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HOUSE INSURANCE

INTRODUCTION

Thank you for purchasing insurance from The New India Assurance Company Limited.

Your insurance policy:

Your insurance policy consists of:

- 1 **Your** proposal and any other information **you** supplied **us**
- 2 The House Policy wordings below that **you** have selected, and are shown in the **schedule**
- 3 The policy **schedule**

Premium

Once **you** have paid, or agreed to pay, the premium, **we** will insure **you** on the terms set out in each policy wording.

Your satisfaction guaranteed

We will give **you** a full refund of **your** premium within the first 30 days, if **you** are not completely happy with the policy wording. **You** will not be able to claim under that policy if **you** request a refund during this period.

Your duty of disclosure

When arranging this insurance, **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

- Whether to accept **your** proposal, and
- If so, on what terms.

Examples of what **you** must tell **us** include:

- Anything that increases the risk of a claim
- Any criminal offending or convictions
- Any previous insurance claims

- Any refusal by another insurer to insure **you** on standard terms, or to continue to insure **you** on standard terms.

You must also tell **us** this every time each policy renews, and when **you** make any changes to them.

If **you** fail to do this, **we** may avoid the policy back to when it started as if **you** were never insured at all.

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

DEFINITIONS

The words (and any derivatives) marked in **bold** throughout the policy wordings are defined as follows:

Act of terrorism means an act, including but not limited to the use of force or violence and threat of any person or group, whether acting alone or on behalf of or in connection with any organisation or government that 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 part of the public in fear.

Accidental means unexpected and unintended by **you**.

Bodily injury means **accidental** death of or bodily injury to, any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.

Business means generating income or revenue by carrying on any business trade or profession or by providing any goods or services.

EQ Cover means the insurance provided for the **house** by the Earthquake Commission Act 1993.

Event means a single event or series of events that have the same cause.

Excess the amount shown in the **schedule** that we do not pay.

Family means any family member that permanently resides with **you**.

House means the residential dwelling that **you** own at the **situation** and includes:

- Any driveway or bridge which is of permanent construction and provides access to the **house** or its garage or carport or parking area;
- Garage, carport, glasshouse or outbuilding;
- Garden wall, retaining wall, gate, fence or deck;
- Patio or path or paving or tennis court which is of permanent construction;
- Permanently installed water tank or swimming pool or spa pool;
- Any other structure which is permanently fixed or installed and which is not excluded by this policy;
- Underground or overhead service (including any which **you** do not own but which **you** are responsible for under an agreement with the supplier of the service or utility which uses it);
- Floor covering which is permanently fixed or glued in place;

- Fixed or built-in cooking, heating, washing, cleaning, security or air-conditioning appliance.

House does not include:

- Any part of the **house** which is mainly used for **business**;
- Any part of the **house**, which is not fully constructed and suitable for normal residential use or occupation, unless specific cover is provided under the New Building Work cover.
- Any temporary structure;
- Any tree, bush, hedge or live plant;
- Any shade house or tunnel house;
- Any wharf, pier, landing or jetty;
- Any dam, reservoir or culvert;
- Any land, earth or fill.

Loss means physical loss or physical damage.

Market value means the reasonable cost to purchase an identical item second hand in New Zealand of equivalent age, quality and capability, and in the same general condition.

Period of insurance means the duration shown in the **schedule**.

Schedule means the most recent Schedule issued under this policy.

Situation means the location shown in the **schedule**..

We/us/our: The New India Assurance Company Limited.

You for the House Policy means the 'Insured' named in the **schedule**.

YOUR HOUSE

What is covered

We cover sudden **accidental loss** to **your house** during the **period of insurance**.

When cover changes

1 Without any occupant

Cover under this insurance will be automatically suspended as soon as the **house** has been without an occupant for more than 90 consecutive days, **UNLESS you** have given prior notice to **us** and received **our** written acceptance, that cover will continue. Cover will resume as soon as the **house** is occupied again.

We may, if **we** choose, change the terms of this insurance if **you** give **us** notice that the **house** will be without an occupant for more than 90 consecutive days.

