

love

your

stuff

STATE

Landlord policy



Welcome to State

Thank you for choosing State to insure your property. You've made a great choice – we've been helping New Zealanders with their insurance needs for more than 100 years and are proud to be doing the same for you.

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



Contacting us

In New Zealand, simply call 0800 80 24 24. If you ever have a question, need help, or want to make an insurance claim, you're welcome to phone us any time, 24 hours a day.

Australia call us free on 1 800 887 863.

United States call us free on 1 800 593 9482.

United Kingdom call us free on 0800 096 5308.

Somewhere else overseas call us direct on 64 9 969 1150.

If you'd prefer to email us, it's easy. Just follow the link in the 'Contact Us' section at www.state.co.nz. You can also call in to your nearest State sales centre – to find the one nearest to you, phone 0800 80 24 24 or visit 'Contact Us' at www.state.co.nz.

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Your policy

▶ Reading your policy

Words in bold

You'll notice that some words in **your** policy are in **bold**. This is because they have a special meaning. There is a list of these words and what they mean on page 10.

Examples and headings

To make it easy for **you** to understand **your** policy, **we've** included some examples and comments in *italics*. Note these don't affect or limit the meaning of the section they refer to.

Please also note that the headings in this policy wording are designed to help **you** find **your** way around it. **You** mustn't use them when interpreting the policy wording.

▶ What your policy consists of

Your Landlord Policy consists of this policy wording, the **schedule** and the information **you** provided in the **application**.

▶ You can change your mind

If **you're** not happy with this policy **you** are welcome to change **your** mind, but **you** must tell **us** within 15-days of the date it started. **We'll** then cancel it and refund in full any premium **you've** paid. This doesn't apply if **you** have made a claim on **your** policy.

▶ Our commitment to you

We'll do **our** best to:

- ▶ provide **you** with helpful, professional service
- ▶ act on **your** requests promptly
- ▶ provide **you** with policies that suit **your** needs
- ▶ give **you** information that will help **you** to reduce the risk of loss
- ▶ make **you** aware of policy conditions and obligations.

▶ Our agreement with you

Together, **you** and **we** have an agreement. **You** agree to pay **us** a premium for **your** cover and, in exchange, **we** promise to cover **you** as stated in this policy wording.

▶ So what must you tell us?

You must tell **us** about anything that could affect **your** insurance with **us**. For example, **you** must tell **us**:

- ▶ *if the house will not be lived in for more than 60 consecutive days*
- ▶ *if the house is no longer tenanted*
- ▶ *if you have been convicted of a criminal offence in the last 7-years*
- ▶ *if the house will be altered or added to*
- ▶ *if you have been declined or refused insurance in the last 5-years*
- ▶ *if there has been any material change in circumstances since the policy started*
- ▶ *if you insure the house and/or landlord contents again with anyone else*

These *examples* are only a guide.

Remember, **we** provide **your** insurance based on the information **you** gave **us** when **you** applied for it. If anything changes, or if **you** expect something to change, **you** must let **us** know or **your** policy may be unenforceable.

Please ask **us** if **you're** not sure if **you** should tell **us** about something.

▶ We must tell you about...

We must keep **you** updated on **your** insurance. For example, **we** must tell **you**:

- ▶ *if we change the terms of your policy*
- ▶ *if we add new terms to your policy*
- ▶ *about any other changes to your policy*
- ▶ *before your policy renews, how much your new premium will be*

▶ Our other responsibilities to you

- ▶ *We'll answer your questions honestly and accurately*
- ▶ *We'll provide you with information and advice to help you understand your insurance and its terms and exclusions*
- ▶ *If you need it, we'll give you a copy of the information you gave us when you applied for your insurance*
- ▶ *When you first insure with us, and when you renew your policy, we'll tell you about the financial rating on our ability to pay for any claims our customers make*

If **you** have any questions please call **us** on **0800 80 24 24**.

Keeping us informed

When **you** apply for insurance with **us**, **you** have an important 'duty of disclosure'. This means that **you** must:

- ▶ give **us** all the information that a prudent insurer needs to decide whether to accept or decline **your application** for insurance. If **we** accept **your application**, it includes information that a prudent insurer needs to decide the cost of **your** insurance and the terms and conditions that will apply (including the **excess**), and
- ▶ provide **us** with true, accurate and complete information, even if **you** think it isn't important.

