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Ando Insurance Group Limited

# House Insurance

The ANDO logo consists of a square with a vertical gradient from yellow at the top to orange at the bottom. The word "ANDO" is written in white, bold, uppercase letters at the bottom of the square.

**ANDO**

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# Contents

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## Our Promise To You

### Thank you for choosing Ando!

In return for **you** having paid or promised to pay the required premium **we** agree to insure **you** as set out in this policy.

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## Important Stuff About This Policy

### The insurance contract

The contract consists of:

- any information provided to **us** by **you** or on **your** behalf including **your** proposal,
- this policy document,
- any endorsements or clauses that **we** apply to **your** policy, and
- the **schedule**.

### Duty of disclosure

When **you** apply for insurance, **you** have a legal duty of disclosure. This means **you** or anyone applying on **your** behalf must tell **us** everything **you** know (or could be reasonably expected to know) that might affect **our** decision when deciding:

- to accept **your** insurance, and/or
- the cost or terms of the insurance, including the **excess**.

In particular, **you** should tell **us** anything which may increase the chance of a claim under this policy, or the amount of a claim under this policy.

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

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

### Changes to facts or circumstances during the policy

**You** must tell **us** of any material change to any of the facts or circumstances existing at the beginning of the **period of insurance**. If **you** do notify **us** of a change, **we** may alter the premium, the terms of **your** insurance or cancel the insurance with effect from the date on which the change first occurred.

### Changing your mind

If **you** change **your** mind **you** can cancel **your** policy within 30 days of it starting provided **you** have not made a claim. **We** will then cancel the policy from its commencement and refund in full any premium **you** have paid.

### Reading this policy

There are words in bold that have specific meanings and are explained in the 'Definitions' section at the end of this policy document.

The headings that **we** have used in this policy document are intended to help **you** find **your** way through it more easily. They are not intended to be used for interpreting the contents of the policy document.

### Privacy Act and the Insurance Claims Register

By entering into this insurance contract with **us**, **you** consent to **your** personal information being collected by **us** and being shared by **us** with other insurance companies, claims supply partners and brokers, for the purposes of entering into this policy with **you** and any claim in connection with this policy. **You** also consent to any personal information **we** hold in connection with any claim that **you** make being transferred to the **Insurance Claims Register**, a register operated by Insurance Claims Register Limited for use by participant insurers, including **us**. This information may be accessed by participant insurers for the purpose of managing claims.

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## Fair Insurance Code

**We** are committed to complying with the Fair Insurance Code as published by the Insurance Council of New Zealand.

This means **we** will:

- provide insurance contracts which are understandable and show the legal rights and obligations of both **us** and **you**;
- explain the meaning of legal or technical words or phrases;
- explain the special meanings of words or phrases as they apply in the policy;
- manage claims quickly, fairly and transparently;
- clearly explain the reason(s) why a claim has been declined;
- provide **you** with a written summary of **our** complaints procedure as soon as disputes arise and advise **you** how to lodge a complaint and tell **you** about the Insurance and Financial Services Ombudsman Scheme.

## Concern or complaint

**We** aim to provide a great standard of service in everything **we** do.

If **you** have a concern or complaint, **we** want to hear from **you** so that **we** have the opportunity to make it right. **You** can contact **us** on 09 377 1432 or see [www.ando.co.nz](http://www.ando.co.nz) for information on **our** complaints and dispute resolution process.

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## What We Agree To Cover

### Section 1: Main Insuring Promise

We will cover **you** for **loss** to the **house** that occurs during the **period of insurance** subject to the insurance contract's terms, conditions and exclusions.

### Section 2: Additional Policy Benefits

**You** are also entitled to the following Additional Policy Benefits subject to the insurance contract's terms, conditions and exclusions.

#### Alternative accommodation

If **your house** becomes **uninhabitable** due to **loss** to the **house** that occurs during the **period of insurance** which is covered by this policy or covered entirely by the Earthquake Commission, **we** will pay the reasonable cost of temporary accommodation which is of a similar quality to **your house**, for **you**, members of **your family** who were permanently living with **you** immediately before the **loss**, and **your domestic pets**.

**We** will also pay the reasonable cost of temporary accommodation where **your house** is otherwise safe and sanitary, but **you** are prevented from accessing it by an order or direction of government or local authorities made during the **period of insurance** due to possible or impending **loss** to the **house** which would be covered by this policy or covered entirely by the Earthquake Commission.

**We** will stop paying temporary accommodation as soon as any of the following occur:

- **your house** has been repaired or rebuilt;
- **your house** is no longer **uninhabitable**;
- **you** move into another **house** that **you** own;
- **we** settle **your** claim under this policy by paying **you** a sum of money;
- **we** have provided temporary accommodation for 12 months; or,
- **we** have paid \$50,000 for temporary accommodation.

If **you**, or a member of **your family**, have any other policy with **us** which also provides cover for temporary accommodation, **you** and **your family** are only entitled to payment of this benefit under one policy per **event**.

If **you** have made a claim for the cost of temporary accommodation under this policy (or under any other policy that **you** have with **us**) and another **loss** occurs to **your house** while **you** are living in temporary accommodation, then the most **we** will pay is \$50,000 for all claims or **events** combined.

**We** will not pay this benefit where:

- **your house** is insured as or used as a holiday home;
- **your house** was **unoccupied** at the time of the **event**; or,
- where the **loss** is to land only.

The limits contained in this Additional Policy Benefit are in addition to the **Natural Disaster Sum Insured**.

#### Authorities damage

**We** will cover **you** for the cost of repairing any physical damage to the **house** caused by any government or local authorities to prevent **loss** to the **house** which would be covered by this policy.

If **your** claim under this Additional Policy Benefit is connected with a **natural disaster** then any amount that **we** pay **you** under this benefit reduces the **Natural Disaster Sum Insured**.

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## Electronic programmes

**We** will cover **you** for the reasonable cost of resetting, restoring or reprogramming any software that is necessary to operate any electronic equipment installed in **your house** where that equipment has suffered **loss** covered by this policy. However, this does not extend to the cost of replacing any data stored on any of this equipment.

