



## Studio and Office 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.

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## What is covered by this Contract of Insurance

Western Pacific Insurance Limited (WPIL) covers Accidental Loss to Insured Property in accordance with the terms of this Policy which occurs at the Location during the Period of Insurance for which WPIL accepts a premium.

### A. WPIL also covers the following additional Losses:

- 1. Motor Vehicle Burglary**

WPIL covers Accidental Loss (to maximum of \$10,000 from any one Event) in New Zealand to Building Contents (except Portable Electronic Equipment) and Stock caused by attempted theft or theft from a motor vehicle only where such attempted theft or theft is accompanied by violence or threat of violence to any person, or which involves violent and forcible entry to, or exit from, a motor vehicle.
- 2. Location Burglary**

WPIL covers Accidental Loss to Insured Property at the Location caused by attempted theft or theft only when such attempted theft or theft is accompanied by violence or the threat of violence to any person, or which involves violent and forcible entry to, or exit from, the Building or a part of the Building.
- 3. Temporary Removal of Building Contents**

WPIL covers Accidental Loss in New Zealand to Building Contents (except Portable Electronic Equipment, unless it is removed for servicing or repair) while Temporarily Removed from the Location including Accidental Loss by theft or attempted theft only where such attempted theft or theft is accompanied by violence or threat of violence to any person, or which involves violent and forcible entry to, or exit from, a Building or a part of a Building or a motor vehicle.
- 4. Additions to Building and Building Contents**

WPIL covers Accidental Loss (to a maximum of the lesser of 10% of the Sum Insured for Buildings or Building Contents, or \$100,000, in any Twelve Month Period) to Buildings and Building Contents at the Location that are acquired by You during the Period of Insurance provided the property is owned by You or You are responsible for it. WPIL also covers appreciation in the value of Buildings or Building Contents as a result of an addition, alteration or improvement but only when WPIL is notified by You within 90 days of the property being acquired by You or such works being completed. Once notified WPIL reserves the right to review the premium payable and alter the Sum Insured.
- 5. Demolition**

WPIL covers Your reasonable costs incurred (only where such costs arise under an accepted claim) to demolish, dismantle, prop up or shore Insured Property, to dispose of debris (including any kind of solid, liquid or gas), to clear, clean and repair gutters and drains, to recover, defend, safeguard, remove, store, and return Stock and Building Contents (whether damaged or Undamaged) and to temporarily repair and/or secure Insured Property to ensure Legislative compliance or to enable use to be continued.
- 6. Portable Electronic Equipment**

WPIL covers Accidental Loss (to maximum of \$5000 for any single item and \$10,000 from any one Event) in New Zealand to Portable Electronic Equipment while away from the Location including Accidental Loss caused by attempted theft or theft only where such attempted theft or theft which is accompanied by violence or threat of violence to any person, or which involves violent and forcible entry to, or exit from, a Building or a part of a Building.
- 7. Employees Personal Property**

WPIL covers Accidental Loss to personal possessions of Your employees and directors (to a maximum of \$5000 per person for any one Event and to a maximum of the Sum Insured for Building Contents during any Twelve Month Period) if the possession(s) are at the Location or elsewhere in New Zealand but only if they are being worn, carried or used by the directors or employees while they are acting in the course of their employment or undertaking director's duties.
- 8. Electric Motors**

WPIL covers Accidental Loss to electric motors and starters not exceeding 3.75kw (5hp) and distribution switchboards and permanently installed electric reticulation at the Location but only where the damage is fusion or burnout that is Immediately Preceded by either the failure of electrical insulation, abnormal electric current or electrically induced self-heating.



**9. Other Fees and Costs**

WPIL covers Your reasonable costs for surveyors, architects, engineers, building consultants, local body fees, legal fees, IT technicians and training consultants used to replace Insured Property following Accidental Loss covered under this Policy but not including any fee for assistance with or in preparing a claim under this Policy.

**10. Costs to Expedite**

WPIL covers the reasonable costs of express freight or couriers and staff overtime to expedite the repair or replacement of Insured Property following Accidental Loss covered under this Policy but only where such costs are approved in advance by WPIL.

