



Portable Tools of Trade and Equipment Insurance

Policy Wording



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Welcome to Zurich

About Zurich

The insurer of this product is Zurich Australian Insurance Limited, ABN 13 000 296 640 (ZAIL incorporated in Australia) trading as Zurich New Zealand. In this policy wording, Zurich New Zealand may also be expressed as 'Zurich', 'we', 'us' or 'our'.

ZAIL is part of the Zurich Insurance Group, a leading multi-line insurer that serves its customers in global and local markets. Zurich provides a wide range of general insurance and life insurance products and services in more than 210 countries and territories. Zurich's customers include individuals, small businesses, mid-sized and large companies, including multinational corporations.

Duty of Disclosure

Before *you* enter into a contract of general insurance with us, *you* have a duty at common law to disclose to us every matter *you* know, or could reasonably be expected to know that a prudent insurer would want to take into account in deciding whether to insure *you* and, if so, on what terms. This applies to all persons to be covered under this contract of insurance.

You have the same duty to disclose those matters to us before *you* renew, extend, vary or reinstate a contract of general insurance. *Your* duty however, does not require disclosure of a matter:

- that diminishes the risk to be insured;
- that is of common knowledge;
- that we know or in the ordinary course of our business we ought to know;
- that we state to *you* that we do not want to know.

Non-disclosure or Misrepresentation

If *you* make a material misrepresentation to us, or if *you* do not comply with *your* duty of disclosure we may treat *your* policy as if it never existed.

Our contract with you

Your policy is a contract of insurance between *you* and Zurich and contains all the details of the cover that we provide.

Your policy is made up of:

- the policy wording. It tells *you* what is covered, sets out the claims procedure, exclusions and other terms and conditions of cover;
- the proposal, or declaration, which is the information *you* provide to us when applying for insurance cover;
- *your* most current policy *schedule* issued by us. The policy *schedule* is a separate document unique to *you*, which shows the insurance details relevant to *you*. It includes any changes, exclusions, terms and conditions made to suit *your* individual circumstances and may amend the policy; and
- any other written change otherwise advised by us in writing (such as an endorsement). These written changes vary or modify the above documents.

Please note, only those covers shown in *your* policy *schedule* are insured. This policy wording is used for any offer of renewal we may make. Please keep *your* policy in a safe place.

We reserve the right to change the terms of this policy wording where permitted to do so by law.

Portable Tools of Trade and Equipment Insurance

Subject to the prior payment of, or *your* agreement to pay, the premium set out in the *schedule*, we agree to provide insurance as set out in this policy.

In issuing this policy, we have relied on the information contained in the proposal form and/or any other information given by *you* or on *your* behalf.

1. Insuring Clause

You are insured for any sudden and *accidental loss* to *insured property* occurring anywhere in New Zealand.

2. Extensions of Cover

In addition to the Insuring Clause, we also provide the following Extensions of Cover automatically.

Unless expressly stated otherwise, any amounts payable under these Extensions of Cover are included within 5.1 'Maximum amount payable'.

2.1 Burglary cover

You are insured for sudden and *accidental loss* to *insured property* occurring anywhere in New Zealand caused by theft or attempted theft:

- (a) accompanied by threat of violence, or actual violence to any person; or
- (b) involving physical evidence of violent and forcible entry to, or exit from a securely locked:
 - (i) enclosed building (or part of an enclosed building); or
 - (ii) motor vehicle, *fully enclosed trailer* or *storage container*.

Where the theft of *insured property* occurs from a motor vehicle, *storage container* or *fully enclosed trailer* which itself has been stolen and not recovered, physical evidence of forcible entry to or exit will not be required.

2.2 Electronic data and software

You are insured for the loss of *data* and *software* resulting from electronic equipment insured by this policy suffering sudden and *accidental loss* covered by this policy occurring anywhere in New Zealand.

2.3 Employee effects cover

You are insured for sudden and *accidental loss* occurring anywhere in New Zealand to the clothing, personal effects and tools of trade of *your* directors and employees (but not *your* contractors). We will cover this property as if it were *contents*, provided that the property is being worn, carried or used by *your* directors or employees while they are acting in the course of their directors' duties or employment.

