



Updates to Vero Business Plan policy – effective from 01 July 2024

We've updated the BusinessPlan insurance policy. In some instances, cover has been altered. Other changes are focused on providing more clarity in the event of a claim. These changes will come into effect for policies that renew on or after 01 July 2024. Please read your new policy wordings in full to see the detail of the changes below.

Section	Previous cover	Page	New cover	Page
Front cover	Effective December 2022		Effective July 2024	1
General conditions - Sanctions	<p>15. Sanctions This policy will not provide cover, nor will we be liable to pay any claim or provide any benefit hereunder, to the extent that the provision of such cover, payment of such claim or provision of such benefit is prohibited by any sanction, prohibition or restriction under the laws or regulations of any jurisdiction applicable to <i>us</i> or <i>our</i> parent company or its ultimate controlling entity.</p>	6	<p>15. Sanctions This policy will not provide cover, service, or benefit, or pay anything in connection with your policy, including any premium refund, if doing so may breach or risk exposure to any of the following:</p> <ol style="list-style-type: none"> Penalties, sanctions, prohibitions, proscriptions, preventions, or restrictions under United Nations resolutions. Sanctions, proscriptions, preventions, laws or regulations of New Zealand, Australia, the United Kingdom, the United States of America, or the European Union. 	6
Additional extensions – Natural Disaster extension MD021	<p>This extension applies to those <i>situations</i>, items and/or categories of <i>insured property</i> that have a <i>natural disaster</i> sum insured shown on the <i>schedule</i>. The word <i>damage</i> extends to include <i>natural disaster damage</i>. Exclusion 6.1 (c) (Natural events and other Processes) is consequently deleted. <i>Our</i> liability in respect of <i>natural disaster damage</i> in any one <i>period of insurance</i> will not exceed the total sum insured for <i>natural disaster</i>, and where more than one <i>situation</i>, item and/or category of <i>insured property</i> is included on the <i>schedule</i> will not exceed in respect of each <i>situation</i>, item and/or category of <i>insured property</i> the applicable <i>natural disaster</i> sum insured. The sum insured adjustment for existing <i>damage</i> provided for in condition 7 (Sum insured adjustment for existing damage) will apply to all sums insured for <i>natural disaster</i>. In respect of each <i>situation</i> at which <i>insured property</i> is located each loss or series of losses arising out of:</p> <ol style="list-style-type: none"> one event; or a series of events arising from one cause during any one period of 72 consecutive hours will be adjusted separately net of salvage and other recoveries. <p>From the adjusted loss within the coverage of the policy and within the sum insured for the <i>situation</i>, item and/or category of <i>insured property</i>, we will deduct any amount payable under the Earthquake Commission Act for the same event and for the same <i>insured property</i>, as cover under the</p>	20	<p>This extension applies to those <i>situations</i>, items and/or categories of <i>insured property</i> that have a <i>natural disaster</i> sum insured shown on the <i>schedule</i>. The word <i>damage</i> extends to include <i>natural disaster damage</i>. Exclusion 6.1 (c) (Natural events and other Processes) is consequently deleted. <i>Our</i> liability in respect of <i>natural disaster damage</i> in any one <i>period of insurance</i> will not exceed the total sum insured for <i>natural disaster</i>, and where more than one <i>situation</i>, item and/or category of <i>insured property</i> is included on the <i>schedule</i> will not exceed in respect of each <i>situation</i>, item and/or category of <i>insured property</i> the applicable <i>natural disaster</i> sum insured. The sum insured adjustment for existing <i>damage</i> provided for in Condition 7 (Sum insured adjustment for existing damage) will apply to all sums insured for <i>natural disaster</i>. In respect of each <i>situation</i> at which <i>insured property</i> is located each loss or series of losses arising out of:</p> <ol style="list-style-type: none"> one event; or a series of events arising from one cause during any one period of 72 consecutive hours will be adjusted separately net of salvage and other recoveries. <p>From the adjusted loss within the coverage of the policy and within the sum insured for the <i>situation</i>, item and/ or category of <i>insured property</i>, we will deduct any amount payable under the Natural Hazards Insurance Act 2023 (the NHI Act) for the same event and for the same <i>insured property</i>,</p>	20