The most **we** will pay **you** under this Additional Policy Benefit for any one **event** is \$1,500. This limit is in addition to the **Natural Disaster Sum Insured**.

## Hidden gradual damage

**We** will cover **you** for gradual physical damage to the owner-occupied **house we** insure provided that the damage is caused by the leaking or overflowing of a:

- water pipe, or
- waste disposal pipe, or
- water storage tank

which is hidden from view within the residential building or enclosed within its walls, ceiling, cupboards, floors or roof space and which is permanently connected to the **house's** plumbing system.

**We** will not cover **you** for:

- any other gradually occurring damage;
- the cost of repairing the water pipe, the waste disposal pipe or the water storage tank, including the cost of accessing these items; or,
- any damage that occurs before or after the **period of insurance**.

If **we** accept a claim or claims under this Additional Policy Benefit, the maximum that **we** will pay **you** under this benefit for all **events** occurring during the policy period is \$5,000. This limit is in addition to the **Natural Disaster Sum Insured**.

## Home office

**We** will cover **you** for **loss** to any part of the **house** that is used as a home office that occurs during the **period of insurance**.

If **your** claim under this Additional Policy Benefit is connected with a **natural disaster** then any amount that we pay **you** under this benefit reduces the **Natural Disaster Sum Insured**.

## Intentional acts

If the **house** is a residential rental property and this is shown on the **schedule**, provided that **you** comply with the 'Landlord Obligations', **we** will cover **you** for **loss** to the **house** by fire or explosion that occurs during the **period of insurance** which is caused intentionally by:

- a **tenant**, or
- any **guest** of a **tenant**.

## Keys and locks

**We** will cover **you** for the cost of replacing keys or locks that give access to the **house** or changing key codes if the security of **your house** is at risk following theft, **loss** or unauthorised duplication of **your** keys.

**We** will also cover **you** for the cost of opening any safe or strong room following theft or disappearance of its key or combination.

The most **we** will pay **you** under this Additional Policy Benefit for any one **event** is \$2,000. This limit is in addition to the **Natural Disaster Sum Insured**.

If **you** have another policy with **us** which also covers these costs, the most **we** will pay **you** is \$2,000 in total under all of the policies for any one **event**.

The **excess** does not apply to this Additional Policy Benefit.

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## Landscaping

We will cover **you** for **loss** to **your** gardens (including hedges, trees, shrubs, and plants), garden edging, and lawns that occurs during the **period of insurance** where:

- the **house** was also damaged in the same **event** and **we** have agreed to pay a claim for **loss** to the **house**; or
- a vehicle not belonging to **you** and/or not in **your** control causes damage by impact during the **period of insurance**, without causing any damage to the **house**.

The most **we** will pay **you** under this Additional Policy Benefit for any one **event** is \$5,000. This limit is in addition to the **Natural Disaster Sum Insured**.

## Legal liability

We will cover **you** for **your** legal liability for:

- **loss** to other people's physical property within New Zealand;
- **accidental bodily injury** to other people within New Zealand; and
- costs or levies imposed on **you** under sections 43, 46 or 46A of the Forest and Rural Fires Act 1977 arising from an occurrence within New Zealand;

provided that **your** liability arises from or is caused by **your** ownership of the **house**; and the **loss**, **bodily injury** or occurrence happens during the **period of insurance**.

The most **we** will pay **you** under this Additional Policy Benefit for any one **event** is \$2,000,000 for **loss** to other people's property, \$1,000,000 for **accidental bodily injury**, and \$1,000,000 for costs or levies imposed under the Forest and Rural Fires Act 1977.

We may, at **our** option, control the defence and settlement of any claim against **you** for legal liability covered under this Additional Benefit, including the appointment of a lawyer of **our** choice to defend the claim. The above limits are inclusive of related legal costs and expenses incurred with **our** consent.

If **you** have cover for **your** legal liability under any other insurance policy with **us**, **you** can only claim for **your** legal liability under one of the policies.

## Loss of rent

If the **house** is a residential rental property and this is shown on the **schedule**, provided that **you** comply with the 'Landlord Obligations' and a residential tenancy agreement was in place at the time of the **loss**, **we** will cover **you** for the reasonable rent that **you** lose if the **house** becomes **uninhabitable** due to **loss** to the **house** that occurs during the **period of insurance** which is covered by this policy or covered entirely by the Earthquake Commission.

The most **we** will pay **you** under this Additional Policy Benefit for all **events** occurring during the **period of insurance** is \$50,000. If **you** have another policy with **us** which also covers the lost rent, the most **we** will pay **you** is \$50,000 in total under all of the policies for all **events** occurring during the **period of insurance**.

This limit is in addition to the **Natural Disaster Sum Insured**.

## Natural disaster

We will cover **you** for **loss** to the **house** caused by, arising from, or connected with a **natural disaster** that occurs during the **period of insurance** provided:

- the **loss** is covered under the **EQC Act**;
- the Earthquake Commission accepts **your** claim for the **loss**;
- the Earthquake Commission has paid its full liability in relation to **your** claim for the **loss**; and,
- the cost of repairing or rebuilding the portion of **your house** which has sustained **loss** because of the **natural disaster** is more than **your** cover under **EQC Act**.

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**We** will also cover **you** for **loss** to the **house** caused by a **natural disaster** that the Earthquake Commission does not cover because the **loss** to the **house** has occurred in a part of the **house** which does not fall within the cover provided under the **EQC Act**. For such claims, the **excess** will be \$5,000 per **event** (or **your** standard **excess** if higher).

If **we** accept a claim or claims under

- this Additional Policy Benefit; and/or,
- the Authorities Damage Additional Policy Benefit; and/or
- the Home Office Additional Policy benefit; and/or
- the Retaining Walls benefit;

because of **loss** to the **house** related to a **natural disaster** then the maximum that **we** will pay **you** under all of these benefits combined for all **events** occurring during the **period of insurance** is the difference between the **Natural Disaster Sum Insured** and the amount(s) the Earthquake Commission pays **you**, before the deduction of the excess under the **EQC Act**.

