



Homeowners Insurance Policy Wording

Contract of Insurance and Insurance Agreement

This Policy forms part of Your contract of insurance. Your contract of insurance consists of:

1. This Policy document; and
2. The Schedule which details the cover applying to You and which may be updated from time to time. The Schedule will include any changes to the standard cover described in this Policy; and
3. Your proposal or application form including any written or oral statements or documents made or supplied by You; and
4. Any endorsements added either by way of Schedule or otherwise.

Under this contract of insurance You, as the Insured party, agree to pay the premium(s) stated in the Schedule and Western Pacific Insurance Limited (WPIL) agrees to provide the insurance cover set out in this Policy and according to this contract of insurance.

Some terms used in this Policy have specific meanings. Where words begin with an upper case letter the meaning of those words or terms are set out in the definitions section of this Policy document.

Defined words include any plurals or other derivatives of those words or terms as the context requires.

Headings are used for reference only and are not part of the Policy for interpretation purposes.

Index

	Page
What is covered by this Contract of Insurance	2
Claims and what will be paid	2
What is not covered by this Contract of Insurance	3
Other important information and terms	4
Policy Definitions	6

What is covered by this Contract of Insurance

1. WPIL covers loss, damage or destruction to the house during the period of insurance for which WPIL accepts a premium only when the loss, damage or destruction is caused by:
 - a. Fire, explosion, lightning, storm, flood;
 - b. Riot or labour disturbance or civil commotion;
 - c. Theft, burglary, malicious or intentional damage or vandalism except such damage caused by a tenant, a person living at the house or a person who is lawfully at the house, but where such intentional damage is caused by fire or explosion, the loss will be covered;
 - d. Escape of water or oil or fuel from any domestic water or heating equipment installed in the house;
 - e. Collision by or impact by any vehicle, animal, aerial, fitting, mast, aircraft or other aerial or man-made space vehicle or articles dropping from any of these;
 - f. Opossums entering the house;
 - g. Freezing of any plumbing installation in the house but not including installations external to the house or in any outbuilding or detached garage;
 - h. Burning or damage caused by electrical current.
2. WPIL indemnifies you to a maximum of \$1,000,000.00 for any single accidental event in New Zealand causing damage to property resulting in loss to or liability for you as owner of the house and its residential land but not including damage to property owned by you or in your possession or control or owned or possessed or controlled by any person living at the house, liability in connection with any business or employment, liability in connection with the ownership or use of any vehicle, mechanically driven or otherwise, trailer, boat, aircraft, caravan or implement, liability which exists under an agreement with another person or entity, or the cost of or liability under legal proceedings brought in a court other than a New Zealand court.

Claims and what will be paid

1. If you make a claim under this Policy, part of that claim must be paid by you (the "excess"). The excess is detailed in the Schedule and will be deducted from any amount payable by WPIL under this Policy.

Only one excess is paid by you for each claim or linked series of claims arising from one event causing loss.

If you hold more than one Insurance Policy with WPIL in relation to the house insured, you only have to pay one excess if one event causes loss or damage to the house or other items insured with WPIL by you. The amount of that excess payable will be the highest excess applicable under the relevant Policies held.
2. If anything happens or an event occurs which may result in a claim being made on this Policy, then as soon as you know about that event you must:
 - a. Do as much as you can to minimise any loss or liability and prevent further damage, loss or liability;
 - b. Report any burglary, theft, vandalism or intentional or malicious damage to the police;
 - c. Tell WPIL immediately;
 - d. Do as much as you can to obtain details of any other persons, property, vehicle or any other item involved and also any witnesses involved;
 - e. Tell WPIL immediately if any information or assistance is asked for or any communication or documentation is received by you.
3. Unless WPIL agrees you must not:
 - a. Incur any cost or expense in connection with the claim;
 - b. Dispose of any property which is part of the claim;
 - c. Start repairs or replace any item unless necessary to minimise the loss or prevent further loss as detailed above;
 - d. Negotiate or pay or settle or admit or deny any claim;
 - e. Start any legal proceedings;



- f. Pass or abandoned any item of property or contents or the house to WPIL unless agreed to by WPIL;
- g. Do anything which may prejudice WPIL's ability to defend a claim made against you or to recover any part of any loss from any person responsible.

