

Market Value House Insurance.

Policy wording.

ami

About your policy



Thank you for choosing to insure your house with us.

We've designed this document to help you clearly understand the terms of your policy, but if you're unsure about anything, please call us on **0800 100 200** or chat to us on Facebook at **@AMIInsuranceNZ** – we're happy to explain.

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Important bits to read

We agree to provide you with insurance cover as long as you meet certain conditions. If you do not meet these conditions, we may decide not to accept a claim or to cancel your policy or treat it as it never existed.

You must:

- do what you can to **protect your house** against loss or damage
- **be truthful and correct** in everything you tell us
- let us know if there is any **change of ownership** or use of your house
- let us know if your **house is unoccupied** for more than 60 consecutive days
- let us know if you make any **substantial alterations** to your house.

Other stuff to know

Do I always have to pay an excess?

Your excess is the amount you must pay as the first payment towards the cost of each claim you make.

The Policy Schedule shows how much excess you have to pay. However, you won't have to pay any excess if:

- you make a claim for glass or sanitary fixtures and you have chosen the 'Glass or sanitary fixtures' option (*see page 8*)
- you make a claim under 'Cover if you damage other people's property' (*see page 9*)

Is my house covered while I'm away?

Your house is automatically covered for up to 60 consecutive days while it is unoccupied. If you are away for longer, the terms of your cover will be limited. See page 5 'Unoccupied houses'. Talk to us and we'll arrange extra cover.



About your insurance contract

About this policy

- a.** Your insurance contract (referred to as 'this policy' or 'your policy') consists of:
- this policy document
 - the Policy Schedule
 - the information you provided in the proposal
 - the premium advice
 - any changes that we write to you about
 - any changes you request and we agree to in writing.
- b.** Your insurance contract begins when we accept the proposal, and ends on the expiry date stated on the Policy Schedule.
- c.** You must pay your insurance premium by the date stated on the premium advice. You cannot make a claim until you have paid your premium. If you do not pay your premium your policy will cease to operate.

If you change your mind

If you are not happy with this policy, you are welcome to change your mind, provided you tell us within 15 days of the date this policy started. We will treat your policy as being of no effect and to have never existed and refund in full any premium you have paid. This does not apply if you have made a claim on your policy.

Headings

The headings in this policy are for reference only and do not form part of it. They must not be used when interpreting the policy.

Words in italics

Any words in italics do not form part of the policy and are provided by way of explanation only.



Our definition of 'house'

Property automatically covered



The house sum insured you nominate is the most we will pay in total for any one claim for your 'house'. This should allow for all aspects that automatically form part of the definition of house.

For definitions of other words used in this policy, please see page 15.

- a. By 'house' we mean the residential dwelling(s) situated at the address shown on the Policy Schedule, that you own, live in and use solely for domestic purposes, including:
- outbuildings within the residential boundaries of the situation on which the residential dwelling(s) is situated. This includes any fixed domestic: garage, carport, glasshouse, animal shelter
 - fixtures and fittings permanently attached to the residential dwelling(s) or any outbuilding included above. This includes kitchen stove, hob or range hood, any other home appliance that is permanently wired, permanently plumbed or permanently built-in
 - kitchen oven, whether permanently attached or not
 - fitted floor coverings (including glued, smooth edge or tacked carpet and floating floors) of the residential dwelling(s) or its outbuildings included above
 - driveway of permanent construction that provides sole and direct access to the private residential dwelling(s) or any outbuilding included above
 - patio, paths and paving of permanent construction, deck, steps, gate or fence, within the residential boundaries in which the residential dwelling(s) is situated
 - freestanding walls (excluding any retaining wall)
 - permanently sited water storage tank, septic tank or heating oil tank and its associated equipment (excluding its contents)
 - public utility services which supply the residential dwelling(s) and/or any of its outbuildings included above. This includes power and telephone lines, data cables, water supply and waste disposal pipes
 - solar power and solar water heating systems.