If your **house** suffers **loss** which is covered by this policy, then the **Natural Disaster Sum Insured** will be reduced immediately by the amount of the **loss**.

- The **Natural Disaster Sum Insured** will not reinstate following a **total loss** even if the **loss** is repaired or the **house** is rebuilt.
- If the **house** is not a **total loss**, the **Natural Disaster Sum Insured** will not reinstate unless and until the **loss** is repaired. The amount of cover will be reinstated as and to the extent that the **loss** is actually repaired.

In addition, the **Natural Disaster Sum Insured** is deemed to be reduced below the sum specified in the **schedule** by the amount of all unrepaired **loss** which occurred in previous **periods of insurance**.

### Post disaster inflation

**We** may, at **our** sole and absolute discretion, increase the **Natural Disaster Sum Insured** available under this policy if:

- a **natural disaster** has occurred near the **house** causing widespread damage to the property of the community and, as a direct result, building costs have significantly increased;
- **you** intend to repair or rebuild the **house**; and,
- the **natural disaster sum insured** is inadequate to wholly cover the actual cost required to repair or rebuild the **house** solely due to the increase in building costs described above.

The most **we** will consider increasing the **Natural Disaster Sum Insured** by is 10%.

### Retaining walls

**We** will cover **you** for **loss** to **retaining walls** that occurs during the **period of insurance**.

The most **we** will pay **you** under this Additional Policy Benefit is \$100,000 for any one **event** unless **we** agree to increase the amount and the increased amount is stated on the **schedule**. If **your** claim under this Additional Policy Benefit is connected with a **natural disaster**, then any amount that **we** pay **you** under this Benefit reduces the **Natural Disaster Sum Insured**.

**We** will not cover you for **loss** to incomplete **retaining walls** or any **retaining wall** for which a building consent was legally required and either:

- a building consent was not obtained; or,
- the local authority has not issued a code compliance certificate in respect of the **retaining wall**.

**We** will not cover **you** for **loss** to any **retaining wall** that is covered under the **EQC Act**.

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## Sale and purchase

If **you** have entered into a contract to sell the **house**, **we** will cover the purchaser on the same basis that **we** insure **you** under this policy for **loss** to the **house** that occurs during the period between the date the contract was entered and:

- the date of settlement; or,
- the date on which the purchaser takes possession of the **house**; or
- the expiry of the **period of insurance**;

whichever occurs first.

The cover provided by this Additional Policy Benefit will only be available to the purchaser if the purchaser:

- meets all conditions of this policy, and
- has not otherwise insured the **house** at the time of the **loss**.

The cover provided to the purchaser under this Additional Policy Benefit shall never be greater than the cover which would have been available to **you** if **you** had not entered into the contract to sell the **house**.

## Stress payment

If **your house** is a **total loss** and **we** accept a claim under this policy, **we** will pay **you** an additional sum of \$2,000 for the stress caused by this **loss**. This limit is in addition to the **Natural Disaster Sum Insured**.

If **you** have another policy with **us** which also provides a benefit related to stress, the most **we** will pay **you** is \$2,000 in total under all of the policies for any one **event**.

## Tree removal

If **your house** suffers **loss** because a tree or part of a tree falls onto the **house** and **we** have agreed to pay a claim covered by this policy:

- **we** will cover **you** for the cost of removing the tree from the **house** to enable repairs to be carried out; and,
- **we** will cover **you** for the cost to remove from **your** property the rest of the tree, including any parts of that tree that have not fallen.

The most **we** will pay **you** under this Additional Policy Benefit for any one **event** is \$2,000. This limit:

- is in addition to the **Natural Disaster Sum Insured**;
- does not apply to the cost of removing the tree or trees from the **house**.

**We** will not cover **you** for the cost to remove stumps from the ground.

## Use or manufacture of drugs by a tenant

If the **house** is a residential rental property and this is shown on the **schedule**, provided that **you** comply with the 'Landlord Obligations', **we** will cover **you** for **loss** caused by contamination of the **house** through the consumption, manufacture, storage, or distribution of any **controlled drug** at the **house** during the **period of insurance**.

The maximum that **we** will pay **you** under this Additional Policy Benefit for all **events** occurring during the **period of insurance** is \$30,000.

If **you** have another policy with **us** which also covers the same **loss**, then the most **we** will pay **you** is \$30,000 in total under all of the policies for all **events** occurring during the **period of insurance**.

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### **Water or sewage pipe blockage**

**We** will cover **you** for the cost of clearing an **accidental** blockage in an underground water or sewage pipe that occurs during the **period of insurance**, provided:

- the blocked pipe is within the **residential boundaries** of the insured address; and,
- the blockage was not caused by the roots of any tree or plant.

The cover provided by this Additional Policy Benefit only extends to:

- the costs of clearing the **accidental** blockage; and,
- the cost of repairing or rebuilding any driveway, patio, path, paving, tennis court, or other permanent structure within the boundaries of the insured address which is damaged or disturbed by the work to clear the blockage.

**We** will not cover **you** for any maintenance costs.

The most **we** will pay **you** under this Additional Policy Benefit for all **events** occurring during the **period of insurance** is \$1,500. This limit is in addition to the **Natural Disaster Sum Insured**.

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## Optional Policy Benefits

This section contains the Optional Policy Benefits which may be added to **your** policy for an additional premium. If you have selected an Optional Policy Benefit and paid the extra premium it will be shown on the **schedule**. The Optional Policy Benefits are subject to the insurance contract's terms, conditions and exclusions.

### Excess-free glass cover

If the **schedule** shows that **you** have chosen 'Excess-free glass cover', **we** will not require **you** to pay an **excess** for claims solely for **accidental** breakage of glass to specific items of property as identified in the 'Your Excess' section of this policy.

### Extra landscaping cover

If the **schedule** shows that **you** have chosen 'Extra landscaping cover', the most **we** will pay **you** under the 'Landscaping' Additional Policy Benefit will be increased to \$50,000 for any one **event**.

