

# Essence

## **contents**

insurance policy



**LANTERN**  
insurance

Underwritten by **N4**

# Essence

## Contents policy

### Welcome

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Thank you for giving Lantern the opportunity to help you protect the things that matter. We'll do our best to support the choice you've made by providing you with an extensive range of NZI products and services designed to meet your expectations.

### What we do

Lantern Insurance is a specialist for NZI. Our competitive advantage hinges on knowing our customers well enough to deliver relevant NZI products and services that meet their lifestyle needs.

If you have any questions about your policy or think it doesn't provide the cover you need, please ring us straight away – we'll be happy to help.

Phone the Lantern team on **0800 800 800**.

**[www.lanterninsurance.co.nz](http://www.lanterninsurance.co.nz)**

**This document is your Essence Contents policy wording. Please make sure you read it carefully, as it contains important information you should know, including what your insurance covers – and what it doesn't.**

### Contacting us

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If you ever have a question, need help, or want to make an insurance claim, you're welcome to phone us any time, 24-hours a day.

In New Zealand, simply call **0800 800 800**.

If you're overseas, call us direct on **+64 9 969 4852**.

If you'd prefer to email us, it's easy. You can reach us at **[contactus@lanterninsurance.co.nz](mailto:contactus@lanterninsurance.co.nz)**.

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## Your policy

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### Our agreement with you

**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.

### Reading your policy

#### Words in bold

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 on page 15.

#### Examples and headings

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.

### What your policy consists of

**Your** policy consists of this policy wording, the **schedule**, the information **you** provided in the **application** and any subsequent information **you** provide.

### You can change your mind

If **you're** not happy with this policy **you're** welcome to change **your** mind, but **you** must tell **us** within 15-days of the date it started. **We'll** treat **your** policy as being of no effect and to have never existed and refund in full any premium **you** have paid. This doesn't apply if **you** have made a claim on **your** policy.

## Keeping us informed

When **you** apply for insurance with **us**, **you** have an important 'duty of disclosure'. This means that **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would take into account in deciding:

- to accept or decline **your** insurance, or
- the cost or terms of **your** insurance, including the excess.

If **you** don't tell **us**, **your** insurance policy may not be valid and **you** may not be covered if **you** want to make a claim.

**You** must also tell **us** about changes that occur during the policy period – see 'Changes in circumstances' on page 14.

If **you're** not sure whether **you** should give **us** some information, tell **us** anyway. Simply call **us** on **0800 800 800** – **we'll** talk the matter over with **you** and let **you** know if it affects **your** policy.

**We** treat all information **you** give **us** in accordance with the Privacy Act 1993.

## Making a claim

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When **you** need to make a claim, **we'll** be here to help **you** 24-hours a day, 7-days a week – just call **us** on **0800 800 800**.

### What you must do

If anything happens that could result in a claim under this policy, **you** must:

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

### Getting our permission first

**You** must ask for **our** permission before **you**:

- incur any expenses in connection with a claim under this policy, or
- negotiate, pay, settle, or admit any allegation that **you** are legally liable, or
- negotiate, offer to pay or pay any **reparation**, including but not limited to, offers made as any part of any case management conference or sentencing hearing, or
- do anything that may prejudice **our** rights of recovery.

### We can take action in your name

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

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

**You** must assist **us** with these actions. **We'll** pay the reasonable legal costs of these actions.

## What you get if we accept your claim

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Not all **contents** are insured for their replacement. This section explains what **contents we'll** replace and what **we** won't replace, if **we** accept **your** claim. It also explains when **we'll** repair the **contents**, when **we'll** replace them and when **we'll** pay **you** for them. It also tells **you** about **contents** that are only covered for certain amounts. Please make sure **you** read this section carefully. If **you** have any questions, just phone **us** on **0800 800 800**.

### Contents covered for repair and replacement

All **contents** are covered for replacement, except those listed in 'Contents covered for present value' below.

For **contents** covered for replacement, **we** can choose either to pay the cost of repairing an item as close as possible to its condition when it was new, or the cost of replacing it.

