

Equipment Insurance Policy – New Zealand

Policy Wording

AGREEMENT TO INSURE

In return for payment of the premium stated in the Insurance Certificate and Tax Invoice, the Insurer will cover the *equipment* on the terms set out in this policy during the period of insurance.

ACCIDENTAL DAMAGE

The Insurer will compensate you on the terms and conditions of this policy, for *accidental damage* to the *equipment* occurring by physical means.

ACCIDENTAL LOSS

The Insurer will compensate you on the terms and conditions of this policy for *accidental loss* of the *equipment*.

THEFT

The Insurer will compensate you on the terms and conditions of this policy for *theft* of the *equipment*.

INSURER'S LIABILITY

The Insurer may either repair or replace damaged *equipment*. Any replacement will be with an item of similar function, type, capacity and serviceability as the insured *equipment*. The Insurer will not pay more than the lowest of:

- The cost of such a replacement item;
- The amount for which you have insured the *equipment* (which will be shown on your Insurance Certificate and Tax Invoice);
- The cost of repairing the damaged *equipment*. If the *equipment* is repaired, the Insurer will not pay more than the reasonable cost of repairing the damaged *equipment*.

INSURER'S MAXIMUM LIABILITY

The most the Insurer is liable to pay in meeting all claims under this policy is two times the sum insured of the *equipment* stated on the Insurance Certificate and Tax Invoice less all excess.

REPLACEMENT EQUIPMENT

Where *equipment* insured under this policy is replaced by *equipment* of the same type and value then cover will be automatically provided for this replacement *equipment* subject to:-

- Cover ceases for the *equipment* being replaced from the date of purchase of the replacement *equipment*;
- The Insurer's liability is as per the Sum Insured of the *equipment* being replaced;
- Cover does not apply to new items which are not replacing *equipment* already insured by this policy;
- Details of the replacement *equipment* are to be provided to Protecsure within 90 days of acquiring replacement *equipment*;
- All other terms and conditions of this policy.

PERIOD OF INSURANCE

Insurance cover applies for the period stated in the Insurance Certificate and Tax Invoice. Cover ceases when a cancellation event first occurs.

EXCESS

You must pay the excess stated on the Insurance Certificate and Tax Invoice each time a claim is accepted and before the claim is finalised.

CANCELLATION EVENTS

The following are cancellation events:

- 4pm (NZST) on the last day of the period of insurance stated in the Insurance Certificate and Tax Invoice;
- Theft, loss of, or *accidental damage* to the *equipment* has occurred resulting in the Insurer becoming liable to pay the Insurer's maximum liability. No refund of premium for any unexpired period of insurance is payable;
- You giving Protecsure written notice of cancellation; or
- The Insurer cancels this insurance by exercising a right it may have under this policy or by law and gives at least 14 days written notice of cancellation posted to your last known address.

If you give notice of cancellation after a claim has been paid on this policy, there will be no refund of premium. If you give notice of cancellation and no claim has been paid, Protecsure may charge an administration fee.

Third party interest: If the Insurer has notice that a third party, such as a financier, has an interest in all or any item of the *equipment*, the Insurer may refuse to recognise and act on a notice of cancellation given by the insured unless the third party has consented in writing to the cancellation.

CLAIMS REQUIREMENTS

To be entitled to claim for theft of, loss of or *accidental damage* to the *equipment*:

