

Distinction

Home Insurance

Policy wording



N4

Welcome to NZI.

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



Why NZI

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.

Contents

Introduction	2
Section one – cover for your home	3
Section one – automatic additional benefits	7
Section two – your legal liability	14
Policy exclusions that apply to all parts of this policy	15
How to claim	16
Policy conditions	17
Definitions	19

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 home

What you are covered for:

You are covered for sudden and **accidental loss** to the **home** that occurs during the **period of cover**.

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:

1. this policy started immediately following another policy that also insured the same property against the risks of storm, flood and landslip, or
2. this policy was taken out at the time **you** purchased the **home**.

Vacant homes

If **you**, or a person 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** 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 **home** while 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** is inspected inside and outside by **you** or a nominated person at least every 90 days, and
 - (ii) the **home** and its grounds 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 the **home** connected in any way with:

1. structural additions or structural alterations, unless:
 - (a) **we** have been notified of the additions or alterations beforehand and **we** have agreed in writing to cover this, or
 - (b) cover is provided under the 'New building work' automatic additional benefit, 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. an animal owned by anyone living in the **home**, if the **home** is occupied by a tenant, or
5. hydrostatic pressure to swimming pools and spa pools, unless the **loss** is as a result of earthquake, storm or flood, or
6. **natural disaster**, unless cover is provided under the 'Natural disaster' automatic additional benefit.

However, exclusions 3., 4. and 5. apply only to the property directly affected. They do not apply to resultant sudden and **accidental loss** to other parts of the **home**.

Types of loss not covered

You are not covered for:

1. repairing or replacing floor coverings that are not in the room(s) where the **loss** occurred, unless cover is provided under the 'Matching items' automatic additional benefit, or
2. **loss** to fuses, protective devices, 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 the property directly affected. It does not apply to resultant sudden and **accidental loss** to other parts of the property, or

- 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.

Gradual damage not covered

You are not covered for:

- wear and tear, depreciation, corrosion or rust, or
- rot or mildew, or
- 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:

- a tenant, or
- any guest of a tenant, or
- 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** or **your partner**, or
- covered by the 'Methamphetamine contamination' automatic additional benefit.

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

What we will pay:

The most we will pay

Home sum insured

- The most **we** will pay for **loss** to the **home** exclusive of **special features** for any **event** that occurs during the **period of cover** is the **home sum insured**. This includes:
 - compliance costs,
 - professional and other fees,
 - demolition and removal costs,
 - all automatic additional benefits unless stated otherwise.
- However, within the **home sum insured**, the most **we** will pay in total for any **event** that occurs during the **period of cover** for **loss** to:
 - all retaining walls is \$100,000, and
 - all **recreational features** is \$100,000,unless an increased limit is shown in the **schedule**, in which case that increased limit is the most **we** will pay for the respective property.

Special feature sum insured

- The most **we** will pay for **loss** to any **special feature** for any **event** that occurs during the **period of cover** is its **special feature sum insured**. This includes:
 - compliance costs,
 - professional and other fees,
 - demolition and removal costs.

Total sum insured

- The most **we** will pay for **loss** under 'Section one – cover for your home' in total for any **event** that occurs during the **period of cover** is the **total sum insured**. This includes:
 - the **home sum insured**,
 - any **special feature sums insured**,
 - all automatic additional benefits unless stated otherwise.

Reduction of sums insured

- Following **loss** to the **home** or any **special feature** for which a claim is payable under this policy or under the **EQC Act**, the **total sum insured** and the relevant sum insured or policy limit are reduced from the time of the **loss** by the amount required to repair the **loss**.
For example, if a retaining wall suffers loss, the total sum insured and the home sum insured and the retaining wall limit are each reduced by the amount of that loss.

Distinction Home Insurance / Policy wording

6. If, at the commencement of the current **period of cover**, the **home** or any **special feature** has any pre-existing **loss** that was covered:
- in a previous **period of cover**, or
 - under any other policy, or
 - under the **EQC Act**,
- and such **loss** remains unrepaired at the start of the current **period of cover**, the **total sum insured** and the relevant sum insured or policy limit are reduced from the start of this **period of cover** by the amount required to repair that pre-existing **loss**.

Reinstatement of sums insured

7. When, and to the extent that any payment is applied to repair the **home** or any **special feature**, the **total sum insured** and the relevant sum insured or policy limit that were reduced by 'Reduction of sums insured' above are reinstated.

If your home is economic to repair

If, in **our** opinion, it is economic to repair the **loss** to the **home**, **we** may choose to:

- pay the reasonable cost to repair the part of the **home** that suffered the **loss**, or
- pay **you** the estimated reasonable cost to repair the part of the **home** that suffered the **loss**.

