

# Contract works insurance



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# Welcome to Tower.

Thanks for putting your trust in us to help look after your valuable assets.

This is your **Contract works – Renovation cover** policy wording, underwritten by Tower Limited.

**We want to make insurance simple and easy.**

That's why we've removed all the confusing language and made it easier to see what is (and isn't) covered under each section.

We've also included a handy table that shows you what you're covered for.

It's just one thing we do to give you a little more confidence in your insurance cover.

## 1. Start here

These are the basics of your policy.

## 2. These are your benefits

What you're covered for - page 8.

## 3. Responsibilities and exclusions

What you must do, and what isn't covered - page 18.

## 4. Making a claim

Information about making your claim with us - page 21.

## 5. Other stuff

This is important too, like what to do if you have a concern - page 27.

## 6. Glossary

Some words have special meanings - page 30.

As part of our commitment to you, this document has been awarded the WriteMark. This means it meets an internationally recognised plain language standard.



**WriteMark®**  
Plain Language Standard

# Your benefits summarised

This is a summary only. You can find full details of your cover beginning from *page 8* of this document.

If you'd like to make changes to this cover, please call us on 0800 808 808

Cover	Benefit amount up to
Renovation cover	✓ Renovation contract amount
Existing house cover	✓ House sum insured
Loss during the maintenance period	✓ Renovation contract amount
Natural disaster damage	✓ Renovation contract amount
One event – one excess	✓
Principal's supplied materials	✓ Amount specified on the certificate of insurance
	<b>Benefit amount as a percentage of the Renovation contract amount</b>
Increased costs during construction	2.5%
Increased costs during reconstruction	2.5%
Professional fees	5%
Removal of debris	10%

# How your policy works

Your Tower Contract works insurance – Renovation cover consists of three documents: your application, this policy wording, and your certificate of insurance.

Make sure you read your policy wording and your certificate of insurance, so you understand what's covered and you have certain responsibilities.

**This policy wording describes the benefits, exclusions, responsibilities, and limits of your cover.**

**Your certificate of insurance tells you what sum insured applies, what other cover applies, what your construction period is, what your maintenance period is and whether any special terms and conditions apply.**

We agree to cover you based on your application answers and according to the terms outlined in the three documents, as long as you've paid the premium due.

Please check we've got things correct. If you notice an error of any sort, if your needs are not met or if you're in doubt, then please contact us on 0800 808 808 or at [insurance@tower.co.nz](mailto:insurance@tower.co.nz).

**Here's a general explanation of how this policy works for renovations. This explanation does not form part of our policy contract.**

This policy works alongside your existing house insurance policy. It covers loss to the parts of the house being worked on under the house renovation contract during the construction period. It also covers loss to materials purchased for that work. If this work also causes damage to the existing structures, this policy covers that damage under the Automatic benefit – Existing structures cover.

After the end of the construction period is a maintenance period. The policy also covers you for certain losses during this period.

If there is a Natural disaster during the contract works, then your Contract works – Renovation cover will cover the damage to your contract works and your existing house policy will cover the natural disaster damage to the rest of your house.

It's important that your sum insured matches the contract price you've agreed with your builder. It's also important that your existing structures cover matches your house sum insured (from your existing house insurance policy). Your construction period must match the time it will take to complete the contract. If the contract runs over that time, or the contract price increases, you'll need to call us to increase or extend this cover.

## Words with special meaning

In this policy some words and phrases have a special meaning, for example, 'loss', 'construction period' and 'maintenance period'. You can find out what all those words and phrases are and what they mean in the ***Glossary*** on page 30.



Please check we've got things correct. If there is an error of any sort, if your needs are not met or if you're in doubt then please contact us on 0800 808 808 or at [insurance@tower.co.nz](mailto:insurance@tower.co.nz)

# The claims process

Here's hoping you never have to claim. But if life doesn't go to plan, we'll be ready. Here's what to do and when.

## What you do

1.

- Make sure you're safe
- Make sure your property is safe
- Take photos of the damage if you can
- Call us if you need immediate assistance

2.

- Check your policy wording
- Collect up any documents required
- Start an inventory of losses
- Call us or go online to [tower.co.nz](https://tower.co.nz)

## What we'll do

3.

