TOWER Insurance

House Insurance

Landlord's plus cover



Your policy wording Keep it in a safe place.

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Welcome to Tower Insurance.

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

This is your *Landlord's plus cover* policy wording, underwritten by Tower Insurance 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 how our different policies compare.

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 are covered for on page 11.

3. Responsibilities and exclusions.
What you must do, and what isn't covered on page 19.

4. Making a claim.
Information about making your claim with us on page 25.

5. Other stuff.
This is important too, like what to do if you have a concern on page 32.

6. Glossary.
Some words have special meanings on page 35.

As part of our commitment to you, this document meets the WriteMark Plain Language Standard. The WriteMark is an internationally recognised plain language quality mark.

WriteMark
Plain Language Standard

Your benefits compared

Choosing what is right for you can be difficult, but we have made it easy with this comparison table.

This is the level of cover you selected and that this document explains. If you would like to change your level of cover, please call us on 0800 808 808.

	Premium cover	Plus cover	Standard cover	Landlord's plus cover
Basis of settlement	Replacement to sum insured	Replacement to sum insured	Replacement to sum insured	Replacement to sum insured
Full replacement for fire	✓	✓	✓	✓
One event – one excess	✓	✓	✓	✓
Liability protection	✓ $20m	✓ $20m	✓ $20m	✓ $20m
Natural disaster damage	✓	✓	✓	✓
No claims bonus	✓	✓	✓	✓
Gradual damage to your house	✓ $3,000	✓ $2,000	✓ $1,000	✓ $2,000
Landscaping	✓ $5,000	✓ $2,000	✓ $1,000	✓ $2,000
Garden retaining walls	✓ $50,000	✓ $25,000	✓ $15,000	✓ $25,000
Temporary accommodation	✓ $30,000	✓ $25,000	✓ $15,000	✗
Keys and locks lost or stolen	✓ $2,000	✓ $1,000	✓ $500	✗
House under minor alteration	✓ $50,000	✓ $20,000	✗	✓ $20,000
Demand surge protection	✓ 15%	✓ 10%	✗	✓ 10%

	Premium cover	Plus cover	Standard cover	Landlord's plus cover
Stress benefit lump sum payment	✓ $2,000	✓ $1,000	✗	✗
Glass breakage reduced excess	✓ $50 excess	✓ $100 excess	✗	✗
Carpets extended replacement	✓	✗	✗	✗
Landlord's benefits				
Loss of rent for damage to your house	✗	✗	✗	✓ 8 months
Loss of rent for other reasons	✗	✗	✗	✓ 8 weeks
Methamphetamine decontamination	✗	✗	✗	✓ $30,000
Deliberate damage	✗	✗	✗	✓ $20,000
Landlord's whiteware and window coverings	✗	✗	✗	✓ $20,000
Optional benefits				
Garden retaining walls	✓ Sum insured	✓ Sum insured	✓ Sum insured	✓ Sum insured
Recreational features	✓ Sum insured	✓ Sum insured	✓ Sum insured	✓ Sum insured
Special features	✓ Sum insured	✓ Sum insured	✓ Sum insured	✓ Sum insured

How your policy works

Your *Tower House Insurance — Landlord's plus cover* consists of two documents: this policy wording and the certificate of insurance. Make sure you read your policy wording and the certificate of insurance so you understand the cover we're providing and what your obligations are.

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

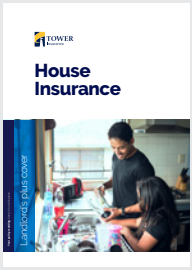
Your certificate of insurance tells you what assets are covered, what level of cover applies and whether any special terms and conditions apply.

We agree to cover you according to the terms outlined in these two documents, as long as you have paid the premium due.

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

Words with special meaning

In this policy some words have a special meaning. You can find out what those words are and what they mean in the *Glossary on page 35*.



In the policy wording are the benefits, exclusions, responsibilities and limits of your cover.



The certificate of insurance tells you what assets are covered, what level of cover applies and whether any special terms and conditions apply.

The claims process

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



Step one

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



Step two

- Check your policy wording
- Collect up any documents required
- Start an inventory of losses
- Call us
- We will explain how the claims process works



Step three

- We'll lodge the claim with you
- We may ask for more information
- We will tell you what's going to happen next
- We will arrange an assessor if required
- We will decide whether the claim fits the terms of your policy
- We will clearly explain why if it doesn't fit



Step four

- We will process your claim as fast as we can
- We will keep you informed of what's happening
- We will settle your claim as soon as we can

What your house is insured for

Your house is covered for loss.