If your home is uneconomic to repair

- If, in **our** opinion, it is uneconomic to repair the **loss** to the **home**, **you** may choose one of the following:

- Rebuild on the same site: **We** will pay the reasonable cost incurred to rebuild the part of the **home** that suffered the **loss** to an equivalent size and specification on its original site, or
- Rebuild on another site: **We** will pay the reasonable cost incurred to rebuild the part of the **home** that suffered the **loss** to an equivalent size and specification on another site that **you** provide anywhere in New Zealand. The cost must not be greater than the reasonable cost of rebuilding the part of the **home** that suffered the **loss** on its original site less demolition and removal costs incurred, or
- Buy another home: **We** will pay the reasonable cost incurred to buy another home anywhere in New Zealand, including reasonable and necessary legal and associated fees. However, **we** will not pay more than the estimated reasonable cost that would have been payable if the part of the **home** that suffered the **loss** had been rebuilt within a reasonable timeframe on the original site less demolition and removal costs incurred. Compliance costs, and professional and other fees are not included in the estimated rebuilding costs as these are only incurred when rebuilding occurs, or
- Accept a cash payment with **our** consent: At **our** sole discretion, **we** will pay **you** the estimated reasonable cost to rebuild the part of the **home** that suffered the **loss** less demolition and removal costs incurred. Compliance costs, and professional and other fees are not included in the estimated rebuilding cost as these are only incurred when rebuilding occurs.

- If, in **our** opinion, it is uneconomic to repair the **loss** to the **home**, and **you** sell the **home** before the rebuilding begins, the most **we** will pay is the lesser of:
 - the **total sum insured**, and
 - the difference between the market value of the **home** immediately before and immediately after the **loss**, plus demolition and removal costs **we** determine are necessary, less any costs covered by this policy which have been met by **us** up to the date on which the sale settles.

Settlement of your loss

The following clauses are subject to the provisions outlined above in 'What we will pay – The most we will pay'.

Standard of repair or rebuild

We will pay the reasonable cost to repair or rebuild the part of the **home** that suffered the **loss** to a condition as similar as possible to when it was new, using current industry accepted building materials and construction methods, but excluding additional materials, work and expense required solely to comply with government or local authority bylaws and regulations, design, engineers', surveyors' and building consultants' fees, and consents and other associated legal fees.

Compliance costs

1. If **you** are repairing or rebuilding the **home**, **we** will also include the reasonable costs of additional materials, work and expense required solely to comply with government or local authority bylaws and regulations. **We** will only pay these costs of compliance:
 - (a) if the **home** complied with all requirements that existed at the time it was originally built and at the time of any alteration, and
 - (b) for the part of the **home** that has suffered **loss** covered by this policy.
2. **We** will not pay any costs of compliance if notice of non-compliance had already been served before the **loss** occurred.
3. These costs are not payable when **you** buy another home or accept a cash payment as settlement of **your** claim, as described in 1. (c) or (d) of 'If your home is uneconomic to repair' above.

Professional and other fees

1. If **you** are repairing or rebuilding the part of the **home** that suffered **loss**, **we** will also include the reasonable costs of:
 - (a) design, engineers', surveyors' and building consultants' fees, and
 - (b) consents and associated legal fees.
2. These costs must be necessary to repair or rebuild the part of the **home** that has suffered **loss**, and approved by **us** before they are incurred.
3. These costs are not payable when **you** buy another home or accept a cash payment as settlement of **your** claim, as described in 1. (c) or (d) of 'If your home is uneconomic to repair' above.

Demolition and removal costs

1. If **we** accept a claim for **loss** to the **home**, **we** will also pay the reasonable costs of:
 - (a) demolition of the part of the **home** that suffered the **loss** that is necessary to effect the repair or rebuild of that **loss**, and the removal of debris associated with that, and
 - (b) removing **your** household contents when this is required to enable the **home** to be repaired or rebuilt, but not the cost of storing them or returning them to the **home**.
2. These costs must be necessary and approved by **us** before they are incurred.
3. If **we** pay to demolish any part of the **home**, this gives **us** the choice to take the debris and dispose of it as **we** see fit and retain any salvage obtained.

Costs not covered

We will not pay for any costs that are incurred for:

1. any part of the **home** that has not suffered **loss** unless this is necessary to repair or rebuild the **loss** covered, or
2. stabilising, supporting or restoring land, earth, or fill, or
3. anyone **you** engage to prepare, advise on or negotiate a claim made under this policy.

We will not pay these costs. You will have to meet these.

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 **total sum insured**, unless expressly stated that it is an additional payment.

Alternative accommodation

This policy is extended to cover the reasonable additional cost 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, if the **home** is **your** principal residence and cannot be lived in due to **loss** or **contamination damage** to the **home** that occurs during the **period of cover** that:

1. is covered by this policy, or
2. would have been covered by this policy, but is covered by the **EQC Act** instead.

Cover under this benefit ends on the earlier of the date on which **we**:

- (a) settle **your** claim for **loss** or **contamination damage**, or
- (b) have paid **you** 12 months' alternative accommodation costs, for any **event** or **contamination claim**.

Where **we** have settled **your** claim for **loss** or **contamination damage** by payment of the estimated costs to repair or **remediate**, **we** will cover the cost of temporary alternative accommodation for the reasonable estimated period that it would take to repair or **remediate** the part of the **home** that suffered the **loss** or **contamination damage**.

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 under all policies in total is the highest applicable limit for its corresponding payment period.

