

Trade Me  Insurance

Your House Insurance Policy



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Your policy

Welcome to Trade Me Insurance.
Thanks for putting **your** trust in **us** to help look after **your** valuable assets.

Your Trade Me Insurance House Policy, underwritten by TOWER Insurance Limited, includes this wording, **your** answers from **your** application and declaration, **your certificate of insurance** and **your** invoice, each / all completed on the information **you** provided to **us**.

The cover provided under the policy, including any extra cover under Benefits or Optional benefits is subject to the general conditions, exclusions, obligations and limits of the policy.

Please read this wording and the **certificate of insurance**. If there is an error of any sort, if **your** needs are not met or if **you** are in doubt then please contact **us** at team@trademeinsurance.co.nz

In this policy some words are in bold, e.g. **you**. This may indicate that the words have a special meaning. To find out the meaning, please refer to the section – 'Meanings of words'.

Our guarantee

If **you** are not completely happy with **your** policy, **you** can cancel it within 30 days of the start date so long as **you** have not made any claims.

We will refund any premiums **you** have paid and **we** will both regard this policy as never having started.

How we will communicate with you

We will communicate with **you** to **your** last notified email address.

You must keep that email address valid and make sure that **you** check it on a regular basis.

You must tell **us** if **you** change **your** email address.

Your latest **certificate of insurance**, invoice and any communications concerning changes to **your** policy, premiums and arrears will be available to **you** in the Trade Me Insurance website. **You** must log in to this website to view these documents.

What you must tell us

We have listed here some important obligations for **you** and any person in charge of **your house** with **your** permission.

We will be honest and fair with **you** and **you** must be honest and fair with **us**.

All **your** statements made in relation to this policy or any claim must be correct before **we** have any liability under this policy or pay **your** claim. **We** must receive all relevant information. This means that **we** need **you** to tell **us** everything **you** know, or could reasonably be expected to know, that may influence **our** decision to insure **you** or the terms on which **we** insure **you**.

If any circumstances change or may change during the time **we** provide **your** insurance it is important **you** tell **us**. This applies when the policy starts, at any time while it is in force and when it renews.

Examples of a change in circumstances or any other information may include:

1. if the use or occupation of **your house** or land at the **situation** changes to include any business use,
2. if any structural alteration or addition is made to **your house**,
3. if **your house** becomes tenanted or becomes a holiday home,
4. if **your** holiday home is occasionally rented, or
5. if **you** or any person who may occupy **your house** is charged with, or convicted of, or commit any criminal offence other than traffic offences.

These examples are a guide only. If **you** are in any doubt **you** should disclose information by emailing **us** the details, whether or not **we** have asked questions that relate to it.

We may change the terms on which **we** insure **you**, or the premium, to reflect the change in circumstances that **you** have disclosed to **us**.

If **you** do not comply with **your** obligations under this section – 'What you must tell us', **we** have the option to decline any claim (and recover any claims payment already made). **We** may also cancel or avoid this policy. If **we** cancel **we** will give **you** 14 days' notice emailed to **your** last known address on **our** records. If **we** do this **we** will refund **your unused premium**.

If **we** avoid **your** policy, it will be treated as if it had never been taken out, and **you** may be required to refund any claims payments **we** have previously paid to **you** under **your** policy (if any). If **we** do this **we** will email to **your** last known address on **our** records and **we** will refund **your** entire premium paid.

Some of your other important obligations

You and any person in charge of **your house** with **your** permission must:

1. allow **us** to complete all necessary documents and authorities in respect of any claims under this policy as **your** authorised agent,
2. allow **us** to inspect the loss or damage and deal with any salvage in a reasonable manner. No property may be abandoned to **us**,
3. allow **us** to take over for **our** own benefit and settle any legal right of recovery **you** may have,
4. cooperate fully in any recovery action **we** may take,
5. comply with all **our** requests relating to **your** claim including providing all cooperation, information and assistance,
6. ensure that all **your** building(s) and **house**(s) are securely locked when unattended,
7. establish that **you** have complied with all of **your** obligations under this policy and that none of the exclusions apply,
8. inform the Police if it appears that there has been arson, theft, burglary or malicious damage,
9. not cause or facilitate loss or damage to any property covered by this policy or incur liability by any unreasonable, reckless or wilful act or omission,
10. not discuss a claim made on **you** by another person with them. Instead, refer them to **us**,
11. not make a claim that is false or fraudulent in any way or make any false or incorrect statements in connection with any claim,
12. not start rebuilding or repairs to **your house** or incur any costs (e.g. surveyors, engineers) demolition or debris removal costs, without **our** prior approval,
13. provide **us** immediately with full particulars of any claim made against **you** by another person and all legal documents served on **you** and allow **us** to instruct a solicitor of **our** choice to conduct **your** defence. **You** must follow the recommendations of that solicitor as to the conduct or continuation of **your** defence. That solicitor shall be entitled to confer with **us** when necessary as to the details of the case and the conduct or continuation of **your** defence,
14. take all steps which **we** consider reasonable to prevent further loss or damage and see that any rebuilding or repairing is carried out promptly,
15. tell **us** if any lost or stolen property which was part of the claim is found or recovered and hand it over to **us** or at **our** option refund any money paid by **us** if **we** request it, and
16. tell **us** if any person is ordered to make reparation to **you** for any loss or cost which was part of the claim and reimburse **us** for that payment as soon as **you** receive any reparation.

