

# Distinction Contents Insurance

Policy wording



**N4**

Welcome to NZI.

Thank you for choosing NZI  
Distinction Contents Insurance.  
With extensive additional  
benefits and generous limits,  
Distinction is our highest level  
of contents cover.



NZI has insured the homes and possessions of New Zealanders for more than 150 years and is one of New Zealand's largest and most well-known insurance brands. We've helped Kiwis all over the country to protect their property and personal possessions and we look forward to providing the same to you.



#### Get in touch

If you have any questions, or you would like more information on this insurance policy, please contact your broker.

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## Introduction

### About this policy

**Your** policy consists of:

1. this policy wording, and
2. the **schedule**, and
3. the information **you** have provided in the **application** and any subsequent information **you** provide.

### Your duty of disclosure

When **you** apply for insurance, **you** have a legal duty of disclosure. This means **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:

1. whether to accept or decline **your** insurance, or
2. the cost or terms of the insurance, including the **excess**.

**You** also have this duty every time **your** insurance renews and when **you** make any changes to it. If **you** breach this duty, **we** may treat **your** policy as being of no effect and to have never existed. Please ask **us** if **you** are not sure whether **you** need to tell **us** about something.

### Changing your mind

If **you** are not happy with this policy, **you** are welcome to change **your** mind, provided **you** tell **us** within 30 days of the date this policy started. **We** will treat **your** policy as being of no effect and to have never existed and refund in full any premium **you** have paid. This does not apply if **you** have made a claim on **your** policy.

### Reading this policy

Some of the words in this policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean at the back of this policy in the section 'Definitions'. To make it easy for **you** to understand this policy **we** have included some examples or comments in *italics*. The words in italics do not affect or limit the meaning of the section they refer to. Please also note that the headings in this policy are designed to help **you** find **your** way around. They should not be used when interpreting this policy wording.

### Our agreement

**We** have an agreement with **you**. **You** agree to pay **us** the premium. In exchange, **we** promise to cover **you** as set out in this policy wording.

## Section one – cover for your contents

### What you are covered for:

**You** are covered for sudden and **accidental loss** to **contents** that occurs during the **period of cover** while they are in New Zealand:

1. at the **home**, or
2. in **your** possession or in the possession of a member of **your family** while in transit from the place where they were acquired to the **home**, or
3. **temporarily removed** from the **home**.

### What you are not covered for:

#### 48 hour restriction

**You** are not covered for **loss** that occurs during the first 48 hours of this policy, caused by storm, flood or landslip. This only applies when **you** first take the policy out with **us**.

However, this restriction does not apply where this policy started immediately following another policy that also insured the same property against the risks of storm, flood and landslip.

#### Vacant homes

If **you**, or a personal authorised by **you**, have not been living at the **home** for a period of more than 90 consecutive days, **we** will only pay for **loss to contents** that is:

1. caused by fire, explosion or lightning, or
2. covered under the 'Natural disaster' automatic additional benefit.

This restriction applies unless:

- (a) **you** have notified **us** and **we** have agreed in writing to cover the **contents** while the **home** is unoccupied. **We** may, at this time, change the terms of **your** policy.
- (b) **we** have the **home** recorded as a holiday home, and the following criteria are met:
  - (i) the **home** and **contents** are inspected inside and outside by **you** or a nominated person at least every 90 days, and
  - (ii) the **home**, its grounds and the **contents** are adequately maintained, and
  - (iii) mail is cleared regularly, and
  - (iv) the water supply is turned off, and
  - (v) all doors are locked, and all windows secured.

This restriction will end as soon as **you**, or a person authorised by **you**, is living in the **home** again.

#### Causes of loss not covered

**You** are not covered for **loss to contents** connected in any way with:

1. structural additions or structural alterations, unless **we** have been notified of the additions or alterations beforehand and **we** have agreed in writing to cover this, or
2. water in any form (including hail and snow) entering the **home** because any roofing material, exterior cladding, window or door has been removed by:
  - (a) **you**, or
  - (b) any other person who is acting on **your** authority, or
3. insects, rodents or vermin (other than possums), or
4. **natural disaster**, unless cover is provided under the 'Natural disaster' automatic additional benefit.

However, exclusions 1., 2. and 3. apply only to **contents** directly affected. They do not apply to resultant sudden and **accidental loss** to other **contents**.

#### Types of loss not covered

**You** are not covered for:

1. repairing or replacing undamaged parts of a complete pair or set, unless cover is provided under the 'Matching curtains' or 'Pairs and sets' automatic additional benefits, or
2. **loss** to fuses, protective devices or lighting or heating elements caused by electricity, or
3. **loss**, cost or expense arising from any fault, defect, error or omission in:
  - (a) design, plan or specification, or
  - (b) workmanship, construction or materials.

However, this exclusion 3. applies only to **contents** directly affected. It does not apply to resultant sudden and **accidental loss** to other **contents**, or

4. the breakdown, failure or wearing out of any mechanical or electrical equipment, or any part thereof, unless burning out occurs as a result of an **accidental** and external force.

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## Gradual damage not covered

**You** are not covered for:

1. wear and tear, depreciation, corrosion or rust, or
2. rot or mildew, or
3. gradual deterioration, except for **loss** covered by the 'Hidden gradual damage' automatic additional benefit.

