



INDEX

	Page		Page
INTRODUCTION	2	HOW TO CLAIM.....	4
About this policy		What you must do	
Your duty of disclosure		What you must obtain our agreement to do	
Changing your mind		Actions we may take	
Examples		Dishonesty	
Headings		POLICY CONDITIONS	5
Defined words		Breach of any condition	
One excess per event		True statements and answers	
INSURANCE AGREEMENT.....	2	Reasonable care	
Our agreement		Current house and contents insurance policy	
SECTION ONE – COVER FOR YOUR RENTAL PROPERTY	2	Other insurance	
What you are insured for		Rent and bond in advance	
Malicious damage and theft by the tenant		Property inspection	
Loss of rent		Monitoring rents	
Types of loss not covered		Changes in circumstances	
Settlement of your loss		Cancellation	
Maximum rent payment		Goods and services tax	
SECTION TWO – YOUR LEGAL LIABILITY	3	Joint insurance	
Your legal liability		Other parties with a financial interest	
Liability and costs not covered		DEFINITIONS	6
Amount payable			
Settlement of any claim			
POLICY EXCLUSIONS THAT APPLY TO ALL PARTS OF THIS POLICY	4		
Nuclear & war risk			
Terrorism			
Confiscation			
Loss of electronic data			
Subsidence			

INTRODUCTION

ABOUT THIS POLICY

Your policy consists of:

1. this policy document, and
2. the **schedule**, and
3. the information **you** have provided in the **application**.

YOUR DUTY OF DISCLOSURE

When **you** apply for insurance **you** have a legal duty of disclosure. This means **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

1. to accept or decline **your** insurance, or
2. the cost or terms of the insurance, including the **excess**.

You also have this duty every time **your** insurance renews and when **you** make any changes to it. If **you** breach this duty **your** policy will be cancelled as if it had never existed.

Please ask **us** if **you** are not sure whether **you** need to tell **us** about something.

CHANGING YOUR MIND

If **you** are not happy with this policy, **you** can change **your** mind, provided **you** tell **us** within 15 days of the date **your** policy started. **We** will cancel **your** policy as if it had never existed and refund in full any premium **you** have paid. This does not apply if a claim has been made.

EXAMPLES

We have sometimes used examples and comments to make the parts of this policy document easier to understand. These examples and comments, *which are printed in italics*, do not affect or limit the meaning of the section they refer to.

HEADINGS

The headings in this policy are for reference only and do not form part of it. They are not to be used when interpreting the policy.

DEFINED WORDS

If a word is shown in **bold**, it has a special meaning. There is a list of these words and what they mean at the back of this policy in the section 'Definitions'.

ONE EXCESS PER EVENT

Where an **event** occurs that results in a claim under more than one benefit of this policy, **we** will apply only the highest applicable **excess**.

INSURANCE AGREEMENT

OUR AGREEMENT

You agree to pay **us** the premium. In exchange, **we** agree to insure **you** as set out in this policy document.

SECTION ONE – COVER FOR YOUR RENTAL PROPERTY

WHAT YOU ARE INSURED FOR

DEFINED EVENTS

You are insured for the events as described in 'Section One – Events Insured' (below) occurring during the **period of insurance**.

SECTION ONE – EVENTS INSURED

MALICIOUS DAMAGE AND THEFT BY THE TENANT

You are insured for **accidental loss** to **your** rental **home** caused by:

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

by the **tenant**.

The most **we** will pay is \$25,000 in total for any **event**.

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

LOSS OF RENT

You are insured for any of the following:

1. Loss of rent following the **tenant** vacating the **home** without giving **you** the required notice, less any amount recoverable by **you** from advanced rent.

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

An **excess** of \$250 will apply to each **event**.

2. **Loss** of rent following eviction of the **tenant** by **you** for non-payment of rent, less any amount recoverable by **you** from advanced rent.

The most **we** will pay for any **event** is 12-weeks rent.

An **excess** of \$250 will apply to each **event**.