The most we will pay under this extension:

- (i) is \$5,000 for any *event*, per person; and
- (ii) in total during the *period of insurance* is the sum insured shown in the *schedule* for *contents*.

Condition 8.7 'Other insurance' does not apply to this extension.

2.4 Natural disaster cover

You are insured for *natural disaster damage* to *insured property*.

The *excess* is 2.5% of the sum insured or \$2,500, whichever is the greater, for each *event*.

3. Definitions

When used in this policy, its *schedule* and its endorsements the following definitions shall apply:

3.1 Accidental

accidental means an unexpected and unintended *event* by *you*.

3.2 Act of terrorism

act of terrorism means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- 3.2.1 involves violence against one or more persons;
- 3.2.2 involves damage to property;
- 3.2.3 endangers life other than that of the person committing the action;
- 3.2.4 creates a risk to health or safety of the public or a section of the public; or
- 3.2.5 is designed to interfere with or to disrupt an electronic system.

3.3 Business day

business day means the days *your* business usually operates.

3.4 Communicable disease

communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- 3.4.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
- 3.4.2 the method of transmission, whether direct or indirect, includes, but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- 3.4.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

3.5 Computer system

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

3.6 Computer virus

computer virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a *computer system* or network of whatsoever nature. This includes but is not limited to 'Trojan Horses', 'Worms' and 'Time or Logic Bombs'.

3.7 Contents

contents mean machinery, plant, tools and chattels, provided that they are:

3.7.1 owned by *you* (including joint ownership with others); or

3.7.2 leased, hired or borrowed by *you*.

Contents does not include *stock* or employee's property.

3.8 Customers' goods

customers' goods mean property, other than a building, that:

3.8.1 is owned by *your* customers; and

3.8.2 is in *your* temporary possession or temporary legal control in the course of *your* business activities.

Customers' goods does not include *contents*.

3.9 Cyber act

cyber act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, or the threat or hoax thereof involving access to, processing of, use of or operation of any *computer system*.

3.10 Cyber incident

cyber incident means any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any *computer system*, or any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any *computer system*.

3.11 Data

data means any 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*.

3.12 Destroyed

destroyed means so physically damaged by an insured *loss* that the property, by reason only of that *loss*, cannot be repaired or the cost of repair is uneconomic.

3.13 Event

event means any one event or series of events arising from one source or original cause.

3.14 Excess

excess means the amount *you* first bear in relation to each *event* or a claim made under this policy. Where an *event* occurs over a period of more than 72 consecutive hours, one excess will be deducted for every 72 consecutive hour period.

3.15 Fully enclosed trailer

fully enclosed trailer period means a fully enclosed road trailer with rigid walls constructed of steel, aluminium, fibreglass or the like. All openings or hatches must be secured with a purpose-built locking mechanism or padlock. An enclosure constructed of chainmesh or soft fabric/plastic materials and the like does not meet the required criteria to be considered a fully enclosed trailer.

3.16 Fusion

fusion means the process of fusing or melting together of windings or wiring following damage to the insulating material as a result of overheating.

3.17 Immediately preceded by

immediately preceded by means the *event* occurring in sequence immediately prior to the *loss*. If there is a chain of events, this will be the last event occurring immediately prior to the *loss*.

3.18 Insured property

insured property means tangible property shown in the *schedule* within the following categories:

3.18.1 *contents*; and

3.18.2 *stock*; and

3.18.3 any other tangible property listed.

Data and *software* are deemed to be tangible.

3.19 Loss

loss means any physical loss or physical damage occurring during the *period of insurance*.

3.20 Machine

machine means any device that:

3.20.1 converts and directs motion or energy; and/or

3.20.2 performs any electronic process,

including any protective component connected with that device.

3.21 Machinery breakdown

machinery breakdown means:

3.21.1 any mechanical, hydraulic, electrical or electronic:

(a) breakdown or failure; or

(b) cessation of function; or

(c) malfunction; or

(d) derangement; or

3.21.2 *fusion* of any nature.