## Intentional acts not covered

**You** are not covered for **loss** that is intentionally caused by:

1. a tenant, or
2. any guest of a tenant, or
3. any person who occupies the **home**,

except where the **loss** is a result of fire or explosion, provided the fire or explosion was not intentionally caused by **you**.

*IMPORTANT: Please also read 'Policy exclusions that apply to all parts of this policy'.*

## What we will pay:

### Contents covered for repair or replacement

For any **replacement cover item**, **we** will at **our** option pay:

1. the cost to repair the item, where in **our** opinion it is economical to do so, or
2. the cost to replace the item as nearly as possible equal to its condition when new, where the item cannot be repaired.

### Contents covered for sustainability upgrade

For any whiteware appliance, **we** will at **our** option pay:

1. the cost to repair the appliance, where in **our** opinion it is economical to do so, or
2. the cost to replace the appliance as nearly as possible equal to its condition when new, where the appliance cannot be repaired.

If a comparable model appliance that has more energy-efficient features is available, **we** will pay for that model.

### All other contents

For any other item of **contents**, **we** will at **our** option pay:

1. the cost to repair the item as nearly as possible to the same condition it was in immediately before the **loss** occurred, or
2. its **present value**.

### Maximum payment for specific types of contents

Unless the item is shown as a **specified item**, the most **we** will pay for any **event**, for any of the following is:

1. \$25,000 for any single: pair of earrings, item of jewellery or watch, and
2. \$25,000 in total for all bullion or unset precious stones, and
3. \$10,000 for any single: **collection**, **camera** or **camera** accessory, and
4. \$10,000 in total for all certificates or documents, and
5. \$10,000 for any remotely piloted aircraft (including its parts and accessories that are in it or attached to it), and
6. \$5,000 in total for: money, vouchers that can be redeemed for cash or stamps not being part of a **collection**, and
7. \$5,000 in total for all parts and accessories of any:
  - (a) **watercraft**, or
  - (b) **motor vehicle**, trailer or caravan, or
  - (c) aircraft or other aerial device,that are not in them or attached to them.

### Maximum payment – for multiple items of unspecified jewellery and watches

Unless a different maximum payment amount is shown in the **schedule**, the most **we** will pay for any **event** for multiple items of jewellery and watches that are not **specified items** is \$100,000.

*For example, if you lose ten pieces of jewellery, each with a value of \$15,000, the most we will pay is \$100,000 unless we have previously agreed to increase the limit to \$150,000.*

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## Burglary or theft of watches or jewellery

The most **we** will pay for **loss** caused by burglary or theft of any watches or items of jewellery in total for all **specified items** and unspecified items for any **event** is \$100,000.

However, this limit will not apply if, at the time of the **loss**, the watch or jewellery was:

1. locked in a safe that:
  - (a) meets the criteria for a safe outlined in either the AS/NZS3809:1998 or EN1143-1 standards or other standard that **we** have agreed to in writing, and
  - (b) is permanently and securely attached to the structure of the building, *such as bolting it to the floor, to solid walls, to wall studs, or encasing it in concrete, or*
2. stored in a safe deposit box at a bank or similar institution, or
3. being worn or carried by **you**, or
4. kept inside any residence, and **you** or an adult family member were physically inside the residence.

For the purpose of this restriction:

1. residence means the internal areas of a residential dwelling, however it does not include any of the following:
  - (a) decks or landings that are attached to the dwelling,
  - (b) other outbuildings,
  - (c) other areas within the general grounds or confines of that property.
2. adult family member means a person who is aged 18 years or older and is **your partner**, child, parent, sibling, grandparent, grandchild, mother-in-law or father-in-law, regardless of whether or not they live at the **home**.

## Maximum payment – specified items

The most **we** will pay for any **event** for a **specified item** is its **specified sum insured**.

## Maximum payment – all other contents

The most **we** will pay for all **contents** that are not **specified items** in total for any **event** is \$1,000,000, unless a higher amount is shown in the **schedule**.

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## Section one – automatic additional benefits

These benefits are subject to the terms of this policy, except where the terms are varied in the benefit. The amounts shown in these benefits are included in the Sum Insured shown in the **schedule**, unless expressly stated that it is an additional payment.

### Alternative accommodation

This policy is extended to cover the reasonable additional costs:

1. of temporary alternative accommodation (of a similar standard to the **home**) for **you**, any **family** member who permanently resides with **you**, and **your** domestic pets, and
2. to move **your contents** to the alternative accommodation and return them to the **home**, and
3. to move **your contents** to a secure storage facility, for storage while **you** are in alternative accommodation, and to return them to the **home**,

if the **home** is **your** principal residence and cannot be lived in due to **loss** to the **home** or to **your contents** at the same **home** that occurs during the same **period of cover** where the **loss**:

- (a) is covered by:
  - (i) this policy, or
  - (ii) any home policy, or
  - (iii) the **EQC Act** but would have been covered by (i) or (ii) above, or
- (b) is to the **home** in which **you** are the tenant and that would have been covered under a home policy if **we** had insured that property, or would have been but is covered by the **EQC Act** instead.

If **you** occupy the **home** as a tenant, cover under this benefit ends on the date that:

1. **your** tenancy agreement ends, or
2. **you** move to another rental property,

whichever occurs first.

**We** will pay these costs for a maximum of 12 months for any **event**.

This is in addition to any other payment under this policy.

If **you** have alternative accommodation cover under any other policy with **us**, the most **we** will pay is the highest applicable limit for its corresponding payment period.

