

NZI MARINE BUILDING TRANSIT INSURANCE POLICY



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.

WHAT YOU ARE INSURED FOR

ACCIDENTAL LOSS **You** are insured for **accidental loss** to the **building** occurring during **transit** within **New Zealand** by road or sea on a purpose built transporter by licensed road transport operator(s) and/or surveyed watercraft caused by an external and physical event.

ADDITIONAL EXTENSIONS

The cover under the following Additional Benefits is in addition to the Maximum Payable under the Basis of Settlement below.

DESTRUCTION / DISPOSAL / REMOVAL **You** are insured for the reasonable costs **you** incur to destroy, dispose of or remove the **building** damaged as a result of an event giving rise to a claim covered under this policy. The most **we** will pay is NZ\$10,000, unless a higher amount is specified in the **schedule**. **You** are not insured under this extension for:

1. any liability, or
2. any cost or expense arising in respect of pollution, contamination or pollution clean up, or
3. any fines or penalties.

EXPEDITING EXPENSES **You** are insured for the airfreight and incidental costs of expediting the:

1. repair, and/or
2. replacement,

of the damaged **building** covered under this policy.
The most **we** will pay is NZ\$5,000.

LIABILITY **You** are insured for any payments **you** are legally liable to make in connection with the **building** during the **transit**:

1. for general average and salvage charges where:
 - (a) the contract of carriage, or
 - (b) governing law and practice,
 make **you** liable for such payments, and
2. for **your** proportion of liability under the contract of carriage 'Both to Blame Collision' Clause. Where this applies we will also indemnify you for legal costs and expenses reasonably and properly incurred by you in defending the liability.

NATURAL DISASTER **You** are insured for the difference between the Earthquake Commission Cover (EQCover) and the actual cost of reinstatement for **natural disaster damage** that occurs to the **building**, provided:

- (a) payment shall not include the amount of any excess applicable to the EQCover, and
- (b) the combined total of any payments by EQCover, and by this extension shall not be more than the sum insured shown in the **schedule**.

Payment shall not apply if, for any reason, the EQCover is not paid or payable by the Earthquake Commission.
This extension applies only between the time when the **transit** commences and terminates and is solely within **New Zealand**.

BASIS OF SETTLEMENT

METHOD OF INDEMNITY

Repairable Damage

If **we** consider the **building** is economic to repair, **we** will at **our** option:

1. repair the **building** to substantially the same condition it was in prior to the **loss**, using currently available construction materials and construction methods, or
2. pay **you** the cost of repairs as agreed by **our** assessor.

Uneconomic to Repair

If **we** consider the **building** is uneconomic to repair **we** will pay **you** the market value of the **building**, up to the sum insured.

MAXIMUM PAYABLE

The most **we** will pay is the sum insured listed in the **schedule**.

SETTLEMENT OF ANY CLAIM

All sums insured are in New Zealand dollars and are GST exclusive unless otherwise specified in the **schedule**.

EXCLUSIONS

LOSSES NOT INSURED

This policy does not insure:

1. any of the following types of damage to the **building**:
 - 1.1 slowly developing deformation or distortion,
 - 1.2 marring, scratching, denting, chipping, grazing, racking or breakage to the building, unless caused by the collision or overturning of the carrying conveyance,
 - 1.3 gradual deterioration,
 - 1.4 rot or mildew,
 - 1.5 dampness, normal wetting or weathering.
2. **loss** caused by any of the following:
 - 2.1 action of micro-organisms,
 - 2.2 corrosion, action of light, or inherent nature of the property,
 - 2.3 wear and tear,
 - 2.4 water entering through unprotected openings (whether temporary or permanent) in the **building**,
 - 2.5 cancellation or frustration of the voyage.
3. **loss** or liability arising from **your** wilful misconduct.
4. theft, other than theft of the entire **building** or theft following forcible and violent entry to or exit from the **building**, or theft accompanied by force or threat of violence to any person involved with the **transit** of the building.

COSTS NOT INSURED

This policy does not insure:

1. the cost of:
 - 1.1 repairing or replacing faulty materials, or
 - 1.2 fixing faulty workmanship, or
 - 1.3 fixing faulty manufacture.
2. the additional costs or expenses required to match the existing appearance of the **building** over and above the actual cost of repairing the **loss** using currently available standard manufactured materials and methods.

CONSEQUENTIAL LOSS

This policy does not insure any kind of consequential loss (e.g. *financial loss that occurs as a result of the loss of insured property*), including the following:

1. penalties, or
2. loss of use of any property, or
3. delays, or
4. loss of market.