- **Payment of premium:** Full payment of the premium as noted on the Insurance Certificate and Tax Invoice must have been received by Protecsure.
- **Ownership:** You must be able to prove you are the owner of the *equipment*.
- **Geographical Area:** The theft, loss or *accidental damage* must occur either within New Zealand and its Territories or, for mobile *equipment* only, outside that area during a return journey of not more than 28 consecutive days. Please contact Protecsure if you wish to extend this period beyond 28 days by payment of additional premium.
- **Transit:** For cover during transit, other than when the *equipment* personally accompanies you, the *equipment* must be stored in an appropriate container that is designed to prevent damage to the *equipment* during transit.
- **Notification:** You must notify Protecsure within 14 days of the theft, loss or *accidental damage* occurring. Protecsure may extend this time where it is satisfied that notice is given at the earliest possible opportunity. Theft or malicious damage to the *equipment* must also be promptly reported to the police and the report number given to Protecsure.
- **Co-operation:** You must provide Protecsure with all documents, information and assistance it requires to be able to process the claim. You must also take reasonable action to minimise the damage. Damaged *equipment* and parts must be kept and made available to Protecsure on request.
- **Effect of Cancellation notice:** A claim may not be made for theft, loss or *accidental damage* to the *equipment* that occurs after you give notice of cancellation of this insurance.
- **Delivery to Repairer:** Damaged *equipment* must be promptly delivered to the repairer approved by Protecsure. Details of the supplier and their address will be provided by Protecsure in the event of a claim under this policy.
- **Exclusions:** An exclusion under this policy does not apply, and you must not have breached a term or condition of this policy.
- **Use of Equipment:** The *equipment* must be used and maintained according to the manufacturer's recommendations so that any manufacturer's warranty will not be voided.

EXCLUSIONS

Cover will not be available if the theft, loss or accidental damage to the equipment occurs:

- After the period of insurance;
- Due to mysterious disappearance or shortage disclosed by taking inventory, or other unexplained disappearance;
- When the equipment is being delivered to a repairer not authorised by Protecsure, or when someone is returning the equipment to you from a repairer not authorised by Protecsure;
- While the equipment is made available to a person or entity other than the insured or:-
 - an immediate family member of the insured as long as equipment is not being used for commercial purposes; or
 - an immediate family member of the insured as long as equipment is not being used in any educational facility; or
 - a repairer authorised by Protecsure following any theft, loss or accidental damage to equipment covered by this policy.
- Equipment whilst on hire to a third party is not covered by this policy unless this extension of cover is shown to apply in your Insurance Certificate and Tax Invoice.
- On an aircraft, unless the equipment accompanies you as cabin baggage, except where airport authorities or an airline as a condition of travel require the equipment to be placed in the hold of an aircraft; and the theft of, loss of, or accidental damage, is recoverable from an airline.

Cover will not be available:

- In the case of theft, if the theft is caused by you, a member of your family or your employee or if you have assisted in or condoned the theft in any way;
- For theft from an unlocked vehicle;
- For replacement of batteries or parts worn by use or gradual deterioration;
- For wear, tear, fading, scratching, marring, gradual deterioration or developing flaws, normal upkeep or making good;
- For theft of, loss of, or accidental damage to the equipment or any cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or in connection with any act of terrorism, or from nuclear fallout, regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- For theft of, loss of, or accidental damage directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel or nuclear weapons materials. For the purpose of this exclusion only, "combustion" shall include any self-sustaining process of nuclear fission;
- For loss of data, or loss of software that is not a standard manufacturer installed operating system, or for loss of extended warranty or other optional extras not included on the Insurance Certificate and Tax Invoice;
- For theft of, loss of, or accidental damage directly or indirectly occasioned by or happening through or connected with war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- For theft of, loss of, or accidental damage resulting from confiscation, nationalisation, requisition or damage to property by or under the order of any Government or Public or Local Authority;
- For loss of, or accidental damage to the equipment or any cost or expense of whatsoever nature directly or indirectly caused by inappropriate storage, screen bruising by hand, servicing, breakdown, malfunction, design fault or electrical supply other than a power surge;
- For damage caused by environmental or climatic conditions or any variations in temperature;
- For damage caused by the application of heat to equipment or damage caused by corrosion, contamination, pollution, rust, inherent defects in equipment, vermin, undomesticated animals, insects or spiders;
- For loss of, or accidental damage to the equipment caused by data processing or media failure;
- For loss of, theft of, or accidental damage to the equipment while located underground, located at a petrochemical plant or located on any offshore oil and/or gas drilling and/or production rig;

- For accidental damage to the equipment caused by or arising out of the use of explosives;
- For accidental damage to equipment in the open air which is not in your actual physical and personal possession when the accidental damage is caused by wind, rainwater, or hail unless such equipment is designed to function in the open air outside a building;
- For consequential loss of any kind.