- Explain how the claims process works
- Lodge the claim with you
- We may ask for more information
- Tell you what's going to happen next
- Arrange an assessor if required
- Decide whether the claim fits the terms of your policy
- Clearly explain why if it doesn't fit

4.

- Process your claim as fast as we can
- Keep you informed of what's happening
- Settle your claim as soon as we can

# What you are insured for

- You are insured for loss at the situation during the construction period.
- You are insured for loss at the situation during the maintenance period.

This is an important part of your policy wording. Please read and understand it. If any of this document doesn't make sense, please call us on 0800 808 808 and we'll explain it to you.

That loss must:

1. be discovered during the maintenance period
2. arise from the contract works during the construction period, or
3. have been caused while work was being undertaken under the maintenance or defects liability conditions of the renovation contract.

Loss means sudden and accidental physical loss or sudden and accidental physical damage to property occurring at the situation during the construction period or the maintenance period in New Zealand.

We've included limits and exclusions to your Renovation cover throughout this policy wording and on your certificate of insurance.

## We do not cover any property with other insurance

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





## Your policy includes automatic benefits

Where there is a loss covered under *What you are insured for* on page 8, your policy also covers you for the benefits listed below.

The most we'll pay is the amount detailed in each of the benefits below unless we've agreed to another amount and that amount is detailed in your certificate of insurance.

Unless the benefit expressly says otherwise, the maximum amount is included within the sum insured and is not in addition to it.

### Existing structures cover

You are insured for loss to the existing structures at the situation as follows:

1. The existing structures are insured by us before the start of the Renovation cover
2. Damage to the existing structures occurs during the period of insurance as a result of the contract works
3. The contract works are in the contractor's care, custody, and control.

We pay this benefit in addition to the contract price.

### Limits

We'll pay up to the sum insured detailed on your house insurance certificate of insurance at the time of loss.

We'll settle any claim under this cover according to the 'How we will settle your claim' section of your existing structures Tower House or Landlord's House insurance policy.

This cover does not include any loss to the contents of the existing structures or any consequential loss or liability.

This cover does not include any loss to the existing structures as a result of natural disaster damage.

## Increased costs during construction

We'll pay the reasonable costs incurred for variations and fluctuations in the contract price before any loss occurring, as well as increases in the cost of labour, goods, and materials during the construction period.

We pay this benefit in addition to the contract price.

### Limit

We'll pay up to 2.5 percent of the contract price or any higher amount stated on your certificate of insurance.

## Increased costs during reconstruction

We'll pay the reasonable costs of reconstruction incurred over and above the original costs, after a loss covered by this policy and so long as the reconstruction is completed without delay.

We pay this benefit in addition to the contract price.

### Limit

We'll pay up to 2.5 percent of the contract price or any higher amount stated on your certificate of insurance.

## Natural disaster damage

We'll pay for natural disaster damage to the contract works that occurs at the situation during the construction period.

### Limits

We apply a \$2,500 excess in place of the excess that would otherwise apply for claims for natural disaster damage.

This cover does not apply to any existing structures at the situation, and you are required to lodge a claim with the Earthquake Commission in respect of natural disaster damage to existing structures.

## One event – one excess

If your renovation suffers loss and we've accepted your claim, and we accept a claim from the same event for loss to your house, contents or your domestic vehicle or boat that we also insure, you'll only pay one excess. The excess that you pay will be the higher of those excesses.

## Principal's supplied materials

We'll insure those goods, materials, plant or equipment for the contract works supplied by the principal to the contractor once they have been delivered to the situation.

We pay this benefit in addition to the contract price.

### Limit

We'll pay up to the Principal's supplied materials amount stated on your certificate of insurance.

## Professional fees

We'll pay for the reasonable professional fees needed to rectify a loss that is covered by this policy – for example, for architects, surveyors, consulting engineers or other professionals.

We pay this benefit in addition to the contract price.

### Limit

We'll pay up to 5 percent of the contract price or any higher amount stated on your certificate of insurance.

## Removal of debris

We'll pay the reasonable and necessary costs and expenses to dismantle, demolish and remove debris at the situation after a loss that is covered by this policy.

This includes the necessary costs incurred for:

1. the removal of undamaged material
2. shoring or propping up to enable the continuation of the contract works
3. other necessary measures to protect the property from further loss.

We pay this benefit in addition to the contract price.

### Limit

We'll pay up to 10 percent of the contract price or any higher amount stated on your certificate of insurance.