3.22 Money

money means any of the following, where they are associated solely with *your* business operations:

3.22.1 current coin, bank and currency notes;

3.22.2 cheques and travellers' cheques;

3.22.3 bank drafts and money orders;

3.22.4 phone cards;

3.22.5 unused postage and revenue stamp;

3.22.6 credit card vouchers, redeemable vouchers and tokens;

3.22.7 franking machine credits;

3.22.8 other tangible negotiable instruments.

3.23 Natural disaster damage

natural disaster damage means any sudden and *accidental loss* that results directly or indirectly from earthquake, subterranean fire, volcanic activity, tsunami, geothermal activity, hydrothermal activity, or fire caused by any of these.

3.24 Period of insurance

period of insurance means the Period of Insurance stated in the *schedule*.

3.25 Pressure vessel

pressure vessel means the parts of any *insured property* or vessel that during ordinary use are subjected to either generated fluid pressure or vacuum, including:

3.25.1 all integral parts; and

3.25.2 controls; and

3.25.3 systems (other than systems forming part of a building or structure).

3.26 Production process

production process means any process of producing, making, treating or servicing goods.

3.27 Regulation

regulation means building regulations or other regulations that are:

3.27.1 made under; or

3.27.2 framed pursuant to,

any Act of Parliament or any local authority regulation or by-law.

3.28 Schedule

schedule means the Schedule attaching to and forming part of the policy, including any *schedule* substituted for the original *schedule*.

3.29 Software

software means any programs, procedures and routines associated with the operation of electronic or electromagnetic data processing or electronically controlled equipment including any operating system.

3.30 Stock

stock means any of the following:

3.30.1 stock and materials in trade provided that they are:

(a) owned by *you* (including joint ownership with others); or

(b) in *your* temporary possession in the course of *your* business activities.

3.30.2 *customers' goods*.

3.31 Storage container

storage container means fully enclosed:

3.31.1 shipping container or similar; or

3.31.2 portable shed or similar structure; or

3.31.3 non-portable container, such as a metal or wooden container that has been built into or secured to a vehicle.

3.32 You, Your, Insured

you, your, insured means the person(s) or entity named in the *schedule* as the Insured.

4. How we will pay

4.1 Basis of settlement

We will indemnify *you* using whichever of the following options we choose:

- 4.1.1 where *insured property* is lost or *destroyed*: pay *you* the cost to replace the *insured property* with property of a similar condition, age and specification, as it was in, immediately prior to the *loss*; or
- 4.1.2 where *insured property* is physically damaged but not *destroyed*: pay *you* the cost to repair the *loss* to the damaged part of the *insured property*, as nearly as possible, to the condition it was in immediately prior to the *loss*; or
- 4.1.3 pay *you* an amount equal to the indemnity value of the lost or damaged part of the *insured property*.

However, if the item of *insured property* is under two years of age at the time of the *loss* and *you* supply us with sufficient evidence of the item's age, we will indemnify *you* using whichever of the following options we choose:

- (i) where *insured property* is lost or *destroyed*: pay *you* the cost to replace the *insured property* to a condition substantially the same as its condition when new; or
- (ii) where *insured property* is physically damaged but not lost or *destroyed*: pay *you* the cost to repair the *loss* to the damaged part of the *insured property* to a standard that is reasonably equivalent to its condition and relative quality when new, but without necessarily reproducing it exactly.

4.2 Basis of settlement – Certain types of property

The method of indemnity for the following types of *insured property* will be as follows, regardless of any basis of settlement shown in the *schedule* to the contrary.

4.2.1 Data

For *loss* to *data*, we will pay the cost of blank media plus the cost of copying the *data* from back-up or from originals of a previous generation.

These costs will not include research and engineering, nor any costs of recreating, gathering or assembling the *data*.

If the media is not repaired, replaced or restored, we will pay the cost of blank media. However, we do not cover the value of the *data* to *you*, even if the *data* cannot be recreated, gathered or assembled.

4.2.2 Software

For *loss* to *software*, we will pay the reasonable cost of restoring, re-setting or re-programming the *software* that is necessary to operate any electronic equipment or *machine* insured under this policy.