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## What We Won't Cover

These exclusions apply to all sections of this policy including the Additional Policy Benefits and Optional Policy Benefits unless this policy expressly states otherwise.

### Confiscation

**We** will not cover **you** for any **loss**, cost, liability, damage, or lost rent caused by, arising from, or connected with **your house** being confiscated or seized by anyone with a financial interest in **your house**.

Except for physical damage covered under the Additional Policy Benefit 'Authorities Damage' **we** will not cover **you** for any **loss**, cost, liability, damage, or lost rent caused by, arising from, or connected with the confiscation, nationalisation, destruction, acquisition, designation of the **house**, any part of the **house** or any other property by the government, a government agency or local authority.

### Consequential loss

Except for the cover expressly provided under the following Additional Policy Benefits:

- Alternative accommodation;
- Electronic programmes;
- Keys and locks;
- Legal liability;
- Loss of rent;
- Stress payment;
- Tree removal,

**we** will not cover **you** for **consequential loss** of any kind.

### Earth and other movements

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from or connected with:

- subsidence;
- erosion;
- vibration;
- weakening or removal of support;
- lifting or other movement of the **house**; or
- settlement or any earth movement, except for **loss** covered under the Additional Policy Benefit 'Natural Disaster'.

### Electronic data

**We** will not cover **you** for **loss** of or damage to computer software or **electronic data**.

**We** will not cover **you** for **loss**, cost, liability, damage or lost rent caused by, arising from or connected with:

- interference with;
- malfunction of;
- loss of use of;
- reduced functionality of,

software or **electronic data**.

However, this exclusion doesn't apply to any resultant **loss** to other parts of the **house** which are not electronic equipment.

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## Excess

We will not cover **you** for **your excess** on this or any other policy.

## Existing damage

We will not cover **you** under this policy for any **loss** or damage to **your house** which was present at the beginning of the **period of insurance**.

## Faults and defects

We will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from, connected with, or consisting of any fault, defect, error or omission in:

- any design, plan, or specification; or
- workmanship, method of construction or materials.

However, this exclusion does not apply to any resultant **loss** to other parts of the **house**.

## Floor coverings

We will not cover **you** for floor coverings that are not in the room(s) where the **loss** happened.

## Glass and windows

We will not cover **you** for the cost of:

- repairing any wear and tear or deterioration of **your house** which is necessary for broken glass to be replaced; or,
- repairing any damage or replacing any framing necessary to enable broken glass to be replaced; or,
- replacement of undamaged glass to create a match.

## Gradual damage

Except for gradual physical damage covered under the Additional Policy Benefit 'Hidden Gradual Damage' **we** will not cover **you** for:

- wear and tear;
- corrosion or rust;
- rot, mildew, or mould;
- depreciation;
- gradual deterioration of any form; or
- any **loss**, cost, liability, damage or lost rent caused by, arising from or connected with any of the above.

This exclusion does not limit the cover provided under the Additional Policy Benefit 'Use or Manufacture of Drugs by a Tenant'.

## Heritage or historic houses

We will not cover **you** for any additional costs or fees required to comply with any heritage covenants or orders that apply to **your house** or site.

## Holiday home/rental property

We will not cover **you** for **loss** to the **house** if the **schedule** shows that your **house** is a holiday home or a rental property and the **house** is **unoccupied**.

This exclusion will not apply if:

- 
- the **house** and its lawns and gardens are kept in a tidy condition; and
  - all external doors and windows are kept locked; and
  - all papers and mail are collected; and,
  - the **house** is under monthly supervision;

**You** must pay the “**unoccupied excess**” shown on the **schedule** for each individual **event**.

### Hydrostatic pressure

**We** will not cover **you** for **loss** to swimming pools, spa pools or other in-ground structure which is caused by, arises from or involves hydrostatic pressure.

However, this exclusion does not apply to any resultant **loss** to other parts of the **house**.

### Intentional damage

Except for **loss** covered under the Additional Policy Benefit ‘Intentional Acts’ **we** will not cover **you** for any **loss**, cost, liability, damage or lost rent directly or indirectly caused by, arising from, or connected with intentional, deliberate, malicious or criminal acts or omissions by:

- **you**;
- **your family**;
- anyone living with **you**;
- a **tenant**;
- anyone sub-leasing or living with your **tenant**; or
- any **guest** in the **house**.

This exclusion does not limit the cover provided under the Additional Policy Benefit ‘Use or Manufacture of Drugs by a Tenant’.

### Land damage

**We** will not cover **you** for the costs associated with the repair, preparation, stabilisation or other treatment of the land to enable the repair or rebuilding of **your house**.

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent directly or indirectly caused by, arising from or connected with the condition of the land on which **your house** is situated where:

- **you**, or a previous owner of **your house**, received payment from the Earthquake Commission for damage to the land on which the **house** is situated and the land was not appropriately repaired, or
- **you** were aware or ought to have been aware that the land required repair or posed a threat to **your house** at the commencement of this policy.

### Legal liability

**We** will not cover **you** for legal liability:

- for exemplary or punitive damages;
- for legal costs incurred by any other party that **you** may be ordered or agree to pay;
- assumed by agreement unless **you** would have been liable anyway;
- for **loss** to **your** own property;
- for **loss** to property in **your** care, custody or control; or
- under the Forest and Rural Fires Act 1977 where your liability arises from any fire **you** lit intentionally in contravention of the Act or any requirement of government or local authorities.

**We** will also not cover **you** for legal liability caused by, arising from or connected with:

- 
- any business, trade, profession or sponsorship;
  - the ownership or use of any **motor vehicle** (other than domestic ride on lawn-mowers, mobility scooter or golf carts), trailer, caravan, watercraft, aircraft or other aerial device.
  - the ownership or possession of any animals other than **domestic pets**;
  - illegal or unlawful activities or events;
  - pollution or contamination; or
  - intentional, deliberate or malicious acts or omissions by **you** or **your family**.