**11. Money**

WPIL covers (to a maximum of \$5,000 or the "Special Carry" Sum Insured (during the months specified) for any one Event under 'a)' below and \$1,000 for any one Event under 'b)' below) Accidental Loss of Money provided that the Accidental Loss occurs in any of the circumstances outlined below:

- a. Money in transit, money at the location during normal Business Hours or money at the Location in a securely locked safe or strong-room outside normal Business Hours.
- b. Money at the Location outside normal Business Hours and not in a securely locked safe or strong-room or money at residential premises occupied by you or any director, employee or agent authorised to have possession of the Money.

WPIL will not cover for Loss of Money:

- a. Occurring while the Money is entrusted to any person other than You or any director or executive officer of Yours, any employee or agent of Yours, or any professional money carrier.
- b. Caused by errors in receiving it or paying it out.
- c. Resulting from payment of Money in exchange for any cheque that is subsequently dishonoured.
- d. Caused by theft or fraud by any of Your employees, unless the Loss is discovered within three consecutive Business Days of the act of theft or fraud.
- e. Occurring while the Money is in an unlocked and unoccupied vehicle.

**12. Hazardous Substances Emergency**

WPIL covers (to a maximum of \$10,000 for any one Event) any charge the New Zealand Fire Service is authorised to impose on You in respect of any hazardous substance emergency (as defined in the Fire Service Act 1975) at the Location during the Period Of Insurance but only where there is damage or threat of damage to Insured Property.

**13. Protection and Prevention Costs**

WPIL covers (to a maximum of \$100,000 in any Twelve Month Period) reasonable costs incurred by You in preventing or minimising an imminent Accidental Loss to Insured Property, but only if the imminent Loss would be covered under this Policy if it did occur.

**14. Property Under Construction**

WPIL covers Accidental Loss to Buildings and Building Contents at the Location during the course of construction, installation, demolition or erection of a Building or testing following such works but only where the property is owned, will be owned or will be occupied by You and the completed value of the works does not exceed the lesser of 10% of the Sums Insured for relevant buildings or \$100,000.

**15. Stolen Keys**

WPIL covers (and no excess is payable on) the reasonable costs to open a safe or strong-room and alter or replace locks, keys and combinations that give You access to Insured Property but only if the keys or combinations are stolen or believed (on reasonable grounds) to have been duplicated without proper authority during the Period Of Insurance.

**16. Redundant Foundations**

WPIL covers the loss of value of foundations that are rendered redundant for any reason as a consequence of Accidental Loss covered by this Policy to the Buildings resting on them. If it is not necessary to demolish the redundant foundations, and the presence of them increase the market value of the Location to which they are fixed, then the amount of the market value increase will be treated as salvage and deducted from the amount paid on any claim.



**17. Rewards**

WPIL covers a reward that You offer and pay to successfully secure the return of Insured Property that suffers a Loss but only where the Loss is covered under this policy and You have WPIL's approval in advance to offer the reward.

**18. Social Club**

WPIL covers Accidental Loss to property of any social club and/or sports club or similar as if it were Insured Property but only if the club's activities are only for the benefit of Your employees.

**19. Redundant Plant and Stock**

WPIL covers Loss for redundant interdependent plant or spare parts held exclusively for the relevant Insured Property following Accidental Loss covered under this Policy and WPIL also covers for unavoidable permanent loss of use of Stock as a result of Accidental loss covered under this Policy.

**20. Unharmed Property**

WPIL covers the reasonable cost in damaging, demolishing or removing and subsequently reassembling, repairing or replacing Insured Property that has not suffered Loss if this action becomes necessary when WPIL repair or replace Insured Property that has suffered a Loss but only if the costs are not entirely for Legislative compliance only.

**21. Tenanted Premises**

WPIL covers Accidental Loss to windows and doors, glass, light fittings, power points and floor coverings at the Location but only if You are responsible for repairing them under the terms of Your lease agreement.

**B. Where specified as covered in the schedule (but not otherwise) then Western Pacific Insurance Limited also covers:**

**1. Theft**

WPIL covers (to the maximum amounts set out below) Accidental Loss to Insured Property caused by theft occurring at the Location, in transit or elsewhere in New Zealand but WPIL does not cover Loss for theft from an unsecured motor vehicle. An excess of \$2,500 applies for each Event under this provision, unless a different amount is shown in the Schedule or elsewhere in this Policy.