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

You must also tell **us** about changes that occur during the policy **period of cover** – see 'Changes in circumstances' on page 8.

If **you're** not sure whether **you** should give **us** some information, tell **us** anyway. Simply call **us** on **0800 80 24 24** – **we'll** talk the matter over with **you** and let **you** know if it affects **your** policy.

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

A prudent insurer uses good judgement, carefully considers consequences and acts accordingly.

Making a claim

When **you** need to make a claim, **we'll** be here to help **you** 24-hours a day, 7-days a week – just call **us** on **0800 80 24 24**.

▶ What we'll do

When **you** contact us to make a claim under this policy, **we'll**:

- ▶ treat **you** fairly and process **your** claim within the terms of the policy, and
- ▶ explain how the claim process works, and
- ▶ advise **you** as best **we** can on how to prevent further damage, and
- ▶ if possible, register **your** claim straight away after asking **you** questions and recording **your** responses, and
- ▶ if possible, accept **your** claim during the first phone call, and
- ▶ explain what **we** need to go ahead with **your** claim, and
- ▶ if required, arrange for a loss adjuster to inspect the damage and explain the procedure they will follow, and
- ▶ keep **you** updated on **your** claim's progress, and
- ▶ give **you** all the information **you** need on how **we'll** settle **your** claim, and
- ▶ if **we** decline **your** claim, clearly explain why

▶ What's the Insurance Claims Register?

It is an electronic register that holds a central record of claims lodged with participating insurance companies. These companies can access the claims history of a customer, for the specific purpose of checking for fraud. This helps to keep the cost of insurance affordable to **you**.

▶ Don't forget about your excess

When **you** make a claim, **we'll** deduct the **excess** from the amount **we** would otherwise pay for **your** loss. The **excess** applies to each **event** – unless specifically stated otherwise in another part of this policy.

If **we** insure both the **house** and its contents (at the same address, whether under this policy or a separate policy) and **you** claim under both for a **loss** caused by the same **event**, **you'll** only pay one policy **excess**. This will be the higher **excess** of the two policies.

If **we** settle a claim for the total **loss** of the **home**, **we** won't deduct any **excess** from that **loss**.

Where an **event** results in claims under more than one item of the 'Loss of rent' cover, **we** will only apply one **excess**. That **excess** will be the higher **excess** of the items affected.

▶ Getting our permission first

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

- ▶ incur any expenses in connection with a claim under this policy, or
- ▶ negotiate, pay, settle, or admit any allegation that **you** are legally liable, or
- ▶ do anything that may prejudice **our** rights of recovery.

'Rights of recovery' means that we can claim the money that we paid out on your claim back from the responsible person (if someone else that is not insured under this policy was responsible for the loss). You must not do anything that prevents us from doing that, or that disadvantages us when doing that.

It is best that you allow us to manage your claim on your behalf. We'll let you know how you can help us when we talk to you about your claim.

▶ Honesty is the key

You and **we** have an agreement. As part of that agreement, **you** agree to be honest in all **your** dealings with **us**, just as **we'll** be honest with **you**. If **your** claim is dishonest or fraudulent in any way, **we** have the discretion to:

- ▶ decline **your** whole claim or part of it, and/or
- ▶ declare that this policy or all the policies **you** have with **us** are unenforceable from the date of the dishonest or fraudulent act.

▶ Things that will help us help you

- ▶ Keep **your** insurance documents in a safe and easily accessible place.
- ▶ Have **your** policy number handy when **you** contact **us**.
- ▶ Have any relevant information ready when **you** contact **us**, such as special features, brand names and details of the damage
- ▶ Let **us** know if **your** contact details change.
- ▶ Ask **us** if there's something **you're** not sure about.

▶ What you must do

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

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

► If you have a problem with your claim

We'll always do our very best to get things right and provide you with the service you expect from us. However, sometimes things do go wrong – so when they do, we want to resolve the problem as quickly as possible.