4. If WPIL so requires you must:

- a. Authorise any other party to provide personal information about you in connection with your claim to us;
- b. Complete any claim form and return it to WPIL within any period requested;
- c. Allow WPIL to inspect the property involved in any claim;
- d. Provide a statutory declaration to confirm the loss or liability claimed and submit to cross-examination under oath if WPIL so requires;
- e. Provide any information or help as WPIL may reasonably require to support the claim.

5. If WPIL accepts a claim, WPIL is entitled to act in your name and on your behalf in relation to that claim at our cost. WPIL can also retain any property that we have paid a claim for or dispose of it and be entitled to keep the proceeds of any sale. WPIL is also entitled to take over any legal rights you may have in relation to the recovery under this Policy for your loss and is able to exercise such rights for WPIL's benefit. Any such action or exercising of legal right will be at WPIL's cost including any amount payable to you but you must agree to assist if WPIL reasonably requires it and provide any information WPIL reasonably requests.

6. **Amount Payable**

The maximum amount payable under this Policy shall never exceed the Sum Insured shown in the Schedule and the excess payable shall be deducted from such maximum amount payable.

Where the basis of valuation cover in the Schedule is shown as the indemnity value of the property, then WPIL will deduct an allowance from any payment for depreciation, wear and tear or deferred maintenance from the house taking into account the age and condition of the house.

Where the basis of valuation cover in this Schedule is shown as the replacement value WPIL will pay the cost of rebuilding or repairing the damaged part of the house using the current equivalent materials and techniques to a condition no better than its condition when new but always limited to the Sum Insured in the Schedule or, if you choose not to rebuild or repair the house within a reasonable time, then WPIL shall only pay the indemnity value as described above, but always limited to the Sum Insured in the Schedule.

What is not covered by this Contract of Insurance

Under this contract of insurance WPIL does not cover loss caused by:

1. Gradual damage.
2. Wear and tear, depreciation, corrosion, rust, rot, mildew or gradual deterioration.
3. Gradual damage to swimming or spa pools, decks, gates, fences, walls, paths, driveways or cladding.
4. Water entering the house following the removal of roofing materials, doors, windows or exterior cladding.
5. Raising, shifting the house or alteration or repair involving the removal of any structural support.
6. Fault, defect, error or omission in design.
7. Loss or damage caused by electricity to fuses, protective devices or lighting or heating elements.
8. Loss or damage arising from subsidence or erosion of land or underground water pressure.
9. Breakage of glass or other fragile material if the glass or material is not securely fixed or which is already damaged or in imperfect condition.



10. Cover for any floor covering which is not in the room where the loss or damage occurs.
11. Loss caused by insects, vermin (other than opossums), action of light or cleaning, repairing or restoring.
12. Loss or damage covered by the Earthquake Commission Act or which would have been covered except for the deduction of any excess or the Earthquake Commission exercising its power to decline a claim for loss or damage.
13. The amount of any excess shown in the Schedule which will be deducted from every claim.
14. Loss caused by any act of terrorism, which means an act including but not limited to the use of force or violence or the threat of force or violence of any person or groups of persons whether acting alone or on behalf of or in connection with any organization or government which, by its nature or context, is done for or in connection with political, religious, ideological, ethnic or similar purposes or reasons, including with the intention to influence any government or to put fear into the public or any section of the public.
15. Loss arising from nuclear weapons, ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste which results from the combustion (including self-sustaining process of nuclear fission) of nuclear fuel.
16. War, invasion, act of foreign power, war-like operations, whether war has been declared or not.
17. Civil war, rebellion, revolution, insurrection, military or usurped power.
18. Confiscation, acquisition, loss or damage by order of any government, local body or authority.

Other important information and terms

1. Disclosure

When applying for insurance, you have a general legal duty of disclosure. You must tell WPIL everything that may be relevant to WPIL's decision to issue, renew or alter this contract of insurance. All statements and representations must be true and correct. All benefits under this Policy will be forfeited if any claim under this Policy is in any respect fraudulent.

If you are not sure whether to disclose a fact to WPIL, you should discuss the situation with WPIL.

2. Breach of Terms

No claim will be payable under this Policy if any person entitled to any benefit under the Policy breaches any of the terms and conditions set out in this contract of insurance.

3. Change of Circumstances

You must advise WPIL of any change of circumstances relevant to the Policy as soon as you are aware of the change of circumstances and any such information which may effect WPIL's decision whether or not to provide insurance to you and on what terms.

A change of circumstance includes, but is not limited to, where the house or use of the house changes to include any business use, whether in whole or in part, and also includes yourself or any person entitled to a benefit under this Policy committing, being charged with or convicted of any criminal offence but not including traffic offences.