4.2.3 Stock

For *loss* to *stock* that is not *customers' goods*, we will indemnify *you* by one of the following methods:

- (a) for raw materials, supplies and other merchandise not manufactured by *you*:
 - (i) the replacement cost at the time of replacement, provided that the replacement is carried out within a reasonable period of time; or
 - (ii) if this property is not replaced, the market value of it at the time and place of the *loss*.
- (b) for materials in the process of manufacture: the replacement cost of the raw materials and the cost of labour and other overhead charges expended at the time of the *loss*.
- (c) for finished goods: the replacement cost of the raw materials and the cost of labour and other overhead charges expended before any allowance for profit, or the cost of re-stocking these goods, whichever is the lesser.

For *loss* to *stock* that is *customers' goods*, we will at our option pay:

- (a) the indemnity value of the *customers' goods*; or
- (b) the cost to repair the *customers' goods*, as near as reasonably possible, to the condition they were in immediately prior to the *loss*.

5. What we will pay

5.1 Maximum amount payable

The most we will pay during the *period of insurance* for any individually specified item of *insured property* is the corresponding sum insured shown in the *schedule*.

The most we will pay for *insured property* during the *period of insurance* is the 'Total Sum insured' shown in the *schedule*.

5.2 Reinstatement of sum insured once repaired / replaced

The sum insured will only be reinstated once the repair or replacement of the *insured property* that suffered the *loss* has been completed.

The sum insured will not reinstate following any claim arising from *natural disaster damage* unless we have agreed to the reinstatement in writing.

We may ask *you* to pay an additional premium for any reinstatement of the sum insured.

5.3 Sub limits

If any sub limit in this policy is higher than the maximum amount payable for the applicable *insured property* as shown in the *schedule*, the sub limit does not apply and the most we will pay is the maximum amount payable.

5.4 Customers' goods

The most we will pay for *customers' goods* during the *period of insurance* is \$20,000 unless a different amount for *customers' goods* is shown in the *schedule*.

5.5 Excess

The *excess* shown in the *schedule* will be deducted from the amount payable for each *event*.

Where an *event* occurs over a period of more than 72 consecutive hours, one *excess* will be deducted for every 72 consecutive hour period.

5.6 One excess

If a single *event* causes sudden and *accidental loss* to tangible property that *you* insure with us under more than one policy, only one *excess* will apply, being the highest applicable individual policy *excess*. This does not apply to any *natural disaster damage*.

6. General Exclusions

We will not pay anything in respect of:

6.1 Types of property not covered

This policy does not insure:

6.1.1 any *insured property* during:

- (i) demolition; or
- (ii) installation, construction or erection; or
- (iii) testing and commissioning following 6.1.1 (ii) above.

6.1.2 jewellery, precious stones, furs, precious metals or bullion, except if any of these items are:

- (i) *stock* of *your* business; or
- (ii) a component of any plant or machinery that is insured under this policy as *contents*.

- 6.1.3 any of the following (including plant attaching to, or accessories in or on any of them):
- (i) any vehicle or trailer that is required to be registered or licensed to travel on a public road;
 - (ii) any mechanically or electrically propelled vehicles (including railway locomotives and rolling stock);
 - (iii) watercraft of any kind;
 - (iv) aircraft of any kind.
- 6.1.4 any of the following property:
- (i) live plants including any trees, shrubs, hedges or grass;
 - (ii) livestock;
 - (iii) any living creature;
 - (iv) property located outside New Zealand,
- except, if the item of property is specifically listed in the *schedule* as being insured.
- 6.1.5 *money*.

6.2 Losses not covered

This policy does not insure:

- 6.2.1 any of the following types of damage to *insured property*:
- (i) slowly developing deformation or distortion;
 - (ii) marring or scratching;
 - (iii) gradual deterioration;
 - (iv) rot or mildew;
 - (v) wear and tear, corrosion or rust.
- 6.2.2 *loss immediately preceded by* any of the following:
- (i) interruption of the supply of water, gas, electricity, or any fuel to the situation;
 - (ii) total or partial stoppage of work, or interruption or cessation of any process,
 - (iii) a change in artificially controlled temperature or atmosphere.
- 6.2.3 *loss* caused by or arising from any of the following:
- (i) action of micro-organisms, vermin or pests;
 - (ii) action of light, or inherent nature of the property (including shrinkage, evaporation, loss of weight, change of flavour or colour or texture or finish);
 - (iii) fumes, gas, dust, smoke or soot;
 - (iv) maintenance of *insured property* including servicing, cleaning and subsequent testing;
 - (v) spontaneous combustion;
 - (vi) spontaneous fermentation.