Breakage extension

No **excess** applies to a claim that is solely for sudden and **accidental** breakage of:

1. glass in any:
 - (a) window, or
 - (b) door, or
 - (c) screen, of the **home**, or
2. any sink, bath, wash basin, toilet bowl, shower cabinet, bidet, fixed glass lampshade, permanently fixed mirror or glass in built-in furniture in the **home**.

Disability modifications

If **you**, **your partner** or a family member who permanently resides with **you**, suffers **injury** during the **period of cover** that results in one or more of the permanent disability conditions listed below, and in **our** opinion, this necessitates modifications to the **home**, **we** will pay for the reasonable cost of these modifications.

Permanent disability conditions are permanent total loss of:

1. sight of an eye, or
2. use of a hand, or
3. use of a foot, or
4. use of an arm, or
5. use of a leg.

We will only pay the costs incurred above any amount payable by the Accident Compensation Corporation or any other insurer.

We will not pay for any self-inflicted injury.

The most **we** will pay for any **event** is \$20,000.

Electronic programs

You are covered for the reasonable cost of restoring, re-setting or re-programming programs, software and other coded instructions necessary to operate any electronic equipment covered under this policy as part of the **home** where that electronic equipment has suffered **loss** covered by this policy.

You are not covered for loss of any data stored on any of that electronic equipment.

Fatal injury

If **you, your partner, or your** or their 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 the **home** 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.

Hidden gradual damage

This policy is extended to cover:

1. **hidden gradual damage** to the **home** that occurs and that **you** discover during the **period of cover**, and
2. any other part of the **home** that is 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 \$10,000.

Home replacement

If the **home** suffers **loss** covered by this policy, **we** will pay the reasonable costs incurred to repair or rebuild the **home**, even if it costs more than the **home sum insured** and where applicable, any **special feature sum insured**, provided:

1. the **loss** is not caused or contributed to by **natural disaster**, and
2. the Conditions of Cover outlined below are met.

The remaining terms of the 'What we will pay' section continue to apply.

Conditions of Cover:

- (a) **We** have been provided with an estimate of the cost to rebuild the **home** and where applicable, any **special feature/s**, that is not more than three years' old at the time the **home sum insured** and where applicable, any **special feature sums insured**, was last agreed. The estimate must have been calculated by a registered valuer or registered quantity surveyor and include the estimated cost to rebuild all aspects of the **home** and any **special feature/s** covered by this policy.

This means the rebuild estimate should include everything at your property covered under the definition of home, e.g. retaining walls, outbuildings, driveways, patios, fences, decks and any special features.

- (b) At the time of the **loss**, the **home sum insured** and where applicable, any **special feature sums insured**, must be equal to or greater than the total amount set out in the estimate referred in condition (a) above.

This means you should set your home or special feature sum insured at the relevant amount shown in the estimate and not reduce it below that amount.

- (c) The repaired or replaced **home** is to be of a size no greater than the floor area shown in the **schedule**.

- (d) The work to repair or rebuild the **home** must commence within 12 months of the date of the **loss** (unless **we** agree, at **our** sole discretion, to a longer period for the repair or rebuilding work to commence).

If **you** choose not to repair or rebuild the **home**, or if the Conditions of Cover outlined above are not met, then this benefit does not apply.

Distinction Home Insurance / Policy wording

Home replacement bonus

If any:

1. **recreational feature**, or
2. retaining wall, or
3. **special feature**,

suffers **loss** covered by this policy, the corresponding limit or **special feature sum insured** as shown in this policy wording or in the **schedule** does not apply provided the Conditions of Cover outlined above in the 'Home replacement' automatic additional benefit are met.

We will pay:

- (a) the reasonable costs incurred to repair or rebuild these items, even if it costs more than the **total sum insured**, provided the **loss** is not caused or contributed to by **natural disaster**, or
- (b) up to the **total sum insured** for **loss** caused or contributed to by **natural disaster**.

Illegal rubbish dumping

This policy is extended to cover the cost of removing rubbish that has been illegally dumped within the residential boundaries of the **home** by a person not covered by this policy, during the **period of cover**.

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

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

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.

Landscaping

This policy is extended to cover the costs incurred to restore or reconstruct the garden or lawn within the residential boundaries of the **home**, following **loss** during the **period of cover**, caused by any of the following:

1. fire, lightning or explosion,
2. theft,
3. storm (but not hail, frost or snow) or flood,
4. **natural disaster**,
5. aircraft or other aerial or spatial device, or an article dropped from them,
6. impact by **motor vehicle**.

The 'costs incurred to restore or reconstruct the garden or lawn' is the cost actually incurred to purchase any live plant (including a tree, shrub, hedge or grass such as on a tennis court or lawn) to replace a plant which has suffered **loss** to the extent that it is no longer viable, with one:

- (a) of the same species as the plant that suffered the **loss**, and
- (b) which is comparable in size to the plant immediately before the **loss** up to a maximum age of 10 years, and
- (c) which is readily available in New Zealand.

If no comparable plant exists, **we** will pay the cost to purchase a readily available plant of a different species which is equivalent or comparable in size to the plant which has suffered the **loss**, provided **we** pay no more than **we** would otherwise have been required to pay to replace the plant with the same species.