There are limits and exclusions to your house cover which are detailed throughout this policy wording and the certificate of insurance.

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 will explain it to you.

Landlord's obligations

In order for us to provide you with cover, you and any persons in charge of your house with your permission must comply with all of the obligations below. Otherwise we may decline your claim and recover any payment already made.

Before a tenancy:

1. Use reasonable care when choosing your tenants. For all adults living in your house, you must get satisfactory references from their previous landlords. If landlord references are not available, get character references. Keep records of these references and provide them to us when we ask.
2. You and the tenant must complete and sign a tenancy agreement. You and the tenant must also complete a pre-tenancy inspection. This includes documenting, in writing and/or photographs, any existing damage to your house. Be prepared to provide these to us when we ask.
3. Collect:
    a. at least one week's rent in advance, and
    b. at least three weeks' rent as a bond and register this with Tenancy Services, or
    c. any combination of (a) and (b) to a total of four weeks' rent.

During a tenancy:

1. Complete an internal and external inspection of your house at least once every three months. Document in writing and/or photograph any new damage or concerns.

2. Monitor rent payments regularly and send written notification to the tenant when rent is 14 days in arrears. You must visit your house to see if the tenant remains in residence.
3. When rent is 21 days in arrears, make application to the Tenancy Tribunal for vacant possession of your house in accordance with the provisions of the Residential Tenancies Act 1986 or any amendments or any Acts passed in substitution of the Act.
4. Ensure your house complies at all times with your legal obligations as a landlord when renting it.

What your house policy does and does not cover



We cover your house and some permanent features

By house we mean the domestic buildings you own at the situation shown in the certificate of insurance including its:

1. fixtures and fittings within the domestic buildings
2. fitted floor coverings (including glued, smooth edge or tacked carpet)
3. gates, sealed paths, free standing walls and fences
4. sealed driveways required for access to your dwelling or outbuilding
5. fixed water tanks, septic tanks (and their systems) that are permanently plumbed
6. underground and overhead services extending to the public mains
7. other domestic outbuildings such as garages or garden sheds
8. retaining walls essential for the building or positioning of your domestic buildings
9. garden retaining walls up to $25,000.

Your house also includes the features below if they are permanently installed and they are specified in your certificate of insurance:

1. garden retaining walls over $25,000
2. recreational features
3. special features.



We do not cover some things in and around your house

We do not cover any of the following:

1. floor coverings not permanently fixed or glued in place
2. unsealed driveways and paths
3. swimming and spa pool pumps and motors that are portable and/or not permanently installed
4. garden retaining walls over $25,000 unless they are specified on your certificate of insurance
5. any recreational features or special features unless they are specified on your certificate of insurance.

We apply an additional excess when your house is left unoccupied

We will apply an additional excess of $1,000 in the event of a claim for loss to your house while your house is unoccupied for more than 60 consecutive days.

We do not cover houses with 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.

What your house can be used for

Your house is insured as a rental property as recorded in the certificate of insurance as the residency type. If this changes, please contact us to let us know as soon as possible. We may have a different policy that is better suited to your needs.

Your automatic benefits

Your policy also covers you for the benefits listed below.

The most we will pay is the maximum amount detailed in each benefit. Unless the benefit expressly says otherwise, the maximum amount is included within the house sum insured and is not in addition to it.

Deliberate damage

We will pay for deliberate damage caused by your tenants or their guests during the period of insurance to your house.

Limits

We will pay up to $20,000 per event for your loss by deliberate damage.

An additional excess of $500 per event will apply to your claim.

This benefit does not apply where the *Methamphetamine decontamination benefit on page 16* applies.

Demand surge protection

We may, at our sole discretion, increase your house sum insured to no more than the limits outlined below, if all the following conditions are met:

1. your house has suffered loss covered by this policy
2. that loss was caused by natural disaster, flood or storm that occurred at, or near your house causing widespread loss
3. building costs have increased by a verified statistical percentage because there is a surge in demand for labour and materials as a direct result of that widespread loss
4. this increase is the only reason the actual cost to repair or replace your house is higher than your house sum insured noted on the certificate of insurance.

Limits

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

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

This benefit will not apply if we offered to pay the actual replacement cost but you have chosen to receive a cash payment instead of repairing or replacing your house.