## What you're not covered for

### These are your policy exclusions

#### We will not pay for:

1. Damage caused by re-piling  
cracking or settlement of floors, walls, ceilings, cracking or breaking of glass, loss to fixtures, fittings, or contents at the site while lifting or re-piling is being done
2. Existing defects  
loss arising out of rectifying existing or aggravated defects not forming part of the contract works
3. Hoists, cranes, construction plant, and other vehicles  
loss to any hoists, cranes, construction plant, waterborne or airborne craft, or vehicles of any kind
4. Liability, fines, penalties, or damages  
liability of any nature, other than the legal liability cover under the maintenance period. Fines, penalties, liquidated damages, aggravated, punitive or exemplary damages
5. Loss due to delay, loss of use  
any consequential loss including loss due to delay, loss to property caused directly by cessation of work, loss of use or financial loss
6. Loss due to interruption of supply  
loss due to the interruption of supply of water, gas, electricity or other fuels to the situation
7. Marring or scratching  
loss due to marring or scratching, or any surfaces damaged during the process of cleaning or from any other cause
8. Natural disaster  
loss caused by earthquake, hydrothermal activity, or volcanic eruption to any existing structure, other than the cover provided by the benefit **Natural disaster damage** on page 10

9. Reckless acts  
loss directly caused by or arising from your deliberate or reckless acts or omissions
10. Testing or commissioning machinery  
damage to machinery or plant caused by testing or commissioning
11. Wages and associated costs  
extra charges for overtime, holiday pay, accommodation expenses, express delivery.

**We will not pay for loss to:**

1. Completed parts of the contract  
any part of the contract works taken into use by the principal, other than during the maintenance period
2. Computer software and electronic data  
any computer software or electronic data
3. Goods in transit  
goods or materials while they are in transit to or from the situation
4. Missing property  
missing property where the loss is not traceable to a specific event
5. Money  
notes, bills, bonds, money, cheques, securities, credit cards
6. Documents  
files, drawings, plans
7. Tools and equipment  
employees or contractors' tools, equipment, or plant.

**Your policy does not cover loss, damage, expense, prosecution, or liability arising from:**

1. Asbestos  
the presence or use of asbestos, including the cost of its removal even if previously identified as part of the contract works
2. Normal settlement, shrinkage, or expansion  
the normal settlement, shrinkage or expansion of buildings, foundations, walls, pavements, roads, and other structural improvements
3. Seepage, pollution, or contamination  
seepage, pollution, or contamination unless it results from loss to the contract works that is otherwise covered by this policy
4. Soil changes  
Settling, cracking, soil expansion, soil shrinkage, soil movement or compaction
5. Subsidence, erosion, and landslip  
Subsidence, erosion or underground water pressure or landslip other than the cover provided by the automatic benefit ***Natural disaster damage on page 10.***

**Your policy does not cover any claims for:**

1. Faults and defects in materials or workmanship  
repairing, replacing, or rectifying any part of contract works that is defective or faulty in material or workmanship
2. Faults and defects in design  
repairing, replacing, or rectifying where there is a fault, defect, error or omission in design, drawings, specification, or in sequence, procedure or plan

Exclusions 1. and 2. immediately above do not apply to any resulting loss. By resulting loss, we mean loss to separate insured property that occurs as a direct result of the fault and defect in materials, workmanship or design as set above.

3. Gradual damage  
gradual deterioration including damage arising from or involving action of micro-organisms, atmospheric or climatic conditions, corrosion, delamination, erosion, fungi, mildew, mould, rust, rot, slowly developing deformation or distortion, smoke, or particles
4. Insects and pests  
damage caused by insects, pests, rodents, lizards, vermin (other than possums), marine growth or marine borers
5. Mechanical or electrical breakdown  
mechanical or electrical equipment (and their parts) breaking down, failing, or wearing out unless they have burnt out as a direct result of an accidental and external force
6. Water or moisture  
water or moisture entering the situation because of any structural defect, defective design, defective materials, or defective workmanship of the contract works
7. Wear and tear  
wear and tear.

### **Your policy excludes cover for communicable diseases**

Your policy does not cover any loss, time element loss, damage, liability, claim, cost, or expense arising out of or in connection with a communicable disease.