2 Tenancy cover - If the house is not occupied by you

If **your house** is let, lent, leased, rented or tenanted, to someone else then:

- Any claim on this policy is subject to the special **excess** specified in the **schedule**.
- Any fixtures and fittings insured by this policy are covered for their **market value** only.
- **We** will cover any of these owned by **you** which are left in the **house**:

- Floor coverings which are not permanently fixed or glued in place;
- Curtains; blinds; drapes.

These are covered for their **market value** only, and the most **we** pay in total for any **event** is \$5,000 (including GST), unless a higher amount is shown in the **schedule**.

Additional cover

We also pay for the following.

1 Demolition and professional fees

We pay for any of these if they are necessarily and reasonably incurred to repair or replace the **house** after a **loss** covered under this policy. Payment is in addition to any payment made to repair or replace the **house**:

- Demolition and removal of debris and contents.
- Architect's, engineer's and surveyor's fees;
- Up to \$2,000 (including GST) to restore or reconstruct any part of the garden or lawn at the **situation** which is damaged or destroyed;
- Compliance costs with Government or local authority by-laws or regulations provided that:
 - **We** pay the cost of compliance for only that part of the **house** which has suffered **loss** covered by this policy; and
 - The **house** complied with all requirements which existed at the time it was originally built and at the time of any alteration; and
 - **We** do not pay if notice of non-compliance has already been given to **you** before the **loss**.

2 Floor covering costs:

Where there is a **loss** to floor coverings covered by this policy, **we** pay for all the floor coverings in the room or rooms that the **loss** occurs. We do not pay for any other rooms.

3 Keys and locks

We will pay up to \$1,000 to **replace** or alter locks, if keys, or equivalent devices, to the **house** are:

- stolen, or
- there are reasonable grounds to believe that they have been duplicated without **your** permission

during the **period of insurance**.

If **you** also have this cover under **your** Contents Insurance with **us**, **you** can only claim this benefit once under both policies.

4 Gradual Damage

We pay **your** reasonable costs, up to \$5,000, for gradual damage, mildew, or mould or rot caused by water which **accidentally** leaks or overflows or is discharged during the **period of insurance** from any of these installed at the **situation**:

- Internal water pipe or internal waste disposal pipe;

- Bath; shower; basin; sink; toilet; cistern; bidet; internal water tank;

We will only cover **you** for gradual damage, if you have taken steps to minimise the **loss**, as soon as it is discovered.

We do not pay for gradual damage, mildew, mould, or rot:

- To any water tank, cistern, swimming pool or spa pool; or
- Which **you** could have reasonably discovered at the time **you** purchased the **house**.

5 Alternative Accommodation

We pay **your** reasonable costs, for up to 6 months and up to \$15,000, for **your** alternative accommodation, and the boarding out of any **domestic pet** which **you** normally keep at the **situation** while the **house** is not fit to be lived in because it is being repaired, or replaced resulting from a **loss** covered under this policy.

We may deduct an amount equivalent to any rebate or saving made on rental, power, gas, or any other regular household outgoing.

We will not pay for:

- Costs that **you** would normally claim on contents insurance. If that insurance is with **us**, **we** will pay under **your** contents insurance policy;
- Costs which **you** can recover from any other source;
- Costs of alternative premises for the operation of any **business**.

6 Loss of Rent

We will pay **you** lost rent of up to \$15,000 if **your house** is rented to a tenant when the **loss** covered by this policy occurs, and becomes uninhabitable.

7 Security System

If **your house** is fitted with an alarm or a security system approved by **us**, and it is activated during a break in or attempted break in during the **period of insurance**, **we** will pay the reasonable cost to reset or reprogram it, up to \$500.

We will not pay any call -out fee or similar charge by any monitoring service or security service that results from the alarm or security system being activated in any other circumstance.

8 New Building Work

We will pay up to \$10,000 for any new structure being built and materials on site at the **situation** if **you** own it, or if are responsible for it, provided that it would be covered under this policy when complete.

We will only cover sudden **accidental loss** during the **period of insurance** caused by:

- Fire, explosion, or lightning;
- Storm or flood, but not exposure to normal weather conditions;
- Riot or labour disturbance;
- Aircraft or other aerial or spatial device or articles dropped from them;
- Impact by any vehicle or animal.

We will not cover structures:

- Involving altering or adding to any part of the existing **house**;

- Involving excavation more than 1 metre deep;
- Not approved under the Building Act 2004.