## Jewellery or watch

For any item of jewellery or watch that is not repaired or replaced, the most **we'll** pay is 50% of its replacement value, or its **present value**, whichever is the lesser.

## Contents covered for sustainability upgrade

For any whiteware appliance less than 10 years of age, **we'll** 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'll** pay for that model.

## Contents covered for present value

The items **we** cover for **present value** are:

- books,
- clothing or footwear,
- audio, video or optical storage media, including, but not limited to, records, tapes, CDs, DVDs or Blu-ray discs,
- computer hardware over 3-years of age,
- licensed computer and gaming software (including gaming cartridges) and programs,
- digital data (including audio and video files),
- camping equipment,
- **watercraft** and its parts and accessories,
- parts and accessories of any **motor vehicle** (other than a mobility scooter), trailer or caravan that are not in them or attached to them,
- remotely piloted aircraft (including its parts and accessories that are in it or attached to it) that are more than 2 years old,
- parts and accessories of any aircraft or other aerial device that are not in them or attached to them,
- household linen,
- sports equipment (but not golf clubs or golf bags),
- bicycles,
- any item that **you** choose not to repair or replace,
- any item that cannot be replaced in New Zealand,
- any other item of **contents** over 10-years of age.

If an item is covered for **present value**, **we** can choose either to pay the cost of repairing it as close as possible to its condition immediately before the **loss** happened, or to pay its **present value**.

*'Present value' means the estimated reasonable cost to replace the item in New Zealand – so that you have an item that is of an equivalent age, quality and capability, and that is in the same general condition.*

## Maximum payments for specific types of contents

Unless **we** have agreed in writing that an item is a **specified item**, or a higher limit applies, the most **we'll** pay for any **event**, is shown below:

Description	Amount
BICYCLES: For a bicycle	\$2,000
CAMERAS: For a single <b>camera</b> (still or video) or <b>camera</b> accessory	\$2,000
COLLECTIONS: For a single <b>collection</b>	\$3,000
HEARING AIDS: For any single hearing aid, artificial limb or set of dentures	\$3,000
JEWELLERY: For a single item of jewellery or watch	\$3,000
JEWELLERY (MULTIPLE): For multiple items of jewellery or watches that are not <b>specified items</b>	\$10,000 in total
MONEY AND VOUCHERS: For all money, vouchers that can be redeemed for cash, bullion, unset precious stones, credit cards or stamps that are not part of a <b>collection</b>	\$750 in total
PARTS AND ACCESSORIES: For all parts and accessories of: (a) watercraft (b) <b>motor vehicles</b> , trailers and caravans (c) aircraft and other aerial devices, that are not in them or attached to them.	\$2,500 in total
PORTABLE ELECTRONIC EQUIPMENT: For all portable electronic equipment, including but not limited to digital audio players, portable media players, mobile phones and laptops, but not including digital <b>cameras</b> (still or video)	\$2,000 in total

Description	Amount
REMOTELY PILOTED AIRCRAFT (including its parts and accessories that are in it or attached to it)	\$2,000
WATERCRAFT: For a surfboard, windsurfer, paddleboard, kite surfer, surf ski, dinghy, kayak or canoe (including any parts and accessories that are in it or attached to it)	\$2,000
WORKS OF ART: For any single ornament, painting, picture or work of art	\$10,000

If the item is a **specified item**, or a higher limit applies the most **we'll** pay is the **specified sum insured** for that item.

## Maximum payment

Unless this policy specifically states otherwise in another section, the most **we'll** pay in total for any **event**, is the **sum insured**.

## Claimant authorisation

If any person, except those named as the insured (in the **schedule**), makes a claim under this policy, then:

1. they authorise the insured to be their agent, and
2. they authorise the insured to negotiate and settle the claim, and
3. **we** may deal with the insured direct, and
4. **our** payment to the insured will represent payment to the person claiming.