This exclusion also applies:

1. If there is some other contributing cause or event at the same or some other time.
2. To the fear or threat (whether actual or perceived) of a communicable disease.



## Your policy excludes cover for cyber loss

Your policy does not cover any loss, damage, liability, cost, or expense arising out of or in connection with the following events:

1. any cyber-attack or cyber incident
2. any loss of use, reduction in functionality, repair, replacement, restoration, or reproduction of any data, including any amount connected to the value of any data
3. any time element loss directly resulting from such property loss.

This is regardless of any other contributing cause or event that happens at the same or some other time.

If your computer system suffers loss or damage insured by this policy, then this exclusion will not apply to both:

1. the cost to repair or replace the computer system itself
2. the costs of copying the data from back-up or from originals of a previous generation.

We do not cover costs of research or engineering, or any costs of recreating, gathering, or assembling data. If your computer system is not repaired, replaced, or restored we will pay the cost of the blank computer system only.

This exclusion does not apply to loss or damage to your property insured under this policy caused by fire or explosion directly resulting from a cyber incident, unless that cyber incident arises out of or in connection with a cyber-attack, including controlling, preventing, suppressing, or remediating any cyber-attack.

## Your policy excludes cover for war and terrorism

Your policy does not cover any loss, damage or liability arising directly or indirectly from, occasioned by or through or in consequence directly or indirectly of or claim for:

1. war, invasion, acts of foreign enemies, hostilities, or war-like operations (whether war be declared or not), civil war
2. mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law
3. 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
4. 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.

Terrorism is the use of violence, or the threat of violence, in order to achieve a political, social or religious goal.



## You have certain responsibilities

Here is a list of what you must do.

1. You must be honest and fair with us. All your statements made about this policy and any claim must be honest, correct, and complete.
2. The contract works sum insured must include the full contract price for the full amount of the contract works. The full contract price includes the cost of all items and materials to be used, all architects, surveyors and engineers fees, fees for all consents required, and any wages and sub-contractors' work.

3. You must tell us immediately if:
  - a. anyone identifies your property as being at risk from a natural hazard, such as flooding, landslips, geothermal activity, erosion, subsidence
  - b. any information about your property's risk from a natural hazard change in the Land Information Memorandum (LIM) or similar document
  - c. any change in the security protection at the situation.
4. You must tell us immediately if you or any other person covered by this policy:
  - a. commits, is charged with, or is convicted of any criminal offence
  - b. has a claim declined or avoided
  - c. has insurance refused or cancelled by an insurance company, or has any special terms added to a policy.

We may change the terms that we insure you on, or the premium, to reflect the change in circumstances that you've told us about.

We may cancel your policy if what you tell us is in our opinion, a substantial change in risk.

5. You and any person working on your house, or the contract works must:
  - a. take reasonable care to protect and maintain your house and to avoid legal liability
  - b. comply with all relevant health and safety rules, legislation, bylaws, building codes, and local authority requirements
  - c. ensure that your house and the contract works are securely locked when unattended
  - d. ensure tarpaulins are securely fastened over any part of the house or the contract works exposed to the elements at the end of each day's work
  - e. follow all recognised fire safety procedures when carrying out any hot work like heating materials, welding or using equipment with a naked flame.

6. You must pay all premiums in full at the start of the period of insurance, and at the date of any extension in the period of insurance. If any premium remains unpaid 28 days following either of those dates, we may cancel this policy (effective from the first day of the period that the unpaid premium relates).
7. When the renovations are complete, you must contact us:
  - a. to review the house sum insured to ensure that the sum insured for your house policy reflects the value of the renovations made
  - b. to tell us what the new house floor area is if you've extended the size of your house.

If you do not comply with your responsibilities under this section ***You have certain responsibilities on page 18***, we can decline any claim (and recover any claims payment already made). We can also cancel or avoid this policy.

If we cancel your policy, we'll give you seven days' notice emailed or posted to your last known address on our records. If we do this, we'll refund your unused premium.

If we avoid your policy, it will be treated as if it had never been taken out. We may also avoid or cancel any other policies you have with us.

If we ask, you'll have to refund any claims payments we've previously paid to you. If we do this, we'll email or post notice of this decision to your last known address on our records. We'll refund your entire premium paid less any claims already paid.



# How to make a claim

It is important that you tell us as soon as you become aware of any circumstances that may result in a claim.

