



# **AA Small Business Insurance Policy**

Here are the details of your  
Deterioration of Stock Policy Module



# Contents

<u>Welcome to AA Insurance</u>	<u>1</u>
<u>The documents that make up your insurance contract</u>	<u>2</u>
<u>Headings and defined words in your policy</u>	<u>2</u>
<u>Cancelling your policy</u>	<u>2</u>
<u>What you are covered for</u>	<u>3</u>
<u>Limits on what we will pay</u>	<u>3</u>
<u>Automatic extensions</u>	<u>3</u>
<u>Making a claim</u>	<u>4</u>
<u>How we will settle your claim</u>	<u>4</u>
<u>What you are not covered for</u>	<u>5</u>
<u>You must tell us about certain things</u>	<u>6</u>
<u>You must comply with certain conditions</u>	<u>7</u>
<u>How we administer your policy</u>	<u>7</u>
<u>Definitions</u>	<u>8</u>

# Welcome to AA Insurance

Thank you for choosing AA Insurance. When you need us, we'll get things sorted for you.

This policy document explains your insurance cover, your responsibilities and how to make a claim. Please read it carefully and keep it in a safe place.

## How to contact us

Go to [aainsurance.co.nz/contact](https://aainsurance.co.nz/contact)

Or if you would prefer to phone us:

- For sales, service and general queries, call us on **0800 500 213**
- For claims queries, call us on **0800 500 216**

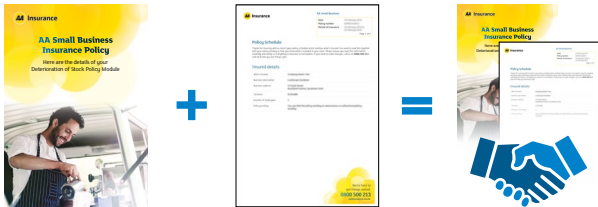
We're here to  
get things sorted.

**0800 500 213**  
[aainsurance.co.nz](https://aainsurance.co.nz)

# The documents that make up your insurance contract

Your insurance contract consists of this policy document and your most recent *policy schedule*.

Your policy document and *policy schedule* are designed to be read together.



This policy document    Your policy schedule    Insurance contract

When read together, your *policy schedule* and policy document outline your cover, which is the insurance we agree to provide you. This cover is governed by the limits, terms and conditions set out within this policy document and your *policy schedule*.

Your *policy schedule* takes priority if the information in this policy document and your *policy schedule* is different.

We agree to provide cover as long as you have paid your premium.

## You have a cooling-off period if you change your mind

We provide you with a 21-day cooling-off period if you change your mind. You can cancel your policy within 21 days from the day your policy started, as long as you have not made a claim.

If you choose to cancel your policy within this period, we will cancel your policy back to the policy start date and refund you the full amount of any premium paid. The cooling-off period does not apply if you renew your policy.

## If you have a concern

We value our customers and aim to deliver the best service possible. We also appreciate and encourage your feedback – the good and the bad. If you're unhappy with one of our policies, our service or a decision on your claim, please tell us.

Often a quick conversation can help sort things out.

If we can't reach a resolution, please let us know. We can explain our complaints procedure to you, and we have a Customer Resolution Service to help you if needed.

# Headings and defined words in your policy

We have used the headings in this policy document to help guide you. These headings are purely descriptive in nature. You should not rely on headings to interpret the policy.

## Words in italics have specific definitions

Some words in this policy document are in italics. These words have specific meanings. We have explained them in the 'Definitions' section at the end of this policy document on page 8.

## The meaning of other common words in your policy document

We use some common terms throughout this policy document. The meaning of these words are explained below.

### 'We', 'us' or 'our'

When we say 'we', 'us' or 'our', we mean AA Insurance Limited.

### 'You' or 'your'

When we say 'you' or 'your', we mean the *insured* and any other *persons insured*.

# Cancelling your policy

## If you choose to cancel your policy

You may cancel your policy at any time, unless you have made a claim.

If you cancel your policy outside the cooling-off period and you have not made a claim, we will refund you any amount we owe after the cancellation date. We will deduct any cancellation fee shown on your *policy schedule* from the amount we refund you.

## If we choose to cancel your policy

We may cancel your policy at any time by notifying you in writing. The cancellation will take effect on the 7th day after we have sent the notice. We will refund you any amount we owe after the cancellation date.