*This means that anyone who is covered under this policy authorises the main insured to deal with us and settle the claim.*

## What your policy covers

This section explains what **your** policy does and doesn't cover. Please read it carefully – and if **you** have any questions, call **us** on **0800 800 800**.

### Accidental loss

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

1. at the **home**, or
2. in **your** possession while in transit from the place where **you** acquired them to the **home**, or
3. temporarily removed from the **home**. However, **you** are not covered for **loss** arising from theft, unless the theft follows violent and forceful entry to any building or part of the building where the contents are kept.

### What you'll get

See 'What you get if we accept your claim' on page 5 for details on what **we'll** pay.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

### Alternative accommodation

If the **home** is **your** principal residence and cannot be lived in due to a **loss** that occurs during the **period of insurance**.

1. to the **contents** at the same **home** during the same **period of insurance** that is covered by:
  - (a) this policy, or
  - (b) the **EQC Act**, or
2. to the **home**,
  - (a) that is covered by another policy, or
  - (b) in which **you** are the tenant and that would have been covered under a home policy if **we** had insured that property, or
  - (c) that is covered by the **EQC Act**,

**we'll** pay the reasonable additional costs of:

1. alternative accommodation (of a similar standard to the **home**) for **you** and **your** domestic pets, and
2. moving **your contents** to the alternative accommodation and return them to the **home**, and
3. moving **your contents** to a secure storage facility, for storage while **you** are in alternative accommodation, and to return them to the **home**.

## What you'll get

If **you** occupy the home as a tenant, **your** 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.

The most **we'll** pay is \$15,000 for any **event**.

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

The payment will be additional to the 'Maximum payment' on page 7.

If **you** have alternative accommodation cover under any other policy with **us**, then the most **we** will pay under all policies in total for any **event** is the highest applicable limit.

## What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

## Contents in storage

**You're** covered for sudden and **accidental loss** to the **contents** while they are stored in a building, provided the **loss** occurred during the **period of insurance** and:

1. they are in storage in a safe deposit box at a bank or commercial vault anywhere in New Zealand, or
2. **you** have notified **us** of the storage arrangement and **we** have approved it, provided the **loss** was caused by:
  - (a) fire, lightning or explosion, or
  - (b) theft following forceful and violent entry to the storage building, or
  - (c) storm or flood (but not if the water originates from inside the building), or
  - (d) water that leaks, overflows, or is discharged from a water system installed at the storage building, or
  - (e) **natural disaster**, or
  - (f) aircraft or other aerial or spatial device, or articles dropped from them, or
  - (g) impact by **motor vehicle**.

## What you'll get

See 'What you get if we accept your claim' on page 5 for details on what **we'll** pay.

## What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

## Contents in transit

**You're** covered for sudden and **accidental loss** to the **contents** while in transit from the **home** to any permanent residence in New Zealand, provided:

1. the **loss** is caused by any of the following:
  - (a) fire, lightning or explosion, or
  - (b) theft following forceful and violent entry to a **motor vehicle** or building, or
  - (c) storm or flood, or
  - (d) **natural disaster**, or
  - (e) aircraft or other aerial or spatial device, or articles dropped from them, or
  - (f) the **motor vehicle** used to transport them is involved in a collision, and
2. the **loss** occurs during the **period of insurance**.

## What you'll get

See 'What you get if we accept your claim' on page 5 for details on what **we'll** pay.

## What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

## Electronic data and programs

**You're** covered for sudden and **accidental loss** that occurs during the **period of insurance** 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.

## What you'll get

See 'What you get if we accept your claim' on page 5 for details on what we'll pay. **We'll** only pay the **present value** of the **loss**.

### What isn't covered?

We won't pay for any of the following:

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

See also 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

### Family living away from home

**You're** covered for sudden and **accidental loss** during the **period of insurance** to the **contents** of any **family** member who is a student, and is living in a hostel or other accommodation run by, or for the school, polytechnic or university.

#### What you'll get

See 'What you get if we accept your claim' on page 5 for details on what **we'll** pay.