9 Electrical or electronic breakdown

We will pay for sudden **accidental loss** during the **period of insurance** caused by electrical or electronic failure or breakdown where actual burning out occurs.

We will only pay the **market value** of any equipment, which is more than 10 years old.

10 Natural Disaster

We will pay for sudden **accidental loss** during the **period of insurance** to the **house** caused by:

- Earthquake, volcanic eruption, hydrothermal activity, geothermal activity, tsunami;
- Natural Landslip as defined under **EQ Cover**.

If the **loss** is covered under **EQ Cover**, **we** only pay:

- In excess of that cover, and
- A maximum of the difference between that cover and the sum insured shown in the **schedule**.

We do not pay for any excess, which applies to **EQ Cover**. **We** do not make any payment for the **loss** if, for any reason, **EQ Cover** is not paid, or not payable.

What is not covered

We will not cover:

- 1 **Loss** caused by water entering the **house** because any of these have been removed, roofing materials, exterior cladding, door or window, or
- 2 **Loss** caused by raising or moving the **house**, alteration or repair involving the removal of any structural support to the **house**.

3 **Loss** caused by:

- 3.1 Insects or vermin, other than opossums;
- 3.2 Cleaning, repairing or restoring;
- 3.3 Wear and tear;
- 3.4 The effects of light;

However, **we** cover any subsequent **loss** that results to another part of the **house**, provided the subsequent **loss** is not excluded by this policy. **We** do not pay the cost to locate or remedy the cause of the original **loss**, unless cover is provided under the Gradual Damage additional cover.

4 **Loss** involving:

- 4.1 Corrosion or rust
- 4.2 **Loss** which occurs gradually, unless cover is provided under the Gradual Damage additional cover
- 4.3 Mildew, mould, rot, or any **loss** connected with any of these, unless cover is provided under the Gradual Damage additional cover.

- 5 **Loss from:**
- 5.1 Earthquake, volcanic eruption, hydrothermal activity, geothermal activity or tsunami, unless covered by the Natural Disaster additional cover
 - 5.2 Movement, settlement, shrinkage, or expansion of land, unless covered by the Natural Disaster additional cover
 - 5.3 Subsidence or erosion of land
 - 5.4 Underground water pressure
 - 5.5 Burglary, theft, or intentional damage by any tenant, or any person living at the **house**, or any person who is lawfully at the **house**, unless the intentional damage is fire
 - 5.6 Scratching, denting, or chipping, unless it is a result of any burglary, theft, intentional damage, earthquake, volcanic eruption, or impact from a vehicle or animal
 - 5.7 The breakdown, failure or wearing out of any part of any mechanical or electrical equipment, unless covered by the Electrical or Electronic Breakdown additional cover.
 - 5.8 Remedying any faulty material, workmanship or design.
- 6 Any cost or expense **you** incur or any rent not received because the **house** cannot be occupied, unless cover is provided under the Additional Cover above.

What you will receive

We pay up to the sum insured shown in the **schedule** for an **event**.

We will deduct **your excess** from the amount of the **loss**.

1 If **house** repairable

If **you** repair **your house**:

- **We** will pay the reasonable cost to repair **your house** to a similar condition to when it was new. **We** will use current materials and building methods;
- **We** will also pay any Government or local authority bylaws or regulation compliance costs. **We** will only pay those costs for the damaged portion of **your house**, providing that it complied with all Government or local authority bylaws or regulations that existed when **your house** was built.

If you do not repair **your house**, **we** will pay the **market value** of **your house**.

Once the **house** is repaired, **we** will automatically reinstate this cover at no extra charge.

2 If **house** not repairable

- 3 If **your house** is not repairable, **we** will pay the reasonable cost to replace it with a new one at the **situation**. **We** can choose to either replace it, or pay **you** the cost to replace it.

You may rebuild **your house** at a different location if **your house** is destroyed. **We** will not pay more than **we** would have paid if it was rebuilt at the original location.

If **you** replace the **house**, this policy ends and no premium is refundable for the unexpired portion of the **period of insurance**.

If **you** choose not to replace it, **we** pay its **market value**, plus the reasonable cost of demolition and removal of debris.

YOUR LEGAL LIABILITY

What is covered

We will cover **your** legal liability in connection with **your** ownership of **your house** resulting from any:

- 1 **Accidental bodily injury** to any person;
 - 2 **Accidental loss** to property owned by someone else
- that happens at the **house** or **situation** during the **period of insurance**.