3. Loss of rent where the **tenant** can legally cease paying rent under the **tenancy agreement** resulting from the prevention of access to the **home** or **accidental** failure of public utilities.
The most **we** will pay for any **event** is 6-weeks rent.
An **excess** of \$250 will apply to each **event**.
4. Loss of rent:
 - (a) if the **home** becomes untenable as a result of:
 - (i) malicious damage, or
 - (ii) vandalism, or
 - (iii) theft,
 by the **tenant**, and
 - (b) where a claim has been accepted under the 'Malicious Damage and Theft by the Tenants' (above) cover.
 The most **we** will pay for any **event** is 52-weeks rent.
An **excess** of \$500 will apply to each **event**.

SECTION ONE – COVER FOR YOUR RENTAL PROPERTY

WHAT YOU ARE NOT INSURED FOR

TYPES OF LOSS NOT COVERED

You are not insured for:

1. **loss** as a result of fire or explosion, or
2. repairing or replacing floor coverings that are not in the room(s) where the **loss** happened, or
3. **loss** caused by:
 - (a) **tenant** neglect, or
 - (b) poor housekeeping, or
 - (c) unclean or unhygienic living habits, or
 - (d) failure of the **tenants** or their visitors to control their children, or
 - (e) domestic pets owned by the **tenants** or their visitors.

IMPORTANT: Please also read the section below, titled 'Policy exclusions that apply to all parts of this policy'.

WHAT WE WILL PAY

SETTLEMENT OF YOUR LOSS

If **you** repair or rebuild the **home**, **we** will pay:

1. the cost of repairing or rebuilding the **home** to a condition as similar as possible to when it was new, using current materials and methods, and
2. any cost of compliance with Government or local authority bylaws or regulations, provided that:
 - (a) **we** pay the cost of compliance for only that part of the **home** that has suffered **loss** covered by this policy, and
 - (b) the **home** complied with all requirements that existed at the time it was originally built and at the time of any alteration.

However, **we** will not pay if notice of non-compliance has already been given to **you** before the **loss**.

If **you** do not repair or rebuild the **home**, **we** will pay the **present value** of the **home**.

If **your** claim is for:

1. household goods, and/or
 2. domestic garden appliances or their parts and accessories,
- that are owned by **you** and provided by **you** for the **tenants** use, **we** will pay:
- (a) for their replacement if they are not more than 10 years old, or
 - (b) their **present value** if they are more than 10 years old.

MAXIMUM RENT PAYMENT

The most **we** will pay for each single week of rental income lost is \$750.

SECTION TWO – YOUR LEGAL LIABILITY

WHAT YOU ARE INSURED FOR

YOUR LEGAL LIABILITY

You are insured for **your** legal liability and defence costs for:

1. **accidental loss** to **tenants** property at the **home**, or
 2. **accidental bodily injury** to the **tenants** at the **home**,
- occurring during the **period of insurance** in connection with **your** ownership of the **home** and/or its grounds.

WHAT YOU ARE NOT INSURED FOR

LIABILITY AND COSTS NOT COVERED

You are not insured for liability or defence costs connected in any way with:

1. **loss** to **property** that is in **your** possession or control, or
2. any business, trade, profession or sponsorship (other than being a landlord), or
3. any contract or agreement (except where **you** would have been liable even without a contract or agreement),
4. the ownership or use of any vehicle (other than an electric wheelchair, domestic garden appliance, mobility scooter or golf cart), motor scooter, trailer, caravan, watercraft, aircraft or other aerial device, or
5. the Forest and Rural Fires Act 1977 unless **you** have complied with all the requirements of this Act, or
6. any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up).

You are not insured for punitive or exemplary damages or fines.

IMPORTANT: Please also read the section below, titled 'Policy exclusions that apply to all parts of this policy'.

WHAT WE WILL PAY

AMOUNT PAYABLE

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

An **excess** of \$250 will apply to each **event**.

SETTLEMENT OF ANY CLAIM

We may pay the full amount under this part of this policy, or any lesser amount that the liability can be settled plus defence costs incurred, and this will meet all **our** obligations under this part of this policy.