#### What isn't covered

**You're** not covered for **loss** arising from theft, unless the theft follows forceful and violent entry to any building or part of the building where the **contents** are kept.

See also 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

### Fatal injury

**We'll** pay \$10,000 to **your** legal representative if **you** die as the result of a fire, or an incident involving burglars or thieves, that happens at the **home** during the **period of insurance**.

Note the 'Other insurance' policy condition on page 14 doesn't apply to this fatal injury cover – and no **excess** is payable.

#### What you'll get

The most **we'll** pay is \$10,000 for any fatal injury **event**. If more than one person is entitled to payment, **we'll** pay proportionately to the number of persons entitled. The payment will be additional to the 'Maximum payment' on page 7.

#### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

### Food spoilage

**You're** covered for **accidental loss**, during the **period of insurance**, to perishable items, caused by:

1. **your** refrigerator or freezer stopping, or breaking down, or
2. disconnection of the power supply (including by an electricity supply company).

#### What you'll get

**We'll** pay the reasonable costs of:

1. replacing perished items in **your** refrigerator or freezer, and
2. repairing any **loss** caused by the perished items.

#### What isn't covered?

**We** won't pay for perished items **you've** kept in connection with a business or if the power supply is disconnected because of any failure to pay a power bill.

See also 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

### Intentional acts

**You're** covered for sudden and **accidental loss** during the **period of insurance** caused intentionally by:

1. a tenant, or
2. any guest of a tenant, or
3. any person who occupies the **home**, where the **loss** was caused by fire or explosion.

#### What you'll get

See 'What you get if we accept your claim' on page 5 for details on what **we'll** pay.

#### What isn't covered?

**You're** not covered for any **loss** caused intentionally by the person(s) shown as the 'Insured' in the **schedule** or their **partner**.

See also 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

### Keys and locks

**You're** covered if any key (including electronic keys or swipe card or any equivalent device) or combination that gives access to the **home**, or to any safe or strongroom in the **home**, is:

1. lost or stolen, or
2. believed on reasonable grounds to have been duplicated without **your** permission, during the **period of insurance**.

## What you'll get

We'll pay **you** the actual cost to:

1. replace any key to the **home** and to alter or replace the lock it was for, or
2. open any safe or strongroom.

The most **we'll** pay during an **annual period** is \$1,000.

## What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

## Legal liability

**You're** covered for **your** legal liability (but not as a property owner) for:

1. **accidental loss** to any property,
  2. **bodily injury** to anyone,
- occurring during the **period of insurance** in New Zealand.

## Defence costs cover

**You're** also covered for defence costs **you** incur with **our** approval, for **your** liability under the items above. **We** won't unreasonably withhold **our** approval.

## Reparation

**You're** 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 insurance**, 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'll get

### Legal liability payment

The most **we'll** pay is \$1,000,000 for any **event**. The payment will be additional to the 'Maximum payment' on page 7.

### Defence costs payment

Defence costs covered by this policy are unlimited and payable in addition to the above legal liability payment limit.

### Settlement of any claim

If **we** pay the full amount under this part of **your** policy (or any lesser amount that **we** can settle **your** liability for), plus **your** defence costs, this will meet all **our** obligations under this part of **your** policy.

## What isn't covered?

**You're** 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** 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 the **watercraft** 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 insurance** and is caused by a sudden and **accidental event** that occurs during the **period of insurance**.
2. punitive or exemplary damages or fines.

See also 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

## Natural disaster

**You're** covered for sudden and **accidental loss** to the **contents** that occurs during the **period of insurance** 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 **your 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'll** pay the difference between that maximum entitlement (plus that excess) and the cost to repair or replace the **contents** that suffered the **loss**.

The most **we'll** pay under this cover for any **event** is the difference between that maximum entitlement (plus the excess under the **EQC Act** and the **sum insured**.

### What you'll get

See 'What you get if we accept your claim' on page 5 for details on what **we'll** pay

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

## Stress payment

If **we** settle a claim for the total loss of the **contents**, **we'll** pay **you** an additional amount for the stress **you** have suffered.