## What you are covered for

We will cover you for:

- *damage* to goods in refrigerated cabinets or chambers at the *premises* arising from accidental stoppage, *damage*, or malfunction of *refrigeration machinery*; and
- expenses reasonably incurred to avoid or minimise the *damage* insured under the above by either transferring the threatened goods to alternative storage or by other means.

'Goods in refrigerated cabinets or chambers' include goods that are at the *premises* at the time of the *event* causing loss and that would, but for the *event*, have been placed in the refrigerated cabinets or chambers.

## Limits on what we will pay

The most we will pay is \$2,000 for all goods in any one cabinet or chamber and to a maximum of \$5,000 for all *events* combined during any one *period of insurance*.

### Property insured under any other policy module

If you have cover under this Deterioration of Stock policy module and any other policy module for the same item of property, you are only entitled to cover under one policy module for any one *event*.

## Automatic extensions

The following extensions are automatically included in your cover.

### Food trucks

We will cover you for goods in refrigerated cabinets or chambers that are used by you and located in a vehicle equipped to cook and/or sell food, as if they were at the *premises*.

### Market stalls

We will cover you for goods in refrigerated cabinets or chambers that are used by you and located in a market stall equipped to cook and/or sell food, as if they were at the *premises*.

# Making a claim

This section explains what you need to do when you make a claim.

## Claims conditions

You must co-operate with us and give us any information or help we ask for in relation to your claim.

As soon as you are aware of an *event*, circumstance or occurrence you must comply with the following conditions:

- take all reasonable steps to minimise the loss and prevent further loss or *damage*
- tell the police in the case of theft, burglary, vandalism or arson, or the attempt at these
- do not admit responsibility for any loss, *damage* or liability
- do not, without our consent, incur any expense or negotiate, pay, settle, or make any agreement in relation to any claim.

As soon as possible you must also:

- tell us of the *event* and give full details and circumstances of what has happened, including details of everyone involved
- send us all relevant communications which you receive
- obtain our permission before you incur any expense, other than the reasonable cost of urgent work to prevent further loss or *damage*
- keep damaged property for our inspection and allow us to inspect any building or other property where loss or *damage* has occurred
- provide a detailed description of the lost, damaged or stolen items, proof of ownership and any other information or evidence that we may require
- let us at our expense and in your name to take any action necessary against any other party and to take over and conduct the defence and settlement of any claim against you
- provide all reasonable assistance and co-operate with us and our assessors, investigators, lawyers or anyone else we appoint to assist, in the making of your claim, its settlement and any defence of a potential claim against you or any action against anyone else.

### If you do not comply with these conditions

If you do not comply with any of these conditions, we can:

- decline your claim
- recover from you what we have already paid.

## After your claim is accepted

If any lost or stolen property for which we have paid a claim is later found or recovered, you must:

- tell us immediately, and
- if we request it, hand the property over to us.

We have the right to keep any property, including any proceeds from its sale, for which we have paid a claim under this policy, subject to adjustment if you have not been fully indemnified for your loss.

If any person is ordered to make or otherwise makes *reparation* to you for loss or *damage* to any property for which we have paid a claim under this policy you must reimburse us for that payment as soon as any *reparation* is made, subject to adjustment if you have not been fully indemnified.

## You will have to pay an excess

An excess is the amount you must pay for each individual *event*. We may deduct your excess from the total settlement amount.

The total excess is determined by the circumstances of your claim. You might have to pay more than one type of excess when you make a claim. The excesses will be noted in this policy document and/or in your *policy schedule*.

If you claim under more than one policy with us for loss, *damage*, or liability caused by a single *event* or occurrence at the same location, you will only have to pay one excess. This will be the highest total applicable excess. This does not apply to any loss caused by *natural disaster damage*.

A series of events arising from any one cause during any period of 72 consecutive hours will be treated as one *event* for the purposes of determining the excess you need to pay.

# How we will settle your claim

We will reimburse you for the cost you have paid for the damaged items.

We can make a payment to you in the form of cash, voucher or store credit for the cost of the item.

## Your premium and policy when your claim is a total loss

If your claim is a total loss, you must pay the total premium for the entire *period of insurance* in full before we can settle your claim. If you are paying your premium by instalments, we will deduct any unpaid instalments from your settlement payment.

Your policy will end on the date of the *event*. You will not receive any refund of your premium.