POLICY EXCLUSIONS THAT APPLY TO ALL PARTS OF THIS POLICY

NUCLEAR & WAR RISK

You are not insured for **loss**, loss of rent or liability and defence costs connected in any way with:

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

TERRORISM

You are not insured for loss, loss of rent, damage, death, injury, illness, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

1. an **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, death, injury, illness, liability, cost or expense.
2. any action taken in controlling, preventing, suppressing or in any way relating to an **act of terrorism**.

CONFISCATION

You are not insured for **loss**, or loss of rent connected in any way with confiscation, acquisition, **loss** or damage by order of Government, Public or Local Bodies.

LOSS OF ELECTRONIC DATA

You are not insured for **loss** of **electronic data** and any liability arising from this, directly or indirectly caused by, or in connection with a **computer virus**. This includes loss of use, reduction in functionality or any other associated loss or expense in connection with the **electronic data**.

SUBSIDENCE

You are not **insured** for **loss**, loss of rent, liability, or defence costs connected in any way with:

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

HOW TO CLAIM

WHAT YOU MUST DO

If anything happens that may lead to a claim under this policy, **you** must:

1. do what **you** can to take care of the **home** and to prevent any further **loss**, loss of rent or liability, and
2. tell **us** as soon as possible, and
3. notify the Police as soon as possible if **you** think any **loss** was caused by an illegal act, and
4. allow **us** to examine the **home** before any repairs are completed, and

5. send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
6. give **us** any information or help that **we** ask for, and
7. consent to **your** personal information in connection with the claim being:
 - (a) disclosed to **us**, and
 - (b) transferred to Insurance Claims Register Limited.

WHAT YOU MUST OBTAIN OUR AGREEMENT TO DO

You must obtain **our** agreement before **you**:

1. incur any expenses in connection with any claim under this policy, or
2. negotiate, pay, settle, admit or deny any claim against **you**, or
3. do anything that may prejudice **our** rights of recovery.

ACTIONS WE MAY TAKE

At **our** expense **we** may take action in **your** name:

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

DISHONESTY

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

1. decline **your** claim either in whole or in part, and/or
2. declare either this policy or all insurance **you** have with **us** to be unenforceable from the date of the dishonest or fraudulent act.

This is at **our** sole discretion.

POLICY CONDITIONS

BREACH OF ANY CONDITION

If:

1. **you**, or
2. any other person **we** insure under this policy, or
3. anyone acting on **your** behalf

breaches any of the conditions of this policy, **we** may:

- (a) decline **your** claim either in whole or in part, and/or
- (b) declare either this policy or all insurance **you** have with **us** to be unenforceable.

This is at **our** sole discretion.

TRUE STATEMENTS AND ANSWERS

The **application** is the basis of this policy. True statements and answers must be given (whether by **you** or any other person) when **you**:

1. apply for this insurance, and/or
2. notify **us** regarding any change in circumstances, and/or
3. make any claim under this policy.

REASONABLE CARE

You must exercise reasonable care in the selection of tenants and must obtain satisfactory written or verbal references in all cases.

CURRENT HOUSE AND CONTENTS INSURANCE POLICY

You must at all times, during the **period of insurance**, hold a current house insurance policy (and contents insurance policy where applicable) covering the **home**.

OTHER INSURANCE

You are not insured for any amount that is recoverable by **you** under any other policy of insurance. **You** must establish that the **loss** is not covered under any other policy of insurance and provide **us** with proof of this before **you** may claim under this policy.

RENT AND BOND IN ADVANCE

You must collect:

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

PROPERTY INSPECTION

You must:

1. complete an internal and external inspection of the **home** at a minimum of 6-monthly intervals and upon any 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** when **we** request such a copy.

