

Novel Coronavirus Outbreak - Material Damage and Business Interruption policies

Further to NZbrokers communications around the Novel Coronavirus and coverage for losses under various travel policies, we are now receiving queries regarding the extent of cover under our material damage and business interruption policies.

Our agreed wordings either have an exclusion for “any infectious animal or human diseases” or an exclusion for “notifiable infectious disease under the Health Act 1956 or notifiable disease under the Biosecurity Act 1993”.

Examples of the exclusions in our wordings:

This Policy does not cover Loss or Damage or interruption in connection with a Notifiable Infectious Disease under the Health Act 1956 or notifiable disease under the Biosecurity Act 1993.

This Policy does not cover Loss or Damage or interruption in connection with any infectious animal or human disease.

As the Novel Coronavirus is an infectious disease and has been publicly notified as such under the Health Act 1956 (Ministry of Health update [link](#)), it is likely that the exclusions will apply to losses in connection with the disease, and rule out any material damage and business interruption claims. However, as circumstances will differ for events giving rise to a claim, if you are in doubt please check.

Additional Information

The ICNZ website talks in general terms around coverage [link](#), Covernote has published an article from DLA Piper on the insurance implications of COVID-19 [link](#).