Otherwise **we** may decline **your** claim and recover any payment already made.

All premiums must be paid in full by the due date for payment of such premiums. If any premium payable by **you** remains unpaid 28 days following the due date for payment of premium, **we** may cancel this policy (effective from the first day of the period to which the unpaid premium relates).

Some of your further obligations if your house is tenanted

As the owner of a tenanted **house, you** and / or any person responsible for **your house** must:

1. when rent is at 21 days in arrears, make application to the Tenancy Tribunal for vacant possession of **your house** in accordance with the provisions of the Residential Tenancy Act 1986,
2. collect:
 - a. at least one week's rent in advance, and
 - b. at least three week's rent in the form of a bond which is registered with Tenancy Services,
3. complete an internal and external inspection of **your house** at a minimum of three monthly intervals and document any new damage or concerns,
4. exercise due care in the selection of tenants including obtaining satisfactory written or verbal references in all cases,
5. have a written tenancy agreement and ensure that **you** and the tenant complete a pre and post tenancy inspection including documenting any existing or new damage to **your house**, and
6. monitor rent payments on a regular basis and send written notification to the tenant when rent is 14 days in arrears. **You** must also visit **your house** to ascertain if the tenant remains in residence.

Otherwise **we** may decline **your** claim and recover any payment already made.

Some of your further obligations if your house is a holiday home

As the owner of a holiday home that is let for short term rental occasionally **you** and / or any person responsible for **your house** must:

1. take a minimum bond equal to one night's rent from new tenants, and
2. ensure the property is cleaned / inspected for new damage following a rental before the bond is released.

Otherwise **we** may decline **your** claim and recover any payment already made.

If you have a concern

While **we** make every effort to get things right, problems may sometimes occur. **We** have in place a complaints procedure that is intended to resolve any problem quickly and fairly.

In order to avoid delay in solving a problem to **your** satisfaction, please follow the steps listed below.

In the first instance:

1. Log into Trade Me Insurance and email **us** from the – Contact us / Feedback page
2. If **we** are unable to resolve the problem, **you** may make a formal complaint to:
Customer Care Manager
TOWER Insurance Limited
Email – team@trademeinsurance.co.nz
3. If the complaint has been through all the steps above and **you** are still dissatisfied, **you** may then ask **us** to issue a letter of deadlock and **you** can then approach the Insurance and Financial Services Ombudsman Scheme to arbitrate. Please see the ombudsman's website (www.ifso.nz) for disputes it can consider.

Meanings of words

Bodily injury

Bodily injury (including death), illness, disability, disease, shock, fright, mental anguish or mental injury.

Certificate of insurance

The certificate of insurance first issued to **you** or any further certificate issued as a result of a change to the policy during the **period of insurance** or a certificate that is issued for renewal of the policy (whichever applies).

Current value

The cost at the time of the loss or damage of rebuilding, replacing or repairing to a condition no better than new less an appropriate allowance for depreciation and deferred maintenance.

EQCover

Earthquake Commission Act 1993 or any amendments or any Act(s) passed in substitution of that Act.

Excess

The amount of any claim which **you** must bear. The excess applies to each and every event that results in a claim.

The amounts are shown in the **certificate of insurance** and / or in this wording.

Where **you** discover damage caused on multiple occasions then an excess will be applied in relation to each occasion or event that occurred.

Where a Benefit or Optional benefit specifies an additional excess, that additional excess will apply over and above any other excess in **your** policy or in the **certificate of insurance**.

House

The domestic building(s) shown in the **certificate of insurance** **you** own at the **situation** including its fixtures, fittings (other than floor coverings not permanently fixed or glued in place, drapes and blinds), walls (including those walls and retaining walls essential for the building or positioning of **your** domestic building(s) but not including **retaining walls**), gates, fences, underground and overhead services extending to the public mains, and any other domestic structures on the same site (other than unsealed driveways or paths). This definition is extended to include any **recreational feature(s)** or **special feature(s)** recorded on **your certificate of insurance**.

Minor alteration

A non-structural alteration is a non-structural alteration to **your** existing **house** that does not require plumbing or electrical work and does not require a building consent.

Natural disaster damage

Sudden and accidental physical loss or sudden and accidental physical damage as a direct result of earthquake, **natural landslip**, volcanic eruption, hydrothermal activity or tsunami and includes physical loss or physical damage occurring (whether accidentally or not) as a direct result of measures taken under proper authority to avoid the spreading of, or to otherwise reduce the consequences of, an earthquake, **natural landslip**, volcanic eruption hydrothermal activity or tsunami. It does not include any loss or damage for which compensation is payable under any Act of Parliament other than **EQCover**.

Natural landslip

The movement (whether by way of falling, sliding, flowing or by a combination thereof) of ground-forming materials composed of natural rock, soil, artificial fill or a combination of such materials, which, before movement, formed an integral part of the ground but does not include the movement of ground due to below-ground subsidence, soil expansion, soil shrinkage, soil compaction or erosion.

