

IMPORTANT INFORMATION ABOUT YOUR VERO HOUSE & CONTENTS INSURANCE – VERO INSURANCE

Underinsurance is an ongoing issue in the New Zealand home insurance market. It presents a real risk to customers who may not have sufficient sum insured to rebuild their home in the event of a total loss. In some circumstances partial losses may reach the total sum insured, leaving the customer unable to complete full repairs with their total sum insured payment.

Insurance is about the security it offers when disaster strikes but it is important you check and update the sum insured so you are up to date with the increasing costs of building in New Zealand. Since the Canterbury & Kaikoura earthquakes the building code has been upgraded and specifically the new foundation requirements mean the cost of this alone can be significant.

I would like to take this opportunity to offer a few examples of important details required when making the decision regarding the sum insured:

- Uniquely constructed homes
- Homes with a large floor area
- A home that is likely to be a significant rebuild including demolition and site clearance costs
- Homes that would require special foundations due to the site specific nature of the land being built on slope or soft soils, including those prone to liquefaction.
- Calculating the correct square metres – this needs to include attached garages and the 2nd storey if applicable
- Decks, separate garages/outbuildings should be noted separately including the square metres
- Specified items – swimming pool, spa pool, tennis courts, retaining walls, garden features – these should be noted separately.

Recommendation:

To ensure your **house** is adequately insured should a disaster happen, I recommend you obtain an insurance valuation from a registered valuer or you can do this yourself by visiting www.vero.co.nz and using the online sum insured calculator. The other advantage of providing one of these options is, you will qualify for the SumExtra extension for the next 3 years.

- **Up to 10% more cover for natural disasters**

If your home is damaged or destroyed in a natural disaster (such as an earthquake or tsunami) and the Sum Insured amount isn't enough to pay for repairs or a rebuild, SumExtra kicks in with up to 10% extra.

- **Full repair or replacement cover**

If your home gets damaged or destroyed by any insured event other than a natural disaster, with SumExtra you're covered for the costs to repair or replace your home—even if the cost is more than your Sum Insured amount.

Contents – if you have any items that should be specified please let me know as soon as possible. Below is a schedule for your information the full detail is contained in the policy wordings.

- \$5,000 per item (including any pair or set) of unspecified jewellery or watch, up to a maximum amount for any one claim of 20% of the *sum insured* appearing in the *schedule* (excluding *specified items* of jewellery and watches) or \$15,000 whichever is the greater;
- \$3,000 per item of photographic, digital, and video camera equipment. The camera body and the lens attached to the camera body is one item, unless separately specified in the *schedule*, in which case the specified amount will apply. Any extra lens which is not permanently attached to a camera body or which is designed to be detachable and interchangeable with any suitable camera body is treated as a separate item;
- \$3,000 for any bicycle, unless separately specified in the *schedule*, in which case the specified amount will apply;
- \$3,000 for any canoe, kayak, surf board, surf ski, kite surfer, paddle board, or windsurfer, unless separately specified in the *schedule*, in which case the specified amount will apply;
- \$3,000 for any boat (other than canoe, kayak, surfboard, surf ski, kite surfer, paddle board, or windsurfer). Any boat that has a *market value* of more than \$3,000 is not covered by this policy;
- \$2,500 in total for motor parts and accessories removed from any vehicle, including children's car seats;
- \$2,500 in total for marine parts and accessories removed from any boat;
- \$2,000 in total for remote-controlled scale models;
- \$1,000 per coin, card, or stamp, up to a maximum of \$3,000 in total for any collection of coins, cards, or stamps, unless separately specified in the *schedule*, in which case the specified amount will apply;
- \$1,000 in total for unset precious or semi-precious gemstones or minerals, gold or silver bullion or ingots, or precious metals, unless separately specified in the *schedule*, in which case the specified amount will apply;
- \$1,000 in total for all money, negotiable securities, bonus bonds, travellers' cheques, or travel tickets; and
- \$1,000 in total for any certificates or documents.
- Art Collections/Paintings – if any one work of art is valued at \$50,000 or greater or a collection of art with a combined value of \$250,000 we need to note these separately.

NOTE: This is a brief description only and should not be seen as the Policy wording but should be read in conjunction with the Terms & Conditions of the policy.