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<b>Boarding pets</b>	<p>If <b>you</b> are in hospital for 48 hours or more as a result of <b>injury</b> that occurs at the <b>home</b> during the <b>period of cover</b>, <b>we</b> will pay to board <b>your</b> pets for the remainder of <b>your</b> stay in hospital.</p> <p>The most <b>we</b> will pay for all pets in total during an <b>annual period</b> is \$1,000.</p> <p>The <b>excess</b> does not apply to this benefit.</p>
<b>Change of situation</b>	<p>When <b>you</b> permanently move to a new address during the <b>period of cover</b>, <b>we</b> will automatically provide cover at <b>your</b> new address, provided <b>you</b> contact <b>us</b> before the <b>period of cover</b> ends and tell <b>us</b> of the change.</p>
<b>Children living away from home</b>	<p>This policy is extended to cover sudden and <b>accidental loss</b> that occurs during the <b>period of cover</b> to the <b>contents</b> of any <b>family</b> member who is a student attending a school, polytechnic or university and living away from <b>home</b> during the <b>period of cover</b>.</p> <p>However, if they are not living in a hostel or other accommodation run by or for that school, polytechnic or university:</p> <ol style="list-style-type: none"><li>1. <b>you</b> are not covered for <b>loss</b> arising from <b>contents</b> being:<ol style="list-style-type: none"><li>(a) stolen, unless the theft follows forceful and violent entry to any building, or</li><li>(b) lost or misplaced.</li></ol></li><li>2. The most <b>we</b> will pay in total during an <b>annual period</b> is \$20,000.</li></ol>
<b>Compulsory evacuation</b>	<p><b>We</b> will pay the reasonable costs of alternative accommodation if a local authority or the Police advises against <b>you</b> living in <b>your home</b>, or <b>you</b> are prevented from accessing <b>your home</b>, following an emergency during the <b>period of cover</b>.</p> <p><b>We</b> will pay these costs for a maximum of 30 days for any <b>event</b>.</p> <p>This is in addition to any other payment under this policy.</p>
<b>Contents in storage</b>	<p>This policy is extended to cover sudden and <b>accidental loss</b> to <b>contents</b> while they are stored in a building, provided the <b>loss</b> occurs during the <b>period of cover</b> and:</p> <ol style="list-style-type: none"><li>1. they are in storage in a safe deposit box at a bank or commercial vault anywhere in New Zealand, or</li><li>2. they are stored for no longer than 12 months, provided the <b>loss</b> was caused by:<ol style="list-style-type: none"><li>(a) fire, lightning or explosion, or</li><li>(b) theft following violent and forceful entry to the storage building, or</li><li>(c) storm or flood (but not if the water originates from inside the building), or</li><li>(d) water that leaks, overflows, or is discharged from a water system installed at the storage building, or</li><li>(e) <b>natural disaster</b>, or</li><li>(f) aircraft or other aerial or spatial device, or an article dropped from them, or</li><li>(g) <b>motor vehicle</b> collision.</li></ol></li></ol>
<b>Contents in transit</b>	<p>This policy is extended to cover sudden and <b>accidental loss</b> to <b>contents</b> while in transit from the <b>home</b> to any permanent residence in New Zealand during the <b>period of cover</b>.</p> <p><b>We</b> will not cover <b>loss</b> caused by scratching, chipping and denting.</p>
<b>Credit cards</b>	<p><b>We</b> will pay the irrecoverable amount <b>you</b> have lost, if <b>your</b> credit cards or debit cards are lost or stolen and used fraudulently during the <b>period of cover</b> by any person who is:</p> <ol style="list-style-type: none"><li>1. not related to <b>you</b>, and</li><li>2. not living at the <b>home</b>, and</li><li>3. not a person whose <b>contents</b> are covered by this policy,</li></ol> <p>provided <b>you</b> have complied with the terms and conditions of <b>your</b> credit card or debit card.</p> <p>The most <b>we</b> will pay during an <b>annual period</b> is \$5,000.</p> <p>This is in addition to any other payment under this policy.</p>
<b>Domestic employees</b>	<p>This policy is extended to cover <b>your</b> domestic employees' personal effects, while the items are at <b>your home</b> during the <b>period of cover</b>.</p>

# Distinction Contents Insurance / Policy wording

## Electronic data and programs

This policy is extended to cover sudden and **accidental loss** that occurs during the **period of cover to contents** consisting of:

1. licensed computer software (including gaming software) and programs, or
2. digital data (including audio and video files),

in any format, provided:

- (a) **you** legally owned the software, programs or digital data, and
- (b) it was on **your** own storage device which suffered **loss** covered by this policy, and
- (c) it was at the **home**, or **temporarily removed** from the **home** for use anywhere else in New Zealand.

**We** will not pay for any of the following:

- (i) the cost of re-installing, re-setting or recreating the software, programs or digital data, or
- (ii) **loss** caused directly or indirectly, or in connection with a **computer virus**.

**We** will only pay the **present value** of the **loss**.

## Fatal injury

If **you** or **your** child suffers fatal injury as a result of fire, home invasion, burglary or theft that occurs at the **home** during the **period of cover**, **we** will pay **your** legal representative \$10,000 for each fatality.

The most **we** will pay for any **event** is \$40,000.

This is in addition to any other payment under this policy.

If **you** have fatal injury cover under any other policy with **us**, the most **we** will pay under all policies in total is the highest applicable limit.

The 'Other insurance' policy condition does not apply to this benefit.