Occurrence

An act or omission during the **period of insurance** including repetitive or continual exposure to the same conditions as a result of which **you** are charged with an offence under Sections 9, 11, 12, 13, 14, or 15 of the Resource Management Act 1991 or any amendments or any Act(s) passed in substitution of that Act. Where the elements of an occurrence take place during more than one **period of insurance** the occurrence shall be treated as taking place during the **period of insurance** in which the first act / omission forming part of the occurrence took place.

Period of insurance

The period shown in the most current **certificate of insurance**.

Present day value

The lesser of:

1. the market value of **your house** at the time of the loss or damage, less the value of the land it is situated upon as an unoccupied site or
2. the **sum insured**.

Recreational features

An item listed on the **certificate of insurance** as a recreational feature. This is limited to the following: swimming pool or spa pool permanently fixed or built in but not including pumps and motors, tennis court (permanent material such as concrete or tar seal but not grass) or sauna (permanently fixed or built in).

Replacement cost

The reasonable cost to repair or rebuild **your house** (as applicable) to a standard that is reasonably equivalent to its appearance, size, functionality and relative quality when new, but without necessarily reproducing it exactly.

Retaining walls

A wall that is built for the sole function of retaining land and that is not essential for the building or positioning of **your** domestic building(s) (because these are included in **your house** definition). It does not include any retaining walls that are incomplete or any retaining wall over 1.5 metres above ground that does not have any required local authority consent.

Situation

The location which is shown in the **certificate of insurance**.

Special features

An item listed in the **certificate of insurance** as a special feature. This is limited to the following: solar power system and solar water heating system.

Sum insured

The figure specified in the **certificate of insurance** being the most that **we** will pay under this policy for each event during the **period of insurance**, unless the benefit states it is in addition to the sum insured.

Unused premium

Premium for the days **you** have paid for, but will not be insured (calculated as at the effective date of cancellation).

We, us or our

TOWER Insurance Limited.

You or your

The person(s) named in the **certificate of insurance** as the insured, and your spouse, civil union or de facto partner and your children normally residing at the **situation**.

You or your does not include family members such as a parent, grandparent, brother or sister unless they are named in the **certificate of insurance**.

Where you jointly own the **house** this policy insures you jointly.

What your house is insured for

Sudden and accidental physical loss or sudden and accidental physical damage happening during the **period of insurance**, unless excluded by this policy.

Leaving your house unoccupied

If **your house** type is recorded on the current **certificate of insurance** as either a residential or tenanted property and **your house** is going to be unoccupied for more than 60 consecutive days, **we** will apply an additional **excess** of \$1,000 in the event of a claim for loss or damage to **your house** during this period.

This additional **excess** does not apply once **your house** is occupied again.

How to make a claim

It is important that **you** tell **us** when **you** become aware of any circumstances which may result in a claim.

You can tell **us** about **your** claim by logging into [Trade Me Insurance](#) and completing a claims lodgement form.

All claims must be lodged within 30 days of the date of loss so **we** can accurately assess and manage **your** claim.

You may be asked to provide a written statement. If **you** are, **we** must receive that statement within 30 days of **our** request.

How we will look after your claim

When **you** contact **us** to make a claim **we** will:

1. process **your** claim within the terms of the policy,
2. explain how the claims process works,
3. explain what **we** need to go ahead with **your** claim,
4. if required, arrange for an assessor to inspect the damage and explain the procedure that will be followed,
5. keep **you** updated on **your** claim's progress,
6. give **you** all the information **you** need on how **we** will settle **your** claim, and
7. if **we** decline **your** claim, **we** will clearly explain why.

How we will settle your claim

If **your certificate of insurance** states **we** are insuring **your house** for a maximum replacement value sum insured, **we** will settle **your** claim as set out below up to a maximum of the **sum insured**.

However, if **your certificate of insurance** states **we** are insuring **your house** for its **present day value**, **we** will settle **your** claim as set out below up to a maximum of the **present day value** of **your house**. In all cases the most **we** will pay for **your house** and relevant services is the cost to repair or rebuild the actual area of **your house** up to its **present day value**. If **your house** is insured for **present day value**, the meaning of the words **replacement cost** is deleted and replaced with: the reasonable cost to repair or rebuild **your house** (as applicable) to a standard that is reasonably equivalent to its appearance, size, functionality and relative quality when new, but without necessarily reproducing it exactly, less an appropriate allowance for depreciation and deferred maintenance.

Economic repair

If **we** decide it is economic to repair the loss or damage to **your house** that is covered under this policy, **we** will, at **our** option, either:

1. pay for the actual **replacement cost** as those costs are incurred to repair the insured loss or damage to **your house**, or
2. pay **you** a cash payment based on the estimated **replacement cost** to repair the insured loss or damage to **your house**.

Alternatively **you** may elect to have **us** pay **you** a cash payment based on the **current value** of the repairs to **your house**.