We will pay the reasonable cost of:

- (i) removal of the damaged plant and clearing debris, and
- (ii) the initial re-planting of the plant, including initial fertilisation, hire of machinery and transporting the plant to the site, and
- (iii) replacing landscaping materials such as bark, mulch, and rock work where the same suffered **loss** in the same **event**, and
- (iv) replacing permanent lighting, permanent irrigation and drainage within the residential boundary where the same suffered **loss** in the same **event**.

It does not include:

- ▶ land, earth or fill, including top-soil and compost, or
- ▶ the cost of levelling, stabilising, supporting or restoring land, earth or fill, or
- ▶ the cost of any landscaping design, or
- ▶ any live plants being cultivated for financial gain, or
- ▶ the cost of ongoing maintenance.

The most **we** will pay during an **annual period** is \$100,000.

An **excess** of \$1,000 applies to this benefit.

Lifestyle block fencing

This policy is extended to cover the reasonable cost incurred to repair or replace **your** lifestyle block fencing if it suffers sudden and **accidental loss**, provided the **home** suffered **loss** in the same **event** and such **loss** is covered by this policy.

We will not pay for any shelter belt.

The most **we** will pay during an **annual period** is \$10,000.

Matching items

This policy is extended to cover the reasonable cost incurred to replace undamaged:

1. parts of a bathroom suite, or
2. parts of a kitchen suite, or
3. carpets,

at the **home**, due to **loss** or **contamination damage** covered by this policy, if in **our** opinion:

- (a) replacement is required, and
- (b) a matching replacement cannot be obtained.

Methamphetamine contamination

This policy is extended to cover **contamination damage** to the **home** that first occurs and that **you** discover, during the **period of cover**, subject to the following:

There is no cover for any **contamination damage** where any contamination existed or occurred prior to the current **period of cover** unless the pre-existing contamination was disclosed to and accepted by **us** in writing. If **you** have insured the **home** with **us** (or any other brand underwritten by IAG New Zealand Limited) continuously since the earlier period when the **contamination damage** first occurred, **we** will waive the requirement for the **contamination damage** to have first occurred during the current **period of cover**.

Damage by you and certain others not covered

You are not covered for any **contamination damage** that is caused or contributed to, directly or indirectly, by or in connection with **you**, or **your partner**, or any member of **your** or their family. For the purposes of this exclusion, **you** includes any trustee or beneficiary of the trust if the **home** is owned by the trust, or any director or shareholder of the company if the **home** is owned by the company, or any unit title holder.

Where the home is not your main residence

Where the **contamination damage** occurs in connection with any holiday home, tenancy or occupancy of 90 days or less, there is no cover unless the **contamination damage** was caused by an **accidental incident** in connection with the manufacture, distribution or storage (but only where the storage is in connection with supply or distribution) of **methamphetamine** at the **home**. There is no cover under this policy for any **contamination damage** that occurs in connection with any tenancy or occupancy of more than 90 days.

What we will pay

1. Where there is cover under this benefit, **we** will:
 - (a) reimburse **you** for the reasonable cost **you** have incurred during the **period of cover** for testing, provided:
 - (i) the testing is carried out in accordance with New Zealand Standard NZS 8510 or by an operator approved by **us**, and
 - (ii) the testing confirms **contamination damage** to the **home**, and
 - (b) pay to **remediate** that part of the **home** that suffered **contamination damage** subject to the provisions below.

Please note the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination and will not restore the home to its condition when it was new.

Distinction Home Insurance / Policy wording

2. **We** may choose to:
 - (a) pay the reasonable cost to **remediate** the part of the **home** that suffered the **contamination damage**, or
 - (b) pay **you** the estimated reasonable cost to **remediate** the part of the **home** that suffered the **contamination damage**.
3. The most **we** will pay for each residential dwelling shown in the **schedule** as covered by this policy, per **contamination claim** is \$50,000.
4. An **excess** of \$2,500 or the **excess** shown in the **schedule**, whichever is greater, will apply per **contamination claim** for each residential dwelling shown in the **schedule** as covered by this policy.

Mortgage discharge cover

We will pay up to \$5,000 for the reasonable legal and mortgage provider costs to discharge **your** mortgage following a total loss covered under this policy during the **period of cover**.

Natural disaster

This policy is extended to cover sudden and **accidental loss** to the **home** that occurs during the **period of cover** caused by **natural disaster**, subject to the following:

Where EQC cover applies

1. If that **loss** is covered under the **EQC Act**, or would have been but for:
 - (a) the application of an excess under the **EQC Act**, or
 - (b) a failure by **you** to correctly notify a claim to the Earthquake Commission within the time required under the **EQC Act**, or
 - (c) 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
 - (d) 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 rebuild the part of the **home** that suffered the **loss** exceeds **your** maximum entitlement available (or that would have been available but for the reason in 1. (a) to (d) 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 rebuild the part of the **home** that suffered the **loss**.
2. 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 **total sum insured**.

