'accidents'.

## Accidental

Means unintended and unexpected by **you** and any other person insured under this **policy**.

## Act

Means an Act of Parliament and any substitution of, amendment to, or replacement of that Act and any statutory regulation made under that Act.

## Application

Means the information provided by **you** to **us** when **you** purchased this insurance or requested a quotation for this insurance from **us**.

## Betterment

Means that once the **property** is **repaired or replaced**, it is not 'substantially the same' as the **property's** condition immediately prior to the **loss**, if, without limitation, the size, dimensions, shape, functionality, materials, foundations, access or services, or their qualities are materially improved from **your property's** characteristics immediately prior to the **loss**.

## Bodily injury

Means **accidental** death of, or personal injury to, any person. This includes sickness, disease, disability, shock, fright, mental anguish or mental injury.

## Compliance costs

Means any cost of compliance with Government or local authority bylaws or regulations.

## Electronic data

Means facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment, and includes programs, software and other coded instructions for such equipment.

## EQCover

Means insurance cover for residential properties provided by the Earthquake Commission under the Earthquake Commission **Act** 1993, up to the limits, and on the conditions set out in that **Act**.

## Event

Means one incident, or a series of linked incidents causing **loss** that arise from one source or original cause.

## Excess

Means the amount shown in the **schedule** that **you** must contribute as the initial payment towards the cost of each and every claim under the **policy**.

## Family

Means any family member or dependant who normally resides with **you** or while they are enrolled in full-time education and are residing within New Zealand at a boarding school, accommodation provided by a recognised tertiary education provider, or at a private home as a boarder.

## Healthcare practice

Means any occupation or business that involves the diagnosis, treatment and prevention of disease, illness, injury and other physical and mental impairments in human beings or animals. This includes, but is not limited to, dentistry, midwifery-obstetrics, medicine, nursing, optometry, pharmacy, psychology, veterinary services and other care providers.

## Hidden gradual loss

Means hidden rot, hidden mildew or hidden gradual deterioration, caused by water leaking from any internal tank, internal water pipe, or internal waste disposal pipe, or at the immediate point of connection between a hidden pipe and any household appliance, installed at the **house**.

## House

Means each dwelling or domestic outbuilding (including garages and sheds) owned by **you** within the residential boundaries of the **property's address**.

It also includes any of the following items permanently fixed to each dwelling or domestic outbuilding:

- (a) Light fixtures and fittings; and
- (b) Furniture, furnishings and home appliances that are permanently plumbed, wired or built into the **house**; and
- (c) Domestic underground and overhead services, including gas pipes, freshwater pipes, electricity and telephone cables for which you are legally responsible, extending from the **house** or **other insured property** to the residential boundaries of the **property's address**; and

- (d) Aerials and satellite dishes; and
- (e) Exterior blinds and awnings; and
- (f) Fitted floor coverings including glued, smooth edge or tacked carpet.

It does not include **other insured property** or **uninsured property**.

## Land

Means ground-forming materials composed of natural rock, soil, artificial fill, or a combination of such materials, which form an integral part of the ground.

## Loss

Means physical loss, physical damage or physical destruction occurring during the **term**.

## Lifestyle buildings

Means any of the following **property** owned by **you** within the boundaries of the **property's address**:

- (a) Workshops
- (b) Hay sheds
- (c) Implement sheds
- (d) Wood sheds
- (e) Wool sheds
- (f) Barns
- (g) Pump sheds
- (h) Stables.

It does not include the **house**, **other insured property** or **uninsured property**.

## Natural disaster

Means earthquake, natural landslip (as defined in the Earthquake Commission **Act** 1993), volcanic eruption, hydrothermal activity, tsunami or fires resulting from these events or any other natural disaster that is covered under the Earthquake Commission **Act** 1993.

## Other insured property

Means any of the following **property** at the **property's address** owned by **you** within the residential boundaries of the **property's address**:

- (a) Permanent decks, whether attached or detached from the **house**
- (b) Greenhouses, including glasshouses and shadehouses, used for domestic purposes only
- (c) Built-in furniture attached to other insured property
- (d) Cess pits, septic tanks, oil heating tanks, service tanks and water tanks including their fixed pumps (and drain inspection covers)

- (e) Permanent spa, sauna or in-ground swimming pools, including their fixtures, pipes and fixed pumps not permanently fixed to each dwelling or domestic outbuilding
- (f) Fences, walls and gates
- (g) Driveways, paths, and paving within 60 metres of the **house**
- (h) Engineered tennis courts
- (i) Ornamental fountains and ponds, hard courts, terraces, patios, lamp posts and fixed statues
- (j) Retaining walls
- (k) Building materials after they have been newly purchased by **you** at the premises of the seller or retailer, during transit to and while at **your house**, provided they are to be permanently incorporated into **your house**
- (l) **Your house** fixtures and fittings temporarily removed from **your house**, to anywhere in New Zealand and during transit, for the purpose of restoration, renovation or repair.