Uneconomic repair

1. If **we** decide it is uneconomic to repair the loss or damage to **your house** that is covered under this policy, **we** will, at **our** option, either:
 - a. pay for the actual **replacement cost** as those costs are incurred to rebuild **your house** at the **situation**, or
 - b. pay **you** a cash payment based on the estimated **replacement cost** to rebuild **your house** at the **situation**.

2. If it is not legally or practically possible for **us** to rebuild **your house** at the **situation**, (including for example; because of government or local authority laws, or the circumstances surrounding the land) then **we** will at **our** option, either:

- a. pay for the actual **replacement cost** as those costs are incurred to rebuild **your house** at an alternative site in New Zealand
- b. pay for **you** to buy another comparable house in New Zealand (excluding the value of the land),

provided that in either case the cost is not greater than the estimated **replacement cost** of rebuilding **your house** at the **situation**.

3. If **we** choose to pay for the actual **replacement cost** as those costs are incurred, **you** may choose one of the following options instead:

- a. **you** may receive the actual **replacement cost** to replace **your house** at another site in New Zealand (excluding demolition and removal of debris costs unless actually incurred) provided the cost is no greater than the estimated **replacement cost** of rebuilding **your house** at the **situation**,
- b. **you** may buy another comparable house in New Zealand including necessary legal and associated costs (excluding the value of the land), provided the cost is not greater than the estimated **replacement cost** of rebuilding **your house** at the **situation** (excluding demolition and removal of debris costs unless actually incurred), or
- c. **you** may receive a cash payment based on the **present day value** of **your house** excluding demolition and removal of debris costs unless **we** agree otherwise.

If **you** choose to sell **your** land without **our** prior agreement, **your** settlement options will be limited and **you** may choose from one of the following options instead:

- a. **we** will pay for **you** to buy another comparable house in New Zealand including necessary legal and associated costs (excluding the value of the land), or
- b. **you** may receive a cash payment based on the **present day value** of **your house** excluding demolition and removal of debris costs unless **we** agree otherwise.

In all cases:

1. **we** will pay, where necessary:
 - a. the reasonable extra cost of complying with government or local authority laws and regulations when repairing or rebuilding the damaged parts of **your house**, provided those damaged parts complied with government or local authority laws and regulations at the time they were built or altered,
 - b. the reasonable architects', engineers' and surveyors' fees necessary for the repairs or replacement provided they are authorised by **us** before they are incurred, and
 - c. the reasonable cost of demolition and removal of debris including the contents unless specifically excluded,
2. where **we** have paid the demolition and removal of debris costs, **we** retain any salvaged property,
3. the most **we** will pay for **your house** and the services listed above is the cost to repair or rebuild the actual area of **your house** up to the **sum insured**,
4. if **you** pay **your** premium by instalments and **your house** is uneconomic to repair **you** must pay the rest of the annual premium before **we** settle **your** claim,
5. if **we** have been notified of a financial interest in **your house** **we** are obliged to make payment to the interested party (mortgagee, etc) up to the amount of its interest. This payment counts towards meeting **our** obligations under this policy, and
6. **we** will use building materials and construction methods commonly used at the time of the loss or damage.
7. **we** will not:
 - a. pay the cost of repairing or rebuilding any part of **your house** that is contrary to the building consent or any other applicable consent issued by the relevant authority,
 - b. pay for repairing or rebuilding any part of the **house** that has not suffered insured loss or damage,
 - c. pay the cost of repair or rebuild beyond what is reasonable, practical or comparable with the original when built or renovated, or
 - d. repair or rebuild **your house** exactly to its previous condition,

8. where **your house** suffers loss or damage that is covered under this policy, the **sum insured** for **your house** reduces immediately afterwards by the cost of repairing or rebuilding that loss or damage. The **sum insured** reinstates:
 - a. in full automatically to the figure specified in the **certificate of insurance** as soon as that repair or rebuild is complete, and
 - b. in part as, and to the extent that, the loss or damage is repaired or rebuilt.

Full replacement for fire

If **you** have selected the Optional benefit – 'Full replacement for fire' and the loss or damage to **your house** is caused by fire (but not fire following **natural disaster damage**), there is no **sum insured** limit despite what this policy says to the contrary. If this Optional benefit applies, then the Demand surge protection benefit does not apply. This clause does not apply to **present day value** policies.

Assignment

Where **you** have made a claim for the repair or replacement of **your house**, **you** must not transfer any of **your** rights, obligations, title, interests or benefits under this policy without **our** prior written consent. If **you** do not obtain **our** prior written consent, any transfer is invalid at law.

What benefits you are covered for

The amounts payable under these benefits are paid in addition to the **sum insured**, unless the benefit states otherwise.

Demand surge protection

We may, at **our** sole discretion, increase the **sum insured** on the following basis, if:

1. **your house** has suffered sudden and accidental physical loss or sudden and accidental physical damage that is covered by this policy,
2. that loss or damage was caused by natural disaster, flood or storm that occurred at, or in the vicinity of, **your house** causing widespread loss or damage,

3. as a direct result of that widespread loss or damage, building costs have increased by a verified statistical percentage due to a surge in the demand for labour materials, and
4. the actual cost to repair or rebuild **your house** is higher than the **sum insured** noted on the **certificate of insurance** due solely to that increase in building costs as a consequence of the widespread loss or damage.