MONITORING RENTS	<p>You must:</p> <ol style="list-style-type: none"> 1. monitor rents on a weekly basis with written notification being sent to the tenant when rent is 14-days in arrears, together with a personal visit to determine if the tenant remains in residence, and 2. at 21-days in arrears, make application to the Tenancy Tribunal for vacant possession in accordance with the provisions of the Residential Tenancies Act 1986.
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CHANGES IN CIRCUMSTANCES	<p>You must notify us immediately if, after the start of this policy, there is a material:</p> <ol style="list-style-type: none"> 1. increase in the risks insured, or 2. alteration in the risks insured. <p><i>Information is 'material' where we would have made different decisions about either: (a) accepting your insurance, or (b) setting the terms of your insurance, if we had known that information. If in any doubt, notify us anyway.</i></p> <p><i>This 'risk insured' refers to both: (a) the actual property or liabilities insured (known as physical hazard), and (b) you or other persons covered by this RENTSURE® policy (known as a moral hazard).</i></p>
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CANCELLATION	<p>BY YOU</p> <p>You may cancel this policy at any time. If you do, we will refund any premium that is due to you based on the unused portion of the period of insurance.</p> <p>BY US</p> <p>We may cancel this policy by giving you notice in writing or by electronic means at your last known address. The policy will be cancelled from 4pm on the 14th day after the date of the notice. We will refund you any premium that is due to you based on the unused portion of the period of insurance.</p>
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GOODS AND SERVICES TAX	All amounts shown in this policy include GST.
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JOINT INSURANCE	<p>If this policy insures more than one person, then all persons are jointly insured.</p> <p><i>This means that a breach of this RENTSURE® policy by any one person affects everyone's ability to claim under this policy.</i></p>
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OTHER PARTIES WITH A FINANCIAL INTEREST	<p>If we know of any financial interest over the home, we may pay part or all of any claim proceeds to the holder of that interest.</p> <p>This payment will meet all obligations we have under this policy for the loss.</p> <p>We are authorised by you to disclose personal information about you to any holder of a financial interest.</p> <p>Any party who is recorded as having a financial interest under this policy, is not insured by this policy and does not have rights to claim under this policy.</p>
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DEFINITIONS

The definitions apply to the plural and any derivatives of the words.

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

accidental	means unexpected and unintended by you .
act of terrorism	an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s), whether acting alone or on behalf of or in connection with any organisation(s) or government(s) that from its nature or context 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 put the public, or any section of the public, in fear.
application	the information provided by you to us when you purchased this insurance or requested a quotation for this insurance from us .
bodily injury	accidental death of, or accidental bodily injury to, any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.
computer virus	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.
electronic data	facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

event	any one event or series of events arising from one source or original cause.
excess	this is the amount that you must pay. The amount of the excess is shown in either the schedule or in this policy wording.
home	<p>The private dwelling or flat(s), including any:</p> <ul style="list-style-type: none"> • domestic outbuilding, and • wall, gate, path, drive or fence, and • other permanent domestic structure, and • carpet or floor covering, and • kitchen stove and hob, range hood and any other permanently wired or plumbed home appliance, and • swimming pool if permanently plumbed, <p>that you own at the situation shown in the schedule.</p> <p>It also includes underground service or overhead electricity line, telephone or data cable at the situation shown in the schedule.</p> <p>It also includes any:</p> <ul style="list-style-type: none"> • household goods, and • domestic garden appliance, (including their parts and accessories), <p>that are owned by you and provided by you for the tenants use.</p> <p>It does not include any:</p> <ul style="list-style-type: none"> • structure or property not at the situation shown in the schedule, or • temporary structure, or • tree, shrub or hedge, or • land or earth or fill.
loss	physical loss or physical damage.
period of insurance	the period of insurance shown in the schedule .
present value	the reasonable cost to repair or replace, less an allowance for depreciation based on age, condition, and deferred maintenance.
schedule	the latest version of the schedule we issued to you for this policy.
tenancy agreement	a written contract of tenancy between you and the tenant(s) over the home .
tenants	the person or persons leasing the home from you under a tenancy agreement .
we/us/our	NZI, a business division of IAG New Zealand Limited.
you	the person(s) shown as the Insured in the schedule .



Neal P. Sadgrove & Associates Ltd RENTSURE® INSURANCE POLICY

Underwritten by NZI, a business division of IAG New Zealand Limited

IMPORTANT: PLEASE EXAMINE THIS POLICY AND IF IT DOES NOT MEET YOUR REQUIREMENTS,
KINDLY RETURN IT AT ONCE TO YOUR BROKER OR AGENT OR TO OUR OFFICE OF ISSUE.

www.nzi.co.nz