Call us on 0800 808 808 or go to [tower.co.nz/claims](https://tower.co.nz/claims) to make a claim online.

## You have certain responsibilities at claim time

Events leading to a claim can be stressful. Your personal safety is paramount, so make sure you and anyone else involved are safe from harm and if necessary, call the emergency services.

Here is a list of what you must do at claim time.

### Before you lodge your claim

You must:

1. Inform the Police if it appears that there has been arson, theft, burglary, or malicious damage and provide details of the complaint to us. For example, the acknowledgement number.
2. Tell us as soon as possible:
  - a. if it is likely that you'll make a claim
  - b. if you or anyone else who may have cover under this policy is charged with any offence that resulted in loss of property or caused bodily injury to someone else
  - c. about any claim made against you by another person, with full particulars and all legal documents served on you.
3. Take all reasonable steps to prevent further loss or liability.
4. Get our permission before you arrange for any repairs or replacement or incur any expense for any claim.
5. If we ask you to complete a claim form, return that claim form to us within 30 days.
6. Not admit liability or do anything to prejudice any potential recovery or our ability to defend the claim.

## Once you've lodged your claim

You must:

7. Let us inspect the loss and deal with any salvage reasonably. No property may be abandoned to us.
8. Provide proof of ownership or purchase (such as receipts, bank statements, credit card vouchers, warranties, guarantees, photos, videos, and so on) for any property you claim for.
9. Let us complete all necessary documents and authorities for any claims under this policy as your authorised agent.
10. Comply with all our requests about your claim by providing full cooperation, information, and assistance.
11. Not discuss a claim made on you by another person with them; instead, refer them to us.
12. Pay any applicable excess and any applicable additional excess.
13. Let us instruct a solicitor of our choice to conduct your defence. Follow the recommendations of that solicitor about the conduct or continuation of your defence.
14. Let us talk with that solicitor, when necessary, about the details of the case and the conduct or continuation of your defence.

## After we've accepted your claim

You must:

15. Cooperate fully in any action we take to recover money from other parties involved in your claim.
16. Let us take over for our own benefit and settle any legal right of recovery you may have.
17. Tell us if any person is ordered to make reparation to you for any loss or cost that was part of the claim. Reimburse us for that payment as soon as you receive any reparation.
18. Tell us if any lost or stolen property that was part of the claim is found or recovered. Hand it over to us or, at our option, refund any money paid by us if we request it.

**At any time:**

19. Do not start repairing or replacing any damaged property or incur any costs (such as surveyors, engineers, demolition, or debris removal costs), without our prior approval.

If you do not comply with your responsibilities under this section, ***You have certain responsibilities at claim time on page 21*** we can decline any claim (and recover any claims payment already made). We can also cancel or avoid this policy.

If we cancel your policy, we'll give you seven days' notice emailed or posted to your last known address on our records. If we do this, we'll refund your unused premium.

If we avoid your policy, it will be treated as if it had never been taken out. We may also avoid or cancel any other policies you have with us.

If we ask, you'll have to refund any claims payments we've previously paid to you. If we do this, we'll email or post notice of this decision to your last known address on our records. We'll refund your entire premium paid less any claims already paid

**How we'll look after your claim**

When you contact us to make a claim, we'll:

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, investigator, or other specialist to inspect the loss and explain the procedure that will be followed
5. keep you updated on your claim's progress
6. give you the information you need on how we'll settle your claim
7. if we decline your claim, we'll clearly explain why.

## What excesses you may need to pay

The excess is the amount of any claim that you're responsible for. The excess applies to each event resulting in a claim.

Where loss has been caused on multiple occasions or events an excess will apply to each occasion or event.

Unless the benefit being claimed says it is excess free, you'll need to pay your excess. Your excess and any additional excesses that may apply are detailed on your certificate of insurance and in this policy wording.

Where a benefit specifies an additional excess, that additional excess will apply above any other excess on your certificate of insurance.

## How we'll settle your claim

The maximum per event that we'll settle your claim for is the lesser of:

1. the actual cost to repair or replace the loss suffered to your insured property to its condition immediately before the loss
2. the replacement cost up to the sum insured as shown on your certificate of insurance.

We'll settle your claim for loss following the process set out below.