If **we** determine this benefit applies, the most **we** will pay is the lower of:

1. the actual cost to repair or rebuild **your house** or
2. the **sum insured** noted on the **certificate of insurance**, plus that verified statistical percentage increase in building costs, up to a maximum of 10% of the **sum insured**.

This Benefit will not apply if **we** offered to pay for the actual **replacement cost** as those costs are incurred, but **you** have chosen to receive a cash payment instead of repairing or replacing **your house**.

This Benefit will not apply if **your** claim is paid under the Optional benefit – 'Full replacement for fire'.

Gradual damage

If **your house** suffers accidental physical damage through gradual deterioration, mildew, mould or rot as a result of the leaking of:

1. a permanent and hidden internal water supply pipe
2. a permanent and hidden internal waste disposal pipe, or
3. an internal water supply tank.

installed at the **situation**, **we** will pay up to \$2,500 to repair the resulting damage (but not the cost of locating and repairing the leak) provided that the leak first occurred during the time that **we** insure **your house**.

If **you** have this benefit with **us** under any other policy then the maximum amount **we** will pay under all policies is \$2,500 per event.

House under minor alteration

This policy covers sudden and accidental physical loss or sudden and accidental physical damage during the **period of insurance** to **your house** resulting from an event related to **your house** being under **minor alteration**. This includes accidental loss to **your** building materials specifically purchased for the **minor alteration** situated at the location.

The amount payable under this Benefit is included within the **sum insured**.

Illegal substances decontamination

If **your house** type is recorded on the latest **certificate of insurance** as tenanted and **your house** suffers accidental physical damage resulting from:

1. chemical contamination,
 - a. that first occurred and continued to occur over the time that **we** have insured **your house**, or if this does not apply,
 - b. to the extent it has occurred over the period that **we** have insured **your house**, and

your house is insured with **us** when **you** claim for that contamination, or

2. explosion during the **period of insurance**, or
3. fire during the **period of insurance**,

arising from the manufacture, storage, use or distribution at **your house** of any 'controlled drug' as defined in the Misuse of Drugs Act 1975, **we** will pay:

- a. up to \$25,000 for the cost of repairing or rebuilding the physical damage resulting from chemical contamination, or
- b. up to the **sum insured** for the cost of repairing or rebuilding the physical damage resulting from explosion, or
- c. the cost of repairing or rebuilding the actual area of **your house** for physical damage resulting from fire.

You must make a formal complaint to the Police about the manufacture, storage, use or distribution of the controlled drug at **your house** before this cover applies.

Once **we** have paid a claim under this benefit, cover under it ceases until an approved contractor certifies that **your house** has been satisfactorily decontaminated.

This benefit is only available if the contamination occurs while **your house** is rented to a tenant, and **you** and / or any person responsible for managing **your house** meet the obligations set out in the section – ‘Some of your other important obligations’ and ‘Some of your further obligations if your house is tenanted’.

This benefit does not apply if **your house** type is recorded on the latest **certificate of insurance** as residential or as a holiday home.

Inflation protection

To help protect **you** from inflation the sums insured shown in the **certificate of insurance** may be increased at the renewal of **your** policy based on the changes in building costs and the appropriate parts of the Consumer Price Index. **Your** premium at renewal will be calculated on the revised sums insured.

Keys and locks

If **your house** type is recorded on the latest **certificate of insurance** as either a residential or holiday home and if **your house** keys or remote door opener(s) are stolen or believed on reasonable grounds to have been illegally duplicated or it is reasonable to believe that the combination number of an electronic keypad for external doors may have become known to someone else without **your** permission **we** will pay up to \$1,000 free of any **excess** to replace the keys, remote door opener(s), and locks or change the combination number of the electronic keypad. **We** will also pay for the reasonable cost of opening any safe following theft or loss of the key or combination.

If **you** have this benefit with **us** under any other policy then the maximum amount **we** will pay under all policies is \$1,000 per event.

The amount payable under this Benefit is included within the **sum insured**.

Loss of rent

If **your house** type is recorded on the latest version of the **certificate of insurance** as tenanted, **we** will pay **you** up to:

1. \$20,000 or
2. six months' rent,

whichever is less, which is lost due to **your house** being made uninhabitable as a result of suffering loss or damage for which a claim is accepted under this policy or which is covered under **EQCover**.

No loss of rent will be paid after repairs have been completed or **your** claim has been paid.

Mechanical or electrical burnout

If **your house** suffers sudden and accidental physical loss or sudden and accidental physical damage during the **period of insurance** as a result of burnout due to mechanical or electrical breakdown, **we** will pay to repair the resulting physical loss or physical damage caused by the burnout.

The amount payable under this Benefit is included within the **sum insured**.