**You** can spend this money however **you** wish.

### What you'll get

**We'll** pay **you** \$2,000. The payment will be additional to the 'Maximum payment' on page 7.

If **you** have 'Stress payment' cover with **us** under any other policy, the most **we'll** pay under all policies is \$2,000 for any **event**.

### What isn't covered?

See 'Exclusions that apply to the whole policy' on page 11 and 'Policy conditions' on page 14.

## Exclusions that apply to the whole policy

This section explains things **your** policy doesn't cover that are additional to those already mentioned in the previous sections. Please read it carefully – and if **you** have any questions, call **us** on **0800 800 800**.

## The first 48-hours of your policy

When **you** first take out this policy, **you're** not covered for any **loss** caused by a storm, flood or landslip that happens during the first 48-hours.

This restriction doesn't apply if the policy starts immediately after another policy that insured the same property against the risks of storm, flood and landslip.

*For example:*

*If you're changing your insurance company to Lantern and your cover continues without interruption, you'll be covered for storm, flood and landslip. However, if your policy with the other company didn't cover storm, flood and landslip, you won't be covered in the first 48-hours of this policy.*

*If your contents weren't insured at all before you took out this policy, you won't be covered for storm, flood and landslip in the first 48-hours.*

## Confiscation

**You're** not covered for loss, damage, cost, expense, prosecution or liability connected in any way with the 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.

## Consequential loss

**You're** not covered for any kind of consequential loss other than as specifically provided for under 'Alternative accommodation' on page 7.

*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.*

## Earth movements

**You're** not covered for any loss, damage, cost, expense, prosecution or liability connected in any way with:

1. subsidence or erosion, or
2. settling, warping or cracking caused by earth or other movements. This exclusion 2. does not apply **loss** covered by 'Natural disaster' on page 11.

## Electronic data and programs

**You're** 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**.

This includes loss of use, reduction in functionality or any other associated loss or expense in connection with **electronic data**.

However, this exclusion does not apply to:

1. physical damage to other covered property that results from that loss of or damage to **electronic data**, and which is not otherwise excluded, and
2. any loss covered by 'Electronic data and programs' on page 8.

## Excess

For each **incident**, the relevant **excess** will be deducted from the amount of **your** claim unless stated otherwise under another part of this policy.

If **we** insure both the **contents** and **your home** (at the same address) and **you** claim under both for a **loss** caused by the same **incident**, only one excess will apply, being the highest applicable excess.

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**.

The **excess** is deducted after any policy limits have been applied.

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.

## Faults and defects

**You're** not covered for the cost of fixing any fault, defect, error or omission in design, workmanship or construction. However, this applies only to the **contents** directly affected. It doesn't apply to any resultant sudden and **accidental loss** to other parts of the **contents**.

## Gradual damage

**You're** not covered for:

1. wear and tear, depreciation, corrosion, or rust, or
2. rot or mildew, or
3. gradual deterioration.

## Insects, rodents and vermin

**You're** not covered for **loss** caused by insects, rodents or vermin (other than possums). However, this applies only to the **contents** directly affected. It doesn't apply to any resultant sudden and **accidental loss** to other parts of the **contents**.

*For example:*

*If a rat chews through your washing machine's hose, you are not covered for damage to the hose, but you are covered for the damage the water causes. Keep in mind that other exclusions may still apply, such as the gradual damage exclusion.*

## Intentional acts

**You're** not covered for any **loss** that is intentionally caused by any:

1. tenant, or
2. guest of a tenant, or
3. person who occupies the **home**, except where the **loss** is covered under 'Intentional acts' on page 9.

## Loss caused by electricity

**You're** not covered for **loss** that electricity causes to fuses, protective devices or lighting or heating elements.

## Loss to pair or set

**You're** not covered for repairing or replacing undamaged parts of a complete pair or set.

## Mechanical and electrical equipment

**You're** not covered for the breakdown, failure or wearing out of any part of any mechanical or electrical equipment, unless burning out occurs as a result of an **accidental** and external force.