	<p>material damage section will only apply in <i>excess</i> of any amount payable under the Earthquake Commission Act.</p> <p><i>Your natural disaster excess</i> payable for any claim will be reduced by any amount payable under the Earthquake Commission Act for the same event and the same <i>insured property</i>.</p> <p><i>Your natural disaster excess</i> will apply to the combined total of all <i>natural disaster</i> claims under the material damage section and the business interruption section arising from any one event at each <i>situation</i>.</p> <p>For the purposes of this extension:</p> <ol style="list-style-type: none"> i. "Earthquake Commission Act" includes the Earthquake Commission Act 1993 and any replacement Act or other statutory scheme providing insurance against <i>natural disaster</i>. ii. the amount payable under the Earthquake Commission Act (as defined in this extension) is deemed to include the amount of any <i>excess</i> imposed by the Earthquake Commission Act. 		<p>as cover under the material damage section will only apply in <i>excess</i> of any amount payable under the NHI Act.</p> <p><i>Your natural disaster excess</i> payable for any claim will be reduced by any amount payable under the NHI Act for the same event and the same <i>insured property</i>.</p> <p><i>Your natural disaster excess</i> will apply to the combined total of all <i>natural disaster</i> claims under the material damage section and the business interruption section arising from any one event at each <i>situation</i>.</p> <p>For the purposes of this extension:</p> <ol style="list-style-type: none"> a. "NHI Act" includes the Natural Hazards Insurance Act 2023 and any replacement Act or other statutory scheme providing insurance against natural hazard. <p>Natural hazard (under the NHI Act) means:</p> <ol style="list-style-type: none"> (i) Each of the following is a natural hazard: <ul style="list-style-type: none"> • an earthquake • hydrothermal activity • a landslide/landslip • a tsunami • volcanic activity • a flood • a storm • a natural hazard fire (ii) However, the normal action of the wind or water causing gradual erosion (including, for example, coastal erosion, bank erosion, and sheet erosion) is not a natural hazard. <ol style="list-style-type: none"> b. we will not be liable for imminent damage as determined by Toka Tu Ake Natural Hazards Commission (NHC) under the NHI Act. <p>Imminent damage (under the NHI Act) means: any physical loss or damage to a residential building or residential land that has not yet occurred if:</p> <ol style="list-style-type: none"> (i) a natural hazard has occurred ('the initial event') and NHC is of the opinion that, as a direct result of 'the initial event' and (ii) NHC is of the opinion that, as a direct result of the 'initial event', the loss or damage more likely than not to occur within 12 months after 'the initial event' first occurred. <ol style="list-style-type: none"> c. the amount payable under the NHI Act (as defined in this extension) is deemed to include the amount of any <i>excess</i> imposed by the NHI Act. 	
Residential multi unit MD698 - 11. Reservoirs, tunnels and bridges	<p>11. Reservoirs, Tunnels and Bridges</p> <p>We will cover you for damage to reservoirs, tunnels and/or bridges that are located on any site occupied by you and noted on the policy schedule.</p> <p>Our liability under this extension is limited to \$100,000 for any one event.</p>	25 & 26	<p>11. Reservoirs, tunnels and bridges</p> <p><i>We</i> will cover you for damage to reservoirs, tunnels and/or bridges that are located on any site occupied by <i>you</i> and noted on the policy <i>schedule</i>.</p> <p>The maximum amount that we will pay is \$100,000 in total for any one event.</p>	25 & 26
Residential multi unit MD698 -	<p>2. Automatic extension 11. Gradual damage</p> <p><i>Our</i> liability under this extension is now limited to \$5,000 for any one event and \$20,000 in any one <i>period of insurance</i>.</p>	26	<p>2. Automatic extension 10. Gradual damage</p> <p><i>Our</i> liability under this extension is limited to \$5,000 for any one event and \$20,000 in any one <i>period of insurance</i>.</p>	26