The **excess** does not apply to this benefit.

## Fire protection equipment

This policy is extended to cover the reasonable cost of refilling or replacing fire fighting equipment kept at the **home** due to it having been used to prevent or control **loss to contents** from a fire during the **period of cover**.

The most **we** will pay during an **annual period** is \$5,000.

If **you** have fire protection equipment cover under any other policy with **us**, the most **we** will pay under all policies in total is the highest applicable limit.

The **excess** does not apply to this benefit.

## Frozen food

This policy is extended to cover **accidental loss to contents** that occurs during the **period of cover** caused by a refrigerator or freezer suddenly stopping or breaking down, or the power supply being **accidentally** disconnected (including by an electricity supply company).

**We** will pay the reasonable cost to:

1. replace the perished items in **your** refrigerator or freezer (other than items kept by **you** in connection with any business), and
2. repair **loss to contents** caused by the perished items.

**We** will not pay for **loss to contents** caused by the power supply being disconnected because of any failure to pay a power bill.

## Hidden gradual damage

This policy is extended to cover:

1. **hidden gradual damage to contents** that occurs and that **you** discover during the **period of cover**, and
2. any other **contents** that are not directly affected but must be damaged or destroyed to locate the cause of the **hidden gradual damage**, provided **we** have first given **our** permission.

The most **we** will pay during an **annual period** is \$5,000.

## Home office

This policy is extended to cover sudden and **accidental loss to your** office furniture and office equipment used for earning income that occurs during the **period of cover** when it is at the **home** or temporarily away from the **home**.

The most **we** will pay for any **event** is \$25,000.



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## Keys and locks

If any key (including electronic keys or swipe cards or any equivalent device) or combination that gives access to:

1. the **home**, or
2. any safe or strongroom in the **home**,

is lost, damaged, stolen or believed on reasonable grounds to have been duplicated without **your** permission, during the **period of cover**, **we** will pay the reasonable cost of:

- (a) replacing any key to the **home** and altering or replacing the locks that the key was for, or
- (b) opening any safe or strongroom.

The **excess** does not apply to this benefit.

## Lifestyle block contents and business tools

This policy is extended to cover sudden and **accidental loss** to the following items that are owned by, or hired to, **you** or members of **your family** (provided **you** or they are legally liable under the hire agreement) that occurs at the **home** during the **period of cover**:

1. tools of trade or business equipment not covered by the 'Home office' automatic additional benefit, or
2. fixed lifestyle block equipment, plant and machinery, or
3. seed, grain and baled hay used to feed livestock on **your** lifestyle block at the situation shown in the **schedule**.

The most **we** will pay for any **event** is \$10,000.

## Matching curtains

If **your** curtains suffer **loss** covered by this policy and **we** agree to replace them, **we** will also pay the cost of replacing identical curtains in other rooms of the **home** if a matching replacement cannot be obtained.

## Memorial stones

This policy is extended to cover sudden and **accidental loss** to a memorial stone or plaque in memory of **your** parent or **partner**, or **your** or **your partner's** child, during the **period of cover** in New Zealand.

The most **we** will pay during an **annual period** is \$5,000.

## Mobile phone

**We** will pay the irrecoverable amount billed by **your** network service provider, if **your** mobile phone is lost or stolen and used by an unauthorised person during the 24 hours immediately following its loss or theft during the **period of cover**, provided **you** immediately advise **your** service provider when **you** discover the mobile phone is lost or stolen.

The most **we** will pay for any **event** is \$1,000.

This is in addition to any other payment under this policy.

## Natural disaster

This policy is extended to cover sudden and **accidental loss** to **contents** that occurs during the **period of cover** caused by **natural disaster**.

However, if that **loss** is covered under the **EQC Act**, or would have been but for:

1. the application of an excess under the **EQC Act**, or
2. a failure by **you** to correctly notify a claim to the Earthquake Commission within the time required under the **EQC Act**, or
3. a decision by the Earthquake Commission to decline a claim or limit its liability for that **loss** in whole or in part and for any reason whatsoever, or
4. any act or omission on **your** part, the part of **your** agent, or the part of the Earthquake Commission,

and the cost to repair or replace **contents** that suffered the **loss** exceeds **your** maximum entitlement available (or that would have been available but for the reasons in 1. to 4. above), for that **loss** under the **EQC Act** (plus the excess under that Act), **we** will pay the difference between that maximum entitlement (plus that excess) and the cost to repair or replace **contents** that suffered the **loss**.

The most **we** will pay under this benefit for any **event** is the difference between that maximum entitlement (plus the excess) under the **EQC Act** and the Sum Insured shown in the **schedule**.

## Overseas travel

This policy is extended to cover sudden and **accidental loss** to **your** clothing, personal effects, suitcases, bags, jewellery and watches, while **you** and members of **your family** accompanying **you** are travelling anywhere in the world during the **period of cover**.

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## Pairs and sets

When **you** claim for part of a pair or set, **we** will at **our** option pay:

1. the cost to repair the damaged part, or
2. the difference between:
  - (a) the cost to replace the complete pair or set, and
  - (b) the value of the incomplete pair or set.

However, if the damaged part cannot be repaired, provided **we** agree, **you** may surrender the undamaged parts of the pair or set to **us**, and **we** will pay **you** the cost to replace the entire pair or set.

## Removal of debris

This policy is extended to cover the reasonable costs of removing damaged **contents** from the **home** following **loss** covered by this policy, provided such costs are incurred with **our** prior consent.