## Natural disaster

**You're** not covered for **loss** to the **contents** connected in any way with **natural disaster** unless cover is provided by 'Natural disaster' on page 11.

## Nuclear

**You're** not covered for any loss, damage, cost, expense, prosecution or liability, prosecution or expense of any type in connection with:

1. ionising radiation or contamination by radioactivity from:
  - (a) any nuclear fuel, or
  - (b) any nuclear waste from the combustion or fission of nuclear fuel.
2. nuclear weapons material.

## Reckless acts

**You're** 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.

## Remotely piloted aircraft

**You're** 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.

## Structural additions or alterations

**You're** not covered for **loss** to the **contents** connected in any way with:

1. structural additions or structural alterations to the **home**, unless **we've** been notified of the additions or alterations beforehand and **we've** agreed in writing to cover this, or
2. water 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.

*For example:*

*If you make alterations to your house, you must let us know beforehand. If you don't, your contents won't be covered if they are damaged as a result of the alterations.*

*You're also not covered if you remove the roof to do maintenance work and there's a downpour of rain.*

*Please ring us on 0800 800 800 for more information on arranging cover for structural additions or alterations.*

## Terrorism

**You're** 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**.

## Unlawful substances

**You're** 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.

## Vacant homes

If **you**, or a person authorised by **you**, have not been living at the **home** for a period of more than 60 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' benefit on page 11.

This condition 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 this policy.
- (b) **we** have **your 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 60 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.

## War

**You're** 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.

## Policy conditions

**Your** policy has some important conditions. This section explains what they are and what happens if **you** don't follow them. Please read it carefully and if **you** have any questions phone **us** on **0800 800 800**.

### If you don't comply with the policy...

**You** or anyone else covered under this policy or anyone acting on **your** behalf, must comply with this policy. If any of the terms of this policy, are breached, **we** have the sole discretion to:

1. decline any claim **you** make – either the whole claim or part of it, and
2. declare 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.

## Your obligations

### True statements and answers

All statements and answers that **you** give, or any other person gives on **your** behalf, must be honest and accurate when **you**:

1. apply for this insurance, and/or
2. let **us** know about any change in **your** circumstances, and/or
3. make a claim under this policy,

### Changes in circumstances

**You** must let **us** know straight away if, after **we** have accepted **your application** for this policy, there is a material increase or change in the risk **we** cover.

**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 accepting your insurance or setting the terms of the insurance, including the premium and excess, if we had known that information. Tell us if this information changes while we insure your contents – as soon as you know that the change will happen.*

*If you're not sure if information is 'material', tell us anyway.*

*The 'risk we cover' refers to the actual property or liabilities we insure (known as physical risks), and you or other people covered by this policy (known as moral risks).*

### Reasonable care

**You** must take reasonable care to avoid circumstances that could result in a claim. **You** won't be covered if **you** are reckless or grossly irresponsible.

## Administering this policy

### Cancellation

#### By you...

**You** can cancel this policy at any time. If **you** do, **we'll** refund any premium due to **you** based on the unused portion of the **period of insurance**.

**You** must pay **us** any outstanding payments due to **us**.

#### By us...

**We** can cancel this policy by writing to or emailing **you** at the last known address **we** have for **you**. The policy will be cancelled on the 30th day after the date of the notice. **We'll** refund any premium due to **you** based on the unused portion of the **period of insurance**.

### Automatically

If **we** settle **your** claim as a total loss, this policy will be automatically cancelled. **We** won't refund **you** any premium for the unused portion of the **period of insurance**.

### Changing the terms

**We** can change this policy's terms (including the **excess**) by writing to or emailing **you** at the last known address **we** have for **you**. Unless otherwise specified, the change will take effect on the 30th day after the date of the notice.

### Joint insurance

If this policy covers more than one person, all persons are jointly covered.

*This means that if one person breaches the policy it affects everyone's ability to claim.*

### Other insurance

**You** must tell us if the **contents** are or become 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** won't contribute towards any claim under any other insurance policy.