Where no EQC cover applies

3. Where **your** claim for **loss** to the **home** under this benefit is for, or includes, any part of the **home** that is not covered under the **EQC Act**, then the **excess** will be the higher of:
 - (a) \$5,000, and
 - (b) the **excess** otherwise applicable to the claim under this policy.

Some examples of parts of the home not covered under the EQC Act are any:

- *gate or fence,*
- *driveway,*
- *patio, path, paving, tennis court or other artificial surface,*
- *swimming pool or spa pool.*

New building work

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

1. any new structure being built within the residential boundaries of the **home**, if **you** own it (or if **you** are responsible for it while it is being built), provided it will be covered by this policy when complete, and
2. any materials within the residential boundaries of the **home** that are to be included in the new structure.

What is not covered

We do not cover any structure:

1. where the expected value of the completed work, or the price of the contract including materials, is more than \$50,000, or
2. that involves alteration to any part of the existing **home**, or

3. that involves excavation more than 1 metre deep, or
4. that has not been granted a building consent or similar if one is required.

What we will pay

The most **we** will pay during an **annual period** is \$50,000.

Post-event inflation protection

We may, at **our** sole discretion, increase the cover available under this policy if:

1. a **natural disaster**, flood or storm has occurred in the vicinity of the **home** causing widespread **loss** and, as a direct result of this widespread **loss**, building costs have increased due to a statistically significant increase in demand in **our** opinion, and
2. the **home** has suffered sudden and **accidental loss** that is covered by this policy and **your** claim in respect of that **loss** is settled on the basis of an actual repair or rebuild of the **home**, and,
3. the actual cost to repair or rebuild:
 - (a) the **home** is higher than the **home sum insured**, or
 - (b) any retaining wall or **recreational feature** is higher than its corresponding limit shown in this policy, or
 - (c) any **special feature** is higher than its corresponding **special feature sums insured** solely due to the increase in building costs described in paragraph 1. above.

The most **we** will pay, in total, for all increases in cover is the amount calculated by applying the percentage of the statistically significant increase in demand to:

- (i) the **home sum insured**, and
- (ii) the corresponding limit for any retaining wall or **recreational feature** shown in this policy, and
- (iii) the **special feature sums insured**,

up to a maximum of 10% more than those respective sums insured or limits.

However, under no circumstances will **we** pay more than an additional 10% of the **home sum insured** in total for (i) and (ii) under this clause.

For example:

An earthquake causes damage to a large number of homes in your town and substantially damages your home. As a result of all of the homes needing to be repaired/rebuilt, the cost of building materials and labour increases sharply. If your total sum insured of \$1,000,000 is no longer adequate because of the increased costs, we may pay up to \$1,100,000 to rebuild or repair your home and any retaining walls or recreational features.

Safety margin

If the **home** suffers **loss** that is covered by this policy and in **our** opinion:

1. it is economic to repair the **loss** to the **home**, or
2. it is uneconomic to repair the **loss** to the **home**, and **you** choose to rebuild on the same site or another site,

we will pay an additional amount as follows:

- (a) if the actual covered cost to repair or rebuild the **home** is higher than the **home sum insured**, **we** will pay an additional amount of up to an additional 10% of the **home sum insured**, or
- (b) if the actual covered cost to repair or rebuild any retaining wall or **recreational feature**, is higher than its corresponding limit shown in **your** policy, **we** will pay an additional amount of up to 10% of the applicable limit, or
- (c) if the actual covered cost to repair or rebuild any **special feature** is higher than its corresponding **special feature sum insured**, **we** will pay an additional amount of up to 10% of that **special feature sum insured**.

However, under no circumstances will **we** pay more than an additional amount of 10% of the **home sum insured** in the combined total for (a) and (b) under this clause.

This benefit does not apply:

- (i) to **loss** caused by **natural disaster**, flood or storm of any kind, and
- (ii) if **you** choose either option (c) Buy another home or option (d) Accept a cash payment with **our** consent under 'What we will pay – If your home is uneconomic to repair'.

You must review **your home sum insured**, **special feature sums insured** and retaining wall/**recreational features** limits at each renewal and also when **you** extend or renovate the **home**.