This is in addition to any other payment under this policy.

## Stress payment

If **we** settle a claim for **contents** as a total loss, **we** will also pay **you** \$10,000 for the stress caused by the **loss**.

If **you** have stress payment cover under any other policy with **us**, the most **we** will pay for any **event** under all policies is \$10,000.

This is in addition to any other payment under this policy.

## The 19th hole

**We** will pay up to \$1,000 towards any celebration costs incurred if, during the **period of cover**, **you** or a member of **your family** achieves a 'hole-in-one' at a golf tournament or club day, provided **you** supply **us** with the score card and an acknowledgement from the club or match secretary.

This is in addition to any other payment under this policy.

The **excess** does not apply to this benefit.

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## Section two – your legal liability

### What you are covered for:

#### Legal liability

**You** and members of **your family** are covered for legal liability (but not as a property owner) for:

1. **accidental loss** to property belonging to anyone else, including **your** domestic employees, or
2. **bodily injury** to anyone else, including **your** domestic employees, or
3. General Average or salvage charges that **you** or they are legally required to pay as a result of **contents** being carried by ship that are covered under the 'Contents in transit' automatic additional benefit,

occurring during the **period of cover** in New Zealand.

#### Defence costs

**You** are also covered for defence costs **you** necessarily and reasonably incur, with **our** prior approval, in relation to liability arising under the items above.

#### Legal liability following loss to your home

If a dwelling owned by **you** is uneconomic to repair following **loss** covered under **your** home policy with **us** and **we** cancel the home policy as a result, this policy is extended to cover **your** legal liability for **accidental loss** to anyone else's property in connection with **your** ownership of any structures and the grounds at that address for up to 12 months from the date **we** settle the claim under **your** home policy, provided:

1. this policy was also current at the time of the **loss**, and
2. the **loss** that occurred after the home policy cancellation would have been covered under the legal liability section of **your** home policy with **us** had it still been active, and
3. **you** take reasonable precautions to keep any structures and the grounds at that address free of hazards. This includes, but is not limited to, fencing off or securing damaged buildings and fencing any swimming pool.

Cover will end immediately when:

- (a) any building work commences at that address, or
- (b) **you** sell the structures and grounds at that address, or
- (c) this policy is cancelled.

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## Reparation

**You** and members of **your family** are covered for legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** or their committing an offence during the **period of cover**, provided:

1. **you**, or any other person entitled to cover under this benefit, tell **us** immediately if **you** or they are charged with any offence that resulted in **loss** of property or **bodily injury** to another person, and
2. **we** give **our** written approval before any offer of **reparation** is made.

There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 ('the Act'), or would be covered but for:

- (a) a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act, or
- (b) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act, or
- (c) a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this benefit should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

## What you are not covered for:

**You** and members of **your family** are not covered for:

1. liability, including liability for **reparation**, connected in any way with:
  - (a) any business, trade, profession or sponsorship, or
  - (b) any contract or agreement, unless **you** or they would have been liable even without a contract or agreement, or
  - (c) the ownership or use of any:
    - (i) **motor vehicle** (other than an electric wheelchair, domestic garden appliance, mobility scooter, golf cart or children's motorbike not exceeding 50cc used only off road), trailer or caravan, or
    - (ii) aircraft or other aerial device, unless it is a remotely piloted aircraft as defined by the Civil Aviation Authority, or
    - (iii) watercraft, unless it is covered by this policy, or
  - (d) any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination occurs during the **period of cover** and is caused by a sudden and **accidental event** that occurs during the **period of cover**.
2. punitive or exemplary damages or fines.

*IMPORTANT: Please also read 'Policy exclusions that apply to all parts of this policy'.*

## What we will pay:

### Legal liability

The most **we** will pay for any **event** is \$5,000,000.  
This is in addition to any other payment under this policy.

### Defence costs

Defence costs covered by this policy will be paid in addition to the 'Legal liability' limit (above) and any other payment under this policy.

### Settlement of any claim

**We** may pay the full amount under this part of this policy, or any lesser amount for which the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this policy.

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## Policy exclusions that apply to all parts of this policy