4. Reasonable Care and Repair

You must ensure that you take all reasonable steps to prevent loss or damage to the insured property and keep the insured property in good repair.

5. Unoccupied House

Cover under this contract of insurance is suspended immediately if the house has been without an occupant for sixty or more consecutive days unless you have advised WPIL prior to the commencement of the period for which the house is vacant and WPIL has agreed that cover will continue.



6. Sale of House

If you have contracted to sell the house cover under this contract of insurance extends to the purchaser of the house if the purchaser meets the same conditions and obligations that you have under this contract of insurance.

7. 30 Day Grace Period

If you are not happy with the terms of this contract of insurance and notify WPIL within 30 days of cover commencing you are entitled to cancel this contract of insurance and to receive a full refund of your premium.

8. Governing Law

This Policy and the contract of insurance is governed by the laws of New Zealand. Any dispute in relation to the contract of insurance can only be determined by the courts of New Zealand.

9. Payment of Premium

Unless specifically agreed by WPIL in the Schedule, it is acknowledged by you that no cover shall be provided under this contract of insurance until any premium is paid by you to WPIL or an agent nominated by WPIL.

10. Other Insurance Policies

If any other insurance policy is arranged in relation to the house, then you must advise WPIL immediately and if there is any such other policy applicable, then WPIL will only pay out on this policy over and above the amount payable by the relevant insurance company under any other policy.

11. Secured Parties

No security holder is covered by this policy unless WPIL acknowledges this in writing or as detailed in the Schedule to this Agreement.

Payment by WPIL to a party holding a security interest over the property (as advised in writing by you) will meet all of WPIL's obligations under this policy for the loss.

WPIL is authorised to disclose your personal information to any holder of a financial security over the property.

12. Notices

Any notice or disclosure to be given to WPIL by you under this policy must be given in writing to either our head office or our approved agent.

Notice by WPIL to you under this policy will be given by delivery in person or posted to the last postal address advised to WPIL by you.

13. Joint Insured Parties

If you or the insured as detailed in the Schedule is more than one individual then you are each jointly insured and any breach by one individual of those joint persons shall be taken as being a breach by all of them.

Payment under this contract of insurance to any party named in the Schedule shall constitute settlement of all of our obligations under this contract of insurance for any such claim.

14. Cancellation

WPIL can cancel this Policy by giving you 30 days notice which notice period shall start from the day we deliver or post the notice. Any unused premium, on cancellation, will be paid to you on a pro-rata basis.

This contract of insurance can be cancelled by you by giving notice to WPIL and any unused premium will be refunded to you on a pro-rata basis.

15. GST

Any amount to be paid under a claim shall exclude GST only if WPIL can recover the GST amount. Otherwise and any other amount mentioned in this policy shall include GST.

16. Inflation

The Sum Insured will be increased at each renewal of this Policy to reflect WPIL's estimated increase in the insured's consumer costs and inflation may also be a factor in WPIL setting any premium payable by you for cover under this Policy and on any renewal.



Policy Definitions

The words defined below are used throughout this policy. Any other definitions are shown in the section to which they apply.

“House, home, dwelling or property” is the building or residential property owned by you at the situation described in the Schedule and includes:

- a. Garages, other domestic outbuildings, terraces, decks and pergolas; or
- b. Permanent attached fixtures, fittings and accessories; or
- c. Swimming or spa pools or water tank which are permanently installed; or
- d. Septic tanks, heating fuel tanks, drains, pipes and cables which are permanently installed; or
- e. Floor coverings which are permanently glued or fixed in place; or
- f. Patios, retaining walls, driveways, paving, bridges, tennis courts or other domestic improvements of a structural nature

Which are permanently installed:

- g. Fixed or attached cooking, heating, washing, cleaning, security or air-conditioning units or appliances; or
- h. Where specified in the Schedule, contents cover for personal chattels situated in the house.

“Policy” means this policy wording forming part of the contract of insurance between the insured and WPIL.

“Period of Insurance” means the period detailed in the Schedule and any renewal further agreed to by WPIL and for which you pay the applicable premium.

“Schedule” is the most recent and current policy schedule including any expiry notice or insurance renewal issued to you.

“Sum Insured” means the amount shown in the Schedule as being the maximum amount payable by WPIL under this contract of insurance.

“We, us, our and/or WPIL” means Western Pacific Insurance Limited.

“You, your and/or the insured” means the insured person(s) or party named in the Schedule.