This exclusion only applies to the *insured property*, or to the part of the *insured property* (as applicable), directly affected. It does not apply to any resultant sudden and *accidental loss* to separate *insured property*, or to other parts of the same *insured property* (as applicable).

- 6.2.4 *loss* that is:
- (i) only evidenced by an unexplained disappearance,
 - (ii) only revealed by the taking of an inventory,
 - (iii) due to clerical or accounting errors.

6.2.5 *loss* caused by any of the following:

- (i) theft or attempted theft, other than cover provided by:
 - (a) 2.1 'Burglary cover',
 - (b) 2.3 'Employee effects cover'.
- (ii) any fraudulent scheme or device, or false pretence practised on *you* or any other person,
- (iii) theft, attempted theft or fraud by *you* or an employee of *yours*.

6.2.5 *loss* following exposure to weather conditions if the property is not designed to be left in the open (unless reasonable precautions have been taken to protect the property from those conditions).

6.3 Communicable disease

This policy does not insure any *loss*, in connection with any:

- 6.3.1 *communicable disease*;
- 6.3.2 notifiable organism or disease under the Biosecurity Act 1993;
- 6.3.3 fear or threat (actual or perceived) or action taken to control or prevent or suppress any of the diseases, conditions or circumstances described in this exclusion.

6.4 Confiscation

This policy does not insure *loss* in connection with confiscation, nationalisation, requisition or destruction of, or damage to property by order of government, public or local authority (unless the order is given to control any immediate and imminent threat of *loss* provided that the *loss* would be covered by this policy if it did occur).

6.5 Consequential financial loss

This policy does not insure any kind of consequential financial loss (e.g. financial loss that occurs as a direct or indirect result of the *loss* of *insured property*), including the following:

- 6.5.1 delays;
- 6.5.2 loss of market;
- 6.5.3 penalties;
- 6.5.4 rates, taxes, duties, development charges;
- 6.5.5 other charges or assessments arising out of capital appreciation, that are payable to comply with any *regulations*;
- 6.5.6 loss of use of any property.

6.6 Costs not insured

This policy does not insure the cost of:

- 6.6.1 repairing or replacing faulty materials; or
- 6.6.2 fixing faulty workmanship; or
- 6.6.3 fixing any work performed to a faulty:
 - (a) design plan; or
 - (b) design specification; or

6.6.4 altering or modifying any part of any refrigeration or air conditioning plant to enable the plant to operate with a more ozone friendly refrigerant.

This exclusion does not apply to any resultant sudden and *accidental loss* to separate *insured property* or to other parts of the same *insured property* arising from the above.

6.7 Cyber risks

This policy does not insure any *loss*, in connection with any:

6.7.1 *cyber act* or *cyber incident*, including any action taken in controlling, preventing, suppressing or remediating any *cyber act* or *cyber incident*; or

6.7.2 loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any *data* or *software*, including any amount relating to the value of such *data*.

Exclusion 6.7.1 will not apply to *accidental loss* to *insured property* directly caused by any of the following:

- (a) theft or forcible entry;
- (b) storm, windstorm, hail, tornado, cyclone, hurricane;
- (c) fire, lightning or explosion;
- (d) earthquake, volcano activity or tsunami;
- (e) flood, freeze or weight of snow;
- (f) aircraft impact or vehicle impact or falling objects;
- (g) water damage;

Provided that there is no cover where such *loss* is directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with a *cyber act*.