Here's how you can help, in three easy steps:

1. **Talk the problem over with the person you've been dealing with.**
If they can't resolve the problem, or if you're unhappy with their response, contact their Claims Team Leader. It's best to put your complaint in writing, but if you prefer you can phone the Claims Team Leader instead. They'll confirm that they've received your complaint, investigate the matter and update you on the outcome.
2. **If you're not satisfied with the results of step 1, you can write to the Head of State Insurance at State Insurance, Private Bag 92130, Auckland.**
We'll acknowledge your complaint within three working days of receiving it and make sure it's fully investigated. Within 10-days of receiving your complaint, we'll write to you with the outcome of the investigation – or, if it's not complete, we'll give you an update on progress.
3. **If we can't resolve your complaint to our Chief Executive Officer within 2-months of receiving it, we'll let you know and advise you of your rights under the independent Insurance & Savings Ombudsman scheme, which considers complaints free of charge.**

The Insurance & Savings Ombudsman can only consider complaints that have been investigated by the insurance company involved and that have resulted in a deadlock.

You can contact the Insurance & Savings Ombudsman by phoning 0800 888 202 or (04) 499 7612, by fax at (04) 499 7614 or by writing to PO Box 10 845, Wellington.

You'll find additional information and contact details on the web at www.iombudsman.org.nz.

Make sure you read your policy thoroughly. That way there won't be any surprises when you need to claim.

What you get if we accept your claim

This section explains when we'll repair or rebuild the house – if insured under this policy – and when we'll pay you cash for your loss, if we accept your claim.

You'll also find information here on what we'll pay for landlord contents and loss of rent. Please make sure you read this section carefully. If you have any questions, just phone us on 0800 80 24 24.

► Repair, rebuild, or pay cash?

If your claim is for the house:

1. If you have a loss that is covered by this policy and you repair or rebuild the house, we'll pay:
 - a. the cost of repairing or rebuilding the house to a condition as similar as possible to when it was new, using current materials and methods, and
 - b. any cost of compliance with Government or local authority bylaws or regulations, as long as:
 - i. we pay the cost of compliance only for that part of the house that has suffered loss covered by this policy, and
 - ii. the house complied with all requirements that existed at the time it was originally built and at the time of any alteration.

We won't pay these costs if you've been given notice of non-compliance before the loss happened.

- c. the following costs, as long as they were necessarily and reasonably incurred:
 - i. architects', engineers', surveyors', building consultants', legal and council fees, and
 - ii. costs of demolition and of removing debris and contents, and
 - iii. costs of up to \$2,500 to restore or reconstruct any part of the garden or lawn within the boundary of the house that was damaged or destroyed while the house was being repaired or rebuilt.

2. If you don't repair or rebuild the house, we'll pay the fair value of the loss based on the present value of the house.

'Present value' means the market value of the house, excluding the value of the land.

If your claim is for the landlord contents:

If you have a loss that is covered by this policy and your claim is for landlord contents, we'll at our option pay:

1. the indemnity value of the landlord contents, or
2. to repair the item as near as possible to the same condition it was in immediately before the loss occurred.

Rebuilding on a different site

If the house is totally destroyed, you may rebuild the house at a different site, as long as we agree (we won't unreasonably withhold our agreement). However, we won't pay more than we would have paid if the house was rebuilt to its original specifications on the original site.

What you'll get for loss of rent

'Loss of rent' on page 5 explains when you're covered for loss of rent and what we'll pay in those circumstances.

The most we'll pay for each week of lost rental income is the amount of rent you receive each week from your tenant.

► Goods and services tax

All amounts in this policy include GST.

What your policy covers

This section explains what **your** policy does and doesn't cover. Please read it carefully – and if **you** have any questions, call **us** on **0800 80 24 24**.

▶ Accidental loss

If **you've** selected cover for the **house**, and it is printed on the **schedule**, **you're** covered for sudden and **accidental loss** to the **house** if the **loss** happens during the **period of cover**.

What you'll get

See 'What you get if we accept your claim' on page 4 for details on what **we'll** pay.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

▶ Landlord contents

You're covered for sudden and **accidental loss** to **landlord contents** at the **house**, if the **loss** happens during the **period of cover**.

What you'll get

See 'What you get if we accept your claim' on page 4 for details on what **we'll** pay.

The most **we'll** pay for any event is \$10,000, unless a higher amount is shown in the **schedule**.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

Loss of rent

You're covered for loss of rent arising from various **events**. Please read below for details of this cover. **You** also have obligations involving the monitoring of rents, property inspections and collecting rent and bond. Please read the 'Policy conditions' on page 8.