Natural disaster damage

This policy covers **natural disaster damage** occurring during the **period of insurance** to **your house** and **your** retaining walls subject to the following:

In relation to those parts of **your house** that come within the cover available under **EQCover**:

1. there is cover under this benefit for the costs incurred to rebuild or repair **natural disaster damage** above the level of cover provided under **EQCover** (although **you** are still liable for the **excess** under **EQCover**),
2. there is no cover for any amount the Earthquake Commission can legally refuse to pay for any reason in relation to **your** cover under **EQCover**, and
3. where the cost of repairing or rebuilding the **natural disaster damage** to **your house** exceeds **your** cover under **EQCover** (or would do but for the Earthquake Commission's refusal to pay), the most **we** will pay is the difference between **your** cover under **EQCover** and the **sum insured** less any applicable excesses.

In relation to those parts of **your house** that do not come within the cover available under **EQCover** there is cover under this benefit. However, if **you** have selected the Optional benefit – ‘Retaining walls’, the most **we** will pay for **natural disaster damage to your retaining walls** is \$25,000.

A \$5,000 **excess** will apply in place of the **excess** that would otherwise apply for claims for physical loss or physical damage caused by **natural disaster damage** to any driveway (other than an unsealed one), path (other than an unsealed one), fence, swimming or spa pool.

The amount payable under this Benefit is included within the **sum insured**.

No claims bonus

If **you** have not had any claims with **us** or with **your** previous insurer for the last year **you** will receive a no claims bonus.

Should **you** make a claim, the no claims bonus will be reduced at the renewal following the claim.

However **we** will increase **your** no claims bonus again at the next renewal if no further claims are made.

One event – one excess

If **your house** type is recorded on the latest **certificate of insurance** as either a residential or a holiday home and **your house** suffers loss or damage for which a claim is accepted and at the same time **we** accept a claim as a result of the same event for loss or damage to **your** contents or **your** vehicle or contents at another **situation** that are also insured by **us**, **we** will only deduct one **excess** and that will be the highest **excess** applicable.

Property security after loss

If **your house** suffers loss or damage for which a claim is accepted under this policy **we** will pay up to \$2,000 to temporarily secure it to prevent further loss or damage, while it is unoccupied.

Optional benefits

The following Optional benefits only apply if **you** have selected and paid for them and they are recorded on **your certificate of insurance** as having been selected.

The amounts payable under these Optional benefits are paid in addition to the **sum insured**, unless the Optional benefit states otherwise.

Additional loss of rent

If **your house** type is recorded on the latest version of the **certificate of insurance** as tenanted and **you** have selected this Optional benefit this policy is extended to pay **you** up to \$500 per week or **your** current weekly rental income whichever is the lesser, for up to six weeks for rent which is lost during the **period of insurance** as a result of **your**:

1. tenant:
 - a. being lawfully evicted for the non-payment of rent,
 - b. vacating the property without giving the required notice, or
 - c. legally stopping paying rent under their tenancy agreement due to the prevention of access to **your house** or failure of public utilities, or
2. **house** being made uninhabitable due to deliberate damage which is covered by this policy by tenants or their guests.

An additional **excess** of \$250 applies to this Optional benefit.

No loss of rent will be paid after repairs have been completed, **your** claim has been paid or rental payments have resumed.

Any rent paid in advance or bond that is held by Tenancy Services will be deducted from **your** claim.

Deliberate damage by tenants or their guests

If **your house** type is recorded on the latest version of the **certificate of insurance** as tenanted and **you** have selected this Optional benefit and **your house** is deliberately damaged by **your** tenants or their guests during the **period of insurance**, this policy is extended to pay up to the sum insured shown in the **certificate of insurance** for this Optional benefit to repair **your house** (but not **your** Landlords contents and chattels).

An additional **excess** of \$500 will apply to this this Optional benefit.

Full replacement for fire

If **you** have selected this Optional benefit and if the loss or damage to **your house** for which a claim is accepted is caused by fire (but not fire following **natural disaster damage**), the cover under the policy has no **sum insured** limit.

Where this applies the following do not apply:

1. all references to the cover being limited to a maximum of the **sum insured**, and
2. the 'Demand surge protection' benefit.

This Optional benefit does not apply to **present day value** policies.

Glass excess buyout

If **you** have selected this Optional benefit and **you** make a claim for the replacement or repair of broken glass in **your house**, **we** will not deduct any **excess** and **we** will not decrease **your** no claims bonus.

Holiday home contents and chattels

If **your house** type is recorded on the latest version of the **certificate of insurance** as a holiday home and **you** have selected this Optional benefit, this policy is extended to pay **you** the **current value** up to the sum insured for this Optional benefit listed on the **certificate of insurance** for sudden and accidental physical loss or sudden and accidental physical damage occurring during the **period of insurance** to **your** home appliances, furniture, chattels (including drapes) and contents that are permanently contained in **your** holiday home.

Limits apply to the following contents per item, per event:

1. sporting equipment to a maximum of \$1000 per item,
2. watercraft to a maximum of \$1000,
3. bicycles to a maximum of \$1000 per item, and
4. outdoor items to a maximum of \$1000 per item.

This Optional benefit does not cover any personal items that would normally be covered by a residential contents insurance policy. Some examples of such items include but are not limited to jewellery, mobile phones, clothing, computers or any item taken from **your** usual home for the period of **your** holiday.