We will also pay **your** legal costs and expenses that **we** agree to pay.

Additional cover

Forest and Rural Fires Act Cover

We will also cover any amount which **you** are legally required to pay under section 43 or sections 46 or 46 A of the Forest and Rural Fires Act 1977 in connection with an **accident** at the **house** or **situation** that happens during the **period of insurance**.

We cover this whether or not there is any **loss** to property.

What is not covered

We will not cover liability:

- 1 For **loss** to property which **you** own or which is in **your** ownership or control.
- 2 For **loss** to any property which is owned by any person who is living at the **house** or who has any interest in the **house**, or land which belongs to it at the **situation**.
- 3 For **bodily injury** to **you**, or to any person who is living at the **house** or who has any interest in the **house** or any land at the **situation**, or who has a family or **business** relationship with **you**.
- 4 For **bodily injury** covered by the Accident Compensation Corporation.
- 5 For any **business**;
- 6 For owning or operating a lift.
- 7 In connection with the ownership or use of motor vehicles (unless a garden implement for home use); motorcycle; moped; mini bike; go-kart; go-ped; (unless it is an electric mobility scooter for personal use); caravan; trailer.
- 8 In connection with the ownership or use of any of these (unless it is a model or toy which is not able to carry more than its own weight):
 - aircraft or any other aerial device;
 - boat or watercraft powered by motor or sail.
- 9 Assumed by agreement where there would be no liability without that agreement.
- 10 Any fine, or any punitive, exemplary or aggravated damages, which a court awards against **you**.
- 11 The cost of defending legal proceedings brought in any court outside New Zealand, and the cost of any judgment against **you**, or any other associated costs or damages.

- 12 In connection with any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination happens during **your period of insurance** and is caused by a sudden **accidental event** which happens during the **period of insurance**.

What you receive

The maximum amount **we** will pay for any claim or series of claims arising from an **event** is:

- \$2,000,000 for liability for **loss** to property and/or **bodily injury** to any person
- \$100,000 for liability under the Forest and Rural Fires Act 1977.

We will deduct the **excess** from any amount payable.

If **you** and any other person claim for **liability** that results from **one event**, **we** cover **you** first.

CLAIMS CONDITIONS

Making a claim on this insurance

You must:

- 1 Tell **us** as soon as **you** are aware of any **loss** or liability covered under any policy wording
- 2 Complete **our** claim form in full if requested
- 3 Allow **us** to investigate and inspect the **loss** or liability
- 4 Provide any other information or assistance which **we** need
- 5 Give **us** permission to obtain personal information which relates to **your** claim held by any other party
- 6 Forward to **us** all relevant information and correspondence
- 7 Provide a statutory declaration to verify the **loss** or liability if **we** request it
- 8 Lay a complaint with the Police if **you** suspect burglary, theft, arson or intentional damage
- 9 Minimise **your loss** or liability, and try to avoid any further **loss** or liability
- 10 Take reasonable steps to obtain details of any other person, property or vehicle involved, and any witnesses.

You must not:

- 11 Dispose of any property that **you** intend to claim for under a policy wording
- 12 Start any repairs without **our** permission unless it is necessary to prevent further **loss** or liability
- 13 Admit responsibility for any **loss** or liability
- 14 Say or do anything which may prejudice **our** ability to defend any claim made against **you**, or make recovery for the **loss** from any other person who may be responsible for it.

After you have made a claim

After **you** have made a claim:

- 1 **We** have the sole right to act in **your** name and negotiate, defend or settle any liability on **your** behalf at **our** own expense.

We may pay the maximum amount payable under any liability section (or any lesser amount for which the liability can be settled), plus the legal costs and expenses incurred to date. This meets **our** obligations under the liability section in full.
- 2 We may take over in full any legal right of recovery that **you** have.
- 3 If any lost or stolen property for which **we** have paid a claim is later found or recovered, **you** must:
 - 3.1 Tell **us** immediately, and
 - 3.2 Hand the property over to **us** if **we** request it.
- 4 **You** must reimburse **us** if **you** receive any money from any person ordered to make reparation to **you**.