The most WPIL will pay under this provision B 1. is:

- a. \$5,000 for any one item of Portable Electronic Equipment, and
- b. \$25,000 in total for any one Event occurring at the Location, and
- c. \$10,000 in total for any one Event occurring in transit or elsewhere in New Zealand.

**2. Natural Disaster**

WPIL covers Natural Damage to items of Insured Property but only if the Schedule shows those items are insured for Natural Disaster Cover, the damage occurs during the Period of Insurance and the damage occurs at the Location. The excess shown below for each region (using the relevant territorial authority boundary for definition if need be) applies to all costs arising from any one Event.

1% of the Loss with minimum of \$1,000:

- Northland
- Auckland
- Waikato
- Otago
- Southland

The Districts of Timaru and Waimate

2.5% of the Loss with a minimum of \$2,500:

- Bay of Plenty
- Gisborne
- Hawkes Bay
- Taranaki
- Manawatu-Wanganui
- Nelson
- Tasman
- Canterbury (excluding the Districts of Timaru and Waimate)



5% of the total Sum Insured for Buildings, Building Contents and Stock unless there is a Business Site, in which case the provisions below apply:

- Wellington
- Blenheim
- Marlborough

Where Insured Property is at a Business Site and that Business Site is within the regions of Wellington, Blenheim and/or Marlborough then the Site Excess shall apply to the sum of all Losses caused by the earthquake (including resulting fire) over a continuous 72 hour period at the Business Site.

### 3. Refrigerated Goods

WPIL covers (to a maximum of \$2,500 limited to any one Event) Accidental Loss to Refrigerated Stock at the Location but only where the Loss is caused by breakdown or failure of the refrigeration plant or sudden failure of power supplied by a public utility to the Location or the triggering of an overload switch. WPIL also covers the reasonable cost You incur to avoid or minimise Accidental Loss to Refrigerated Stock that is covered by this provision.

## Claims and what will be paid

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, or may be detailed in the provisions of this Policy detailing specific types of cover, and will be deducted from any amount payable by WPIL under this Policy.

## Claims Procedure

### 1. 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, arson, 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
- f. by You.

### 2. 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 abandon any item of Insured Property to WPIL or any other party 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.

### 3. 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.

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 WPIL 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.

### Reinstatement

When any item(s) of Insured Property is insured for Reinstatement it will be shown in the Schedule. Whenever Reinstatement cover applies, WPIL will indemnify You by reinstating the Insured Property but subject to the following conditions:

#### 1. Location of Reinstatement

Reinstatement must be carried out on the same Location unless this is not in compliance with any Legislation or it is not suitable for Your reasonable requirements (in this case, and provided WPIL agree, Reinstatement may be carried out on any alternative site).

#### 2. Maximum Amount Payable on Reinstatement

The maximum amount WPIL will pay is the amount WPIL would have been liable to pay if Reinstatement had been carried out based on a building that is as similar as possible to the Building that was destroyed and that uses equivalent building materials and techniques currently available and incorporates any alterations necessary for legal or Legislative compliance.

The maximum WPIL will pay if the Insured Property is damaged but not destroyed is the amount WPIL would have been liable to pay had the property been destroyed

#### 3. Compliance with Legislation

WPIL covers Your reasonable costs and expenses incurred in Legislative compliance in calculating the amount payable for Reinstatement but does not cover for work that You had already been required to carry out, loss to or work on Undamaged property or Undamaged parts of property (other than that expressly covered under clauses A 15, A 16 and A 19 in the section entitled 'What is Covered by this contract of Insurance') even if the Undamaged property or Undamaged part comprises a separate building, structure or item of plant or equipment.

#### 4. Reinstatement Not To Apply

WPIL will not pay if repair of the damage is not permissible under any Legislation, or if Reinstatement is not started within a reasonable period of time, or if You do not reinstate the property, or if repair of the damage is not permissible because of the Undamaged portion of the property.

In any case of Reinstatement WPIL will not pay the cost of Reinstatement until the actual costs of Reinstatement have been incurred.

If any of the above applies then WPIL will settle Your Loss on the same basis as if Reinstatement cover had not applied.