6.8 Damage to machinery

This policy does not insure any *machinery breakdown* of a *machine*. This does not apply:

6.8.1 where sudden and *accidental loss* covered under this policy (or that would have been covered if the property was insured under this policy) occurs completely outside the *machine* resulting in the *machinery breakdown* occurring. However, this proviso does not apply to *machinery breakdown* resulting directly or indirectly from any:

- (i) error in: setting, programming or operating the *machine*; or
- (ii) *stock* or part of the *machine* being drawn into the *machine*; or
- (iii) failure to service or maintain the *machine* correctly; or

6.8.2 to resultant sudden and *accidental loss* to other parts of the *machine* that is not *machinery breakdown*.

6.9 Damage to boilers and pressure vessels

This policy does not insure the cost of repairing or replacing any part of a boiler or *pressure vessel* that suffers *loss* through:

6.9.1 explosion, overheating, rupture, bursting or collapse (but not pressure caused by chemical explosion); or

6.9.2 overheating, cracking or leaking.

This exclusion does not apply to any resultant sudden and *accidental loss* to other parts of the boiler or *pressure vessel* arising from the above.

6.10 Nuclear

This policy does not insure *loss* in connection with:

6.10.1 ionising radiation or contamination by radioactivity from:

- (i) any nuclear fuel; or
- (ii) any nuclear waste from the combustion or fission of nuclear fuel.

6.10.2 nuclear weapons material.

6.11 Production processes

This policy does not insure *loss* to *insured property* while undergoing any *production process* where any part of that *production process* (including any *accidental* modification of the process) causes or contributes towards the *loss* in any way.

6.12 Seepage, pollution and contamination

This policy does not insure *loss* in connection with seepage, pollution or contamination except if the seepage, pollution or contamination results from sudden and *accidental loss* to *insured property*, which is otherwise covered under this policy.

6.13 Terrorism

This policy does not insure *loss* in connection with an *act of terrorism*, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an *act of terrorism*.

6.14 War

This policy does not insure *loss* in connection with any of the following, including controlling, preventing or suppressing any of the following: war, invasion, act of foreign enemy, hostilities or warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power.

7. Claims Conditions

Your obligations

7.1 Advise us

If *you* become aware of any *event* that is likely to give rise to a claim under this policy regardless of the anticipated quantum, *you* must contact us immediately.

7.2 Minimise the loss

You must take all reasonable steps to minimise the claim and avoid any further *loss* or liability arising.

7.3 Notify the Police

You must immediately notify the Police if *you* suspect criminal activity has occurred.

7.4 Provide full information

When making a claim, *you* consent to *your* personal information in connection with the claim being:

7.4.1 disclosed to us; and

7.4.2 transferred to the Insurance Claims Register Limited.

You must:

- (a) give us free access to examine and assess the claim; and
- (b) send any relevant correspondence or documents to us; and
- (c) complete a claim form and/or statutory declaration to confirm the claim if we request it; and
- (d) provide any other information, proof of ownership or assistance that we may require at any time.

7.5 Be honest

If *your* claim is dishonest or fraudulent in any way, we may:

- 7.5.1 decline the claim either in whole or in part; and/or
- 7.5.2 declare either this policy or all insurance *you* have with us to be of no effect and to no longer exist from the date of the dishonest or fraudulent act.

This is at our sole discretion.

7.6 Do not dispose of property

You must not destroy or dispose of anything that is or could be part of a claim until we have given *you* permission to do this.

7.7 Obtain our agreement

You must obtain our agreement before:

- 7.7.1 incurring any expenses in connection with any claim under this policy; or
- 7.7.2 negotiating, paying, settling, admitting or denying any claim against *you*; or
- 7.7.3 doing anything that may prejudice our rights of recovery.

Managing your claim

7.8 Advise us

Once we have accepted any part of *your* claim under this policy, we may assume *your* legal right of recovery.

If we initiate a recovery we will include *your excess*, and any other uninsured losses suffered by *you*. Where we do this, *you* agree to pay *your* proportional share of the recovery costs, and subsequently the proceeds of the recovery will be shared on the same proportional basis, except that we will reimburse *your excess* first.

You must fully co-operate with any recovery process. If *you* do not, we may recover from *you* the amount paid in relation to the claim.