Landlords contents and chattels

If **your house** type is recorded on the latest version of the **certificate of insurance** as tenanted and **you** have selected this Optional benefit, this policy is extended to pay **you** the **current value** up to the sum insured for this Optional benefit shown in the **certificate of insurance** for sudden and accidental physical loss or sudden and accidental physical damage during the **period of insurance** to **your** home appliances, furniture and chattels (including drapes) that are contained in **your house**.

Recreational features and special features

If **you** have selected this Optional benefit, this policy is extended to cover sudden and accidental physical loss or sudden and accidental physical damage occurring during the **period of insurance** to **your recreational features** and **special features** up to the sum insured for this Optional benefit in the **certificate of insurance**.

This Optional benefit will also cover sudden and accidental physical loss and sudden and accidental physical damage during the **period of insurance** to **your** swimming and spa pool pumps and motors for their **current value**, other than loss or damage caused by fire or impact.

The sum insured for this Optional benefit shown in the **certificate of insurance** includes costs for compliance, fees (professional and other) demolition and removal of debris.

Retaining walls

If **you** have selected this Optional benefit this policy is extended to cover sudden and accidental physical damage during the **period of insurance** to **your retaining walls**.

We will pay up to the sum insured for this Optional benefit shown in the **certificate of insurance**.

Temporary accommodation expenses

If **your house** type is recorded on the latest **certificate of insurance** as residential and **you** have selected this Optional benefit, and **you** suffer loss or damage for which a claim is accepted under this policy, or which is covered under **EQCover** and **your house** is uninhabitable as a result, this policy is extended to pay **your** reasonable temporary accommodation expenses up to \$25,000.

This includes kennel or cattery fees for **your** domestic pets.

No temporary accommodation expenses will be paid after repairs have been completed or **your** claim has been paid.

If **you** have this benefit with **us** under any other policy then the maximum amount **we** will pay under all policies is \$25,000.

Liability protection

We will cover **you** for up to \$1,000,000 for **your** liability as the owner of **your house** for claims made against **you** as a result of an accident at the **situation** which causes physical damage to property during the **period of insurance**.

If **you** have liability cover with **us** under any other policy then **our** maximum combined liability for any one claim and during any one **period of insurance** under all policies is \$1,000,000.

What benefits you are covered for under liability protection

The amounts payable under the benefits under Liability protection are included within the Liability protection cover of \$1,000,000 and are not in addition to it.

Bodily injury

Liability protection is extended to cover **your** liability for up to \$100,000 arising from **bodily injury** occurring in New Zealand during the **period of insurance**.

If **you** have this cover with **us** under any other policy then **our** maximum combined liability under all policies will be \$100,000.

Defence costs

We will cover **you** for the reasonable legal costs and expenses incurred by **you** with **our** approval, in defending liability potentially covered under this Liability protection section.

Forest and rural fires

Liability protection is extended to cover **your** liability for up to \$100,000 during the **period of insurance** under the provisions of Sections 43 or 46 of the Forest and Rural Fires Act 1977.

If **you** have this cover with **us** under any other policy then **our** maximum combined liability under all policies is \$100,000.

Resource Management Act fines and legal defence costs

Liability protection is extended to cover **your** liability for up to \$100,000 for the cost of defending any charge and any fine or monetary penalty imposed upon **you** by law as a result of an **occurrence** at the **situation** during the **period of insurance**.

An additional **excess** of \$500 will apply to claims under this benefit.

If **you** have this cover with **us** under any other policy then **our** maximum combined liability under all policies is \$100,000.

What you are not insured for

General exclusions

The **excess** and any additional **excess** specified in the **certificate of insurance**.

An additional **excess** of \$100 if **your house** is let, leased, rented or tenanted to anyone.

Any loss, damage, liability or claims for or arising from:

1. aggravated, punitive or exemplary damages, fines and / or other penalties or reparation orders, other than the cover provided in the Benefit – Resource Management Act fines and legal defence costs,
2. any activity for financial return (other than rental income where **your house** is noted as a holiday home, or **your house** is noted as tenanted) whether for profit or not,
3. any event outside of New Zealand,
4. any process of cleaning, repairing or restoring using inappropriate or unsuitable methods or materials,
5. any unreasonable, criminal, reckless or wilful act or omission or any disregard for, or failure to comply with any provision in or notice or order under any Act of Parliament by **you**,
6. confiscation, nationalisation or requisition by an order of Government, Local Authority, the Courts or any public authority, unless it is to prevent loss or damage covered by this policy,
7. handling, transportation, storage, installation, removal, treatment or use of asbestos, asbestos products or asbestos contained in any products or materials,
8. discharge of any substance,
9. hydrostatic pressure to swimming or spa pools,
10. insects, rodents or vermin (other than possums), marine growth or marine borers. However, resulting physical loss or physical damage other than that caused directly by them is covered,