Full replacement for fire

We will settle your house claim with no house sum insured limit if the loss to it is caused by fire.

Limits

We will, at our option, replace it, or pay you for the actual replacement cost as those costs are incurred, with a house that is the:

1. square metre area shown on your certificate of insurance, or
2. actual square metre area of your house before the loss

whichever is the lesser.

This benefit does not apply to fires following a natural disaster.

Where this benefit applies, the *Demand surge protection benefit on page 11* does not apply.



Gradual damage to your house

We will pay for the repair of gradual damage, deterioration, mildew, mould or rot to your house occurring during the period of insurance caused by the leaking, overflowing or discharging of any of a:

1. water supply pipe or hose
2. water disposal pipe or hose
3. water supply tank.

The pipe, hose or tank must:

1. form part of the permanent and internal water reticulation system of the house, and
2. be hidden from view because it is contained within the walls, cupboards, floors, ceiling or roof of your house.

Limits

We will pay the reasonable costs up to $2,000 per event.

This benefit only applies if:

1. the leak, overflow or discharge first occurred during the time that we insure your house
2. you could not have discovered the damage immediately, and the damage was not visible, noticeable or obvious.

We do not cover:

1. the cost of locating and repairing the leak
2. a leak in a shower base, shower recess or shower cubicle
3. gradual damage that occurs if your house is unoccupied for more than 60 consecutive days.



House under minor alteration

We will cover:

1. your house while it is under minor alteration
2. building materials you own that were specifically purchased for the minor alteration and stored at your house.

Minor alteration is any non-structural renovation or building work to your existing house that does not require a building consent from your local authority.

This benefit is in addition to your house sum insured.

Limits

We will pay up to $20,000 per event.

We will only cover plumbing or electrical installations if they are carried out and/or approved by a qualified tradesperson.

We do not cover any loss for building, alteration or renovation work that requires or involves any of the following:

1. a building consent
2. lifting or shifting of the house
3. load bearing walls
4. excavation greater than one metre deep
5. piles or foundations
6. structural alterations or repairs including the removal or alteration of the roof or cladding.



Landlord's whiteware and window coverings

We will pay for loss to your landlord's whiteware and window coverings.

Landlord's whiteware and window coverings are limited to:

1. curtains, drapes, blinds or similar window coverings
2. whiteware or household appliances such as dishwashers, refrigerators and washing machines.

Limit

We will pay the second-hand value of your landlord's whiteware and window coverings up to $20,000.



Landscaping

We will pay for the replacement of your lawn, flowers, trees, hedges or shrubs if they are damaged by:

1. your house suffering loss caused by fire
2. impact from a vehicle

for which a claim is accepted by us.

This benefit is in addition to your house sum insured.

Limit

We will pay the reasonable cost of replacement up to $2,000 per event.

Liability protection

We will cover you as the owner of your house for your legal liability to others arising from an accident at your house which causes physical property damage during the period of insurance.

We will pay the reasonable costs and expenses incurred with our approval in defending the alleged legal liability. We will do this if your liability, if proven, would be covered under this benefit.

This benefit is in addition to your house sum insured.

Limits

You also have cover under this benefit for your legal liability:

1. for bodily injury to a person up to $100,000 per event
2. arising under the provisions of sections 43 and 46 of the Forest and Rural Fires Act 1977, or any amendments or any Acts passed in substitution of the Act. You have cover up to $100,000 per event.

We will pay up to $20,000,000 in total during the period of insurance.

If you have liability cover with us under any other policy, then we will only pay under one policy per event.

Loss of rent for damage to your house

We will pay up to eight months' rent you have lost because your house is uninhabitable due to either:

1. a claim accepted under this policy
2. a claim that is covered under EQCover.

Limits

This benefit only applies if the house is rented to a tenant at the time of the loss.

This benefit does not apply if the house is uninhabitable because of chemical contamination.

We will stop payments after repairs have been completed or your claim has been paid.



Loss of rent for other reasons

We will pay for up to eight weeks' rent you have lost because:

1. Your tenant has:
    a. been lawfully evicted for not paying rent
    b. vacated the property without giving the required notice
    c. stopped paying rent legally under their tenancy agreement because they have been prevented from entering your house or because public utilities to your house have failed.
2. Your house is uninhabitable because of deliberate damage caused by your tenants or their guests, which is covered by this policy.