7.9 Recoveries

If any property that we have paid a claim for is later found or recovered, *you* must tell us immediately and hand it over to us if we request it. We have the right to keep any property that we have paid a claim for under this policy, including any proceeds if it is sold.

7.10 Reparation

If any person is ordered to make reparation to *you* for *loss* to any property that we have paid a claim under this policy for, then *you* must tell us. Any payments received, must first reimburse our claims payment up to the amount of any reparation received.

7.11 Branded stock

For salvage that is branded goods or merchandise, we will not dispose of these items by sale unless *you* agree. If *you* do not agree, the value of the salvage will be deducted from any claim payment.

8. General Conditions

8.1 Assignment

This policy and any rights thereunder will not be assigned without our prior written consent.

8.2 Cancellation

- 8.2.1 *You* may cancel this policy at any time by giving notice in writing to us;
- 8.2.2 We may cancel this policy at any time by giving notice in writing to *you*, such cancellation to take effect after 30 days from the time of notification received by *you*;
- 8.2.3 Upon cancellation by *you*, a refund of premium will be allowed pro rata of 80% of the premium for the unexpired *period of insurance*;
- 8.2.4 Upon cancellation by us, a refund of premium will be allowed pro rata for the unexpired *period of insurance*.

8.3 Change of risk

Every change materially affecting the facts or circumstances degree or amount of risk existing at the commencement of this insurance or at any subsequent renewal date shall be notified in writing to us as soon as such change comes to the notice of *you* or any of *your* officers or representatives. On receipt of such notice we may vary the terms of this policy and/or charge such additional premium as we may determine appropriate in the circumstances.

8.4 Currency

Any amounts shown in this policy or in the *schedule* are in New Zealand dollars, unless otherwise specified in the *schedule*.

8.5 Interests of other parties

If we are advised of any party having a financial interest over *your insured property*, we may pay part or all of any valid claim proceeds to that party to the extent of their interest. This will form part of our obligations to *you* under this policy. *You* consent to us transferring *your* relevant personal information to that party.

Any party, who is recorded as having a financial interest under this policy, is not covered by this policy and does not have rights to claim under this policy.

8.6 Notice

Every notice or communication to us shall be in writing and sent to our office where the policy was issued.

8.7 Other insurance

You must notify us as soon as you know of any other insurance policy that covers *you* for any of the risks covered under this policy.

This policy does not cover *your* liability or *loss* at all if it is insured to any extent under any other insurance policy. We will not contribute towards any claim under any other insurance policy.

8.8 Payments in respect to Goods and Services Tax

All sums insured in this policy (except for the *excess*) exclude GST where that GST is recoverable by us under the Goods and Services Tax Act 1985. We add GST, where applicable, to claim payments. However, this does not apply to the *excess* which is GST inclusive.

8.9 Plurals and titles

The proposal, this policy, its *schedule* and any endorsements are one contract in which, unless the context otherwise requires:

- 8.9.1 headings are descriptive only, not an aid to interpretation;
- 8.9.2 singular includes the plural and vice versa;
- 8.9.3 the male includes the female and neuter; and
- 8.9.4 references to positions, offices or titles shall include their equivalents in any jurisdiction in which a claim is made.

8.10 Proper law and jurisdiction

The construction, interpretation and meaning of the provisions of this policy shall be determined in accordance with New Zealand law.

In the event of any dispute arising under this policy including, but not limited to, its construction and/or validity and/or performance and/or interpretation, the *insured* will submit to the exclusive jurisdiction of any competent Court in New Zealand.

A reference to any statute, *regulation* or subordinate legislation includes any amendment, replacement, successor or equivalent to or of that statute, *regulation* or subordinate legislation.

8.11 Sanctions regulation

Notwithstanding any other terms or conditions under this policy, Zurich shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to any *insured* or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the *insured* would violate any applicable trade or economic sanctions, law or *regulation*.

8.12 Separate insurance

Where the *insured* consists of more than one legal entity the word *insured* shall apply to each as if a separate policy had been issued to each. However, this does not increase the amount of cover available under this policy.

Zurich Australian Insurance Limited

(incorporated in Australia)

Trading as Zurich New Zealand

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