# What you are not covered for

This section explains what your policy does not cover. These exclusions apply to all sections of this policy.

## Other insurance or if an excess applies

This policy does not provide cover where cover is provided by other insurance or by a warranty or guarantee. We will not contribute towards any claim made under any other policy.

There is no cover for your excess on this or any other policy.

## Disconnection of electricity

This policy does not cover *damage* due to the disconnection of the public electricity supply by the supply authority where prior notice of the disconnection has been given at the time of *damage*.

## Consequential loss or costs you incur

This policy does not cover any of the following:

- loss of use
- consequential losses of any kind
- costs or expenses you may incur to prove or help us with your claim
- repairs that are not related to your claim.

This exclusion includes, but is not limited to, the following:

- loss of income
- loss of or reduction in value
- additional costs incurred
- your time or anyone else's time or materials used
- any other liability incurred.

## Natural events and other processes

This policy does not cover *damage* directly or indirectly caused by or resulting from any of the following:

- wear and tear, rust, corrosion, maintenance, erosion
- gradual deterioration or depreciation
- slowly developing deformation or distortion
- action of vermin, or insects.

## Confiscation

This policy does not cover any loss, *damage*, injury, liability or prosecution of any type directly or indirectly caused by, arising from, or involving confiscation, nationalisation, requisition or destruction of, or *damage* to property by order of government, public or local authority (unless the order is given to control any loss or *damage* that is covered by this policy).

## War, terrorism or nuclear incidents

This policy does not cover any loss, *damage* or liability, directly or indirectly caused by, arising from, or involving:

- war, invasion, act of foreign enemy, hostilities, civil war or warlike operations (whether war is declared or not)
- mutiny, civil commotion assuming proportions of or amounting to a popular uprising, military uprising, rebellion, revolution, insurrection, military or usurped power
- any act, including but not limited to the threat, or use of violence, which from its nature and context is done for, or in connection with, political, religious, ideological, ethnic, or similar purposes including the intention to influence any government and/or to put the public or any member of the public in fear
- nuclear weapons, ionising radiations, or contamination by radioactivity from nuclear fuel or the combustion of waste from nuclear fuel.

## Electronic data

This policy does not cover *damage*, cost or liability, directly or indirectly caused by, arising from, contributed to by, or in any way connected to any of the following:

- *electronic data* being damaged, distorted, deleted, corrupted, altered, misinterpreted, or misappropriated
- error in creating, amending, entering, deleting or using *electronic data*
- inability or failure to receive, send, access or use *electronic data* for any time
- any loss of use, reduction of functionality, repair, replacement, restoration or reproduction of any *electronic data*
- the value of any *electronic data*
- a computer virus.

## Cyber events

This policy does not cover *damage*, cost or liability, directly or indirectly caused by, arising from, contributed to by, or in any way connected to a *cyber act* or *cyber incident*. However, we will not apply this exclusion for any of the following *events*:

- an *event* otherwise covered by this policy that causes a *cyber incident*
- *damage* resulting from an event otherwise covered by this policy which has been caused by a *cyber incident* or *cyber act*.

### **Communicable disease**

This policy does not cover any *damage*, cost, any other sum of any kind, or liability, directly or indirectly caused by, arising from, contributed to by, or in any way connected to any of the following:

- communicable disease
- the fear or threat of any communicable disease, whether it is actual or perceived
- actions by any person, entity or public authority to respond to, control, prevent or suppress communicable disease.

Any other sum of any kind also includes any increased or additional costs or expenses of a claim that is otherwise covered by this policy.

Communicable disease means any disease that can be transmitted by any substance or agent, directly or indirectly from one organism to another, including any:

- virus, bacterium, parasite, or any other organism
- any variation of the above, whether considered living or not.

Communicable disease also includes any Infectious Disease or Quarantinable Disease as defined in or declared under the Health Act 1956, future amendments to the Act, or any replacement Act.

This exclusion applies, regardless of any other contributing cause or *event* that happens at the same time or some other time.

### **Unlawful or otherwise prohibited to insure**

This policy does not cover any loss, *damage*, injury, liability, or prosecution of any type, directly or indirectly caused by, or arising from any act, *event*, occurrence or thing against which insurance is either:

- unlawful, or
- prohibited by any sanction, prohibition, or restriction under the laws or regulations of any jurisdiction applicable to us or our parent company or its ultimate controlling entity.