SETTLEMENT OF CLAIMS

The following conditions apply to settlement of a claim, or series of claims, from any one event:

Excess: Is the amount you agree to pay Protecsure or the Insurer for making a claim. Alternatively, Protecsure or the Insurer may at their discretion request the excess is paid in full or reduce the value of the claim by deducting the excess sum from the settlement sum.

Settlement for theft or loss: The Insurer will pay for a replacement product where a claim is accepted for total loss of the equipment and you pay the excess, unless Protecsure determines to settle the claim by a cash payment.

Settlement for damage: The Insurer will pay for repair of the equipment by a repairer approved by Protecsure where a claim for accidental damage to the equipment is accepted and you pay the excess.

Damage treated as total loss: Protecsure may determine to treat damage to the equipment as a total loss in which event the Insurer will pay for a replacement product unless Protecsure determines to settle the claim by a cash payment.

Repairs: Repair of the equipment will include reasonable freight costs to and from the nominated repairer, but will not include work authorised by you. A repair may include the use of new or remanufactured parts.

Cash payments: A cash payment in settlement of a claim will only be paid where further repair or replacement of equipment would exceed the sum insured of the equipment stated on the Insurance Certificate and Tax Invoice less the excess, or if Protecsure determines to settle the claim in this way. The cash payment will be the lower of the sum insured or the cost of a replacement product. All payments will either be made by direct deposit into your nominated account or by cheque and are payable in NZ dollars.

Claims Contracting: In settling a claim the Insurer, or Protecsure as its agent, will contract with the supplier of its choice (unless otherwise agreed) for repair or replacement of the equipment, entitling the Insurer to the input tax credit on the supply.

GST: The Sum(s) Insured stated in the tax invoice exclude GST and provided any GST is recoverable by the Insurer GST will be added to claim payments.

Salvage: The Insurer has all salvage rights to replaced equipment or parts.

GENERAL CONDITIONS

Jurisdiction: New Zealand law governs this contract and all proceedings must be commenced in New Zealand. New Zealand courts shall have non-exclusive jurisdiction to determine any claims.

Economic and Trade Sanctions: The Insurer will not provide cover, and will not be liable to pay any claim or provide any benefit to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of New Zealand, Australia, the European Union, United Kingdom or United States of America.

Assignment: Your interest in this policy cannot be assigned. The Insurer may assign its interest.

Subrogation: You must do all things reasonably required by the Insurer or Protecsure so that the Insurer will have the benefit of all rights of subrogation such as enforcing any right in your name. If the Insurer makes any recovery as a result of such action, you may only recover from the Insurer any amount by which the amount recovered by the Insurer exceeds the amount paid to you or on your behalf in relation to the loss.

Notices: All notices to be given to the Insurer may be given to Protecsure. Notices given by the Insurer may be given by Protecsure. You should promptly notify Protecsure of a change of your address.

Reasonable care: You must take reasonable care to protect the equipment from accidental damage, theft or loss.

Headings: Headings are not to be considered in interpretation of this contract.

DEFINITIONS

In this contract:

Accidental damage means physical damage which occurs as a result of a sudden, unforeseen and unexpected event. The event must arise from a single identifiable incident.

Business days are considered every official working day of the week and excludes public holidays (as established by law), Saturdays and Sundays.

Equipment means the *equipment* described in the Insurance Certificate and Tax Invoice, and replacement *equipment* as allowed for under the Replacement Equipment section of this policy. *Equipment* includes standard manufacturer installed operating systems and identified accessories.

GST means Goods and Services Tax imposed by the Goods and Services Tax Act 1985 (NZ).

Loss means the accidental or inadvertent misplacing, mislaying or disposition of the *equipment* by you.

Replacement product means a product, which may be a new or remanufactured item, having similar capability, functionality and appearance as the item of *equipment* being replaced prior to its damage, theft or loss.

Terrorism has its generally accepted meaning, and includes, but is not limited to, war, hostilities, invasion, the use of force or violence on, or the threat of force or violence to, a person or group or class of persons, or to property, by one or more persons claiming to be connected with any group, organisation or government, or to be committed to a cause whether political, religious, ideological or similar purposes, including an intention to influence a government, or invoke fear.

Total Loss means the *equipment* has been damaged beyond economical repair or has been stolen.