### **If we decide it is economic to repair the loss:**

We'll pay the actual cost of repairs to restore the insured property to their condition immediately before the loss, or we'll pay to replace the loss suffered with property equivalent to the property that suffered that loss.

If there is repairable damage to the existing structures, we'll settle any loss to those structures as is described in the section 'How we'll settle your claim' of your existing Tower House or Landlord's House insurance policy.



### **If we decide it is uneconomic to repair the loss:**

We'll pay the actual costs incurred by you under the contract works immediately before the loss.

We'll settle any total loss to the existing structures as is described in the section 'How we'll settle your claim' of your existing Tower House or Landlord's House insurance policy.

### **In all cases:**

1. Our payment will be less any salvage and less any excess
2. We'll pay, where necessary:
  - a. the reasonable extra cost of complying with local authority laws and regulations when repairing or replacing the damaged parts of the contract works. This is provided those damaged parts complied with local authority laws and regulations at the time they were built or altered
  - b. the reasonable architects', engineers', and surveyors' fees necessary for the repair or replacement provided they are authorised by us before they are incurred
  - c. the reasonable cost of demolition and the removal of debris that directly caused the loss, including the contents unless specifically excluded.
  - d. Where we've paid the demolition and removal of debris costs, we retain any salvaged property.
3. If we've been notified of a financial interest in your house, we're obliged to make any cash payment to the interested party (for example, a mortgagee) up to the amount of its interest. This payment counts towards meeting our obligations under this policy.
4. We'll use building materials and construction methods commonly used at the time of the repair or replacement.
5. If you pay your premium by instalments and the contract works and existing structure are uneconomic to repair, you must pay the rest of the premium before we settle your claim.

6. We'll not:
- a. pay for amounts not yet paid by you or amounts that have not been included in the sum insured
  - b. pay for repairing or replacing any part of your contract works that has not suffered loss
  - c. pay the cost of repair or replacement beyond what is reasonable or practical
  - d. repair or replace the contract works exactly to its previous condition.

### **Reinstatement of the sum insured**

After we've paid a claim that is not a total loss claim, we'll reinstate the sum insured. We may charge you an additional premium for this reinstatement. If we do, you must pay this additional premium for this cover to continue.

### **Assignment**

Where you've made a claim for the repair or replacement of your contract works, 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.



## Other important information

### You can cancel this policy

You can cancel this policy by contacting us online or by phone or email. We'll only refund the premium if the cancellation is made within the 15 day free look period.

We may cancel or avoid this policy according to the express rights of cancellation and/or avoidance set out in the headings:

1. *You have certain responsibilities on page 18*
2. *You have certain responsibilities at claim time on page 21*
3. *Making changes to this policy on page 27*

If we cancel your policy, we'll refund your unused premium.

### Free look period

If you're not completely happy with your policy, you can cancel it within 15 days of the start date so long as you've not made any claims.

We'll refund any premiums you paid and we'll both regard this policy as never having started.

### Making changes to this policy

You can have this policy altered if we agree to that alteration and have confirmed this to you.

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

1. To reflect any material changes in relevant law
2. To increase the level of existing cover, or add additional cover
3. If we're no longer able to secure reinsurance protection for perils covered by this policy

4. To allow for a material change in your (or your property's) risk profile
5. 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 the alterations to the terms of your policy, you can cancel it (effective from the date of the proposed alteration). You can do this by contacting us online or by email or phone, before the effective date of the proposed alterations. If you cancel on this basis, we'll 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.

## **This policy is under New Zealand law**

### **New Zealand has jurisdiction**

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

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

### **New Zealand currency and taxes apply**

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.

## How we'll communicate with you

We'll communicate with you to your last notified physical or email address.

If email is your preferred method of communication, the address you provided to us must be valid and must be checked on a regular basis.

You must tell us if you change your physical or email address.

## Talk to us if you have a concern

We always strive to give the best possible service. So, if you're not happy with something – anything – please let us know. We'll aim to get it sorted for you quickly and fairly.

Often a quick conversation with us can help straighten things out. But every now and then there'll be an issue that can't be easily resolved. If that's the case, we'll talk you through our internal disputes resolution procedure. And if we still can't agree, we'll let you know how you can access our external disputes resolution provider.

If you would like more information, check out [\*tower.co.nz/contact-us/complaints\*](https://tower.co.nz/contact-us/complaints)



# Glossary

Please note words in the singular can be in the plural and vice versa.