#### 5. Rates, Tax and Other Charges

WPIL does not cover payment for any rates, taxes, duty, development or other charge arising out to any capital appreciation or otherwise that is payable for Legislative compliance.

#### 6. Property Valuation

If requested by WPIL You must provide a professional property valuation certificate at the start of each Twelve Month Period. The certificate can be requested for all items of Insured Property that are covered for Reinstatement, must cover the forthcoming Period of Insurance and must contain all information that WPIL asks for.

### Indemnity

If Reinstatement cover does not apply, WPIL will indemnify You by choosing to pay either:

- a. An amount equal to the indemnity value of the Insured Property.
- b. The cost of repairs to restore The Insured Property as near as possible to the condition it was in immediately prior to the Loss.



- c. To replace The Insured Property with property of similar condition.

### Maximum Amount Payable

The most WPIL will pay for any one item is the specific Sum Insured shown in the Schedule for that item and for all items within a category is the total Sum Insured shown in the Schedule for that particular category during any Twelve Month Period unless a different amount is shown elsewhere in this Policy.

### Excess

The excess detailed in the Schedule will be deducted from the amount of the Loss for each single Event except where a different excess figure (including a nil excess) is detailed elsewhere in this Policy.

Where a claim includes theft or burglary of portable video projectors or portable computing devices then the excess to be applied to the total claims is \$1,000 for each of those items or the specific burglary or theft excess shown in the Schedule, whichever is the higher.

### Video Data Projectors and Computing Devices

WPIL will pay the indemnity value only for video data projectors and portable computing devices over two years of age even if Reinstatement cover has been specified for Insured Property.

### Sub Limits

The most WPIL will pay under this Policy is the amount specified in this Policy or the amount specified in the Schedule, whichever is the higher.

### Reinstatement of the Sum Insured

Following WPIL paying on a claim under this Policy, WPIL will reinstate Your Sum Insured and Western Pacific Insurance Limited can ask You to pay an additional premium.

### Payment on Account

WPIL will make interim payments on a claim if evidence can be produced to the satisfaction of WPIL that a claim is payable under this Policy.

### Seasonal Stock Adjustment

If stock is included in the Insured Property then the Stock Sum Insured is automatically increased for October, November and December in each Twelve Month Period (or any other months as specified in the Schedule) using the percentage shown in the Schedule.

### EQ Cover Contribution

If Insured Property has insurance cover under EQ Cover (NZ EQC – Earthquake Commission) You must claim under EQ Cover insurance before any claim can be made under this Policy.

## What is not covered by this Contract of Insurance

### A. Under this contract of insurance WPIL does not cover Loss to Insured Property caused by:

- Gradual damage.
- Wear and tear, depreciation, corrosion, rust, rot, mildew, gradual deterioration/deformation/distortion, scratching, marring or warping.
- Fault, defect, error or omission in design.
- Loss or damage Immediately Preceded by interruption to the supply of electricity or other energy or fuel to the Location or change in any artificially controlled atmosphere or air temperature or by interruption in part or in full of any process or work (other than as expressly covered at Clauses A8 and B3 in the section entitled 'What is Covered by this contract of Insurance').
- Subsidence, landslip, expansion or erosion of land or underground water pressure.
- Normal settlement, shrinkage, or expansion of buildings, foundations, walls, pavements, roads and other structural improvements.
- This Policy does not insure loss, liability, prosecution or expense of any type in connection with confiscation, nationalisation, requisition or destruction of, or damage to property by

order of government, public or local authority (unless the order is given to control any Accidental Loss that is covered by this Policy).