<b>Confiscation</b>	<p><b>You</b> are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with confiscation, nationalisation, requisition, acquisition, or destruction of or damage to property by order of government, public or local authority or under any statute or regulation, unless such order is required to prevent or control <b>loss</b> that would otherwise have been covered by this policy.</p>
<b>Consequential loss</b>	<p><b>You</b> are not covered for any kind of consequential loss other than as specifically provided for under the 'Alternative accommodation' automatic additional benefit.</p> <p><i>For example, you are not covered for financial loss that occurs as a result of physical loss or physical damage that is covered by the policy.</i></p>
<b>Earth movements</b>	<p><b>You</b> are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with:</p> <ol style="list-style-type: none"><li>1. subsidence or erosion, or</li><li>2. settling, warping or cracking caused by earth or other movements. This exclusion 2. does not apply to <b>loss</b> covered by the 'Natural disaster' automatic additional benefit.</li></ol>
<b>Electronic data and programs</b>	<p><b>You</b> are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with <b>electronic data</b> arising from any cause whatsoever, including, but not limited to, a <b>computer virus</b>.</p> <p>This includes loss of use, reduction in functionality or any other associated loss or expense in connection with <b>electronic data</b>.</p> <p>However, this exclusion does not apply to:</p> <ol style="list-style-type: none"><li>1. physical damage to other covered property that results from that loss of or damage to <b>electronic data</b>, and which is not otherwise excluded, and</li><li>2. any loss covered by the 'Electronic data and programs' automatic additional benefit.</li></ol>
<b>Excess</b>	<p>For each <b>incident</b>, the relevant <b>excess</b> will be deducted from the amount of <b>your</b> claim unless stated otherwise under an additional benefit.</p> <p>If <b>we</b> insure both the <b>contents</b> and the <b>home</b> (at the same address) and <b>you</b> claim under both for a <b>loss</b> caused by the same <b>incident</b>, only one excess will apply, being the highest applicable excess.</p> <p>Where an <b>incident</b> occurs that results in a claim under more than one benefit (or sub-section of a benefit) of this policy, only one <b>excess</b> will apply, being the highest applicable <b>excess</b>.</p> <p>The <b>excess</b> is deducted after any policy limits have been applied.</p> <p><i>For example, if a limit of \$1,000 applies and an excess of \$250 is payable by you, the amount we will pay is \$750.</i></p>
<b>Intentional or reckless acts</b>	<p><b>You</b> are not covered for any loss, damage, cost, expense, prosecution or liability arising from any intentional or reckless act or omission by <b>you</b> or anyone else covered by this policy.</p>
<b>Nuclear</b>	<p><b>You</b> are not covered for any loss, damage, cost, expense, prosecution or liability of any type in connection with:</p> <ol style="list-style-type: none"><li>1. ionising radiation or contamination by radioactivity from:<ol style="list-style-type: none"><li>(a) any nuclear fuel, or</li><li>(b) any nuclear waste from the combustion or fission of nuclear fuel.</li></ol></li><li>2. nuclear weapons material.</li></ol>
<b>Remotely piloted aircraft</b>	<p><b>You</b> are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with the use of a remotely piloted aircraft outside of the Civil Aviation Authority rules.</p>
<b>Terrorism</b>	<p><b>You</b> are not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with an <b>act of terrorism</b>, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an <b>act of terrorism</b>.</p>

## Unlawful substances

**You** are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with contamination from any 'controlled drug' as defined in the Misuse of Drugs Act 1975. This exclusion does not apply to **loss** caused by the **accidental** spread of fire or explosion.

## War

**You** are not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with any of the following, including controlling, preventing or suppressing any of the following:

war, invasion, act of foreign enemy, hostilities or war like operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power.

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## How to claim

### What you must do

If anything occurs that may lead to a claim under this policy, **you** must:

1. do what **you** can to take care of the **contents** and to prevent any further loss, damage, cost, expense, prosecution or liability, and
2. tell **us** as soon as possible, and
3. notify the police as soon as possible if **you** think any **loss** was caused by an illegal act, and
4. allow **us** to examine the **contents** before any repairs are started, and
5. send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
6. give **us** any information or help that **we** ask for, and
7. consent to **your** personal information, in connection with the claim, being:
  - (a) disclosed to **us**, and
  - (b) transferred to the Insurance Claims Register Limited, and
8. not destroy or dispose of anything that is or could be part of a claim, and
9. tell **us** immediately if **you** are charged with any offence which resulted in **loss** of property or **bodily injury** to another person.

### What you must obtain our agreement to do

**You** must obtain **our** agreement before **you**:

1. incur any expenses in connection with any claim under this policy, or
2. negotiate, pay, settle, admit or deny any claim against **you**, or
3. do anything that may prejudice **our** rights of recovery, or
4. negotiate, offer to pay or pay any **reparation**, including, but not limited to, offers made as part of any case management conference or sentencing hearing.

### Actions we may take

**We** may take action in **your** name to:

1. negotiate, defend or settle any claim against **you** that is covered by this policy, and
2. recover from any other person anything covered by this policy.

**You** must assist **us** with these actions. **We** will be responsible for the reasonable legal costs of these actions.

## Policy conditions

### Breach of any condition

If:

1. **you**, or
2. any other person **we** cover under this policy, or
3. anyone acting on **your** behalf,

breaches any of the conditions of this policy, **we** may at **our** sole discretion:

- (a) decline **your** claim, either in whole or in part,
- (b) decline any claim connected with the same **event** that **you** make on any other policies **you** have with **us**,
- (c) declare either this policy or all insurance **you** have with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act, or breach.

### True statements and answers

True statements and answers must be given (whether by **you** or any other person) in all communications with **us**, including, but not limited to, when:

1. this insurance is **applied** for and renewed, and
2. **we** are notified about any change in circumstances, and
3. **you** make any claim under this policy.

### Cancellation

By you

**You** may cancel this policy at any time by notifying **us** or **your** broker. If **you** do, **we** will refund any premium that is due to **you** based on the unused portion of the **period of cover**. **You** must pay any outstanding premium due for the used portion of the **period of cover**.

By us

**We** may cancel this policy by giving **you** or **your** broker notice in writing or by electronic means at **your** or **your** broker's last known address. Unless otherwise specified in this policy, cancellation will take effect from the 30th day after the date of the notice. **We** will refund **you** any premium that is due to **you** based on the unused portion of the **period of cover**.

Automatically

1. This policy will be automatically cancelled if **you** do not pay the premium. Cancellation under this clause will be effective from the date to which the policy was paid up to.
2. If **we** settle **your** claim as a total loss, this policy will be automatically cancelled. **We** will not refund **you** any premium for the unused portion of the **period of cover**.