### **Loss caused by electricity**

**We** will not cover **you** for **loss** to fuses, protective devices, lighting or heating elements that is caused by electricity.

### **Natural disaster**

**We** will not cover **you** for **loss** to the **house** caused by, arising from or connected with a **natural disaster** except for **loss** covered under following Additional Policy Benefits:

- Natural disaster;
- Authorities damage;
- Home office;
- Retaining walls.

This exclusion does not apply to the costs, liability, damage or lost rent which is covered under the other Additional Policy Benefits in this policy.

### **Non-compliance**

**We** will not cover **you** for **loss**, cost, liability, damage or lost rent directly or indirectly caused by, arising from or connected with the non-compliance of **your house** with New Zealand laws and regulations which apply to it.

### **Mechanical or electrical breakdown**

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from or connected with the failure of any mechanical, electronic or electrical equipment.

However, this exclusion will not apply:

- to any resultant **loss** to other parts of the **house**; or
- if the **loss** results from a sudden, unforeseen and physical **accidental** external cause.

### **Nuclear**

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from or connected with

- ionising radiation; or
- contamination by radioactivity; or
- any nuclear waste; or
- the combustion or fission of nuclear fuel or nuclear weapons material.

### **Pest damage**

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from or connected with insects, pests, rodents, or vermin (other than possums).

However, this exclusion will not apply to any resultant **loss** to other parts of the **house**.

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## Pollution and contamination

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from, or connected with pollution or contamination including the use, consumption, storage or manufacture of any **controlled drug**.

This exclusion does not limit the cover provided under the Additional Policy Benefit 'Use or Manufacture of Drugs by a Tenant'.

## Recklessness

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from, or connected with recklessness or grossly irresponsible behaviour by **you**.

For example, this exclusion applies but is not limited to any **loss**, cost, liability or lost rent in connection with:

- a tree falling over where it was known that the tree was unsound or unstable;
- water in any form (including hail and snow) entering the **house** because any roofing material, exterior cladding, window or door has been removed.

## Structural additions or alterations

**We** will not cover **you** for any **loss** to structural additions or structural alterations.

**We** will also not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from or connected with any structural additions, structural alterations or any building work other than minor repairs or maintenance.

## Terrorism

**We** will not cover **you** for any **loss**, cost, liability, damage or lost rent caused by, arising from, or connected with an **act of terrorism**, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an **act of terrorism**.

## Unlawful substances

**We** will not cover **you** for **loss**, cost, liability, damage or lost rent caused by, arising from or in connection with the consumption, manufacture, storage, or distribution of any **controlled drug** at or in the vicinity of the **house** except for:

- **loss** covered under the Additional Policy Benefit 'Use or Manufacture of Drugs by a Tenant'; and,
- **loss** to the **house** by fire or explosion (but any associated contamination is covered only to the extent of the Additional Policy Benefit 'Use or Manufacture of Drugs by a Tenant').

## War

**We** will not cover **you** for any **loss**, cost, liability, damage, or lost rent directly or indirectly caused by, arising from or in connection with war, invasion, hostilities or war like operations (whether war is declared or not), rebellion, or revolution.

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## What Happens If You Need To Claim

When **you** need to make a claim, **we'll** be here to help **you**. However, there are some things that **you** must do.

### What you must do:

Immediately after an **event** occurs, **you** must:

- take all reasonable steps to protect **yourself** and **your house**;
- take all reasonable steps to prevent further **loss**;
- immediately tell **us** about the **event**;
- notify the police as soon as possible if **you** think the **loss** was caused by a criminal act;
- keep any damaged property and allow **us** to inspect any areas of the **house** or outbuildings where the **loss** occurred;
- provide all reasonable assistance and co-operate with **us** and **our** assessors, investigators, lawyers or anyone else **we** appoint;
- obtain **our** consent before incurring any costs to repair or rebuild the **house**;
- give **us** any information **we** ask for or help which **we** reasonably request; and
- assist **us** without charge if **we** decide to take any recovery action against somebody else in respect of **your loss**.

If **you** become aware of a claim against **you** which may be covered under the Additional Policy Benefit 'Legal Liability' or circumstances that could give rise to a claim, **you** must:

- immediately tell **us**;
- as soon as possible, send **us** everything **you** receive from anyone about the claim or possible claim against **you**;
- not admit liability without **our** consent;
- not incur any expense without **our** consent;
- not negotiate with the claimant or make payment to the claimant or make any agreement in relation to any claim.

If **you** make a claim on this policy, **you** must be honest and truthful.

If **your** claim is dishonest or fraudulent in any way, **we** may:

- decline **your** whole claim or part of it, and/or
- recover anything that **we** have already paid **you** in respect of **your** claim or the **event**, and/or
- declare that this policy and any other policy **you** have with **us**, to be of no effect and to no longer exist from the date of the dishonest or fraudulent act.

### How we will settle your claim:

**We** will settle **your** claim for **loss** that is covered under this policy by following the process set out below.

### Is it possible to repair or rebuild?

If it is not physically or legally possible to repair the **loss** or rebuild **your house** on the same site **we** will pay **you** the **present day value** of the **loss**.

If **your** claim is made under the Additional Policy Benefit 'Natural Disaster' the maximum **we** will pay **you** is the maximum set out in that Additional Policy Benefit.

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## Rebuild / repair the damage or leave it as is – you decide

If it is physically and legally possible to repair the **loss** or rebuild **your house** on the same site then, before **we** make a decision on how **we** will settle **your** claim, **you** must decide whether **you** want the **loss** to be repaired or **house** to be rebuilt (where repair is uneconomic).

- If **you** do not want the **loss** to be repaired or the **house** to be rebuilt, then **we** will pay **you** the **present day value** of the **loss**. If **your** claim is made under the Additional Policy Benefit 'Natural Disaster' the maximum **we** will pay **you** is the maximum set out in that Additional Policy Benefit.
- If **you** do want the **loss** to be repaired or the **house** to be rebuilt then **we** will decide how **we** will settle **your** claim, as below, based upon whether **we** consider that it is economic to repair the **loss**.

