



Professionally Managed Holiday Apartments 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
Section A. Accidental and Sudden Damage to Contents	2
Exclusions to Section A.	2
Section B. Rent Cover	2
Section C. Owner's Legal Liability	2
Exclusions to Section C.	3
General Exclusions	3
General Conditions	3
Claims	4
Policy Definitions	5



Section A. Accidental Damage to House Contents

WPIL will cover you for Accidental and sudden damage to the contents at the house.

WPIL will pay:

1. The repair cost, where the item is damaged and capable of being economically repaired; or
2. To replace the item as nearly as possible equal to its condition when new, where the item is lost, destroyed or cannot be economically repaired after deducting the relevant excess as shown in your certificate.

The maximum WPIL will pay for any one claim for damage to the contents is shown in your certificate.

Exclusions

You are not covered for:

1. Wear and tear, depreciation, corrosion, rust, rot, mildew or gradual deterioration.
2. The cost of rectifying any fault, defect, error or omission in
 - a. Design; or
 - b. Manufacture; or
 - c. Assembly.
3. The breakdown, failure or wearing out of any part of any mechanical or electrical equipment unless burning out occurs.
4. Any carpet or floor covering, which is not in the room(s) where the damage happened.
5. Damage, which is covered by the Earthquake Commission Act 1993 or which would have been covered but for:
 - a. The deduction of the excess; or
 - b. The Earthquake Commission exercising its power to decline a claim for that damage.

Section B. Rent Cover

WPIL will cover you for 8 weeks rent following damage by the tenant.

After deducting the relevant excess shown on your certificate.

Section C. Owner's Legal Liability

WPIL will cover you, if you are legally liable as the owner of the house for:

1. Accidental damage to property.
2. Accidental bodily injury.
3. Costs under section 43 or 46 of the Forest and Rural Fires Act 1977.

WPIL will pay damages or costs awarded against you by a New Zealand Court and defence costs up to \$5,000,000 for any one claim.



Exclusions

You are not covered for:

1. Liability arising from any business, trade or profession.
2. Liability arising out of an agreement (except where you would have been liable without that agreement).
3. Liability arising from the ownership or use of any motor vehicle, watercraft, aircraft or other aerial device.
4. Liability arising from the non-compliance with your obligations under the Forest and Rural Fires Act 1977.

General Exclusions

WPIL will not cover you for:

1. Damage to any property by order of any territorial authority or expenses arising from that damage.
2. Anything arising from:
 - a. Nuclear weapons, ionizing, radiation or contamination by radioactivity from nuclear fuel or from any nuclear waste from the combustion or nuclear fuel.
 - b. War, invasion, act of foreign enemy, warlike operations (whether war be declared or not), military or usurped power, civil war, rebellion, revolution or insurrection.
3. Any damage arising or occurring other than at or arising out of the ownership of the premises specified in the certificate.
4. Any damage occasioned by or arising from your willful or wrongful act or with your connivance.
5. Any act of terrorism. Notwithstanding any provision to the contrary, this insurance excludes loss, damage, death, injury, illness, liability, cost or expense or whatever nature directly or indirectly caused by, resulting from or in connection with:
 - a. An act of terrorism regardless of any other case or event contributing concurrently or in any other sequence to the loss, damage, death, injury, illness liability, cost or expense.
 - b. Any action taken in controlling, preventing, suppressing or in any way relating to an act of terrorism.

“An act of terrorism” means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

General Conditions

Care of your property

1. You must take reasonable care to maintain, protect, and prevent damage to your property.
2. You must tell WPIL if there will be no one living at the house for a period of more than 60 days at a time.
3. You must:
 - a) Complete an internal and external inspection of the house at no less than 6 monthly intervals; and
 - b) Complete an internal and external inspection when any tenant changes; and
 - c) if rent is 14 days in arrears, make a visit to the house to determine if your tenant is still occupying the house; and



- d) Keep a property certificate record of all defects and damage discovered during that inspection.