Limits

We will first deduct all of the following from your claim:

1. any rent paid in advance
2. any bond held by Tenancy Services
3. an additional excess of one week's rent.

This benefit does not apply if the house is uninhabitable because of chemical contamination.



Methamphetamine decontamination

We will cover your house if contamination damage occurs arising from the manufacture, storage, consumption, use or distribution of methamphetamine.

The damage must be due to:

1. contamination damage that first occurred while your house is insured with us
2. explosion resulting from methamphetamine manufacture during the period of insurance
3. fire as a result of methamphetamine manufacture during the period of insurance.

Limits

If the house has suffered contamination damage we will pay up to $30,000 for the cost of repairing it.

If damage has been caused by explosion we will pay the costs to repair or replace that damage up to the house sum insured.

If damage has been caused by fire we will pay the costs to repair or replace that damage based on the limits in the automatic benefit – *Full replacement for fire on page 12.*

Before this benefit applies, you must make a formal complaint to the Police about the manufacture, storage, consumption, use or distribution of methamphetamine at your house.

This benefit only applies if the house is rented to a tenant at the time the contamination occurs.

You and/or any person responsible for managing your house must comply with the obligations set out in the section *Landlord's obligations on page 8* before we accept any claim under this benefit.

Once we have paid a claim under this benefit, cover under it ceases until an approved contractor certifies that your house has been satisfactorily remediated to the acceptable levels stated in the New Zealand Standard NZS 8510.

Excess

We apply an additional excess of $2,000 in the event of a claim under this benefit. This excess amount is recorded in your certificate of insurance.



Natural disaster damage

The premium you pay for this policy includes a levy which is paid to the Earthquake Commission under EQCover. This levy covers your house for natural disaster damage up to a limit set by them. When the Earthquake Commission pays under EQCover, we will pay for the cost of repairing or replacing loss above this limit.

If parts of your house suffer natural disaster damage and do not come within EQCover, we will pay for their repair or replacement. This includes any garden retaining walls, recreational features or special features listed on your certificate of insurance.

Limits

If your house suffers natural disaster damage you must claim for EQCover first.

The most we will pay is the difference between your cover under EQCover and your sum insured less any applicable excess.

We apply a $5,000 excess in place of the excess that would otherwise apply for claims for natural disaster damage to any driveway, path, fence, swimming or spa pool.

We do not cover:

1. any amount the Earthquake Commission legally refuses to pay
2. any excess or deduction under EQCover.



No claims bonus

You will receive a no claims bonus if you have not had any claim with us or with your previous insurer during the last insurance policy year.

Your no claims bonus may step down on renewal following any claim. This means your premium may increase because your no claims bonus status has reduced. However, your no claims bonus may step up again at the next renewal if you make no further claims. This means your premium may reduce because your no claims bonus status has increased.

Other rating factors may mean that although you receive a no claims bonus, your premium may still increase.



One event – one excess

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

What you are not covered for

Your policy does not cover liability for:

1. Asbestos
   where such liability directly or indirectly arises out of, results from or is a consequence of, or in any way involves asbestos, or any materials containing asbestos in whatever form or quantity.
2. Bodily injury
   bodily injury to you.
3. Forest and Rural Fires Act 1977
   liability under the Forest and Rural Fires Act 1977 other than the cover provided by the automatic benefit – *Liability protection benefit on page 15*.
4. Liability to which you have agreed
   liability that arises only because you have agreed to take liability upon yourself.
5. Vehicles, watercraft and aircraft you own
   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 devices.
6. Your or a trust's property
   damage to any property you own, or a trust of which you are a beneficiary or trustee owns.

Your policy does not cover any loss, damage or liability arising from:

1. ACC personal injury
   personal injury for which cover is provided to any extent under the Accident Compensation Act 2001, or any amendments or any Acts passed in substitution of the Act.
2. Animals, insects and pests
   a. any domestic pet pecking, biting, clawing, scratching, tearing or chewing your house, or damage caused by their urine or excrement. This exclusion does not apply to

damage caused by another animal (except insects, vermin or rodents) which becomes accidentally trapped inside your home

b. insects, pests, rodents, vermin (other than possums), marine growth or marine borers. However, resulting loss other than that caused directly by them is covered.