**You** must advise **us** of **your** decision within three months of the **event**. If **you** do not decide within this period, then **we** may settle **your** claim by paying **you** the **present day value** of the **loss**.

## Economic to repair

If **we** decide that it is economic to repair the **loss** to **your house**, **we** will, at **our** option, choose one of the following:

- repair the **loss** to **your house**; or
- pay **you** the actual repair costs that **you** incur to repair the **loss** to **your house**, as those costs are incurred by **you**; or
- If the repair work is not completed within 12 months, pay **you** the **present day value** of the **loss**.

## Uneconomic to repair

If **we** decide it is uneconomic to repair the covered **loss** to **your house**, **we** will, at **our** option, choose one of the following:

- rebuild **your house** on the same site; or
- pay **you** the actual cost that **you** incur to rebuild **your house** on the same site, as those costs are incurred by **you**; or
- pay **you** the actual cost that **you** incur to rebuild **your house** on a different site in New Zealand, as those costs are incurred by **you**; or
- with **your** agreement, pay for **you** to buy another comparable house in New Zealand (excluding the value of the land); or
- if the rebuild work is not completed within 12 months, pay **you** the **present day value** of the **loss**.

## Extra costs which we will pay:

If **we** choose to pay **you** the actual incurred repair or rebuild costs, **we** will also pay **you** the following costs as they are incurred with **our** prior written consent:

- the extra cost of complying with local authority laws and regulations necessary for repairing or rebuilding the **loss** to **your house** provided that:
- the compliance cost solely relates to the parts of the **house** that suffered the **loss** covered by the policy;
- the damaged parts of the **house** complied with local authority laws and regulations at the time they were built or altered;
- no notice had been issued or entry made on **your** certificate of title prior to the **loss** relating to the compliance issue or hazard.
- architects', engineers' and surveyors' fees necessary for repairing or rebuilding the **loss** to **your house**;
- the reasonable incurred cost of demolition and removal of debris including the contents.

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**We** will not pay these extra costs if **we** choose to carry out the repair or rebuild work, or **we** pay for **you** to buy a comparable house, or **we** pay the **present day value** of the **loss**.

### How we will repair or rebuild

If **we** rebuild or repair your **house**, or pay for **you** to do so, **we** will use or make payment on the basis of:

- a building standard or specification which repairs or rebuilds the damaged part of the **house** to a condition similar to, but no more extensive or better than, that part's condition when new; and,
- the use of building materials and construction methods commonly used at the time of the repair or rebuild; and,
- only replicate heritage features if the techniques necessary are still in common use and the building materials are readily available in New Zealand;
- where the **loss** is covered under Additional Policy Benefit 'Use or Manufacture of Drugs by a Tenant', the standard of repair is to the post-remediation level for residues stipulated in the Ministry of Health's Remediation Standards for Clandestine Methamphetamine Laboratory Sites (2010) or any subsequent versions.
- If **your house** is tenanted, **we** will only pay the **present day value** of **loss** to floor coverings more than 5 years old.
- **We** may, at **our** option, retain any salvaged property.

### What we will not pay:

**We** will not pay:

- any extra cost of repairing or rebuilding any part of **your house** caused by that part not having a legally required building consent when it was built, or that part being built contrary to the building consent issued;
- if **you** rebuild **your house** on a different site, any extra costs associated with that site;
- the cost of repairing or rebuilding any part of **your** house that has not suffered **loss** which is covered by this policy;
- the cost of repair or rebuild beyond what is reasonable and practical;
- the cost to repair or rebuild **your house** to exactly its previous shape, location, dimensions, appearance or condition, or beyond what is reasonably comparable with the original **house** when first built or renovated; or
- costs incurred without **our** consent. **We** may want to work with **you** to agree on suitable contractors and obtain quotes.

### The maximum we will pay:

The maximum amount that **we** will pay **you** or incur ourselves for any **event** is the lesser of:

- the actual cost to rebuild the actual square metre area of **your house** before the **loss**, or the square metre area shown on the **schedule** (whichever is the lesser), or
- if the **loss** to **your house** is caused by, arises from or is connected with a **natural disaster** the maximum amount that is set out in the 'Natural Disaster' Additional Policy Benefit plus any amounts payable under the following Additional Policy Benefits:
  - Alternative accommodation;
  - Electronic programmes;
  - Hidden Gradual Damage;
  - Keys and Locks;
  - Landscaping;
  - Loss of rent;
  - Stress payment;
  - Tree removal;
  - Water or Sewerage Pipe Blockage.

If **your house** is tenanted, the most **we** will pay for **loss** to floor coverings less than 5 years old for any one **event** is \$5,000.

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## Our Terms And Conditions

### Assignment

**You** must not assign or attempt to assign:

- this policy or **your** interest in this policy to anybody else; or,
- any claim or claim proceeds under this policy;

without **our** prior written consent.

If **you** do not obtain **our** prior written consent, any transfer is invalid at law.

### Breach of any condition

If **you**, or any other person or entity **we** cover under this policy, or anyone acting on **your** behalf, breaches any of the terms, conditions, and other requirements of this policy, **we** may not pay **your** claim either in whole or in part.

This does not affect any of **our** other rights, including the right to avoid the policy for non-disclosure or, where **your** claim is dishonest or fraudulent, to declare that this policy and any other policy **you** have with **us** are of no effect from the date of the dishonest or fraudulent act.

### Cancellation

**You** may cancel **your** policy with **us** at any time unless **you** have made a claim for a **total loss**. If **you** cancel **your** policy then **we** will refund any **unused premium** that **you** have paid unless **you** have paid **your** premium by installment.

**We** may cancel **your** policy with **us**:

- if **you** have not paid the premium or a premium installment within 28 days of the due date. Cancellation will take effect from the first day of the period to which the unpaid premium relates; or,
- for any other reason, by advising **you** by letter or email to **your** last known address or by advising **your** broker or agent in writing. Cancellation will take effect on the 30<sup>th</sup> day after the date of **our** email or letter to **you** or **our** advice to **your** broker or agent. **We** will refund any **unused premium** **you** have paid unless **you** have paid **your** premium by installment.

