

Important changes to your insurance policy



Changes that apply to all policies

The following changes will apply to your policy from the date of your upcoming renewal.

We're adding a Communicable Disease exclusion to your policy

We're adding a *Communicable Disease* exclusion to your policy, which will affect a claim or portion of a claim that is related to communicable disease. This includes diseases that are infectious or quarantinable, like coronaviruses or measles. For examples of how it may apply at claim time please visit vero.co.nz/exclusionfaqs.

We are making this change due to reduced reinsurance cover being available to us. Reinsurance ensures that insurers can provide cover if there's a large event like an earthquake or a major flood. Globally, in response to the financial impact of the COVID-19 pandemic, reinsurers have reduced the cover they provide. Because of this, we need to change the insurance we provide to ensure we can continue to be there for you to pay claims sustainably long term.

If the exclusion applies to your claim, your claims consultant will discuss it with you. We remain committed to supporting customers in the event of any claim.

How this exclusion applies to your policy

- If you have a Home, Contents, or MotorPlan policy, you can review the exclusion within your policy wording at vero.co.nz/policywordings.
- If you have a Pleasurecraft policy, the exclusion that applies is below.

Communicable Disease Exclusion – Pleasurecraft Endorsement

The following exclusion applies to your Vero Pleasurecraft policy:

Notwithstanding any provision to the contrary within your insurance contract or any endorsement, this insurance excludes any loss, damage, interruption, legal liability, claim, cost, expense or other sum of whatsoever nature (including any increased or additional costs or expenses of a claim to which this exclusion does not otherwise apply) directly or indirectly arising out of, contributed to, by, or in connection with:

- i. Communicable Disease; or
- ii. Fear or threat (whether actual or perceived) of Communicable Disease; or
- iii. Actions taken by any person, entity or public authority to respond to, control, prevent or suppress Communicable Disease;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

In this exclusion, 'Communicable Disease' means:

- i. Any disease (whether human, animal, plant or otherwise) which can be transmitted directly or indirectly from any organism to another organism by means of any substance or agent (including without limitation any virus, bacterium, parasite or other organism or any variation thereof, whether living or not); or
- ii. Any Infectious Disease or Quarantinable Disease as defined in or declared under the Health Act 1956.

A reference to the Health Act 1956 includes any amendment, replacement or successor legislation. A reference to Infectious Disease or Quarantinable Disease shall have the meaning found in any replacement definition or of any equivalent or substantially similar term defined in or declared under any amendment, replacement or successor legislation.

How we treat your premium if you have a total loss claim

Previously if you had a total loss or a constructive total loss, we asked you to pay the full year's premium before we settled your claim. Now, you'll only need to pay premium up to the date of the loss.

- For customers paying by instalment this means we won't deduct unpaid premium for the period of insurance after the date of loss.
- For customers paying annually this means we'll refund any unused premium for the period of insurance after the date of loss. If you are paying your premium via your broker, we'll pass the refund to your broker to return to you.

For MotorPlan and Pleasurecraft policies only:

- We will now refund any unused premium either back to you, or to your insurance broker or adviser to return to you, instead of applying the Premium credit benefit. The Premium credit previously only applied in certain circumstances, so our change has made it consistent for all our customers.

Important changes to your insurance policy



Changes that apply to Home, Contents and MotorPlan policies

If you have a Home, Contents, or MotorPlan policy, the following changes will apply to your policy from the date of your upcoming renewal.

We've made your policy wordings easier to read

It's important you understand what you are and are not covered for. To help, we've made your Home, Contents and MotorPlan policy wordings easier to read. The policy wordings have achieved the WriteMark, a quality mark awarded to documents that achieve a high standard of plain language.

As part of this update, we have also made the following changes:

- Extended the time after which cancellation takes effect from 7 days to 14 days.
- Updated our electronic data exclusion and added a cyber acts and incidents exclusion. This is to clarify the cover we offer for loss or damage to property following a cyber event (e.g. a hack or phishing scam).
- **Contents policies only:** clarified the cover we offer for boats with a market value under \$3,000.
- **MotorPlan policies only:** clarified the driver options we offer, and the cover for personal effects in caravans.

Detailed change documentation, including a side-by-side comparison of the new and old wordings, can be found at vero.co.nz/policywordings.

Changes that apply to MotorPlan policies only

If you have a MotorPlan policy, the following optional benefit will be available for you to purchase from the date of your upcoming renewal. Just talk to your adviser, broker or Vero contact to obtain a quote or purchase the cover.

Optional excess-free windscreen and window glass cover is now available

What could this optional benefit mean for you?

Whether it's a chip in your windscreen or smashed window glass, the Excess-free windscreen and window glass optional benefit provides cover for subsequent repairs or replacement. If you choose this optional benefit, you won't have to pay an excess if you need to claim for accidental damage to your vehicle's windscreen or window glass. This optional benefit is available to all customers with Comprehensive Cover, Third Party Fire and Theft Cover and Third Party Cover.

Excess-free windscreen and window glass cover is an optional benefit and you will need to pay an additional premium for it. You may prefer to keep your existing cover, which is summarised below.

- **Comprehensive Cover:** this provides cover for accidental damage to your vehicle's windscreen and window glass. If the damage can be repaired, there is no excess to pay. If your windscreen or window glass needs to be replaced, you will need to pay an excess of \$500.
- **Third Party Fire and Theft Cover:** this provides cover if your vehicle's windscreen or window glass is damaged by fire or theft, or limited cover if your vehicle's windscreen or window glass is accidentally damaged by an uninsured third party and certain requirements are met. You will need to pay your policy excess in the event of a claim.
- **Third Party Cover:** this provides limited cover if your vehicle's windscreen or window glass is accidentally damaged by an uninsured third party and certain requirements are met.

Please refer to your policy wording at vero.co.nz/policywordings for full details of your cover.



If you have any questions about these changes, or about your policy, please talk to your adviser, broker or Vero contact.