### Change of terms

**We** may change the terms of this policy (including the **excess**) by giving **you** or **your** broker notice in writing or by electronic means at **your** or **your** broker's last known address. Unless otherwise specified in this policy, the change in terms will take effect from the 30th day after the date of the notice.

### Changes in circumstances

**You** must notify **us** or **your** broker immediately if, after **we** have accepted **your application** for this policy, there is a material:

1. increase in the risk covered, or
2. alteration in the risk covered.

**We** may change the terms of this policy in response to any material change in circumstances **you** or anyone else advises **us** of. The change in terms will be effective from the date of the change in circumstances.

*Information is 'material' where we would have made different decisions about either: (a) accepting your insurance, or (b) setting the terms of your insurance, if we had known that information. If in any doubt, notify us anyway.*

*The 'risk covered' refers to both: (a) the actual property or liabilities insured (known as physical hazard), and (b) you or other persons covered by this policy (known as moral hazard).*

### Currency

Any amounts shown in this policy and in the **schedule** are in New Zealand dollars.

### Goods and Services Tax

All amounts shown in this policy include GST.

### Governing law and jurisdiction

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

# Distinction Contents Insurance / Policy wording

<b>Joint insurance</b>	If this policy covers more than one person, then all persons are jointly covered. <i>This means that a breach of this policy by any one person affects everyone's ability to claim under this policy.</i>
<b>Legislation changes</b>	Any reference to any Act of Parliament or subordinate regulations or rules referred to in this policy includes any amendments made or substitutions to that law.
<b>Other insurance</b>	<b>You</b> must tell <b>us</b> if the <b>contents</b> are or become covered under any other insurance. This policy does not cover <b>your loss</b> or liability at all if it is insured to any extent under any other insurance policy. <b>We</b> will not contribute towards any claim under any other insurance policy.
<b>Other parties with a financial interest</b>	If <b>we</b> know of any financial interest over the <b>contents</b> , <b>we</b> may: <ol style="list-style-type: none"><li>1. pay part or all of any claim settlement to that other party and this will go towards meeting the obligations <b>we</b> have under this policy for the <b>loss</b>, and</li><li>2. disclose information about the claim to that other party if required.</li></ol> Any other party who has a financial interest under this policy is not covered and does not have rights to claim under this policy.
<b>Reasonable care</b>	<b>You</b> and anyone else covered by this policy must take reasonable care at all times to avoid circumstances that could result in a claim. <b>Your</b> claim will not be covered if <b>you</b> or they are reckless or grossly irresponsible.

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## Definitions

The definitions apply to the plural and any derivatives of the words.

*For example, the definition of 'accident' also applies to the words 'accidents', 'accidental' and 'accidentally'.*

<b>accident</b>	unexpected and unintended by <b>you</b> .
<b>act of terrorism</b>	an act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that: <ul style="list-style-type: none"><li>▶ involves violence against one or more persons, or</li><li>▶ involves damage to property, or</li><li>▶ endangers life other than that of the person committing the action, or</li><li>▶ creates a risk to health or safety of the public or a section of the public, or</li><li>▶ is designed to interfere with or disrupt an electronic system.</li></ul>
<b>annual period</b>	the <b>period of cover</b> . However, if: <ul style="list-style-type: none"><li>▶ <b>your</b> premium is paid monthly or quarterly, or</li><li>▶ the <b>period of cover</b> is for more than 12 months,</li></ul> the annual period is the current 12 month period calculated consecutively from the date this policy first started.
<b>application</b>	the information provided by <b>you</b> to <b>us</b> when <b>you</b> purchased this insurance or requested a quotation for this insurance from <b>us</b> .
<b>bodily injury</b>	the <b>accidental</b> death of, or <b>accidental</b> bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.
<b>camera</b>	the camera body (film, video or digital) and the standard lens that would normally be supplied with that body at the time of the original purchase. Any additional lenses and accessories are separate items.
<b>collection</b>	any collection of: stamps, medals or coins.