If you do not comply with this condition you cannot bring a claim under Section A of this policy.

4. Tenanting your house

You must exercise due care in the selection of your tenant.

5.

- a. You must:

- i. Collect at least 4 weeks rent in advance from your tenant.
- ii. Send written notification to your tenant for any rent that is 7 days in arrears.
- iii. Make application to the Tenancy Tribunal for an order terminating the tenancy in accordance with the provisions of the Residential Tenancies Act 1986 immediately the rent is 21 days in arrears.

If you do not comply with this condition, you cannot bring a claim under section 2 of this policy.

6. Other Insurances

If you can claim under this policy and another policy, then WPIL will only be liable to pay its rate-able proportion of the claim.

7. Increased Risk

You must tell your broker or WPIL if there are any changes that may increase the chance of a claim under this policy. Additional exclusions, conditions or premium may apply.

8. Cancellation

- To cancel this policy or any cover you must tell your broker or WPIL.
- To cancel this policy or any cover, WPIL must tell you by giving written notice of cancellation to you or your broker. Cancellation will take place at 4pm 30 days later.
- WPIL will refund any premium that is due to you for the unused portion of your period of insurance.

9. Other Interested Parties

If WPIL is advised of any party having a financial interest in your property, WPIL may pay part of all of any claim to that party.

10. New Zealand Jurisdiction

The laws of New Zealand shall apply to this policy and the Courts of New Zealand will have exclusive jurisdiction in respect of any litigation arising out of this policy. Any damages awarded or costs or expenses of litigation outside New Zealand are not covered.

11. Legislative Amendments

Reference to any legislation shall include any amendment or any statutory provision passed in substitution.

Claims

1. If you can claim under more than one section of the Landlord's Insurance with WPIL as a result of one event, WPIL will only deduct the highest excess that applies.
2. Unless WPIL has agreed, you must not:
 - a. Incur any expenses in connection with any claim; or
 - b. Negotiate, pay, settle, admit, or deny any claim.
3. WPIL shall have the right to:
 - a. Restore, replace or pay for any property; or
 - b. Take over any property or deal with salvage in a reasonable way; or



- c. Refuse to pay the claim if:
 - i. It is false; or
 - ii. If you or anyone acting on your behalf knowingly gives any false information.
 - d. Take action in your name:
 - i. In conduct of any proceedings or in the settlement of any claim; or
 - ii. To make a recovery from any other person.
4. If anything happens which gives rise to a claim, you must:
- a. Do as much as you can to take care of and to prevent further damage to your property.
 - b. Tell your broker or WPIL as soon as possible and supply information about the claim.
 - c. Tell the police immediately if you think your property has been lost or damaged by burglary, theft, vandalism, or malicious acts.
 - d. Send your broker or WPIL any letter or other document you receive from anyone else immediately when you receive it.
 - e. Give your broker or WPIL any information or assistance that is asked for.
 - f. Not abandon any property.

Definitions

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

“Application” means the application you made for insurance, or for renewal of insurance, including all information given to WPIL as part of or support of your application, whether by telephone, on paper or electronically.

“Bodily injury” means injury caused solely and directly by violent, accidental, external and visible means.

“Bond” means the amount shown in the tenancy agreement but does not include any rent.

“Contents” means your household goods in the house.

“Damage” means loss of or physical damage and includes malicious damage, vandalism or theft by the tenant.

“Rent” means the amount shown in your tenancy agreement but does not include bond.

“Situation” means the location(s) described in your certificate.

“Tenancy agreement” means the written contract between you and your tenant confirming conditions of rental for the house.

“Tenant” means the person or persons named in the tenancy agreement.

“You and/or Yours” means the named person(s), insured(s) on the Policy Schedule.

“Us, Ours and/or We” means Western Pacific Insurance Limited (WPIL).

“WPIL” means Western Pacific Insurance Limited.