▶ Vacating without giving notice

You're covered for loss of rent if the **tenant** vacates the **house** without giving **you** the required notice during the **period of cover**.

What you'll get

The most **we'll** pay for any **event** is 6-weeks rent, less any amount recoverable by **you** from advanced rent.

An **excess** equivalent to 1-weeks rent, with a minimum amount of \$250, applies to each **event**.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

▶ Eviction of the tenant

You're covered for loss of rent if **you** have evicted the **tenant** during the **period of cover** for non-payment of rent.

What you'll get

The most **we'll** pay for any **event** is 12-weeks rent, less any amount recoverable by **you** from advanced rent.

An **excess** equivalent to 1-weeks rent, with a minimum amount of \$250, applies to each **event**.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

▶ Payment legally stopped

You're covered for loss of rent where the **tenant** can legally stop paying rent under the **tenancy agreement**, as a result of:

1. prevention of access to the **house**, or
 2. **accidental** failure of public utilities,
- during the **period of cover**.

What you'll get

The most **we'll** pay for any **event** is 6-weeks rent.

An **excess** equivalent to 1-weeks rent, with a minimum amount of \$250, applies to each **event**.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

▶ Untenantable house

You're covered for loss of rent if the **house** cannot be lived in as a result of any other **loss** covered by this policy, or insured by **us** under a separate policy, that occurs during the **period of cover**.

What you'll get

The most **we'll** pay for any **event** is 52-weeks rent. If **you** have 'Loss of rents' cover with **us** under any policy, the most **we'll** pay is 52-weeks rent.

An **excess** equivalent to 2-weeks rent, with a minimum amount of \$250, will apply to each **event** that arises from malicious damage, vandalism, or theft by **tenants**.

What isn't covered?

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

▶ Malicious damage, vandalism or theft by tenants

You're covered for sudden and **accidental loss** to:

1. **landlord contents**, and
2. the **house**, as long as **you've** selected cover for the house and it is printed on the **schedule**, or the **house** is insured by **us** under a separate policy, that occurs during the **period of cover**, that was caused by:

1. malicious damage, or
2. vandalism, or
3. theft,

by:

- a. the **tenant**, or
- b. any guest of the **tenant**, or
- c. anyone living in the **house**.

What you'll get

The most **we'll** pay is \$25,000 for any **event**.

If **you** haven't selected cover for the **house**, under this policy, or a separate policy issued by **us**, the most **we'll** pay is \$10,000 for any **event**, or a higher amount shown on the **schedule** for **landlord contents**, but not exceeding \$25,000.

An **excess** of \$500 will apply to each **event**.

What isn't covered?

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

1. **you**, or
2. **your** husband or wife or person with whom **you** are living in the nature of a marriage, or
3. **your family**.

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

▶ Personal liability

What does 'personal liability' mean?

'Personal liability' is the legal liability that a person has for loss or damage suffered by someone else.

For example:

If you are pruning a tree in your garden, you'll be held legally liable (or personally liable) for the damage caused when the branch falls on your neighbours greenhouse.

Legal liability cover

You're covered for **your** legal liability for:

1. **accidental loss** to any property in New Zealand,
2. **accidental bodily injury** to anyone in New Zealand,
3. **accidental loss** to property where **you're** liable for the costs under Section 43 of the Forest and Rural Fires Act 1977,
4. levies a fire authority imposes on **you** under Section 46 or 46A of the Forest and Rural Fires Act 1977 for a fire, or threat of fire,

occurring during the **period of cover**, caused by or through or in connection with **your** ownership of the **house** and/or its grounds.

Defence costs cover

You're also covered for defence costs **you** incur with **our** approval, for **your** liability under 1, 2 and 3 above. **We** won't unreasonably withhold **our** approval.

What you'll get

Legal liability payment

The most **we'll** pay is \$1,000,000 for any **event**.

Defence costs payment

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

Settlement of any claim

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

What isn't covered?