Retaining walls, recreational and special features not covered unless shown on the policy schedule



***Important** To have cover for these items, they must be specified with a sum insured. Simply contact us to arrange cover.*

- a. 'House' does not include any of the following unless it is shown on the Policy Schedule under the house sum insured as having a cover limit applied:
- recreational features (*by recreational features we mean any tennis court and/or permanently fixed swimming pool or permanently fixed spa pool including its ancillary fixed equipment and/or pump*),
 - retaining wall.
- b. 'House' does not include any of the following unless it is shown on the Policy Schedule as a special feature with a corresponding special feature sum insured:
- private utility plant and associated equipment including, but not limited to, wind or water mills, or diesel generators
 - cable car and its associated equipment
 - bridge, culvert, permanent ford or dam
 - wharf, pier, landing or jetty.

Property not covered

- a. 'House' does not include any of the following:
- part of the house that is used for business or commercial purposes, except where it is rented out as a residential property, or where it is used solely as a home office for clerical purposes by you or your immediate family who normally resides with you
 - part of the house that is built for or used for farming or rural lifestyle purposes, whether commercial or not (including but not limited to any shed storing animal feed, machinery or produce, livestock handling yards or shelters)
 - part of the house being constructed, de-constructed or undergoing alterations and not suitable for permanent residential use or occupation
 - gravel or shingle, bark, shell or any other loose material, including those found in any driveway, path, patio or paving
 - loose floor covering, including mats, rugs or runners
 - temporary structure
 - fittings that are not permanently attached, such as curtains and blinds



- appliances that are not permanently wired, permanently plumbed or permanently built-in, other than a kitchen oven
- well or bore hole, including its pump, lining or casing
- household goods and personal effects
- live plants, including any tree, shrub, hedge or grass
- land, earth or fill
- structure or property not at the situation shown on the Policy Schedule.

Cover for your house

What you are covered for

- a. You are covered for any sudden and accidental physical loss of or damage to your house that occurs during the period of cover.

What we will pay

The most we will pay



House
Sum Insured



Any special
features



Total Sum
Insured

House sum insured

- a. The most we will pay for loss of or damage to your house for any event that occurs during the period of cover is:
 - i the market value of your house at the time of the loss or damage, or
 - ii the house sum insured shown on the Policy Schedule,
 whichever is the lesser.
- b. The most we will pay under a. above includes any:
 - i Compliance costs,
 - ii Professional and other fees,
 - iii Demolition and removal costs,
 - iv bonus covers and optional cover unless stated otherwise,
 but does not include any special feature (see *special feature sum insured below*).
- c. However, if you have requested and we have agreed to cover any recreational feature or retaining wall, the most we will pay in total for any event that occurs during the period of cover is the cover limit shown on the Policy Schedule (this will be included in and not in addition to the house sum insured). If no limit is shown, it means there is no cover for any recreational feature or retaining walls.

Special feature sum insured

- d. The most we will pay for loss or damage to any special feature shown on the Policy Schedule for any event that occurs during the period of cover is its special feature sum insured. This includes any:
 - i Compliance costs,
 - ii Professional and other fees,
 - iii Demolition and removal costs.

Total sum insured

- e. The most we will pay for loss or damage under 'Cover for your house' in total for any event that occurs during the period of cover is the total sum insured. This includes the:
 - i house sum insured, and
 - ii any special features' sums insured, and
 - iii bonus covers and optional cover unless stated otherwise.



Reduction of sums insured

- f.** Following loss or damage to your house or any special feature for which a claim is payable under this policy or under the EQC Act, the total sum insured and the relevant sum insured or policy limit are reduced from the time of the loss or damage by the amount required to repair the loss or damage.

For example, if you have specified a retaining wall and your schedule shows a retaining wall limit, if that retaining wall suffers damage, the total sum insured and the house sum insured and the retaining wall limit are reduced by the amount of that damage.

- g.** If, at the commencement of the current period of cover, your house or any special feature has any pre-existing loss or damage that was covered:

- i in a previous period of cover, or
- ii under any house policy, or
- iii under the EQC Act,

and such loss or damage remains unrepaired at the start of the current period of cover, the total sum insured and the relevant sum insured or policy limit are reduced from the start of this period of cover by the amount required to repair that pre-existing loss.