### **Criminal acts**

This policy does not cover *damage* directly resulting from:

- theft, or
- any fraudulent scheme or device or false pretence practised on you or on any other person having care of the goods in refrigerated cabinets or chambers.

## **You must tell us about certain things**

Some parts of this policy can cover other parties as well as you. You and any person covered by this policy must meet all the following conditions and obligations to gain benefit of any cover under this policy. No claim will be payable where any person covered under this policy does not meet any of the terms and conditions.

Nothing in this policy affects the common law rights of either party, including our right to avoid your policy for non-disclosure. This means your policy will be treated as if it never existed and any claim payments must be returned to us.

### **You must tell us if there is a change in circumstances**

You must tell us immediately of any change in circumstances that has happened after the start of this policy or that you know is going to happen and which may increase any of the following:

- the amount of the risk
- the risk of loss, *damage* or liability
- the risk of insuring you.

As a result of these changes in circumstances, or if you fail to tell us immediately of any change in circumstances, we may:

- change your policy terms and make alterations to your premium
- reduce cover or change limits
- not insure you for any loss, *damage* or liability that happens after the date of the change in circumstances
- cancel your policy.

### **You must disclose material information and give us full and accurate statements**

Your policy with us relies on the accuracy of the information supplied by you, or any person on your behalf. You must advise us of all *material information* before the start of this policy and before each renewal or variation of the policy.

You must also give us full and accurate information and answer honestly, correctly and completely all questions we ask you. Failure to do so entitles us to deny any claim and to cancel this and any other policy you have with us from the date the information should have been provided.

## You must comply with certain conditions

### You must avoid loss, damage or liability

You must take all reasonable care to avoid doing anything that could result in a claim, and at your cost and expense, must take reasonable steps to:

- ensure all property covered by this insurance is kept safe and protected from possible loss or *damage*
- maintain any protective devices, including but not limited to alarms, in an operational condition
- avoid any loss, *damage* or personal injury to any person or thing for which you could be held legally liable
- comply with all legal requirements for the safety of people or property.

### You must not transfer your legal rights

You must not assign or transfer, or attempt to assign or transfer this policy or your interest in this policy to any other party.

### Inspection

We are entitled to inspect the *premises* at any reasonable time and you must provide such information as may be reasonably required by us in respect of the subject matter of this insurance.

Neither this condition, nor any inspection performed by us, nor any report arising from such an inspection, are to be regarded as an undertaking by us to determine or warrant that any operations or *premises* are safe.

## How we administer your policy

### Paying premiums

If your premium is overdue, we may refuse to make any claim payments until your overdue premiums have been paid.

If there is a change to your premium which remains unpaid, or you do not pay the full amount of your premium, we may reduce the *period of insurance* in line with the proportion of the unpaid premium.

If your premium remains unpaid for 28 days, your policy will automatically be terminated and you will not be sent a cancellation notice.

### Sending notices

We will send any notice, *policy schedule* or other written documents to your last known physical, postal or email address.

### Noting interested parties

By noting an Interested Party on your *policy schedule*, you are authorising us to disclose your information to them. If your *policy schedule* shows an Interested Party, we may partially or fully settle your claim by making a payment to them, fulfilling our obligations under this policy. Anyone noted as an Interested Party is not covered by this policy and cannot make a claim under this policy.

### You are jointly insured

All those listed as *insured* are jointly insured and are considered to act with the expressed authority of each other. This means that if anyone does or fails to do anything so that there is no cover, there will be no cover for any of the *insureds*.

Each *insured* has the right to:

- make a change to the policy
- make a claim under the policy
- receive claim proceeds under the policy, and
- cancel the policy.

### Currency

All amounts referred to in your policy are expressed in New Zealand currency and include Goods and Services Tax (GST). We will pay all claims in New Zealand currency.

### Governing law

This policy is governed by New Zealand law, and the New Zealand courts have exclusive jurisdiction over any legal proceedings about it.



# Definitions

## Business

The business and occupation described on your *policy schedule*.

## Computer system

Any of the following systems:

- computer, communication system, or any other electronic device
- hardware, software, server or cloud
- any microcontroller.

A computer system also includes any system, output or data storage device that is similar to those mentioned above.

## Cyber act

One or more unauthorised, malicious or criminal acts involving accessing, using, processing, or operating of any *computer system*. This also includes any threat or hoax of these acts.