	<p>3. Automatic extension 16. Money <i>Our liability for Money B under this extension is limited to \$2,000 for any one event.</i> Cover under this extension only applies to <i>money</i> owned by the Body Corporate. <i>Money</i> owned by any individual <i>unit</i> owner is not covered.</p> <p>4. Automatic extension 29. Stolen keys <i>Our liability under this extension is limited to \$10,000 for any one event.</i></p> <p>5. Automatic extension 33. Transit <i>Our liability under this extension is limited to \$10,000 for any one event.</i> Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual <i>unit</i> owner is not covered.</p> <p>6. MD027 Refrigerated Goods This extension is now deemed to be an automatic extension under the policy. <i>Our liability under this extension is now limited to \$2,000.</i> Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual <i>unit</i> owner is not covered.</p>		<p>3. Automatic extension 14. Money <i>Our liability for Money B under this extension is limited to \$2,000 for any one event.</i> Cover under this extension only applies to <i>money</i> owned by the Body Corporate. <i>Money</i> owned by any individual <i>unit</i> owner is not covered.</p> <p>4. Automatic extension 27. Stolen keys <i>Our liability under this extension is limited to \$10,000 for any one event.</i></p> <p>5. Automatic extension 31. Transit <i>Our liability under this extension is limited to \$10,000 for any one event.</i> Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual <i>unit</i> owner is not covered.</p> <p>Amendments to existing Material Damage Optional extensions</p> <p>1. Optional extension MD027 Refrigerated Goods This extension is now deemed to be an automatic extension under the policy. <i>Our liability under this extension is limited to \$2,000.</i> Cover under this extension only applies to property owned by the Body Corporate. Property owned by any individual <i>unit</i> owner is not covered.</p>	
CMV – Part 1 – Loss to the insured vehicle - Basis of settlement	<p>Basis of settlement Unless otherwise specified in Part 1 or in any endorsement or extension the limit of our liability is as follows: Market value / sum insured We will pay the lesser of the market value of the insured vehicle or the sum insured shown in the vehicle schedule.</p>	39	<p>Basis of settlement Unless otherwise specified in Part 1 or in any endorsement or extension the limit of <i>our</i> liability is as follows: Market value We will pay the <i>market value</i> of the <i>insured vehicle</i>.</p>	39
CMV – Applicable to part 1 – Incorrect Fuel	Nil		<p>9. Incorrect Fuel Notwithstanding policy exclusion 1. (Breakdown), we will cover accidental loss to the insured vehicle directly caused by it being accidentally operated with the incorrect fuel type (diesel in a petrol engine or petrol in a diesel engine only). Our liability will not exceed the sum insured of the insured vehicle on the schedule for any one claim. Cover is also extended for accidental loss to the insured vehicle directly caused by it being accidentally operated with contaminated fuel tank/engine. This cover is limited to \$15,000 any one claim.</p>	41
Broadform Liability Defective Workmanship PLB 554	<p>Defective workmanship PLB554 We will cover <i>you</i> for <i>your</i> legal liability to pay direct compensation (including liability for resulting loss of use) consequent upon <i>accidental damage</i> to property on which <i>you</i> are or have been working, where the <i>damage</i> is caused by <i>your</i> defective workmanship, providing that: (a) the defective workmanship is done or undertaken by any of the <i>persons insured</i> during the <i>period of insurance</i>; and (b) the <i>damage</i> to property happens within the <i>geographical limits</i>. Exclusions 4 (Defective work) and 12 (Product repair or replacement) do not apply to this extension.</p>	61	<p>Defective workmanship PLB554 We will cover <i>you</i> for <i>your</i> legal liability to pay direct compensation (including liability for resulting loss of use) consequent upon <i>accidental damage</i> to property on which <i>you</i> are or have been working, where the <i>damage</i> is caused by <i>your</i> defective workmanship, providing that: (a) the defective workmanship is done or undertaken by any of the <i>persons insured</i> during the <i>period of insurance</i>; and (b) the <i>damage</i> to property happens within the <i>geographical limits</i>. Exclusions 4 (Defective work) and 12 (Product repair or replacement) do not apply to this extension.</p>	61

	<p>We will also cover <i>you</i> under this extension for <i>your</i> legal liability that would have been covered by automatic extensions 9 (Innkeepers Act) and 11 (Lost keys and access control devices) of this Broadform liability section but for the exclusion from cover for <i>your</i> legal liability to pay the cost of performing, completing, correcting or improving any work done or undertaken or rectifying defective work, providing that all requirements for cover under this extension are also met and <i>your</i> liability would have been covered under this extension but for exclusion 14 (Property in care, custody or control).</p> <p>...</p>	<p>We will also cover <i>you</i> under this extension for <i>your</i> legal liability that would have been covered by automatic extensions 13 (Motor and watercraft repair) and 15 (Property in care, custody or control) of this Broadform liability section but for the exclusion from cover for <i>your</i> legal liability to pay the cost of performing, completing, correcting or improving any work done or undertaken or rectifying defective work, providing that all requirements for cover under this extension are also met and <i>your</i> liability would have been covered under this extension but for exclusion 14 (Property in care, custody or control).</p> <p>...</p>	
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