3. Business activities
   any activity for financial return (other than rental income) whether for profit or not.
4. Cleaning and repairing your house
   any process of cleaning, repairing, restoring or renovating where inappropriate or unsuitable methods or materials are used. This exclusion only applies to the property that has undergone that process. Resulting loss other than that caused directly by it is covered.
5. Confiscation by an authority
   confiscation, nationalisation or requisition by an order of government, local authority, the courts or any public authority unless it is to prevent loss covered by this policy.
6. Controlled drugs pollution or contamination
   the pollution or contamination of your house by the manufacture, storage, use, consumption or distribution at your house of 'precursor substances' or a 'controlled drug' as defined in the Misuse of Drugs Act 1975 or any amendments or any Acts passed in substitution of the Act, other than the cover provided by the automatic benefit – *Methamphetamine decontamination benefit on page 16*.
7. Criminal and reckless acts
   any criminal or reckless act or omission by you.
8. Deliberate damage by anyone
   deliberate damage caused directly or indirectly by you or anyone who normally lives at, or is lawfully at your house, other than the cover provided by the automatic benefits – *Loss of rent for other reasons benefit on page 16* and *Deliberate damage benefit on page 11*. This exclusion does not apply to deliberate damage by fire by tenants or their guests.

9. Discharge of substances
   discharge of any substance.
10. Hydrostatic pressure to assets in the ground
    hydrostatic pressure to assets like swimming pools, spa pools, water or waste tanks.
11. 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. However, resulting loss other than the mechanical or electrical breakdown is covered.
12. Natural disaster damage
    natural disaster damage other than the cover provided in the automatic benefit – *Natural disaster damage benefit on page 17*.
13. Nuclear and radiation risks
    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.
14. Soil changes
    settling, cracking, soil expansion, soil shrinkage, soil movement or compaction.
15. Subsidence, erosion and landslip
    subsidence, erosion or underground water pressure or landslip other than the cover provided for natural landslip in the automatic benefit – *Natural disaster damage benefit on page 17.*
16. Terrorism
    the use of violence, or the threat of violence, in order to achieve a political, social or religious goal.
17. Vibration to buildings and land
    vibration, removal or weakening of support from either the land or buildings.
18. Wear and tear and sunlight
    wear and tear, or action of sunlight.

Your policy does not cover any claims for:

1. 48 hour stand-down
   any loss that occurs within 48 hours of the start date of your policy caused by storm, flood, wildfire or landslip.

   This exclusion does not apply:
   a. if this policy started immediately after another policy that covered these risks,
   b. if the policy was taken out at the same time you purchased the house
2. Excess that you pay
   any excess unless specifically stated.
3. Faults and defects
   a. the cost of remedying or repairing any structural defect, inherent fault, defective, substandard or faulty workmanship
   b. water or dampness entering your house because of any structural defect, defective design, defective materials or defective workmanship of the house.
4. Fines and damages
   aggravated, punitive or exemplary damages, fines and/or other penalties or reparation orders other than the cover provided in the automatic benefit – *Liability protection benefit on page 15*.
5. Gradual damage
   gradual deterioration including damage arising from or involving action of micro-organisms, atmospheric or climatic conditions, corrosion, fungi, rust, rot, mildew, mould, smoke or particles. Other than the cover provided by the automatic benefit – *Gradual damage to your house benefit on page 12*.
6. Renovations and alterations to your house
   your house while renovations and alterations are being undertaken, other than the cover provided in the automatic benefit – *House under minor alteration benefit on page 13*.
7. Theft
   theft by you or anyone who normally lives at or is lawfully at your house.
8. Unrepaired damage
   any loss to your house which has not been repaired at the time this policy commences.

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 and terrorism:
    a. war, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war
    b. mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law
    c. 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
    d. 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.



What your responsibilities are

Here is a list of what you, and any person in charge of your house with your permission, 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. If they are not, we have no liability under this policy or for any claim.
2. You must provide us with all relevant information. This means you must 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.
3. You must tell us if any circumstances change or may change while we are insuring your house. This applies when the policy starts, while it is in force and when it renews.

    Examples of a change in circumstances or any other information may include:
    a. If your house is no longer going to be a rental property.
    b. If the use or occupation of your house or land changes to include any business use

c. If any structural alteration or addition is made to your house
d. If you or any person who may occupy your house is charged with, convicted of, or commits any criminal offence other than traffic offences.

These examples are a guide only. If you are in any doubt, tell us the details, even if we have not 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 told us about.

We may cancel your policy by giving you at least seven days' notice if what you tell us is in our opinion, a substantial change in risk.