Distinction Home Insurance / Policy wording

Sale and purchase	<p>Where loss occurs after you have entered into a contract to sell the home, the purchaser is covered by this policy for that loss up until the final settlement, or until they take possession of the home, whichever occurs first, provided:</p> <ol style="list-style-type: none">1. they meet all the same conditions of this policy that you must meet, and2. they have not otherwise insured the home at the time of the loss.
Security system	<p>If the home is fitted with a professionally installed alarm or a security system, and this is activated during a break in or attempted break in during the period of cover and there is evidence of this, we will pay the reasonable cost of any call out fee for attendance by a monitoring service to reset or reprogram it.</p> <p>The excess does not apply to this benefit.</p>
Stress payment	<p>If, in our opinion, it is uneconomic to repair the loss to the home, we will also pay you \$10,000 for the stress caused by the loss.</p> <p>If you have stress payment cover under any other policy with us, the most we will pay for any event under all policies in total is \$10,000.</p> <p>This is in addition to any other payment under this policy.</p>
Sustainability upgrade	<p>If, in our opinion, it is uneconomic to repair the loss to the home, we will also pay up to \$25,000 to upgrade the home with sustainable products, provided:</p> <ol style="list-style-type: none">1. you rebuild the home (on the same site or on another site), and2. you occupy the home at the time of the loss, and3. the sustainable products are approved by us. <p>This is in addition to any other payment under this policy.</p>
Temporary removal of fixtures	<p>This policy is extended to cover fixtures and fittings of the home which have been temporarily removed for the purpose of restoration, renovation or repair by a professional contractor or tradesman for a period not exceeding 90 days.</p>
Trauma cover	<p>If, during the period of cover, you suffer injury at the home as a result of fire, home invasion, burglary or theft, we will pay:</p> <ol style="list-style-type: none">1. up to \$2,500 for professional counselling services, and2. up to \$2,500 for temporary accommodation while security is improved. <p>This is in addition to any other payment under this policy.</p>
Tree removal	<p>If loss occurs to the home as a result of a tree or part of a tree falling and that loss is covered by this policy, we will also pay the reasonable costs incurred for the removal of that tree, including those parts that have not fallen.</p> <p>We will not pay the cost to remove stumps from the ground or any costs where the tree was known to be unsound or unstable and needed to be removed.</p> <p>The most we will pay for any event is \$3,000.</p>
Water or sewage pipe blockage	<p>We will pay the reasonable costs towards clearing a blockage in an underground water or sewage pipe, provided the blocked pipe is within the residential boundaries of the home.</p> <p>This benefit only covers the costs of clearing the blockage, and the repair or reinstatement of any driveway, patio, path, paving, tennis court or other permanent structure which suffers damage directly arising from or in consequence of locating the blockage, and does not cover any other maintenance costs.</p> <p>The most we will pay during an annual period is \$2,000.</p> <p>The excess does not apply to this benefit.</p>

Section two – your legal liability

What you are covered for:

Legal liability

You are covered for **your** legal liability for:

1. **accidental loss** to anyone else's property, or
2. **bodily injury** to anyone else,

that occurs during the **period of cover** in New Zealand, caused by or through or in connection with **your** ownership of the **home** or its grounds.

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.

Reparation

You are covered for **your** legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** committing an offence during the **period of cover** in connection with **your** ownership of the **home** or its grounds, 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 in connection with **your** ownership of the **home** or its grounds, 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 are not covered for:

1. liability, including liability for **reparation**, connected in any way with:
 - (a) any business (other than renting the **home** as a residence), trade, profession or sponsorship, or
 - (b) any contract or agreement, unless **you** would have been liable even without a contract or agreement, or
 - (c) the ownership or use of any **motor vehicle** (other than any domestic garden appliance), trailer, caravan, watercraft, or aircraft or other aerial device, 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.

Policy exclusions that apply to all parts of this policy

Confiscation	<p>You 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 loss that would otherwise have been covered by this policy.</p>
Consequential loss	<p>You 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>
Earth movements	<p>You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with:</p> <ol style="list-style-type: none">1. subsidence or erosion, or2. settling, warping or cracking caused by earth or other movements. This exclusion 2. does not apply to loss covered by the 'Natural disaster' automatic additional benefit.
Electronic data and programs	<p>You are not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with electronic data arising from any cause whatsoever, including, but not limited to, a computer virus.</p> <p>This includes loss of use, reduction in functionality or any other associated loss or expense in connection with electronic data.</p> <p>However, this exclusion does not apply to:</p> <ol style="list-style-type: none">1. physical damage to other covered property that results from that loss of or damage to electronic data, and which is not otherwise excluded, and2. any loss covered by the 'Electronic programs' automatic additional benefit.
Excess	<p>For each incident, the relevant excess will be deducted from the amount of your claim unless stated otherwise under an additional benefit.</p> <p>If you have more than one dwelling covered under this policy, the excess applies individually to each dwelling.</p> <p>If we insure both the home and its contents (at the same address) and you claim under both for loss caused by the same incident, only one excess will apply, being the highest applicable excess.</p> <p>Where an incident occurs that results in a claim under more than one benefit (or sub-section of a benefit) of this policy, only one excess will apply, being the highest applicable excess.</p> <p>The excess 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 \$400 is payable by you, the amount we will pay is \$600.</i></p>
Intentional or reckless acts	<p>You are not covered for any loss, damage, cost, expense, prosecution or liability arising from any intentional or reckless act or omission by you or anyone else covered by this policy.</p>
Nuclear	<p>You 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">1. ionising radiation or contamination by radioactivity from:<ol style="list-style-type: none">(a) any nuclear fuel, or(b) any nuclear waste from the combustion or fission of nuclear fuel.2. nuclear weapons material.
Terrorism	<p>You are not covered for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with an act of terrorism, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an act of terrorism.</p>

Unlawful substances

You are not covered for any loss, damage, cost, expense, prosecution or liability in connection with the presence at the **home** of any 'controlled drug' as defined in the Misuse of Drugs Act 1975.