# Distinction Contents Insurance / Policy wording

<b>computer virus</b>	a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes but is not limited to 'Trojan horses', 'Worms' and 'Time or Logic bombs'.
<b>contents</b>	<p>any of the following:</p> <ul style="list-style-type: none"><li>▶ household goods and personal effects,</li><li>▶ loose floor covering including: mats, rugs or runners,</li><li>▶ <b>watercraft</b> (including its parts and accessories in it or attached to it),</li><li>▶ electric wheelchair, mobility scooter, domestic garden appliance, golf cart or children's motorbike not exceeding 50cc that is used only off road (including their parts and accessories),</li><li>▶ portable swimming pool or portable spa pool,</li><li>▶ parts or accessories of any:<ul style="list-style-type: none"><li>(a) <b>watercraft</b>, or</li><li>(b) <b>motor vehicle</b>, trailer or caravan, or</li><li>(c) aircraft or other aerial device,</li></ul>that are not in them or attached to them,</li></ul> <p>that are owned by, or hired to, <b>you</b> or members of <b>your family</b> (provided <b>you</b> or they are legally liable under the hire agreement) but that are not used at any time for earning income, unless cover is provided under the 'Home office' or 'Lifestyle block contents and business tools' automatic additional benefits, and</p> <p>it includes:</p> <ul style="list-style-type: none"><li>▶ gifts belonging to other people being kept at the <b>home</b>, and</li><li>▶ contents that are owned by any of <b>your</b> children that are left with <b>you</b> while they live outside New Zealand.</li></ul> <p>It does not include any of the following:</p> <ul style="list-style-type: none"><li>▶ livestock, domestic pet or other creature,</li><li>▶ fitted floor covering (including glued, smooth edge or tacked carpet or floating floor), of the dwelling or its domestic outbuildings,</li><li>▶ <b>motor vehicle</b>, trailer or caravan and their parts and accessories that are in them or attached to them,</li><li>▶ aircraft or other aerial device and their parts and accessories that are in them or attached to them, unless it is a remotely piloted aircraft as defined by the Civil Aviation Authority.</li></ul>
<b>electronic data</b>	facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
<b>EQC Act</b>	Earthquake Commission Act 1993 and any Act in substitution of that Act.
<b>event</b>	any one event or series of events arising from one source or original cause.
<b>excess</b>	the first amount of the claim that <b>you</b> must pay, which is shown in either the <b>schedule</b> or in this policy wording.
<b>family</b>	<p>any member of <b>your</b> family who:</p> <ul style="list-style-type: none"><li>▶ permanently resides with <b>you</b>, or</li><li>▶ is a student attending a school, polytechnic or university and living away from <b>home</b> while attending the school, polytechnic or university.</li></ul>
<b>hidden gradual damage</b>	<p>hidden rot, hidden mildew or hidden gradual deterioration, caused by water leaking from any internal:</p> <ul style="list-style-type: none"><li>▶ tank that is plumbed into the water reticulation system of the <b>home</b> and is permanently used to store water, or</li><li>▶ water pipe, or</li><li>▶ waste disposal pipe,</li></ul> <p>installed at the <b>home</b>.</p>



# Distinction Contents Insurance / Policy wording

<b>home</b>	the buildings and grounds at the situation shown in the <b>schedule</b> . It does not include any land or earth or fill.
<b>incident</b>	something that occurs at a particular point in time, at a particular place and in a particular way.
<b>injury</b>	a bodily injury caused solely and directly by violent, accidental, external and visible means.
<b>loss</b>	physical loss or physical damage.
<b>motor vehicle</b>	any type of machine on wheels or caterpillar tracks, that is made or intended to be propelled by its own power, as well as anything towed by the machine.
<b>natural disaster</b>	an earthquake, natural landslide, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the <b>EQC Act</b> .
<b>partner</b>	<b>your</b> husband or wife or person with whom <b>you</b> are living in the nature of a marriage.
<b>period of cover</b>	the period of cover shown in the <b>schedule</b> .
<b>present value</b>	the estimated reasonable cost to replace an item with an item in New Zealand that is of equivalent age, quality and capability, and is in the same general condition.
<b>reparation</b>	an amount ordered by a New Zealand court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002.
<b>replacement cover item</b>	an item of <b>contents</b> other than any: <ul style="list-style-type: none"><li>▶ clothing or footwear, or</li><li>▶ licensed computer and gaming software (including gaming cartridges) and programs, or</li><li>▶ digital data (including audio and video files), or</li><li>▶ <b>watercraft</b> over 12 months' old, or</li><li>▶ parts and accessories of any <b>motor vehicle</b> (other than a mobility scooter), trailer or caravan that are not in them or attached to them, or</li><li>▶ remotely piloted aircraft over 2 years' old (including its parts and accessories that are in it or attached to it), or</li><li>▶ parts and accessories of any aircraft or other aerial device that are not in them or attached to them, or</li><li>▶ household linen, or</li><li>▶ item that <b>you</b> choose not to repair or replace, or</li><li>▶ item that cannot be replaced in New Zealand.</li></ul>
<b>schedule</b>	the latest version of the Schedule <b>we</b> issued to <b>you</b> for this policy.
<b>specified item</b>	any item that is listed in the <b>schedule</b> with a corresponding <b>specified sum insured</b> .
<b>specified sum insured</b>	the amount shown in the <b>schedule</b> that corresponds with the <b>specified item</b> .
<b>temporarily removed</b>	<b>contents</b> temporarily removed for a particular reason or purpose, with the intention that they will be returned to the <b>home</b> . This includes taking items to <b>your</b> place of work or on holiday. It does not include any <b>contents</b> : <ul style="list-style-type: none"><li>▶ permanently removed from the <b>home</b>, or</li><li>▶ removed from the <b>home</b> to any place for storage, sale or exhibition, or</li><li>▶ removed during the course of moving house or household removal, or</li><li>▶ owned by or in the custody of any <b>family</b> member who is a student and:<ul style="list-style-type: none"><li>(a) is living away from <b>home</b>, and</li><li>(b) is attending a school, polytechnic or university,</li></ul></li></ul> unless cover is provided under the 'Children living away from home', 'Contents in storage' or 'Contents in transit' automatic additional benefits.
<b>watercraft</b>	any of the following: <ul style="list-style-type: none"><li>▶ surfboard, windsurfer, paddleboard, kite surfer, surf ski, dinghy, kayak or canoe (including their parts and accessories),</li><li>▶ any other watercraft powered by motor or sail, with a <b>present value</b> of no more than \$5,000 including its parts and accessories.</li></ul>

## Distinction Contents Insurance / Policy wording

**we, us, our**

NZI, a business division of IAG New Zealand Limited.

**you**

- ▶ the person(s) or entity shown as the Insured in the **schedule**, and
- ▶ that person's **partner**.