You're not covered for liability:

1. in connection with a business, trade, profession or sponsorship, or
2. created by a contract or agreement, unless **you** would have been liable even without it, or
3. in connection with the ownership or use of any:
 - a. **vehicle** (other than a domestic garden appliance), motor cycle, motor scooter, trailer, caravan, aircraft or other aerial device, or
 - b. watercraft, or
4. connected with any seepage, pollution or contamination (including the costs of removing, nullifying or cleaning up), unless it happens during the **period of cover** and is caused by a sudden **accidental event** that happens during the **period of cover**.

You're also not covered for exemplary damages or fines.

'Damages' in this context refers to money claimed from you as compensation for harm done, or loss or injury. Exemplary damages is money claimed as punishment. The court awards this to punish someone for their outrageous conduct and to deter others.

See 'Exclusions that apply to the whole policy' on page 7 and 'Policy conditions' on page 8.

Exclusions that apply to the whole policy

This section explains things **your** policy doesn't cover that are additional to those already mentioned in the previous sections. Please read it carefully – and if **you** have any questions, call **us** on **0800 80 24 24**.

▶ The first 48-hours of your policy

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

This restriction doesn't apply if the policy starts immediately after another policy that insured the same property against the risks of storm, flood and landslip, or if this policy was taken out at the time **you** bought the **house**.

For example:

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

If your house wasn't insured at all before you took out this policy, you won't be covered for storm, flood and landslip in the first 48-hours, unless you took the policy out when you bought the house.

▶ Confiscation

You're not covered for **loss** connected in any way with the confiscation, nationalisation, requisition, acquisition or destruction of, or damage to property by order of government, public or local authority.

▶ Earthquake Commission cover

You're not covered for a **loss** that's already covered by the Earthquake Commission Act or that would have been covered if:

1. an excess hadn't been deducted (*for example, if the excess is greater than the value of the loss*), or
2. the Earthquake Commission hadn't exercised its power to decline the claim for that **loss**.

If the Earthquake Commission agrees to cover **your loss**, but the value of **your loss** is higher than the Commission's payment, **we'll** pay the difference between what the Earthquake Commission pays, or would have covered, and **your** maximum entitlement under this policy.

▶ Excess

For each **event**, **we'll** deduct the **excess** from the amount **we** would otherwise pay for **your loss** – unless specifically stated otherwise under another part of this policy.

If **we** insure both the **house** and its contents (at the same address, whether under this policy or a separate policy) and **you** claim under both for a **loss** caused by the same **event**, **you'll** only pay one policy **excess**. This will be the higher **excess** of the two policies.

▶ Faults and defects

You're not covered for the cost of fixing faulty design or faulty construction.

▶ Floor coverings

You're not covered for floor coverings that are not in the room(s) where the **loss** happened.

For example:

If something is accidentally spilled that stains the carpet in the main bedroom of the house, you can only claim for the carpet in that room.

▶ Gradual damage

You're not covered for:

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

▶ Insects, rodents and vermin

You're not covered for **loss** directly caused by insects, rodents or vermin (other than opossums). However, **you** are covered for resultant **accidental loss** to other parts of the **house** and the **landlord contents**.

For example, if a rat chews through a water pipe, you are not covered for the water pipe, but you are covered for the damage the water causes. Keep in mind that other exclusions may still apply, such as the gradual damage exclusion.

▶ Intentional damage

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

1. a **tenant**, or
2. any guest of a **tenant**, or
3. any person who lives at the **house**,

except where the **loss**:

- a. is a result of fire or explosion, provided the fire or explosion was not intentionally caused by **you**, or **your** husband or wife or person with whom you are living in the nature of a marriage or **your family**, or
- b. is covered under 'What your policy covers – Malicious damage, vandalism or theft by tenants'.

▶ Loss of electronic data – computer virus

You're not covered for **loss** of **electronic data** and any liability arising from it, directly or indirectly caused by or in connection with a **computer virus**. This includes **loss** of use, reduced functionality or any other associated **loss** or expense in connection with the **electronic data**.

▶ Mechanical and electrical equipment

You're not covered for the breakdown, failure or wearing out of any part of any mechanical or electrical equipment, unless burning out occurs.