4. You and any person in charge of your house with your permission must:
   a. take reasonable care to protect and maintain your house and to avoid legal liability, and
   b. ensure that your house is securely locked when unattended

   Otherwise we may decline your claim and/or recover any payment already made.
5. You must pay all premiums in full by the due date. If any premium remains unpaid 28 days following the due date for payment, we may cancel this policy (effective from the first day of the period to which the unpaid premium relates).
6. If you do not comply with your obligations under this section *What your responsibilities are on page 23* and *What your responsibilities are at claim time on page 25*, we can decline any claim (and recover any claims payment already made). We can also cancel or avoid this policy.

   If we cancel we will give you seven days' notice sent, emailed or posted 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. If we ask, you will have to refund any claims payments we have previously paid to you. If we do this, we will email or post notice of this decision to your last known address on our records. We will 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 which may result in a claim.

Call us on 0800 808 808 or go to tower.co.nz/claims to fill in an online claim form.

What your responsibilities are 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 and any person in charge of your house with your permission 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.
2. Tell us as soon as possible:
   a. if it is likely that you will make a claim
   b. if you or anyone else who may have cover under this policy is charged with any offence which 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.

Once you've lodged your claim

You must:

1. Let us inspect the loss and deal with any salvage reasonably. No property may be abandoned to us.

2. 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.
3. Let us complete all necessary documents and authorities for any claims under this policy as your authorised agent.
4. Comply with all our requests about your claim by providing full cooperation, information and assistance.
5. Not discuss a claim made on you by another person with them; instead, refer them to us.
6. Pay any applicable excess and any applicable additional excess; where you discover damage caused on multiple occasions then pay an excess for each occasion or event that occurred.
7. 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.
8. 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:

1. Cooperate fully in any action we take to recover money from other parties involved in your claim.
2. Let us take over for our own benefit and settle any legal right of recovery you may have.
3. 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.
4. Tell us if any lost or stolen property which 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:

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

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

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, 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 will settle your claim
7. if we decline your claim, we will clearly explain why.

What excesses you may need to pay

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

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

Unless the benefit being claimed says it is excess free you will 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 in your certificate of insurance.

How we will settle your claim

The maximum per event for which we will settle your claim is the least of:

1. the actual cost to repair your house, or
2. the actual cost to replace the actual square metre area of your house before the loss, or the square metre area shown on your certificate of insurance (whichever is the lesser), or
3. the house sum insured as shown on your certificate of insurance, unless the automatic benefit *Full replacement for fire benefit on page 12* applies.

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

Economic repair

If we decide it is economic to repair the loss to your house that is covered under this policy, we will, at our option, choose one of the following:

1. repair the loss to your house, or
2. pay you for the actual repair cost, as those costs are incurred by you, to repair the loss to your house, or
3. pay you in cash the estimated repair cost to repair the loss to your house.

Alternatively, you may elect to receive in cash the current replacement value of the repairs to your house.

After a partial loss to your house that is covered by this policy, we will reduce your sum insured by the amount it would take to repair that loss. We will restore the full sum insured after the house has been fully repaired. We will not restore this cover if the house suffers a total loss.

Uneconomic repair

If we decide it is uneconomic to repair the loss to your house that is covered under this policy the following apply:

1. We will, at our option, choose one of the following:
   a. replace your house at the situation, or

b. pay you for the actual replacement cost, as those costs are incurred by you, to replace your house at the situation, or
c. pay you in cash the estimated replacement cost to replace your house at the situation.

2. If it is not legally or practically possible to replace your house at the situation, (including for example; because of local authority laws, or the circumstances surrounding the land) then we will, at your option, either:
   a. pay you for the actual replacement cost, as those costs are incurred by you, to replace your house at an alternative site in New Zealand, or
   b. pay for you to buy another comparable house in New Zealand (excluding the value of the land)

   provided the cost is not greater than the estimated replacement cost of replacing your house at the situation.
3. If we choose to pay you for the actual replacement cost, as those costs are incurred by you, you may choose one of the following options instead:
   a. you may be paid for the actual replacement cost, as those costs are incurred by you, to replace your house at another site in New Zealand (excluding demolition and removal of debris costs unless actually incurred). This is provided the cost is not more than the estimated replacement cost of replacing your house at the situation
   b. you may be paid for the actual cost of buying another comparable house in New Zealand, including necessary legal and associated costs (excluding the value of the land). This is provided the cost is not more than the estimated replacement cost of replacing your house at the situation (excluding demolition and removal of debris costs unless actually incurred)
   c. you may receive a cash payment based on the current replacement value of your house, as assessed by us, excluding demolition and removal of debris costs unless we agree otherwise.