This exclusion does not apply to:

1. loss covered by the 'Alternative accommodation' or 'Methamphetamine contamination' automatic additional benefits, or
2. **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 warlike 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.

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 **home** 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 **home** 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.

Assignment

Except as outlined in 'Other parties with a financial interest' below, **you** must not otherwise transfer any of **your** entitlements or benefits under this policy to any person or entity without **our** prior written consent.

It is not possible to assign the entitlements or benefits of 'If your home is uneconomic to repair, 1.'. If, in **our** opinion, it is not economic to repair the **loss** to the **home**, the provisions of 'If your home is uneconomic to repair, 2.' will apply to the entitlement that is transferable.

It is not possible to assign this policy to another person or entity.

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, in **our** opinion, it is uneconomic to repair the **loss** to the **home**, this policy will be automatically cancelled from the date **we** pay **your** claim or the date on which rebuilding commences, whichever occurs first. **We** will not refund **you** any premium for the unused portion of the **period of cover**.

This means that you will need to make new insurance arrangements on any replacement home.

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.

Distinction Home Insurance / Policy wording

Changes in circumstances	<p>You must notify us or your broker immediately if, after we have accepted your application for this policy, there is a material:</p> <ol style="list-style-type: none">1. increase in the risk covered, or2. alteration in the risk covered. <p>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.</p> <p><i>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.</i></p> <p><i>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).</i></p>
Currency	Any amounts shown in this policy and in the schedule are in New Zealand dollars.
Goods and Services Tax	Where GST is recoverable by us under the Goods and Services Tax Act 1985: <ol style="list-style-type: none">1. the total sum insured, home sum insured, special feature sums insured, limits for retaining walls and recreational features all exclude GST, and2. all other policy limits and sub limits include GST, and3. all excesses include GST, and4. GST will be added, where applicable, to claim payments.
Governing law and jurisdiction	The law of New Zealand applies to this policy and the New Zealand courts have exclusive jurisdiction.
Joint insurance	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>
Legislation changes	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.
Other insurance	You must tell us if the home is or becomes covered under any other insurance. This policy does not cover your loss or liability at all if it is insured to any extent under any other insurance policy. We will not contribute towards any claim under any other insurance policy.
Other parties with a financial interest	If we know of any financial interest over the home , we may: <ol style="list-style-type: none">1. pay part or all of any claim settlement to that other party and this will go towards meeting the obligations we have under this policy for the loss, and2. disclose information about the claim to that other party if required. Any other party who has a financial interest under this policy is not covered and does not have rights to claim under this policy.
Reasonable care	You must take reasonable care at all times to avoid circumstances that could result in a claim. Your claim will not be covered if you are reckless or grossly irresponsible.

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'.

accident	unexpected and unintended by you .
act of terrorism	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">▶ involves violence against one or more persons, or▶ involves damage to property, or▶ endangers life other than that of the person committing the action, or▶ creates a risk to health or safety of the public or a section of the public, or▶ is designed to interfere with or disrupt an electronic system.
annual period	the period of cover . However, if: <ul style="list-style-type: none">▶ your premium is paid monthly or quarterly, or▶ the period of cover is for more than 12 months, the annual period is the current 12 month period calculated consecutively from the date this policy first started.
application	the information provided by you to us when you purchased this insurance or requested a quotation for this insurance from us .
bodily injury	the accidental death of, or accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.
computer virus	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'.
contamination claim	contamination damage arising out of or attributable to an event or multiple events regardless of the number of acts, persons, tenancies, occupancies or incidents involved.
contamination damage	loss caused by methamphetamine contamination that exceeds the contamination level .
contamination level	the relevant guideline value for indoor surface contamination as set out in the most recent version of the New Zealand Standard NZS 8510.
electronic data	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.
EQC Act	Earthquake Commission Act 1993 and any Act in substitution of that Act.
event	any one event or series of events arising from one source or original cause.
excess	the first amount of the claim that you must pay, which is shown in either the schedule or in this policy wording.
hidden gradual damage	hidden rot, hidden mildew or hidden gradual deterioration, caused by water leaking from any internal: <ul style="list-style-type: none">▶ tank that is plumbed into the water reticulation system of the home and is permanently used to store water, or▶ water pipe, or▶ waste disposal pipe, installed at the home .

home

the residential dwelling(s) that **you** own at the situation shown in the **schedule** including any of the following used at all times solely for domestic use:

- ▶ outbuildings within the residential boundaries of the situation on which the residential dwelling(s) is situated. This includes any fixed domestic: garage, carport, glasshouse, animal shelter,
- ▶ fixtures and fittings permanently attached to the residential dwelling(s) or its outbuildings. This includes: kitchen stove, hob or range hood, any other home appliance that is permanently wired, permanently plumbed or permanently built-in,
- ▶ kitchen oven permanently attached or not,
- ▶ fitted floor coverings (including glued, smooth edge or tacked carpet and floating floors) of the residential dwelling(s) or any outbuilding included above,
- ▶ driveway of permanent construction that provides direct access to the residential dwelling(s) or any outbuilding included above,
- ▶ patio, paths and paving of permanent construction, deck, steps, gate or fence, provided they are on or within the residential boundaries within which the residential dwelling(s) is situated,
- ▶ walls including garden and retaining walls,
- ▶ **recreational features,**
- ▶ public utility services supplying the residential dwelling(s) or any of its outbuildings included above, including, but not limited to, power and telephone lines, data cables, supply and waste water pipes,
- ▶ permanently sited water storage tank, septic tank or heating oil tank and its associated equipment (excluding its contents),
- ▶ solar power and solar water heating systems,