You or **your** refers to the insured named in the Insurance Certificate and Tax Invoice.

General Product Information

This General Product Information (GPI) is designed to help you understand what you need to know about the Equipment Insurance Policy so that you can make an informed choice about whether to acquire this product. Full details of the insurance cover, the exclusions from cover and the terms and conditions on which the insurance is provided, are set out in the policy wording.

WHO ARRANGES AND INSURES THE POLICY?

Protecsure Pty Ltd (incorporated in Australia) NZBN: 9429030878495, NZ 3661771 has a binding authority from the Insurer Chubb Insurance Company of Australia Ltd (incorporated in Australia) NZBN: 942904119279 NZ 5138161 to provide *equipment* insurance and manage claims. Protecsure acts as the agent of the Insurer, not as your agent. Any *equipment* insurance arranged for you will be provided under a policy issued by Chubb. Please contact Protecsure if you have any questions about your policy.

Protecsure Pty Ltd (incorporated in Australia)

ABN 26 094 997 163 AFSL 238815

Level 2, 151 Castlereagh Street, Sydney NSW 2000

Web: www.protecsure.co.nz | Email: info@protecsure.co.nz

Ph: (612) 8251 6666 | Fax: (612) 8088 7775

NZBN: 9429030878495 NZ 3661771

Principal place of business in NZ - DLA Phillips Fox, Level 5, Tower Centre, 50-64 Customhouse Quay, Wellington, 6001, New Zealand

Chubb Insurance Company of Australia Ltd

(incorporated in Australia)

NZBN: 942904119279 NZ 5138161

Principal place of business in NZ

Level 20, 88 Shortland St, Auckland, 1140, New Zealand Ph: 0800519037

FAIR INSURANCE CODE

Both Protecsure and Chubb abide by the Fair Insurance Code for New Zealand and, in relation to their activities in Australia, the General Insurance Code of Practice of Australia. For more information see www.icnz.org.nz. If you are in New Zealand, the Fair Insurance Code will apply and you will not generally have the benefit of the protections of the General Insurance Code of Practice of Australia.

PRIVACY STATEMENT

We and our service providers will comply with the provisions of the Privacy Act 1993. Our Privacy Policy can be found on our website (www.protecsure.co.nz).

COMPLAINTS AND DISPUTES ABOUT OUR SERVICES

Should you have a complaint about any financial product or service provided under this insurance policy you can raise your concern with Protecsure or Chubb. A complaint may be made to Protecsure or Chubb by any reasonable means including by phone, email, fax, in writing or in person. In accordance with the Fair Insurance Code, Protecsure or Chubb will:

- let you know that it has received your complaint within 3 business days;
- make sure your complaint is fully investigated as soon as possible by someone not involved in the original decision;
- give you the name and contact details of the person handling your complaint;
- send you written advice about the progress or outcome of the complaint within 10 business days of receiving your complaint; and
- tell you within 2 months if unable to resolve your complaint.

REFERRAL TO INSURANCE AND SAVINGS OMBUDSMAN SCHEME

If your complaint is not satisfactorily resolved or answered within 45 business days, you may refer the matter to the ISO Scheme. The ISO Scheme is an independent operator of the External Dispute Resolution scheme of which Protecsure is a member. The ISO Scheme is a free service and you may contact them directly at:

Address: PO Box 10-845 Wellington, New Zealand 6143

Ph: 0800 888 202 (within NZ) | Fax: +04 499 7614

Email: info@iombudsman.org.nz | Web: www.iombudsman.org.nz

INSURER FINANCIAL STRENGTH

Chubb Insurance Company of Australia Limited (Chubb) has been given an AA- Rating by Standard & Poor's (Australia) Pty. Chubb has been given a Property & Casualty Financial Strength A++ (Superior) rating by A.M. Best Company Inc.; and Chubb has been given an AA (Very Strong) rating by Fitch.