▶ Nuclear and war risks

You're not covered for **loss** or liability and any defence costs connected in any way with:

1. operations using the nuclear fission or fusion process, or handling of radioactive material. This includes, but is not limited to:
 - a. the use of nuclear reactors such as atomic piles, particle accelerators or generators and similar devices, or

- b. the use, handling or transportation of radioactive material, or
 - c. the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion, or
2. war, invasion, an act of a foreign enemy, hostilities or war-like operations (whether war is declared or not), civil war, mutiny, rebellion or revolution, or
 3. civil commotion assuming the proportions of or amounting to an uprising, insurrection or military or usurped power.

► Structural additions or alterations

You're not covered for **loss** caused by:

1. structural additions or structural alterations to the **house**, unless we've been notified of the additions or alterations beforehand and we've agreed in writing to cover this, or
2. water entering the **house** because any roofing material, exterior cladding, window or door has been removed by:
 - a. **you**, or
 - b. any other person (other than a **tenant**) legally on the property.

For example:

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

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

Please ring us on 0800 80 24 24 for more information on arranging cover for structural additions or alterations.

► Subsidence

You're not covered for **loss** or liability connected in any way with:

1. subsidence or erosion, or
2. settling, warping or cracking caused by earth or other movements.

► Terrorism

You're not covered for any **loss**, damage, death, injury, illness, liability, cost or expense directly or indirectly caused by, resulting from or in connection with:

1. an **act of terrorism**, regardless of any other cause or **event** contributing to the **loss**, damage, injury, illness, liability, cost or expense, or
2. any action taken to control, prevent, suppress or do anything else in relation to an **act of terrorism**.

► Vacant houses

This policy is automatically suspended if no one has been living in the **house** for more than 60 consecutive days.

If you tell us that no one will be living in the **house**, we may agree to continue your cover. However, we can change the terms of the policy at this time and we'll tell you if we do this.

The policy will automatically start again as soon as the **house** is lived in again.

Policy conditions

Your Landlord policy has some important conditions. This section explains what they are and what happens if you don't follow them. Please read it carefully and if you have any questions phone us on **0800 80 24 24**.

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

You and anyone else covered under this policy, must comply with this policy. If any of the terms of this policy are breached, we have the sole discretion to decline any claim you make – either the whole claim or part of it.

► Your obligations

True statements and answers

The **application** is the basis of this policy. All statements and answers that you give, or any other person gives on your behalf, must be honest and accurate when you:

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

otherwise we can declare that this policy or all the policies you have with us are unenforceable from the date of the dishonest or fraudulent act.

Changes in circumstances

You must let us know straight away if, after the start of this policy, there is a material increase or change in the **house** and/or **landlord contents** risks we cover.

At any time, we may change the terms of this policy in response to what you tell us.

Information is 'material' where we would have made different decisions about either accepting your insurance or setting the terms of the insurance, if we had known that information. Tell us if this information changes while we insure your house – as soon as you know that the change will happen.

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

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

Reasonable care

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

Selection of tenants

You, or the person who manages the tenancy on your behalf, must obtain satisfactory written or verbal references about a **tenant** prior to selecting that **tenant**.

Your agreement with the tenants

You must have a **tenancy agreement** that states the following:

1. the term of the rental period, and
2. the amount of rent payable per week, and
3. the amount of bond payable.

Monitoring rent

You or the person who manages the tenancy on **your** behalf must:

1. monitor payment of the rent and notify the **tenant** when rent is 14-days in arrears and make a personal visit to establish if the **tenant** remains in residence, and
2. when the rent is 21-days in arrears, apply to the Tenancy Tribunal for vacant possession in accordance with the provisions of the Residential Tenancies Act 1986.

Property inspection

You or the person who manages the tenancy on **your** behalf must:

1. complete an internal and external inspection of the property at a minimum of 3-monthly intervals and upon change of **tenants**, and
2. keep a written record of the outcome of each inspection, and
3. provide a copy of the record to **us** if **we** request it.

Rent and bond in advance

You or the person who manages the tenancy on **your** behalf must collect:

1. at least 1-weeks rent in advance, and
2. at least 2-weeks rent in the form of a bond, to be registered with Tenancy Services, or
3. any combination of (1) and (2) to a total of 3-weeks rent.

We can take action in your name

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

1. negotiate, defend or settle any claim against **you** covered by this policy
2. to make a recovery from anyone else for anything covered by this policy, and **you** must cooperate with **us**.

We'll pay any costs associated with these actions.

▶ Administering this policy

Cancellation

By you...

