



General Insurance

This document contains factual and general information only to assist you in understanding financial planning concepts. It is designed to be used in conjunction with a Statement of Advice.

General insurance helps you protect yourself and the things you value, such as your home, your car and your valuables, from the financial impact of risks, big and small – from fire, flood, storm and earthquake, to theft, car accidents, travel mishaps – and even from the costs of legal action against you.

You choose the types of risks we wish to cover by choosing the right kind of policy with the features you need.

House and Contents Insurance

This provides cover against the loss of, or damage to, your home and contents. This can also extend to any outbuildings on the same property used for domestic purposes.

Policies can be structured as

- Indemnity value (where policy proceeds equal the market value of the property at the time of loss)
- Replacement value (where policy proceeds equal the cost of replacing the old asset with a new asset)
- Agreed value (where policy proceeds are determined prior to taking out the policy).

Policies may also include an averaging clause, whereby if the sum insured is less than 80% of the full value of the

property the insured will bear a proportionate share of any losses incurred.

Policies may also include liability cover that protects the insured in the event they have a legal liability brought against them arising out of the ownership or occupation of the property. This protects against incidents that cause bodily injury or property damage to third parties which are the result of negligence on the part of the insured.

Motor Vehicle Insurance

There are three major types of policy:

- Compulsory third party insurance (such as 'CTP Green Slip'), which protects against claims for compensation for injury or death to another person resulting from an accident involving the insured where the insured is at fault.
- Comprehensive insurance, which protects against damage to the insured's vehicle or a third party's vehicle.
- Third party fire and theft, which protects against third party property damage as well as limited cover for damage to the vehicle caused by fire or theft.

Other 'Prescribed' Policies;

- Sickness and accident insurance, consumer credit insurance and travel insurance.
- Professional indemnity policy – this provides cover for professionals (such as an accountant, solicitor, broker or financial planner) against claims for economic loss arising out of the provision of negligent statements or advice.
- Commercial and business policies – this provides cover for business owners against events such as fire, business interruption and theft.

The information outlined is provided for educational purposes only. If you require advice in relation to any of the areas above we recommend you seek advice from a general insurance broker.

Factual Information Disclaimer

This information has been provided as factual information only. We have not considered your personal financial circumstances, needs or objectives.

Whilst all care has been taken in the preparation of this material, it is based on our understanding of current regulatory requirements and laws at the publication date. As these laws are subject to change you should speak with an authorised adviser or relevant professional for the most up-to-date information. Any case studies, graphs or examples are for illustrative purposes only and are based on specific assumptions and calculations. Past performance is not an indication of future performance.