Ratings may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. See Chubb's ratings within the respective rating scale:

Ratings	Standard & Poor's Rating Scale	AM Best Rating Scale	Fitch Rating Scale
AAA	Extremely Strong	N/A	Exceptionally Strong
AA	Chubb AA- Very Strong	N/A	Chubb AA Very Strong
A++, A+	N/A	Chubb A++ Superior	N/A
A, A-	Strong	Excellent	Strong
BBB	Good	N/A	Good
BB	Marginal	Marginal	Moderately Weak
B++, B+	N/A	Good	N/A
B, B-	Weak	Fair	Weak
CCC	Very Weak	N/A	Very Weak
CC	Extremely Weak	N/A	Extremely Weak
C++, C+	N/A	Marginal	N/A
C, C-	N/A	Weak	Distressed
D	N/A	Poor	N/A
E	N/A	Under Regulatory Supervision	N/A
F	N/A	In Liquidation	N/A

R	Regulatory Action	N/A	N/A
S	N/A	Suspended	N/A

Financial strength ratings may be changed at any time. Refer to the rating agency's websites at www.standardandpoors.com; <http://www3.ambest.com/ratings/default.asp>; or <https://www.fitchratings.com/web/en/dynamic/fitch-home.jsp> to confirm Chubb's latest rating.

OVERSEAS POLICYHOLDER PREFERENCE

An overseas policyholder preference applies to Chubb Insurance Company of Australia Limited. Under Australian law, if Chubb is wound up, its assets in Australia must be applied to its Australian liabilities before they can be applied to overseas liabilities. To this extent, New Zealand policyholders may not be able to rely on Chubb's assets to satisfy New Zealand liabilities.

WHAT THE POLICY INSURES

During the period of insurance, the policy insures against theft of, loss of, or accidental damage to the *equipment* (including standard manufacturer-installed operating systems and accessories).

Cover applies to the *equipment* within New Zealand and its Territories, or on return journeys outside that area of not more than 28 consecutive days. Please refer to the terms, conditions and exclusions of the insurance as outlined in the Policy Wording below.

COST OF THE INSURANCE

The cost of the insurance (premium) will be shown in the Insurance Certificate and Tax Invoice. It will depend on various factors including the type of *equipment*, the value of the *equipment*, the geographic area in which the *equipment* will be used, the amount of the excess, your claims history, and the term of the insurance.

The premium also includes amounts that take into account Protecsure's and Chubb's obligation to pay any relevant compulsory government charges, taxes or levies in relation to your policy (including goods and services tax (GST) chargeable under the Goods and Services Tax Act 1985 (GST Act)). These amounts will be set out separately in the Insurance Certificate and Tax Invoice as part of the total premium payable.

For the purposes of the GST Act, the services provided are treated as being supplied to you in New Zealand. If you are a registered person under the GST Act receiving our services for the purposes of carrying on your taxable activity, we agree with you that subsection 8(4) of the GST Act will not apply to treat the services as being supplied outside New Zealand.

EXCESS

You may be able to nominate the excess or the Insurer will decide which excess will apply based on an assessment of the risk. Your excess will be stated on the Insurance Certificate and Tax Invoice and must be paid each time a claim is accepted and before the claim is finalised.

BENEFITS OF THE INSURANCE

Benefits of the insurance are contained within the "Insurer's Liability" and the "Insurer's Maximum Liability" sections of the Policy Wording.

DUTY OF DISCLOSURE

Before you enter into a general insurance contract, you have a legal duty to disclose to Protecsure and the Insurer every matter that you know, or could reasonably be expected to know, that is relevant to the Insurer's decision whether to insure you and if so, upon what terms and how much it will cost. Your duty of disclosure continues from the time you complete your application, until commencement of the policy or when the Insurer declines the application, whichever is the latter.

You have the same duty of disclosure before we extend, vary or reinstate the insurance. This duty of disclosure does not require disclosure of any matter that:

- Reduces the risk to the Insurer;
- Is of common knowledge;
- The Insurer knows, or in the ordinary course of its business, ought to know; or
- Where compliance with this duty is waived by the Insurer.

If you fail to comply with this duty of disclosure, the Insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract, decline any claim that you make, and/or

- retain all premiums paid and recover any benefits paid; and/or
- alter the terms of any benefits under the policy; and/or
- remove any benefits under the policy; and/or
- void your insurance from inception.

If your non-disclosure is fraudulent, the Insurer may be entitled to cancel the contract from its beginning.