11. liability which arises only because **you** have agreed to take liability upon yourself,
12. lifting or shifting the **house** or structural alterations or repairs including the removal or alteration of the roof or any alterations that require plumbing or electrical work or require a building consent,
13. loss or damage to any of the following features on the same site as **your house**: windmill, wind powered generator, watermill, private utility plant, diesel generator, bridge, culvert, permanent ford, dam, cable car, wharf, pier, landing, jetty, boat ramp,
14. mechanical or electrical breakdown unless burning out occurs. However, resulting physical loss or physical damage other than the mechanical or electrical breakdown is covered,
15. mildew, mould, rot, corrosion, rust or gradual deterioration other than the cover provided in the Benefit – ‘Gradual damage’,
16. natural disaster damage, other than the cover provided by the Benefit – ‘Natural disaster damage’,
17. nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel, including any self-sustaining process of nuclear fission or fusion,
18. personal injury as defined in and / or for which cover is provided under the Accident Compensation Act of 2001, or any amendments or Act(s) passed in substitution of that Act,
19. settling, cracking, movement or compaction of land,
20. subsidence, erosion or underground water pressure or landslip (other than the cover for **natural landslip** under the Benefit – ‘Natural disaster damage’),
21. the cost of remedying or repairing any inherent fault, defective workmanship, materials or design,
22. the engagement by **you** of any contractor to dispose of or handle materials in other than a lawful manner,
23. the manufacture, storage, use or distribution at **your house** of a ‘controlled drug’ as defined by the Misuse of Drugs Act 1975 (other than under the Benefit – Illegal substances decontamination),
24. theft or deliberate damage caused directly or indirectly by **you**, or anyone who normally lives at the **situation** or is lawfully at the **situation** other than the cover provided in the Optional benefits – ‘Additional loss of rent’, ‘Deliberate damage by tenants or their guests’, ‘Landlords contents and chattels or Holiday home contents and chattels’. This exclusion does not apply to deliberate damage by fire by chattels tenants or their guests,
25. vibration, removal or weakening of support,
26. water or dampness entering **your house** because of structural defect, defective design, defective materials or defective workmanship, or
27. wear and tear, or action of sunlight.

Liability for:

1. **bodily injury to you**,
2. loss or damage to property belonging to **you** or under **your** care or control, or
3. the ownership, use or possession of any mechanically propelled vehicle (other than domestic garden implements or mobility scooters), trailer, caravan, watercraft, aircraft or other airborne device.

Loss, damage or liability arising directly or indirectly from or occasioned by or through or in consequence directly or indirectly of or claim for:

war, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public local authority, or any act of any person or persons acting on behalf of or in connection with any organisation the objective of which includes the overthrowing or influencing of any de jure or de facto government by terrorism or by any violent means.

Cancelling this policy

You may cancel this policy at any time by completing a Cancellation request which **you** will find on the Trade Me Insurance website. **We** will refund 80% of **your unused premium** (unless the refund is less than \$25 in which case no refund will apply).

We may cancel or avoid this policy in accordance with the express rights of cancellation and / or avoidance set out under the headings 'What you must tell us', 'Some of your other important obligations', 'Some of your further obligations if your house is tenanted' and 'Some of your further obligations if your house is a holiday home'.

If **you** make a claim which is false or fraudulent in any way, or make any false statement to **us**, **we** may avoid **your** policy and any other policies **you** have with **us** or cancel them effective immediately from the date of the fraudulent act. If **we** do this, **we** will refund **your unused premium**.

Your policy is automatically cancelled if **your house** is uneconomic to repair and no refund of premium is given.

Making changes to this policy

You can have this policy altered at any time as long as **we** agree in writing to such alteration before it takes effect.

We can alter the terms of this policy by giving **you** at least 14 days' notice emailed to **your** last known address on **our** records in any of the following circumstances:

1. to reflect any material changes to relevant law
2. to increase the level of existing cover, or add additional cover
3. if **we** are no longer able to secure reinsurance protection for perils covered by this policy
4. in order to allow for a material change in **your** (or **your** property's) risk profile
5. in order to allow for a material change in the risk profile of a group of similar policy holders (or similar insured property) that will not be commercially sustainable for **us** under current policy terms.

If **you** do not agree to such alterations to the terms of **your** policy, **you** can cancel the policy (effective from the date of the proposed alteration) by notifying **us** as described in the Section—'Cancelling this policy', prior to the effective date of the proposed alterations. If **you** cancel on this basis, **we** will refund **your unused premium**.

Other parties with a financial interest

You authorise **us** to disclose personal information about **your** insurance to any holder of a financial interest in the **house**.

Other insurance

This policy does not cover any loss, damage or liability if **you** are covered for that same loss, damage or liability to any extent under a policy with another insurer. **We** will not contribute towards a claim under any other policy with another insurer.

Automatic reinstatement

In the case of partial physical loss or partial physical damage to **your house** **we** will pay the premium to reinstate **your** insurance after **we** meet any claim.

Jurisdiction

The laws of New Zealand apply to this policy. The New Zealand Courts have exclusive jurisdiction in relation to legal proceedings about this policy.

Any compensation awarded or costs or expenses of litigation outside New Zealand are not covered.

Currency and taxes

All sums insured and policy limits are expressed in New Zealand currency and include Goods and Services Tax (GST) and all other taxes. All claims will be paid in New Zealand currency.