4. If you choose to sell your house and 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 you for the actual cost of buying another comparable house in New Zealand including necessary legal and associated costs (excluding the value of the land)
    b. you may receive a cash payment based on the current replacement 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 local authority laws and regulations when repairing or replacing the damaged parts of your house. 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 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. 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.
4. If we have been notified of a financial interest in your house we are 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.
5. We will use building materials and construction methods commonly used at the time of the repair or replacement.

6. We will not:
    a. pay any extra cost of repairing or replacing any part of your house caused by that part not having a legally required building consent when it was built, or that part being built contrary to the building consent issued
    b. pay for repairing or replacing any part of your house that has not suffered loss
    c. pay the cost of repair or replacement beyond what is reasonable, practical or comparable with the original when built or renovated
    d. repair or replace your house exactly to its previous condition.

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.

Cancelling this policy

You can cancel this policy by notifying us either by telephone, or in writing. 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 in the headings:

1. *What your responsibilities are on page 23*
2. *What your responsibilities are at claim time on page 25.*
3. *Making changes to this policy on page 33*

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

Free look period

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

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

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. The increase will be 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.

Making changes to this policy

You can have this policy altered as long as we agree in writing to that alteration before it takes effect.

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 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. 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 notifying us by telephone or in writing, before 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.

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 in relation 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 will communicate with you

We will 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.

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

Glossary

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

Accidental
Unintended and unexpected by you.

Bodily injury
Accidental bodily injury to a person occurring during the period of insurance in New Zealand 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 following a change to the policy or a renewal of the policy (whichever applies at the time of the event).

Contamination damage
Physical damage caused by methamphetamine that exceeds the contamination level.

Contamination level
Chemical contamination above the acceptable levels in the latest version of the New Zealand Standard NZS 8510 for remediation of methamphetamine contamination. This includes any amendments or standards passed in substitution of NZS 8510.

Current replacement value
The market value of your house at the time of the loss less the value of the land it is situated on as a vacant site, or your house sum insured, whichever is the lesser.

EQCover
Earthquake Commission Act 1993 or any amendments or any Acts passed in substitution of the Act.

Excess
The amount of any claim which you must bear as shown in the certificate of insurance and/or in this policy wording.

Garden 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 buildings (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.

House

As defined under *We cover your house and some permanent features on page 9* of this policy.

Methamphetamine

The Class A controlled drug methamphetamine or Class B controlled drug amphetamine as defined by the Misuse of Drugs Act 1975. This includes any amendments or any Act passed in substitution of that Act, and any of their precursor chemicals and by-products.

Loss

Sudden and accidental physical loss or sudden and accidental physical damage occurring during the period of insurance in New Zealand.

Natural disaster damage

Loss as a direct result of earthquake, natural landslip, volcanic eruption, hydrothermal activity or tsunami. This 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 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 in the certificate of insurance.

Recreational features
Any of the following that are permanently fixed or built in on the same site as your house:

1. sauna
2. swimming pool or spa pool including pumps and motors
3. tennis court (permanent material such as concrete, artificial grass or tar seal but not grass).

Repair cost
The reasonable cost to repair your house to a standard that is reasonably equivalent to its appearance, size, functionality and relative quality when new, but without necessarily reproducing it exactly.

Replacement cost
The reasonable cost to replace your house 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 location which is shown in the certificate of insurance.

Special features
Any of the following features that are permanently fixed or built in on the same site as your house: boat ramp, bridge, cable car, culvert, dam, diesel generator, jetty, landing, permanent ford, pier, private utility plant, solar power system, solar water heating system, watermill, wharf, wind powered generator or windmill or any other feature we have agreed to cover.

Sum insured
The figure specified in the certificate of insurance and/or in this policy wording.

Uninhabitable
A residence that no longer has a functional bathroom or kitchen or is unsafe or unpractical to live in, as determined by us, or by government or local authorities.

Unoccupied
There is no-one staying in the house overnight.

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 or persons or corporate body named in the certificate of insurance as the insured. Where you jointly own the house the policy insures you jointly.

Call us on **0800 808 808**
or visit **tower.co.nz**

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