- Theft (other than as expressly covered at Clauses A1, A2, A3, A6, A11, A15, and B1 in the section entitled 'What is Covered by this contract of Insurance').
- Loss caused by shortages arising from accounting or clerical mistakes, unexplained disappearances, shortages revealed by an inventory being taken, theft or fraud by You or Your employees, any fraudulent undertaking or device or any false pretences by You or anyone else (other than as expressly covered at Clause A11 and A15 in the section entitled 'What is Covered by this contract of Insurance').
- Insects, vermin, pests, micro-organisms, action of light or cleaning, repairing, maintaining or restoring Insured Property.
- Insured Property being exposed to weather conditions when that Insured Property is not designed for such exposure but cover will apply if all reasonable precautions have been taken to ensure such Loss does not come from such exposure.
- A Building or structure being effected by mould, fungi, rot, mildew, decay, micro organisms, bacteria, gradual deterioration, protozoa or the like and which is caused either directly or indirectly by non-compliance with Legislation, defects in design or specifications, defective materials or faulty workmanship and when the building or structure was originally constructed, manufactured, repaired, renovated or by way of maintenance. This exclusion includes not only Loss but any liability, expense or penalty by way of prosecution but specifically does not exclude Loss caused by or arising from leaking of external water systems, cisterns, or pipes.
- WPIL does not cover loss or damage covered by the Earthquake Commission 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.
- WPIL does not cover any kind of consequential loss including e.g. financial loss occurring following the loss of Insured Property including not covering loss suffered through loss of use of any property, delays, market loss or any penalties (other than as expressly covered at Clauses A16 and A19 in the section entitled 'What is Covered by this contract of Insurance').
- Fixing up faulty workmanship or any work formed to a faulty design plan or specification, repairing or replacing faulty materials used or any plant being altered or modified to incorporate the use of more environmentally friendly products or processes but not including any Loss to which cover applies under this Policy arising as a result of any of these matters which will be covered by WPIL.
- Mechanical or electrical breakdown or failure of any Machinery, unless the Loss or damage originates completely outside of the Machine and which then results in the mechanical or electrical break down of the Machine (but excluding break down caused by any error in operating, programming or setting of the Machine or by foreign object including a part of the Machine being drawn into the Machine or incorrect service or maintenance of the Machine). WPIL will cover Accidental Loss caused by explosion or fire to separately identifiable parts or the Machine or to any other separate Insured Property which may result from the mechanical or electrical break down of the Machine.
- Collapse, cracking, overheating, leaking, generation of fluid pressure or vacuum, explosion, rupture or bursting of a boiler or Pressure Vessel. WPIL will cover Accidental Loss caused by explosion or fire to separately identifiable parts of the boiler or Pressure Vessel or to any other separate Insured Property which may result from the mechanical or electrical break down of the boiler or Pressure Vessel.
- Loss of or damage caused by or associated to a Computer Virus to Electronic Information, and any liability arising from this and including not covering loss of use, reduction in functionality or any other associated Loss or expense in connection with the Electronic Information, but WPIL does cover resultant physical damage to other Insured Property, which is not otherwise excluded.
- Loss of Insured Property that is in transit (other than as expressly covered at Clauses A1, A3 and A6 in the section entitled 'What is Covered by this contract of Insurance'), unless the Insured Property is at the Location.
- Loss of Insured Property undergoing any Production Process, unless the Loss is caused by the abnormal operation of that process.
- Loss, liability, prosecution or expense of any type in connection with contamination, pollution or seepage.

- The amount of any excess shown in the Schedule which will be deducted from every claim.
- 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.
- Loss, prosecution or expense of any type connected with earthquake, underground fire, tsunami, volcanic activity and hydrothermal or geothermal activity (other than as expressly covered at Clause B2 in the section entitled 'What is Covered by this contract of Insurance').
- 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.
- War, invasion, act of foreign power, war-like operations, whether war has been declared or not.
- Civil war, rebellion, revolution, insurrection, military or usurped power.
- Confiscation, acquisition, loss or damage by order of any government, local body or authority.

**B. Under this contract of insurance WPIL does not cover Loss to the following types or status of Insured Property:**

- Insured Property during installation, construction, erection, demolition or subsequent testing (other than as expressly covered at Clause A.14 in the section entitled 'What is Covered by this contract of Insurance').
- Unless specifically referred to in the Schedule as being covered WPIL does not cover Loss incurred on road or railway bridges, dams, reservoirs, or canals, standing timber, growing crops or live plants, road or railway tunnels, trees or hedges, livestock, docks, piers, wharves, mining property located below ground level, any land (including topsoil and backfill) or any living creature.
- Motor vehicles or other mechanically or electrically propelled vehicles (including railway locomotives and rolling Stock), watercraft of any kind, aircraft of any kind, accessories in or on any of such vehicles or craft unless part of Your Stock and at the time of loss or damage they are not being used and are at the Location.
- Jewellery, precious stones, furs, precious metals or bullions unless part of Your Stock or as part of Your plant or Machinery.

