

Business Risks



Summary Sheet

MAS understands that having appropriate insurance is an essential part of managing some of the risks associated with owning a business.

Covers available with the Business Risks Policy:

Buildings Cover

Buildings Cover protects your buildings used in connection with your business. It includes walls, fences, gates and underground services within the property named in the Schedule. If a building is tenanted, fixed floor coverings, partitions (fixed and free standing), signs, sign writing, drapes and blinds owned by you are also covered.

You can choose between Replacement Value cover and Market Value cover.

It includes cover for:

- Stolen keys
- Mitigation costs
- Some consequential and expediting costs

Sub limits apply to some of the covers (see the table below). Optional cover for loss of rent is also available.

Policy sub limits

	Automatic Covers	Maximums
Buildings	Hidden gradual damage caused by leaking water pipes	\$10,000
	Removal of land following a landslide	\$10,000
	Cover for subsidence and landslide damage to your building	\$250,000
	Capital alterations	\$100,000

Contents Cover

Contents Cover protects the tangible assets of your business such as plant, furniture and furnishings and electrical equipment at your premises, along with stock in trade and money.

Cover is also provided for:

- Accidental damage to parts of the landlord's building that you are responsible for under a standard lease.
- Rewards to protect or recover insured property (with our agreement).

Sub limits apply to some of the covers.

Contents that appear as a current asset on your business's asset register or depreciation schedule, and all other tangible assets up to 10 years of age are covered for their replacement cost.

All other contents are insured for market value.

Optional cover for loss of records and data is also available.

Policy sub limits

	Automatic Covers	Maximums
Contents	Stock in trade	\$10,000 (A sub limit of \$5,000 applies for Refrigerated Stock)*
	Portable contents while removed from the business premises	\$10,000*
	Money	\$5,000*
	Hidden gradual damage caused by leaking water pipes	\$2,500
	Employees effects not otherwise insured	per person \$1,000 in total \$5,000
	Counselling costs following a claim event	per person \$250 in total \$1,500
	Contents owned by an employee-based social club or staff club	\$2,500

*Higher cover may be available on application.

Note: Legal Liability cover is automatically included with a limit of \$2 million if you have cover for Buildings or Contents.

Business Interruption Cover

Business Interruption Cover protects your business if it is disrupted by an event insured under the Business Risks Policy, or any other policy with us.

You will be covered for consequential reduction in profits and increased costs, such as temporary premises.

You are also covered for:

- Interruption caused by damage to a leased building you occupy, that would be claimable if it was insured under this Policy (cover is limited if the building is not insured).
- Prevention of access to your premises caused by named events.
- Closure or prevention of access to your premises by a lawful authority.
- Interruption of the supply of goods, services or utilities to your premises because of damage to property that would be covered under this Policy if you owned the property.

- Your book debts that you cannot recover because of destroyed records.
- Reasonable claim preparation costs.

Optional cover for natural disaster damage is also available.

Legal Liability Cover

Legal Liability Cover protects you against sums which you become legally liable to pay for accidental bodily injury and/or accidental damage to property owned by other parties arising from an occurrence in New Zealand in connection with your business. In addition, we will cover you for the necessary and reasonable defence costs you incur to defend the alleged legal liability.

It includes cover for:

- Tenants' liability arising from property damage to any premises you lease
- Punitive or exemplary damages up to \$100,000 per occurrence and \$250,000 in total during the term.

Note that the policy does not cover malpractice events, for example those arising from any error or omission in advice or treatment given by you, or fines.

Employers Liability Cover

Employers Liability Cover protects you against sums (excluding fines) which you become legally liable to pay for accidental bodily injury sustained in New Zealand by any of your employees in connection with your business.

It includes cover for defence costs that may be incurred to defend an allegation that would be covered if proven.

While ACC will cover most events of this type, there is the possibility that an event may occur which falls outside of the statutory cover e.g. Legionnaires disease.

It also includes cover for exemplary damages up to \$50,000 in total during a period of cover.

Statutory Liability Cover

Statutory Liability Cover provides cover for fines and penalties to the extent permitted by law if you are prosecuted for a strict liability offence under any Act of the New Zealand Parliament (including Statutory Regulations) except for those listed as excluded. You must have committed the offence innocently and inadvertently.

It includes cover for reasonable defence costs that may be incurred to defend an allegation that would be covered if proven.

Employment Disputes Cover

Employment Disputes Cover provides cover for all damages you become legally liable to pay any employee for accidentally breaching an employment agreement, the Privacy Act 2020, or the Human Rights Act 1993.

It includes cover for reasonable defence costs that may be incurred to defend an allegation that would be covered if proven.

You will need to obtain and follow advice in relation to disciplining employees. The policy has certain exclusions, please refer to the Business Risks Policy wording for the details.

Employee Dishonesty Cover

Employee Dishonesty Cover provides cover for loss of money and other property belonging to you, or in your custody for which you are responsible, occurring as a direct result of any act of dishonesty or fraud committed by your employees.

Excesses

- The standard policy excess under the Business Buildings and Business Contents Covers is \$250 (\$500 for a burglary or theft claim where no monitored alarm was activated).
- The excess applicable for Earthquake under the optional Disaster Cover is:

Region	Excess
Northland, Auckland, Waikato, Otago, Southland and the Districts of Timaru and Waimate	1% of the loss, with a minimum of \$1,000
Bay of Plenty, Gisborne, Hawkes Bay, Taranaki, Manawatu-Wanganui, Nelson, Tasman, West Coast, Canterbury excluding the districts of Timaru and Waimate	2.5% of the loss, with a minimum of \$2,500
Wellington, Blenheim, Marlborough	5.0% of the loss, with a minimum of \$5,000

- A \$2,500 excess applies to subsidence and landslip claims (optional cover) under the Contents Covers.
- A \$5,000 excess applies to subsidence and landslip claims (optional cover) under the Buildings Cover.
- A 24-hour minimum claim period applies to the Business Interruption Cover (Interruption must exceed 24 hours).
- A \$500 excess applies to the Statutory Liability and Employee Dishonesty Covers.
- A \$1,000 excess applies to the Employers Liability and Employment Disputes Covers.

Please note: Where more than one excess applies across several covers you only pay the highest one.

Duties of the Insured

When arranging a Business Risks Policy, you must tell MAS everything you know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding whether to accept your application and if so, on what terms.

You must also tell us this every time you seek to renew it, and when you make any changes to it. When in doubt, disclose. We treat all information confidentially.

Average (applies to Buildings and Contents cover)

If you insure your property under this policy for less than 80% of the full value of that property, and suffer a partial loss to that property, your cover is subject to what we call Average. This means the maximum amount you may recover will be the same percentage of the claimable amount. For example, if your property is worth \$20,000 and you insure it for 50% of its full value (\$10,000), and you suffer a loss of \$5,000, the maximum amount that you can recover is 50% of the \$5,000 loss (\$2,500).

About this document

This is a summary only and does not contain all the terms of the Business Risks Policy. Please read the policy wording for full details of the cover. For more information about Business Risks Insurance, talk to a MAS Business Risk Adviser on 0800 800 627.

MAS only provides advice on products offered by its subsidiary companies. Underwriting criteria apply and our financial advice disclosure statement is available by visiting mas.co.nz or by calling 0800 800 627.