You can cancel this policy at any time. If **you** do, **we'll** refund any premium due to **you** based on the **period of cover you** haven't used.

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

By us...

We can cancel this policy by writing to or emailing **you** at the last known address **we** have for **you**. The policy will be cancelled on the 14th day after the date of the notice. **We'll** refund any premium due to **you** based on the **period of cover you** haven't used.

Changing the terms

We can change this policy's terms (including the **excess**) by writing to or emailing **you** at the last known address **we** have for **you**. The change will take effect on this policy's renewal date.

Joint insurance

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

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

Other insurance

You must tell **us** if the **house** or **landlord contents** is (or becomes) covered by another insurance policy. If **you** can claim under that insurance, **we'll** only pay the amount of any **loss** that's above the limit payable by the other insurance.

Other parties with a financial interest

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

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

For example, if there is a mortgage registered on the house, the bank or finance company has a financial interest in the house until you have repaid the mortgage in full.

Definitions

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

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

accidental

unexpected and unintended by **you**.

act of terrorism

an act by any person or group(s) that includes (but isn't limited to) the use of force or violence and/or the threat of force or violence, whether they are acting alone or on behalf of or in connection with any organisation(s) or government(s). By its nature or context, this act is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to make the public, or any section of the public, afraid.

annual period

the **period of cover**. However, if **your** premium is paid by instalments other than annual payments, the annual period is any one 12-month period calculated from the date this policy first started, and consecutively after that.

application

the information **you** provided to **us** when **you** applied for and bought this insurance.

bodily injury

the **accidental** death of, or bodily injury to, any person, including sickness, disease, disability, shock, fright, mental anguish and mental injury.

computer virus

a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or codes, whether programmatic or not, that propagate themselves through a computer system or network. This includes (but isn't limited to) Trojan horses, worms and time or logic bombs.

electronic data

facts, concepts and information converted to a form usable for interpreting or processing communications by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for processing and manipulating data or directing and manipulating such equipment.

event

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

excess

this is the amount of the **loss** that **you** must pay. The amount of the excess is shown in the **schedule**.

family

any family member who:

- ▶ lives with **you** permanently, or
- ▶ is a student attending a school, university or polytechnic and living away from the **home** while attending the school, university or polytechnic.

house

the rental dwelling or flat(s) including any of the following:

- ▶ garage, carport, domestic glasshouse or domestic outbuilding,
- ▶ wall (including garden and retaining walls), deck, gate or fence,
- ▶ driveway or bridge which is of permanent construction and provides sole and immediate access to the private dwelling or flat(s),
- ▶ patio, path, paving, tennis court or other permanent domestic structure,
- ▶ carpet or floor covering permanently glued to the floor,
- ▶ kitchen stove and hob, range hood and any other permanently wired or plumbed home appliance,
- ▶ water tank, septic tank, heating oil tank, or swimming pool permanently installed,
- ▶ spa pool if permanently plumbed,

that **you** own at the risk address shown in the **schedule**.

It also includes: underground service or overhead electricity line, telephone or data cable at the risk address shown in the **schedule**.

It does not include any of the following:

- ▶ any part of the **house** that is used for business or commercial purposes, unless it is used as a home office or as a rental property,
- ▶ structure or property not at the risk address shown in the **schedule**,
- ▶ temporary structures,
- ▶ fixtures or fittings that are not permanently attached,
- ▶ portable aerials or portable satellite dishes,
- ▶ portable swimming pool or portable spa pool,
- ▶ tree, shrub or hedge,
- ▶ bridge, unless it is of permanent construction and provides sole and immediate access to the private dwelling or flat(s),
- ▶ wharf, pier, landing or jetty,
- ▶ land or earth or fill.

indemnity value

the reasonable cost to repair or replace an item in New Zealand, that is of comparable age, quality and capability, and is in the same general condition.

landlord contents

any of the following:

- ▶ fixture or fitting including drapes and light fittings,
- ▶ household goods such as washing machines, dryers, refrigerators, freezers, dishwashers and heaters,
- ▶ carpet or floor coverings not glued to the floor,
- ▶ domestic garden appliance (including their parts and accessories),

that are owned by or hired to **you** (as long as **you** are legally liable under the hire agreement), and provided by **you** for use by the **tenants**.