## 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 Western Pacific Insurance Limited or your broker.

**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 or renew insurance to You and on what terms.



A change of circumstance includes, but is not limited to, 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 or any other matter which may increase the risk insured by this Policy or alter the risk insured by this policy.

**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. Governing Law**

This Policy and the contract of insurance are 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.

The terms and conditions of this Policy are always subject to the provisions of the Insurance Law Reform Act 1977 and the Insurance Law Reform Act 1985 including Your rights contained in those two Acts.

**6. 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.

**7. Premium Adjustments**

Where a premium for this policy has been calculated using estimated figures, then that premium is a provisional premium only for the applicable Twelve Month Period.

Within 3 months of the expiry of the applicable Twelve Month Period, You must tell WPIL what the actual figures are. WPIL will re-calculate the actual premium based on those actual figures.

Any difference between the actual and the provisional premiums will either be payable to WPIL or refunded to You following an actual calculation. If a refund is payable it will be limited to a maximum of 50% of the provisional premium calculated.

**8. Other Insurance Policies**

If any other insurance policy is arranged in relation to the Insured Property, 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. This provision does not apply to Clause A21 in the section entitled 'What is Covered by this contract of Insurance).

**9. Secured Parties**

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

Payment by WPIL to a party holding a security interest over the Insured Property (as advised in writing by You) will meet all of WPIL's obligations under this Policy for the Loss.

Western Pacific Insurance Limited is authorised to disclose Your personal information to any holder of a financial security over Insured Property.

**10. Notices**

Any notice or disclosure to be given to WPIL by You under this Policy must be given in writing to either WPIL's 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.

**11. 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.



## 12. Cancellation

WPIL can cancel this Policy by giving You 30 days notice which notice period shall start from the day WPIL delivers or posts 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 subject to any minimum premium be retained by WPIL.

## 13. Amendment

WPIL can amend this contract of insurance by giving You 30 days notice which notice period shall start from the day WPIL deliver or post the notice.

Any amendment to this contract of insurance proposed by You will only take effect if agreed to in writing by WPIL.

## 15. GST

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

## 17. 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.

## 18. Stock Declarations (in relation to Stock as detailed in the Schedule only)

The premium charged on Stock is provisional and represents 75% of the full premium payable for that item. At the end of each Twelve Month Period WPIL will adjust the provisional premium in accordance with the following terms:

- a. A declaration of the actual value of Stock held by You on the last Business Day of each month must be provided to WPIL within six weeks of that date.
- b. WPIL's limit of our liability for that Stock is the Sum Insured for that Stock. If a monthly declaration exceeds the Sum Insured, then WPIL will adjust the declaration back to the Sum Insured for the purpose of calculating Your Stock averages.
- c. If no declaration is received for any month, the Stock Sum Insured will apply for that month.
- d. The average of the monthly declarations will be calculated at the end of the Twelve Month Period and the final premium payable will be assessed on the greater of that average or one half of the Sum Insured on Stock.
- e. The actual premium will then be calculated by WPIL based on the actual figures.
- f. If You fail to make at least 75% of the declarations during the Twelve Month Period, this clause 10 will cease to apply and the premium will be calculated on the full Sum Insured and a premium will be calculated on that basis.
- g. Depending on the outcome of the adjustment, the difference between the actual and the provisional premiums will either be payable to WPIL by You or refunded to You.

## Policy Definitions

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

**"Accidental"** means unintended and unexpected by The Insured.

**"Building"** means buildings, walls and retaining walls, fences, gates, underground and over-ground services, permanently fixed signs, plate glass forming part of the building, other improvements made to the Location including roads, ornamental flora, gardens, landscaping, paths and yards and also includes permanent fixtures and fittings of a building including permanently installed security cameras.

**"Building Contents"** means those items contained within a Building including plant contents, Machinery, fittings and furnishings, business fixtures not owned by You but in Your possession and under Your control and improvements made to the Building by tenants.