WAR RISKS

You are not insured for **loss** to, or liability in respect of the **building** in connection with:

1. war, civil war, revolution, rebellion, insurrection, or civil strife arising there from or any hostile act by or against a belligerent power, capture, seizure, arrest, restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat, derelict mines, torpedoes, bombs or other derelict weapons of war while the **building** is on the land,
2. an **act of terrorism** or a person acting on a political motive.

NUCLEAR RISKS

You are not insured for **loss**, liability or expense directly or indirectly caused by or contributed to by or arising from:

1. ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

CHEMICAL AND ELECTROMAGNETIC RISKS

You are not insured for **loss**, liability or expense directly or indirectly caused by or contributed to by or arising from any chemical, biological, bio-chemical, or electromagnetic weapon.

EXCESS

For each event, the excess amount in the schedule will be deducted from the amount of your claim.

MANAGING YOUR CLAIM

NOTIFICATION OF CLAIM

As soon as **you** are aware of any **loss** or liability that is likely to result in a claim under any section of this policy **you** or **your** agent must:

- (a) notify **us** immediately or give notice of the **loss** to, and obtain a Survey Report from, **our** survey representative at the port of discharge or destination or, if **we** do not have a representative, to the nearest Lloyd's Agent.
- (b) take prompt steps to minimise and avoid any further **loss** or liability,
- (c) take reasonable steps to obtain details of any other person, property or vehicle involved, and any witnesses.

WHAT YOU MUST NOT DO

You must not:

- (a) dispose of any property that **you** intend to make a claim on under this policy,
- (b) start any repairs without **our** permission unless it is necessary to prevent further **loss** or liability,
- (c) admit responsibility for any liability,
- (d) say or do anything that may prejudice **our** ability to defend any claim made against **you** or make recovery for the **loss** from any other person who may be responsible for it.

GOVERNING LAW AND JURISDICTION

The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.

GENERAL CONDITIONS

COMPLIANCE

You must comply with all the terms of this policy before **we** will pay any claim.

AVOIDANCE OF DELAY

You must act with reasonable despatch in all circumstances within **your** control. **You** must examine the **building** for any **loss** as soon as possible after completion of the **transit**.

BENEFITS OF INSURANCE

This insurance shall not apply for the benefit of the carrier or other bailee.

CONSTRUCTIVE TOTAL LOSS

No claim for constructive total **loss** shall be recoverable unless the **building** is reasonably abandoned either on account its actual total **loss** appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding it to the intended destination would exceed its value on arrival.

DEFINITIONS

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

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

accident	An event that is sudden, unintended and unexpected by you .
act of terrorism	Includes any unlawful act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division therefore, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that: <ul style="list-style-type: none"> (a) involves violence against one or more persons, or (b) involves damage to property, or (c) endangers life other than that of the person committing the action, or (d) creates a risk to health or safety of public or section of the public, or (e) is designed to interfere with or disrupt an electronic system.
building	The building identified in the schedule prepared for transit including permanent fixtures and fittings to the building (such as permanently wired and attached building alarm systems, kitchen and other permanently attached and/or plumbed appliances, carpets or floor coverings permanently glued to the floor, but not including fixtures and fittings that are not permanently attached or any other contents).
loss	Physical loss or physical damage.
natural disaster damage	Damage that results directly from: <ul style="list-style-type: none"> (a) earthquake, subterranean fire, volcanic eruption, tsunami, geothermal activity, or fire caused by any of these, or (b) measures taken under proper authority, following an event listed in (a) to: <ul style="list-style-type: none"> (i) avoid its spreading, or (ii) reduce its consequences.
New Zealand	The North and South Islands of New Zealand including offshore islands located not more than fifty nautical miles from the coastlines of the North and South Islands.
schedule	The Schedule we issued for this policy.
transit	Cover commences when the building is lifted from its storage location onto the transporter and continues during the ordinary course of the carriage to the named destination in the schedule and ceases as soon as the unloading of the building , whether to temporary or permanent foundations, has occurred, or if not unloaded ceases 24-hours after arrival at the named destination in the schedule .
we	NZI, a business division of IAG New Zealand Limited. <i>We may also use the words 'us', 'our' or 'company' to describe NZI.</i>
you	the person(s) shown as the Insured in the schedule. <i>We may also use the word 'insured' to describe you.</i>



Form #: NZ2170/2
Wording #: CVBNZM1
Issued: JUNE 2008

NZI MARINE BUILDING TRANSIT 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.

This policy document is subject to copyright.

This www.nzi.co.nz

NZI Marine, a business division of IAG New Zealand Limited, has relationships with brokers and other insurance intermediaries who issue our policies. IAG New Zealand Limited pays remuneration to brokers and insurance intermediaries when they issue NZI Marine policies, and when these policies are renewed or varied.