### Change of terms

**We** may modify the terms of this policy by advising **you** (or **your** broker or agent) by letter, or email to **your** last known address. Modification will take effect on the 30<sup>th</sup> day after the date of **our** email or letter.

### Claim by people who are not the named insured(s)

If a person who is not a named insured in the **schedule** has a claim which is covered by this policy, they must authorise **you** to be their agent in respect of the claim. **We** will deal with **you** in respect of their claim and any payment **we** make to **you** will be effective as if it was payment to them.

**We** will not be obligated to consider or settle a claim brought directly by a person who is not a named insured in the **schedule**.

### Costs incurred by you

If **you** are entitled under this policy to claim for any costs incurred by **you** then:

- **you** must obtain **our** consent before incurring the costs; and
- **we** will only cover **you** for the reasonable amount of any costs incurred.

### Double insurance

**You** must immediately tell **us** if **you** insure **your house** or anything that is insured under this policy with someone else.

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**We** will not cover **you** under this policy for any **loss**, costs, liability or damage or lost rent that is also covered under any other policy with a different insurer to the extent of **your** cover under that other policy.

## Events

Any series of sudden and unforeseen events arising from one source or original cause shall be treated in this policy as if it was a single **event**.

## Goods and Services Tax (GST)

The **Natural Disaster Sum Insured** referred to in **your** policy and the **schedule** is exclusive of any Goods and Services Tax (GST). All other amounts (including all benefit limits and excesses) are inclusive of Goods and Services Tax (GST).

## Governing law

This insurance contract is governed by New Zealand law and the New Zealand courts have exclusive jurisdiction in respect of this policy.

## Interested parties

If **you** tell **us** that **you** would like a party who has a financial interest in the **house**, such as a bank or finance company, to be noted as an interested party then **we** may partially or fully settle a claim by making payment to the interested party. This payment will either go towards meeting or completely fulfilling **our** obligations under this policy.

The interested party is not covered by this policy, and does not have any right to make a claim under this policy.

**You** authorise **us** to disclose any of **your** personal information to the interested party.

## Joint insured(s)

If the **schedule** shows multiple insureds, or the insured is a trust, or the policy otherwise covers multiple people, then all insureds and people covered are jointly insured. The joint insureds are deemed to act with the express authority of each other. This means, for example, that if one person breaches the policy or cancels the policy or settles a claim, it will affect all other joint insureds.

## Landlord obligations

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

- obtain satisfactory written or verbal references for the **tenant** or **tenants** before entering the residential tenancy agreement, and
- inspect the property, internally and externally, every three months and upon every change of **tenants**, and
- keep a written record of each inspection which **you** can provide to **us**.

## Reasonable care

**You** must take reasonable care at all times to avoid circumstances that could result in a claim, and properly maintain **your house** and property.

## Reinstatement

If the **house** is not a **total loss**, the **Natural Disaster Sum Insured** will not reinstate unless and until the **loss** is repaired. The amount of cover will be reinstated as and to the extent that the **loss** is actually repaired.

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## Replacement cost

Means the costs that would be reasonably required to repair, rebuild or replace the damaged part of your **house** to the standard set out in this policy.

## Total loss

When **we** settle a claim for a **total loss your** policy ends on the date of the **event** and **you** are not entitled to any refund of premium. If **you** are paying **your** premium by installment then **you** must pay all unpaid installments.

## Your excess

The **excess** is the amount **you** must pay for each individual **event** when **you** make a claim. The amount of the **excess** is shown on the **schedule**.

If a **loss** occurs at a time when **your home** is **unoccupied** and **we** cover **you** under this policy for the **loss**, **you** must pay the “**unoccupied excess**” shown on the **schedule** for each individual **event**.

**We** will not require **you** to pay an **excess** if the **schedule** shows that **you** have selected the “Excess-Free Spectacles or Contact Lenses” optional benefit and **your** claim is solely for **loss** to **your** spectacles, reading glasses, prescription glasses or contact lenses.

If **your house** suffers a **loss** and **we** have accepted **your** claim and **we** accept another claim arising from the same **event** for **loss** to **your** contents and/or **your** car, then **you** will only be required to pay one **excess**. The **excess** that **you** pay will be the highest of those **excesses** (including the **unoccupied excess** if applicable).

If **you** occupy the **house** when the **loss** occurs, and **your** claim is solely for **accidental** breakage of:

- glass in any windows, doors, or screens in the **house**, or
- sinks, baths, wash basins, toilet bowls, shower cabinets, bidets, fixed glass lampshades, permanently fixed mirrors or glass built-in furniture in the **house**, then the standard **excess** that will apply is \$250 for each **event**.

However, if the **schedule** shows that **you** have chosen the optional benefit ‘Excess-Free Glass Cover’ and **your** claim is solely for **accidental** breakage of glass in:

- windows, doors or screens; or, screens in the **house**, or
- sinks, baths, wash basins, toilet bowls, shower cabinets, bidets, fixed glass lampshades, permanently fixed mirrors or glass built-in furniture in the **house**, which are part of the **house** then **we** will not require **you** to pay an **excess**.

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## Definitions

### Accidental

Means sudden, unforeseen, unexpected and unintended by **you**.

### Act of terrorism

Means an act by any person, group of people, organisation or government, including but not limited to the use or threatened use of force or violence, which is committed with the probable intention to:

- influence any government; or
- put fear into the public or any section of the public, and which by its nature or context is probably done for, or in connection with any:
  - political;
  - religious;
  - ideological;
  - ethnic,

purpose or reason or similar purpose or reason.

### Bodily injury

Means bodily injury, death, illness, disability, disease, fright, shock, mental anguish or mental injury to another person.

### Consequential loss

Means any intangible loss, loss of use or enjoyment, loss of value and any additional cost, liability or damage that is a consequence of the **loss**, costs, liability, damage or lost rent which is directly covered under this policy.

### Controlled Drug

Has the same meaning as in Misuse of Drugs Act 1975.