**"Business Days"** means those days for which Your business is usually open or operational.



**“Business Hours”** means those hours during which You, Your managers or employees are on Your business premises for normal business purposes or any employees or Your business are entrusted with the control or responsibility of Money.

**“Business Site”** means a location where Insured Property is located and utilised to achieve a common business purpose at that location.

**“Business”** means your business as described in the Schedule.

**“Computer Virus”** means unauthorised instructions or code of a harmful, corrupting or other nature and including maliciously introduced unauthorised code and/or instructions (whether programmatic or otherwise) and which infiltrate or propagate themselves through a system or network of computers of any nature and includes but is not limited to Worms, Trojan Horses, and Time of Logic Bombs.

**“Electronic Information”** means information concepts or facts transformed or converted to a form that can be communicated, interpreted or processed by electromechanical data processing or other electronic equipment and includes instructions for processing, software, programs and other instructions used to process, manipulate or amend information, data or such electronic equipment.

**“Event”** means a single event or a series of events arising from one original cause or source.

**“Immediately Preceded”** means that Event occurring sequentially immediately prior to the Loss whether a single Event or, if a chain of Events, then the last Event prior to the Loss.

**“Insured Property”** means property owned by You (whether solely or jointly with others) or property (but not Buildings) in Your possession or under Your responsibility and also including property categorised in the Schedule, Buildings, Building Contents, Stock and any other tangible property but does not include Money.

**“Legislation”** means any building Legislation, any other legislation, legislation or bylaws promulgated by any Act of the New Zealand Parliament or by any local or regional authority.

**“Location”** means the location or locations referred to in the Schedule.

**“Loss”** means physical damage or physical loss, which occurs during the Period Of Insurance.

**“Money”** means (in relation to Your business only) currency notes, coins, bank notes, bank cheques, bank drafts, money orders, cheques and travellers cheques, phone cards and other prepaid cards, negotiable instruments, credit card vouchers, unused stamps and redeemable vouchers or tokens.

**“Machine”** means any product or device which directs or converts movement or energy or performs an electronic process and includes an ancillary protective part or component of such a product or device.

**“Natural Damage”** means damage resulting directly from a natural disaster such as earthquake, subterranean fire, volcanic eruption, tsunami, geothermal activity, hydrothermal activity, or fire caused by any of these and measures taken under proper authority following any of these to reduce the impact of them or prevent damage spreading.

**“Portable Electronic Equipment”** means mobile telephones, portable computer devices and video data projectors.

**“Pressure Vessel”** means those parts of any Insured Property including all controls, systems (but not part of a Building) and integral parts that are subjected to intentionally generate fluid pressure or vacuum.

**“Production Process”** means a process which produces, treats or services goods.

**“Period of Insurance”** means the period detailed in the Schedule and any renewal further agreed to by Western Pacific Insurance Limited and for which You pay the applicable premium.

**“Policy”** means this policy wording forming part of the contract of insurance between The Insured and Western Pacific Insurance Limited.

**“Revenue”** means monies paid to You or money billed by You for work done or services provided by You as part of Your Business Operation.



**“Reinstatement”** means either replacement with a Building or plant equivalent to that destroyed where Insured Property is destroyed or restoration of the damaged part of the property to a condition that is substantially the same as, but not better nor more extensive than, its condition when new, if Insured Property is damaged but not destroyed.

**“Site”** means a piece of land owned by You or occupied by You.

**“Site Excess”** means, in relation to the Business Site, 5% of the total insured value of all Insured Property under this Policy.

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

**“Stock”** means trading Stock and materials in trade.

**“Sum Insured”** means the amount shown in the Schedule as being the maximum amount payable by WPIL under this contract of insurance, either in relation to a Sum Insured specifically for a particular item or category or cover, or as a total Sum Insured as the context requires.

**“Twelve Month Period”** means the Period of Insurance unless Your premium is paid quarterly or monthly or if the Period of Insurance is more than twelve months then the Twelve Month Period is any Twelve Month Period commencing from the date this policy commenced and each Twelve Month Period thereafter.

**“Temporarily Removed”** means Building Contents removed from their original location by You for a specific purpose and intended to be returned to that original location once that specific purpose has been serviced.

**“Undamaged”** means, in relation to an Event that would normally be covered by this policy, not directly physically damaged.

**“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.