It does not include the **house** or **uninsured property**.

## Policy

Means a contract consisting of:

- **your application** and any other information **you** supplied **us**; and
- this **policy** wording; and
- the **schedule** and any subsequent renewal advices or endorsement notices.

## Property

Means **your house** and **other insured property**. It does not include **uninsured property**.

## Property's address

Means the situation shown in the **schedule**.

## Repair or replace

Means to repair, replace or rebuild the portion of the **property** suffering **loss** to a condition that is substantially the same as, but not better or more extensive than, when the **property** was new – subject to any characteristics of the **property** existing immediately prior to the **event** causing **loss** for which cover is excluded under this **policy**.

A **property** will be considered 'substantially the same' if, without limitation, the size, dimensions, shape, functionality, materials, foundations, access or services, or their qualities are not materially different from **your property's** characteristics immediately prior to the **loss**.

If **you** choose, and **we** agree, **we** will match existing materials and building methods where current materials available within New Zealand and current building methods used in New Zealand allow.

If **you** choose, and **we** agree, to repair, replace or rebuild to a condition that is not considered 'substantially the same', **we** will only be liable to pay the reasonable cost to **repair or replace** the **property** as estimated by an appropriately qualified party appointed by **us** to 'substantially the same' condition.

## Restricted perils

Means **accidental loss** caused by:

- fire, lightning or explosion; and
- storm or flood; and
- **theft** following violent and forceful entry; and
- impact by or a collision involving a **vehicle**; and
- aircraft, or other aerial or spatial devices or articles dropped by them; and
- earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or fire resulting from any of these.

## Schedule

Means the most recent schedule **we** have issued to **you**.

## Spouse

Means **your** husband or wife, civil union partner, or person with whom **you** are in a de facto relationship as defined in the Property (Relationships) Amendment **Act** 2001.

## Square metre area

Means the total floor area of the **house** based on the external perimeter measurements for each floor of the **house** – each dwelling or domestic outbuilding (including garages and sheds) owned by **you** within the residential boundaries of the **property's address**. It does not include **other insured property**.

## Sum insured

Means the sum insured (if any) shown in the **schedule**.

## Term

Means the period of insurance of this **policy** shown in the **schedule** and for any subsequent period that **we** may agree.

## Terrorism

Means an act including, but not limited to, the use of force or violence and/or the threat thereof, 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 is committed 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.

## Theft

Means **loss** caused by the unlawful taking or attempted taking of the **property** with the intention to deprive the owner of possession, whether temporarily or permanently.

## Uninsured property

Means:

- (a) any property not at the **property's address**; and
- (b) any property that is used for business use, except for the cover provided under the 'Home office or healthcare practice' clause in the policy introduction; and
- (c) plants, hedges, trees, shrubs, and lawns, except for the cover provided under the 'Landscaping' and 'Tree removal' automatic additional benefits; and
- (d) landlord's furniture, furnishings, fixtures and fittings; and
- (e) wharves, piers, jetties or the like, unless specified in the **schedule**; and
- (f) bridges or anything on them, unless specified in the **schedule**; and
- (g) culverts, dams, slipways, unless specified in the **schedule**; and
- (h) **land**, earth or fill; and
- (i) any temporary structure; and
- (j) any above-ground swimming pool or spa pool.
- (k) **lifestyle buildings**.

## Vehicle

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

## We, us or our

Means Medical Insurance Society New Zealand Limited, a business division of Medical Assurance Society New Zealand Limited.


## You or your

Means the person or entity named in the **schedule** as 'The Insured', that person's **spouse** and **family**.







 *Printed on paper sourced from  
sustainably managed forests.*  
IDOM008 10/14

**Call us today:**  
**0800 800 627**  
Visit us online at [www.mas.co.nz](http://www.mas.co.nz)