

Your Contents Comprehensive policy wording



love

your

stuff

STATE

Welcome to State

Thank you for choosing State to insure your belongings. 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.

important !

This document is your Contents Comprehensive policy wording.

Please make sure you read it carefully, as it contains important information you should know, including what your insurance covers – and what it doesn't.

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.

Your policy 2

Reading your policy
What your policy consists of
You can change your mind
Our commitment to you
Our agreement with you
Keeping us informed
So what must you tell us?
We must tell you about...
Our other responsibilities to you

Making a claim 3

What you must do
What we'll do
What's the Insurance Claims Register?
Don't forget about your excess
Getting our permission first
Honesty is the key
Things that will help us help you
If you have a problem with your claim

What you get if we accept your claim 4

Contents covered for repair or replacement
Contents covered for present value
Maximum payments for specific types of contents
Maximum payment
Goods and services tax
Claimant authorisation

What your policy covers 5

Accidental loss
Alternative accommodation
Contents in storage
Contents in transit
Credit card theft
Fatal injury
Food spoilage
Hidden gradual damage
Home office
Intentional damage
Personal liability
Stress payment

Exclusions that apply to the whole policy 8

The first 48-hours of your policy
Business use
Confiscation
Contents in storage
Earthquake Commission cover
Excess
Faults and defects
Floor coverings
Gradual damage
Insects, rodents and vermin
Intentional damage
Loss caused by electricity
Loss of electronic data
Mechanical and electrical equipment
Nuclear and war risks
Structural additions or alterations
Subsidence
Terrorism
Vacant homes

Policy conditions 10

Your obligations
Administering this policy

Definitions 11

Frequently asked questions 13

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 11.

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 Contents Comprehensive 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 home where we insure your contents will not be lived in for more than 60 consecutive days*
- ▶ *if the contents will be used by a tenant*
- ▶ *if you have been convicted of a criminal offence in the last 7-years*
- ▶ *if your contents will be used for business purposes*
- ▶ *if the home will be altered or added to*
- ▶ *if you move to a different address*
- ▶ *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 your 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 – see 'Changes in circumstances' on page 10.

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, and 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 that will be followed, 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 **your** home and its **contents** (at the same address) under separate policies 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:

1. the total loss of the **contents**, or
2. **your** spectacles, contact lenses, hearing aids or dentures, and **you** are 55 years or older,

we won't deduct the **excess** from that **loss**.

▶ 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 a lost item's brand name, model name, model number and special features.
- ▶ Keep records of the things **you** buy, especially high-value items, as this will help **us** process **your** claim.
- ▶ 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 **your** contents and 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 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.

What you get if we accept your claim

▶ 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.

Not all contents are insured for their replacement. This section explains what contents we'll replace and what we won't replace, if we accept your claim. It also explains when we'll repair the contents, when we'll replace them and when we'll pay you for them. It also tells you about contents that are only covered for certain amounts. Please make sure you read this section carefully. If you have any questions, just phone us on 0800 80 24 24.

▶ Contents covered for repair or replacement

All contents are covered for replacement, except those listed in 'Contents covered for present value' below and any item you choose not to repair or replace.

For contents covered for replacement, we can choose either to pay the cost of repairing an item as close as possible to its condition when it was new, or the cost of replacing it.

▶ Contents covered for present value

The items we cover for present value are:

- ▶ books,
- ▶ clothing and footwear,
- ▶ records, audio tapes, video tapes, compact discs (CDs) and digital versatile discs (DVDs),
- ▶ computer hardware that's more than 5 years old,
- ▶ computer software,
- ▶ camping equipment,
- ▶ watercraft and their parts and accessories,
- ▶ parts and accessories of motor vehicles, motor cycles, motor scooters (other than mobility scooters), trailers and caravans that are not in them or attached to them,
- ▶ parts and accessories of aircraft or other aerial devices that are not in them or attached to them,
- ▶ household linen,
- ▶ sports equipment,
- ▶ bicycles,

If an item is covered for present value, we can choose either to pay the cost of repairing it as close as possible to its condition immediately before the loss happened, or to pay its present value.

'Present value' means the reasonable cost to repair or replace the item in New Zealand – so that you have an item that is of an equivalent age, quality and capability, and that is in the same general condition.

If you have gone on a spending spree, don't forget to update the amount your contents are insured for.