## Accidental

Unintended and unexpected by you.

## Certificate of insurance

The certificate of insurance first issued to you, or any further certificate issued following a change to the policy (whichever applies at the time of the event).

## Communicable disease

Any disease which can be transmitted by any substance or agent from any organism to another by any method of transmission where the disease, substance or agent can:

1. cause or threaten damage to human health or human welfare
2. cause or threaten damage; deterioration; loss of value or marketability; or loss of use of property.

## Computer system

Any of the following things:

1. any computer, hardware, software, communications system
2. any electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device)
3. any server, cloud, or microcontroller, including any similar system or configuration of them and including any associated input, output, data storage device, networking equipment or back up facility.

## Construction period

The period starting with the later of:

1. the start date as stated on the certificate of insurance
2. the date the contractor takes possession of the site comprising the contract works

and ending on the earliest of Partial completion, Completion, or the Scheduled date as defined below.

**Partial completion:**

For any applicable portion of the contract works, the earlier of the date a partial practical completion certificate is issued, or the date that portion of the contract works is occupied, taken over or put in use by you.

**Completion:**

The earlier of the date a practical completion certificate is issued, or at the time the contract works is occupied, taken over or put in use by you.

**Scheduled date:**

The construction period end date in the certificate of insurance.

**Contract works**

All permanent and temporary works to be carried out by the contractor at the situation, as described in the contract. This includes all materials and items that are included in that contract.

**Cyber-attack**

One or more unauthorised, malicious, or criminal acts regardless of time and place - involving access to, processing of, use of or operation of a computer system. A cyber-attack can be the threat or hoax of these acts.

**Cyber incident**

Any of the following things:

1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any computer system
2. any partial or total unavailability or failure to access, process, use or operate any computer system; it can be a single incident or a series of related incidents.

**Data**

Information, facts, concepts, code, or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted, or stored by a computer system.

**Excess**

The amount of any claim that you must bear as shown on your certificate of insurance and/or in this policy wording.

**Loss**

Sudden and accidental physical loss or sudden and accidental physical damage to property occurring at the situation during the construction period or the maintenance period.

**Maintenance period**

The period when any part of the contract works is completed and put into service, or taken over, occupied, or issued with a certificate of partial or practical completion. It finishes on the earlier of:

1. the date the Maintenance or Defects liability period referred to in the contract ends
2. the end of the period of insurance.

**Natural disaster damage**

Physical loss or physical damage as a direct result of earthquake, natural landslip, volcanic eruption, hydrothermal activity, or tsunami. This includes damage or destruction 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 where compensation is payable under any Act of Parliament other than EQCover.

**Natural landslip**

The movement of ground forming materials that, before movement, formed an integral part of the ground. Such materials might be one or more of natural rock, soil, or artificial fill. 'Movement' means any one or more of falling, sliding, or flowing. Movement of ground due to below-ground subsidence, soil expansion, soil shrinkage, soil compaction or erosion is not a natural landslip.



**Period of insurance**

The period shown on your certificate of insurance. This includes the construction period and the maintenance period. If you select a start date in the future, cover will begin at 12:00am on that day. Otherwise cover begins at the time you purchased this insurance.

Cover ends on the earliest of:

1. 11:59pm on the day shown of the certificate of insurance
2. at the effective time of cancellation
3. when any part of the contract works are taken over or put into service or the whole of the contract works are taken over or put into service.

**Principal**

The owner of the dwelling at the situation where the contract works is being performed.

**Repair cost**

The reasonable cost to repair the contract works and/or existing structures to a standard that is reasonably equivalent to its appearance, size, functionality, and relative quality when new, but without necessarily reproducing it exactly.

**Replacement**

The reasonable cost to replace the contract works and/or existing structures to a standard that is reasonably equivalent to its appearance, size, functionality, and relative quality when new, but without necessarily reproducing it exactly.

**Situation**

The address that is shown on your certificate of insurance named as the situation.

**Sum insured**

The figure specified on your certificate of insurance and/or in this policy wording.

**Time element loss**

Time element loss means business interruption, contingent business interruption or any other consequential losses.

**Unused premium**

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

**We, us or our**

Tower Limited.

**You or your**

The person or persons or corporate body named on your certificate of insurance as the insured in their capacity as principal.











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