Dishonest or fraudulent claims

If **your** claim is dishonest or fraudulent in any way, **we** may decline your claim, wholly or partially and, at **our** discretion, declare that this policy is unenforceable from the date of the dishonest or fraudulent act.

GENERAL EXCLUSIONS

- 1 **We** will not cover **loss** or liability caused directly or indirectly by:
 - 1.1 war, invasion, act of foreign enemy, warlike operations (whether war has been declared or not); civil war, rebellion, revolution, insurrection, military or usurped power
 - 1.2 nuclear weapons materials, ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear wastes which result from the fusion or fission of nuclear fuel
 - 1.3 confiscation, nationalisation, or requisition by the order of Government, local body, or authority, unless it prevents a **loss** for which a claim would otherwise have been covered under this policy
- 2 **We** will not cover **loss** or liability caused directly or indirectly by earthquake, volcanic eruption, hydrothermal or geothermal activity, tsunami, or any **event** where cover is provided under the Earthquake Commission Act 1993, except as provided by the Natural Disaster Damage additional cover
- 3 **You** are not insured for **loss** or liability connected in any way with loss or damage to **electronic data** and any liability arising from this, directly or indirectly caused by, or in connection with, a **computer virus**. This includes the loss of use, reduction in functionality or any other associated loss or expense in connection with the **electronic data**.

- 4 **You** are not insured for loss, damage, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:
- An **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, death, injury, illness, liability, cost or expense.
 - Any action taken in controlling, preventing, suppressing or in any way relating to an **act of terrorism**.

GENERAL CONDITIONS

Comply with the policy

You must meet the following conditions **BEFORE** **we** are obliged to cover **you**:

- 1 **You** must comply with all the policy terms, and
- 2 All statements and answers, whether by **you** or anyone else, must be true when **you**:
 - 2.1 apply for this insurance, and
 - 2.2 notify **us** regarding any change in circumstances, and
 - 2.3 make any claim under this policy.

Cancellation

You may cancel the policy by giving **us** notice. **We** will refund to **you** the unexpired portion of any premium **you** have already paid to **us**.

We may cancel this policy at any time by giving notice to **you**. It will be effective from 4.00pm 14 days after the notice is given. The 14-day period starts on the day the notice is delivered or posted. **We** will refund to **you** the unused portion of any premium **you** have already paid to **us**.

Change in circumstances

You must tell **us** immediately, after the start of the policy, if there is a material fact that **you** know that would:

- Increase in the risk insured, or
- Alteration in the risk insured.

What we may do if circumstances change

After **you** have told **us** about a change in the risk insured, **we** may amend **your**:

- Premium payable, and/or
- Terms and conditions of this policy.

Those changes will be effective immediately.

What we may do if you do not tell us of changed circumstances

If **you** fail to tell **us** about a change in the risk insured, **we** may:

- Declare this policy unenforceable, or
- Completely or partially refuse any subsequent claim.

These actions will be taken from the date **you** knew, or ought to have known, of the increase or alteration in the risk insured.

Double insurance

You must notify **us** immediately of any other insurance policy that covers any of the risks covered under this policy.

If any other insurance policy exists, **we** will only pay over and above the limit payable under that other policy.

Goods and Services Tax

Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:

- all Sums Insured exclude GST (unless otherwise stated), and
- GST will be added, where applicable, to claim payments.

Governing Law

The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.

Insurance Law Reform Acts

The exclusions and conditions in this policy are subject to **your** rights under the Insurance Law Reform Acts 1977 and 1985.

Notices

Notices from **you** to **us** must be delivered personally, posted or emailed to **us**.

Notices from **us** to **you** must be delivered personally, posted or emailed to **your** last known postal address

Joint insurance

If more than one person or entity are listed in the **schedule**, then all the parties are insured jointly.

Take reasonable care

You, and anyone else covered under this policy, must take reasonable care to avoid circumstances that may result in a claim. **Your** claim will not be covered if **you** are reckless or grossly irresponsible.

Parties with financial interests

We may pay all or part of any claim proceeds to the holder of any financial interest over **your house**. **Our** obligations to **you** under this policy are satisfied to the extent of that payment. **You** authorise **us** to disclose personal information about **you** to any holder of a financial interest.

A party who is recorded as having a financial interest under this policy, is not insured by this policy and does not have rights to claim under the policy.