It also includes any of the following at the situation shown in the **schedule** that **you** own primarily for domestic use but that may also have limited use for rural lifestyle purposes:

- ▶ outbuildings for the storage of:
 - (a) tools,
 - (b) animal feed,
 - (c) uninstalled equipment, or
 - (d) machinery and vehicles,
- ▶ fences as covered under the 'Lifestyle block fencing' automatic additional benefit,
- ▶ private utility plant and associated equipment, including, but not limited to, wind or water mills, or diesel generators, provided the replacement cost is \$15,000 or less,
- ▶ bridge, culvert, permanent ford or dam, provided the replacement cost is \$25,000 or less,
- ▶ well or bore hole including its pump, lining or casing, provided the replacement cost is \$30,000 or less.

It does not include any of the following unless it is shown in the **schedule** as a **special feature** with a corresponding **special feature sum insured**:

- ▶ private utility plant and associated equipment, including, but not limited to, wind or water mills, or diesel generators, with a replacement cost of more than \$15,000,
- ▶ bridge, culvert, permanent ford or dam, with a replacement cost of more than \$25,000,
- ▶ well or bore hole including its pump, lining or casing, with a replacement cost of more than \$30,000,
- ▶ cable car and its associated equipment,
- ▶ wharf, pier, landing or jetty.

It does not include any of the following:

- ▶ any part of the home that is used for business or commercial purposes except where:
 - (a) it is rented out as a residential property, or
 - (b) it is used solely as a home office for clerical purposes by **you** or **your** tenant,
- ▶ any part of the home that is built for or used for farming or rural lifestyle purposes whether commercial or not, including, but not limited to, stables, barns or other farm buildings that provide animal shelter, or outbuildings that are solely used to store animal feed or machinery,
- ▶ any part of the home being constructed, de-constructed or undergoing alterations and not suitable for permanent residential use or occupation, unless cover is provided under the 'New building work' automatic additional benefit,

Distinction Home Insurance / Policy wording

	<ul style="list-style-type: none">▶ gravel or shingle, including a gravel or shingle: driveway, path, patio or paving,▶ loose floor covering including: mats, rugs or runners,▶ temporary structure,▶ fittings that are not permanently attached, including, but not limited to, curtains and blinds,▶ appliances that are not permanently wired, permanently plumbed or permanently built-in other than a kitchen oven,▶ household goods and personal effects,▶ live plants including any: tree, shrub, hedge or grass other than the cover provided under the 'Landscaping' automatic additional benefit,▶ land, earth or fill,▶ structure or property not at the situation shown in the schedule.
home sum insured	the amount shown in the schedule of the same name. This includes any increased policy limits for retaining walls and recreational features .
incident	something that occurs at a particular point in time, at a particular place and in a particular way.
injury	a bodily injury caused solely and directly by violent, accidental, external and visible means.
loss	physical loss or physical damage.
methamphetamine	the Class A controlled drug methamphetamine or Class B controlled drug amphetamine as defined by the Misuse of Drugs Act 1975 or any of their precursor chemicals and by-products.
motor vehicle	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.
natural disaster	an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the EQC Act .
partner	your husband or wife or person with whom you are living in the nature of a marriage.
period of cover	the period of cover shown in the schedule .
recreational features	any tennis court or permanently fixed swimming pool or permanently fixed spa pool including its ancillary equipment and pump(s).
remediate	to reduce the level of methamphetamine contamination to below the contamination level . <i>Please note, the definition of remediate means that we will not pay to remove all traces of methamphetamine contamination and will not restore the home to its condition when it was new.</i>
reparation	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.
schedule	the latest version of the Schedule we issued to you for this policy.
special feature	any item that is listed in the schedule with a corresponding special feature sum insured .
special feature sum insured	the Sum Insured amount shown in the schedule that corresponds with the special feature .
sustainable products	sustainable products are: <ul style="list-style-type: none">▶ products that increase the efficiency of the home relating to your use of energy or water, and▶ rebuilding materials that reduce environmental impacts. Sustainable products include: <ul style="list-style-type: none">▶ solar water heating system,▶ home sprinkler system,▶ heat pump(s),▶ rainwater collection tank,▶ 'best practice' insulation (as recommended by Standards New Zealand),▶ environmentally friendly paint,▶ pellet burner(s).

Distinction Home Insurance / Policy wording

total sum insured

the amount shown in the **schedule** of the same name inclusive of:

- ▶ the **home sum insured**, which includes any limits for retaining walls and **recreational features**, and
- ▶ any **special feature sums insured**, and
- ▶ automatic additional benefits unless stated otherwise within such benefit(s).

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**.