### Domestic pets

Means an animal of a domesticated species, for example a cat or dog, which **you** own and which lives permanently with **you** at **your house**

### Electronic data

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

### EQC Act

Means the Earthquake Commission Act 1993 and any Act in substitution of that Act.

### Event

Any series of sudden and unforeseen events arising from one source or original cause shall be treated in this policy as if it was a single **event**.

### Excess

An excess is the amount **you** must pay for each **event** when **you** make a claim.

### Guest

Means a person who enters **your house** with **your** consent, or with the consent of a person who lives at **your house**.

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## House

Means **your** house and includes all the following items which are owned by **you**, used for residential purposes and located within the **residential boundaries** at the insured address shown in the **schedule**:

- residential buildings, including sleep-outs, outbuildings such as sheds, garages, carports, greenhouses, and pergolas;
- decks, balconies, patios, verandahs;
- pathways, paving, driveways or sports courts constructed of a permanent material such as concrete;
- any private road, lane, right-of-way or access way, providing access to a driveway owned by or shared by **you** and for which **you** are responsible;
- fences, gates and free-standing garden walls;
- fixed water tanks, septic tanks and their systems;
- fixed or built-in swimming pools, spa pools and saunas and their systems;
- solar panels and solar heating systems;
- internal or external appliances or fixtures that are permanently plumbed or wired into the building;
- carpets and fixed floor coverings including glued, smooth edge or tacked carpet and floating floors;
- drains, pipes, gas lines, cables and poles for which **you** are legally responsible;
- aerials and satellite dishes that are attached to **your house**.

However, **house** does not include the following:

- land, earth or fill;
- gravel or shingle, including a gravel or shingle driveway, path, patio;
- temporary structures;
- any part of the **house** being constructed, de-constructed or undergoing alterations and which is not suitable for permanent residential use or occupation; any part of the **house** that is used for business or commercial purposes except: where it is used solely as a home office for clerical purposes by **you**, or; **we** agree to that use and it is shown in the **schedule**;
- any part of the **house** that is built for or used for farming purposes or lifestyle purposes whether commercial or not, including but not limited to any shed storing animal feed, machinery or produce, livestock handling yards or shelters.
- any part of the land that is more than 100 metres away from a dwelling or garage used solely for residential purposes, where the home is located on a property greater than 10 acres in size, and is not serviced by a dedicated town mains water supply.
- structure(s) or property not at the situation shown on the **schedule**;
- **retaining walls**; (except where cover is provided on page 9)
- lawns, trees, plants, hedges and shrubs;
- boat ramps, wharves, jetties, landings, pontoons, piers, water based structures, breakwaters and sea walls, flood walls, and levees;
- wind or water mills;
- diesel generators, wind turbines, and other power generation equipment (except solar panels);
- cable cars and associated equipment;
- culverts, dams, bridges;
- wells and bore holes;
- fittings including curtains and blinds;
- household goods and personal effects;
- any neighbouring property owner's share in any residential property, access way, fence(s), or **retaining wall(s)** jointly owned by **you** and other property owners.

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## Insurance claims register

Is an electronic register that holds a central record of claims lodged with participating insurance companies like **us**. These companies can access the claims history of a customer for the specific purpose of checking for fraud.

## Loss

Means physical loss or physical damage which is **accidental**.

## Market value

Means the market value of **your house**, excluding land, immediately prior to the **loss**, as determined by an independent registered valuer appointed by **us**.

## Motor vehicle

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

## Natural disaster

Means an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the **EQC Act**. It does not include any gradual or slow moving slips.

## Natural disaster sum insured

Means the sum specified in the **schedule**.

## Period of insurance

Means the period of insurance shown on the **schedule**.

## Present day value

Means either, at **our** option, of:

- the **market value**; or,
- the depreciated **replacement cost** as assessed by an independent registered valuer appointed by us; or
- the estimated cost of repairing the **loss**, less wear and tear and depreciation, but including the cost of complying with government or local authority by-laws or regulations.

## Rental property

Means a **house** that **you** rented to someone else under a residential tenancy agreement.

## Replacement cost

Means the costs that would be reasonably required to repair, rebuild or replace the damaged part of **your house** to the standard set out in this policy.

## Residential boundaries

Means the part of **your** land on which **your** residential building is located and which is used primarily for residential purposes. It does not include any parts of **your** land which are used for farming or lifestyle purposes, whether commercial or not.

## Retaining wall(s)

Means a wall which has a specific purpose to retain land whether in full or in part except for a wall which forms part of the structure of the residential building or any other building.

## Schedule

Means the latest current policy schedule and any endorsements made to that schedule.

## Tenant and tenants

Means any person or persons renting the **house** from **you** under a residential tenancy agreement.

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## Total Loss

Means that the **loss to your house** is uneconomic to repair, or if the **loss** was caused by a **natural disaster**, that the cost to repair the **loss to your house** exceeds the **Natural Disaster Sum Insured**.

## Uninhabitable

Means that **your house**:

- is no longer a safe or sanitary place for anyone to occupy; or,
- it no longer has a functional bathroom or kitchen; or,
- has been determined by government, local authorities, or **us** to be uninhabitable due to physical damage to **your house** or possible future physical damage to **your house**.

## Unoccupied

Means **you** or a person authorised by **you** is not living or sleeping in **your house** as a residence for a time longer than 60 days.

## Unoccupied excess

Means the additional “unoccupied excess” shown in the **schedule**.

## Unused premium

Means the amount of the premium which relates to the period after the policy has been cancelled as a percentage of the whole.

## We, us, our

Means Ando Insurance Group Limited on behalf of the underwriter(s) noted in the **schedule**

## You and your

Means the person(s) or entity named in the **schedule** as the “Insured”.

## Your family

Means any family member who lives with **you** permanently, and includes:

- **your** husband, wife, partner and/or any person with whom **you** are living in the nature of marriage;
- **your** child or children;
- a student attending a school, university or polytechnic and living away from the **house** while attending the school, university or polytechnic.



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