It does not include any:

- ▶ personal effects, or
- ▶ livestock, domestic pet or other creature, or
- ▶ carpet or floor coverings glued to the floor, or
- ▶ watercraft or outboard motor and their parts or accessories that are in it or attached to it, or
- ▶ motor vehicle, motor cycle, motor scooter, trailer or caravan and their parts or accessories that are in it or attached to it, or
- ▶ aircraft or other aerial device and their parts or accessories that are in it or attached to it.

loss

physical loss or physical damage.

period of cover

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

present value

the market value of the **house**, excluding the value of the land.

schedule

the latest version of **your** 'Policy Schedule' that **we** issued to **you** for this policy.

tenancy agreement

a written contract of tenancy between **you** and the **tenant(s)** over the **house**.

tenant

the person or persons leasing the **house** from **you** under a **tenancy agreement**.

vehicle

any type of machine on wheels, or caterpillar tracks, that is made or intended to be propelled by its own power, as well as anything towed by the machine.

we

State, a business division of IAG New Zealand Limited.

you

the person(s) shown as 'The Insured' in the **schedule**.

Frequently asked questions

You'll probably have a few questions to ask us once you have read your policy. We've added a few frequently asked questions that may help you.

Note this section is designed to assist you with possible questions and does not form part of the policy document.

If you can't find your question here, or you want more information, just ring us on **0800 80 24 24**, we'll be happy to help.

What are loss adjusters, and what do they do?

They help us get the information we need about your claim.

For example:

We may ask a loss adjuster to visit you when you report certain types of claims. The adjuster will provide us with a report on the extent of the loss, if repairs are possible and estimate the overall cost of the claim.

Why does State want to know things that I think are private?

We need certain information to decide whether we'll accept your application for insurance. We also use the information to set your premium and excess.

We treat all the information you give us in accordance with the Privacy Act 1993. You can read more about this in 'Keeping us informed' on page 2.

What happens if I don't give you all the information you ask for?

If we accept your application and the information you've given us is inaccurate or incomplete, your policy may not be valid. You can read more about this in 'Keeping us informed' on page 2.

Will my premium increase if I make a claim?

Your premium won't always increase when you make a claim. However, every claim is different, so we will give you more information on this when you ring us.

Am I entitled to any premium discounts?

As a Landlord policy holder, you may qualify for a range of discounts:

No claim discount

When you first insure with us, you may be entitled to receive a no claim discount of up to 40% depending on your loss history over the last 5 years.

Each time your policy renews, your no claim discount may be reduced if you had more than one claim during the previous period of cover. However, if you had no claims during that period of cover, the discount may increase up to a maximum of 40%.

Multi Policy Discount

If you have your own contents insured with us, as well as one or more policies to cover your home, car, motorcycle or rental property, you may qualify for a Multi Policy Discount.

Years of insurance discount

This discount is based on how long you have held your policy with us.

Discounts are not deducted from the GST, Fire Service Levy or Earthquake Commission Levy components of your premium or to any additional cover you may have chosen to add to your cover.

*If you are currently receiving any premium discounts, they will be shown on your policy schedule. It is your responsibility to ensure that you are receiving all appropriate discounts. If you believe you qualify for a discount that is different to that shown on your policy schedule, or you believe you qualify for a discount not shown on your schedule, and you wish to apply for such a discount please contact us on **0800 80 24 24**.*

The provision of discounts is at our discretion. If we agree that you qualify for a discount, we reserve the right to determine the date from which the discount will be applied.

Now I have insurance, I'm covered for every event – right?

While you're covered for many major unexpected events, we don't cover everything. You can find out what your policy doesn't cover in 'Exclusions that apply to the whole policy' on page 7 and 'What your policy covers' on page 5. You must also comply with the 'Policy conditions' on page 8.

Do I have to pay an excess for every claim?

You'll pay an excess for most claims.

We'll do our best to recover your excess from any other person responsible for your loss, but sometimes we are unsuccessful, or the circumstances don't allow us to recover any money.

Notes

State has relationships with insurance intermediaries who issue our policies. State is a business division of IAG New Zealand Limited. IAG New Zealand Limited pays remuneration to brokers and insurance intermediaries when they issue State policies, and when these policies are renewed or varied. This policy document is subject to copyright.

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