## Other parties with a financial interest

If **we** know of anyone who has a financial interest in the **contents**, **we** can pay them part or all of any claim proceeds. This payment goes towards meeting **our** obligations under the policy. However, anyone recorded as having a financial interest under this policy isn't covered by it and has no right to make a claim.

**We're** also authorised by **you** to disclose personal information about **you** to anyone who holds a financial interest in the **contents**.

## 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:

1. all **sums insured** exclude GST, and
2. all limits and sub limits include GST, and
3. all **excesses** include GST, and
4. 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.

## 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.

## Definitions

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Here are the special meanings of the words shown in **bold** in this policy. The definitions apply to the plural and any other versions of the words.

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

### 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:

- 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 insurance**. However, if **your** premium is paid by instalments other than annual payments, or the **period of insurance** is 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 and mental injury.

## camera

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.

## collection

any collection of: stamps, medals or coins.

## 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'.

## contents

- any of the following that **you** own or hire (as long as **you're** legally liable under the hire agreement):
  - (a) household goods and personal effects,
  - (b) loose floor covering including: mats, rugs or runners,
  - (c) **watercraft** (including their parts and accessories in them or attached to them),
  - (d) 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),
  - (e) portable swimming pools and portable spa pools,
  - (f) parts or accessories of:
    - (i) **watercraft**, or
    - (ii) **motor vehicles**, trailers and caravans, or
    - (iii) aircraft and other aerial devices,that are not in them or attached to them, and
- gifts belonging to other people being kept at the **home**, and
- contents owned by any of **your** children that are left with **you** while they live outside New Zealand.

It does not include:

- items used at any time for earning income,
- livestock, domestic pets and other creatures,
- fitted floor coverings (including glued, smooth edge or tacked carpet, or floating floor) of the dwelling or its domestic outbuildings,
- **motor vehicles**, trailer or caravan and their parts and accessories that are in them or attached to them,
- aircraft or other aerial devices 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.

## 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.

## family

any member of **your** family who:

- lives with **you** permanently, or
- is a student attending a school, polytechnic or university and living in a hostel or other accommodation run by, or for the school, polytechnic or university.

## home

the buildings and grounds at the Situation shown in the **schedule**. It does not include any land or earth or fill.

## incident

something that happens at a particular point in time, at a particular place and in a particular way.

## loss

physical loss or physical damage.

## 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 insurance

the 'Period of insurance' shown in the **schedule**.

## present value

the estimated reasonable cost to replace the item in New Zealand with one that is of comparable age, quality and capability, and is in the same general condition.

## 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 **your** 'Policy Schedule' that we issued to **you** for this policy.

## specified item

any item listed in the **schedule** with a corresponding **specified sum insured**.

## specified sum insured

the amount shown in the **schedule** that corresponds with the **specified item**.

## sum insured

the 'Sum insured' shown in the **schedule**.

## temporarily removed

**contents** temporarily removed for a particular reason or purpose, with the intention that they will be returned to the **home**. This includes taking items to **your** place of work or on holiday.

It does not include any contents:

- permanently removed from the **home**, or
- removed from the home to any place for storage, sale or exhibition, or
- removed during the course of moving house or household removal, or
- owned by or in the custody of any family member who is a student and:
  - (a) is living away from **home**, and
  - (b) is attending a school, polytechnic or university,
 unless cover is provided under the 'Family living away from home' on page 9, 'Contents in storage' or 'Contents in transit' on page 8.

## watercraft

any of the following:

- surfboard, windsurfer, paddleboard, kite surfer, surf ski, dinghy, kayak or canoe (including their
- parts and accessories),
- any other watercraft powered by motor or sail, with a **present value** of no more than \$2,000 including its parts and accessories.

## 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**, and
- that person's **family**.





Underwritten by **N4**

Form no: LAN0052/2 07/17  
Wording no. ESCLAN2  
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**NZI Essence Contents insurance policy**

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