## Cyber incident

Any of the following:

- one or more errors or omissions involving accessing, using, processing, or operating any *computer system*
- one or more occurrences when any *computer system* is partially or totally unavailable
- one or more failures to access, process, use or operate any *computer system*.

## Damage

Sudden, unforeseen, accidental physical loss and sudden, unforeseen, accidental physical damage that occurs at a specific place and time.

## Electronic data

Facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment.

## Employee

Any of the following while working for any *insured* in connection with the *business*:

- a person under a contract of service or apprenticeship with any *insured*
- a person hired or borrowed by any *insured*
- a labour only sub-contractor.

## Event

A sudden, accidental and unforeseen occurrence that causes loss or *damage* that you do not intend or expect.

## Insured

The person, company, or entity listed as 'Who's insured' on your *policy schedule* domiciled in New Zealand.

## Material information

Any information which might influence the decision we make as to whether to provide insurance and if so on what terms and at what premium.

## Natural disaster

Earthquake, tsunami, volcanic activity, hydrothermal activity, geothermal activity, subterranean fire, or fire resulting from any of these.

## Natural disaster damage

Any of the following:

- *damage* directly or indirectly caused by or resulting from *natural disaster*;
- *damage* occurring (whether accidentally or not) as the direct result of measures taken under proper authority to avoid the spreading of, or otherwise to reduce the consequences of, any such *damage* but does not include any *damage* for which compensation is payable under any Act.

## Period of insurance

When your policy starts, to when it ends. It is shown on your *policy schedule*, unless the policy is ended earlier.

## Persons insured

Any of the following:

- any person who holds the position of or performs the duties of director, executive officer, trustee, secretary, manager, partner, or who holds any other position as an *employee* of the *insured* while acting in that capacity
- the officers, committees and members of the *insured's* own canteen, social sports and child care facilities or welfare organisations, first aid, fire and ambulance services, pension fund management and administrative committees in their respective capacities as such
- any *subsidiary company*.

## Policy schedule

The most recent policy schedule we have sent you which includes, who's insured, business description, business address and the policy modules you have selected.

## Premises

The business address shown in your *policy schedule*.

## Refrigeration machinery

Refrigeration units ordinarily used for the storage of food including all integral parts of them, other than those parts or items specifically excluded.

**Reparation**

An amount ordered by a New Zealand Court under Section 32 of the Sentencing Act 2002 to be paid to the victim of an offence. Reparation does not include:

- damages, court costs, fines, penalties, any other form of criminal sanction, non-pecuniary relief, taxes, any payment deemed to be unlawful to insure against, or
- your defence costs in relation to an offence.

**Subsidiary company**

Any of the following:

- any company that, at the inception of the *period of insurance*, by any applicable legislation, was or is deemed to be a subsidiary of the *insured*
- any company in which the company named in your *policy schedule*:
  - owns or directly or indirectly controls more than fifty percent of the issued share capital
  - controls the composition of the board of directors
  - exercises effective management and control, either directly or through one or more of its subsidiary companies, or
- any other company whose accounts are consolidated into those of the company named in your *policy schedule* in accordance with the relevant New Zealand Accounting Standard.

# Can we help with anything else?

## Home Insurance

Protection for the place you love to call home.

## Contents Insurance

Cover for your personal belongings at home and around New Zealand.

## Limited Contents Insurance

Cover to protect your contents against burglary, fire, storm, flood or natural disaster.

## Comprehensive Car Insurance

Comprehensive cover with optional extras to suit your car.

## Third Party, Fire and Theft Car Insurance

All the benefits of Third Party Car Insurance and cover if your car is stolen or damaged by fire.

## Third Party Car Insurance

Cover if you accidentally damage another person's vehicle or property.

## Landlord Insurance

Protection for your investment property.

## Classic Vehicle Insurance

Specialised cover to protect your pride and joy.

## Motorhome Insurance

Cover for your home away from home.

## Caravan/Trailer Insurance

Put your worries about what you're towing behind you.

## Motorcycle Insurance

Tailored cover to suit your motorcycle.

## Small Business Insurance

Flexible cover to suit your small business needs.

---

## We're here to help you

Call us anytime

**0800 500 213**

Visit us online

**[aainsurance.co.nz](https://aainsurance.co.nz)**

---