Reinstatement of sums insured

- h.** When, and to the extent that any payment is applied to repair your house or any special feature, the total sum insured and the relevant sum insured or policy limit that was reduced by 'Reduction of sums insured' above, are reinstated.

If your house is economic to repair

- a.** If, in our opinion, it is economic to repair the loss or damage to your house, we may choose to:
- i pay you the reasonable cost incurred to repair the part of your house that suffered the loss or damage, or
 - ii pay you our estimate of the reasonable cost you would incur to repair the part of your house that suffered the loss or damage, with allowance for depreciation and wear and tear.

If your house is uneconomic to repair

- a.** If, in our opinion, it is uneconomic to repair the loss or damage to your house, we will pay you the lesser of:
- i the total sum insured, and
 - ii our estimate of the reduction in the market value of the house caused by that loss or damage, based on the difference in the market value of your house immediately before and immediately after the loss or damage, plus demolition and removal costs we determine are necessary.

Settlement of your loss

The following are subject to the provisions outlined above in 'The most we will pay':

Standard of repair

- a.** We will pay the reasonable cost to repair the part for your house that suffered the loss or damage to a condition as similar as possible to the condition it was in immediately before the damage occurred, using current industry accepted building materials and construction methods, but excluding:
- i additional materials, work and expense required solely to comply with government or local authority bylaws and regulations, unless covered under 'Compliance costs' below, or
 - ii design, engineers', surveyors' and building consultants' fees, and consents and other associated legal fees, unless covered under 'Professional and other fees' below.

Fitted floor coverings

- b.** We will pay the present value of fitted floor coverings.

Compliance costs

- c.** If you are repairing your house, we will also include the reasonable cost of additional materials, work and expense required solely to comply with government or local authority bylaws and regulations. We will only pay these costs of compliance:
- i if the house complied with all requirements that existed at the time it was originally built and at the time of any alteration, and
 - ii for the part of the house that has suffered loss or damage covered by this policy.



- d.** We will not pay any costs of compliance if notice of non-compliance had already been served before the loss or damage occurred.
- e.** These costs are only payable under a. i of 'If your house is economic to repair', above.

Professional and other fees

- f.** If you are repairing the part of your house that suffered loss or damage, we will also include the reasonable costs of:
 - i** design, engineer's, surveyor's and building consultant's fees, and
 - ii** consents and associated legal fees.
- g.** These costs must be necessary to repair the part of your house that has suffered loss or damage, and approved by us before they are incurred.
- h.** These costs are only payable under a. i of 'If your house is economic to repair' above.

Demolition and removal costs

- i.** If we accept a claim for loss or damage to your house, we will also pay the reasonable costs of:
 - i** demolition of the part of your house that suffered the loss or damage that is necessary to effect the repair of that loss or damage, and removal of debris associated with that, and
 - ii** removing your household contents when this is required to enable your house to be repaired, and returning them to your house once repairs or rebuilding is completed. This does not include the cost of storing your household contents.
- j.** These costs must be necessary and approved by us before they are incurred.
- k.** If we pay to demolish any part of your house this gives us the choice to take the debris and dispose of it as we see fit and retain any salvage obtained.

What we will not pay

Costs not covered

- a.** We will not pay for any costs that are incurred for:
 - i** any part of your house that has not suffered loss or damage, unless this is necessary to repair the covered loss or damage, or
 - ii** repairing floor coverings that are not in the room(s) where the loss or damage happened, or
 - iii** stabilising, supporting or restoring land, earth, or fill, or
 - iv** anyone you engage to prepare, advise on, or negotiate a claim made under this policy.

Unoccupied houses

- a.** If your house is unoccupied for more than 60 consecutive days, we will only pay for loss or damage that is:
 - i** caused by fire, explosion or lightning, or
 - ii** covered under 'Natural disaster' cover.
- b.** However, this clause does not apply if you have notified us and we have agreed in writing to cover your house while unoccupied, or we have your house recorded as a holiday house and the following criteria are met:
 - i** the house is inspected inside and outside by you or a nominated person at least every 60 days, and
 - ii** the house and its grounds are adequately maintained, and
 - iii** mail is cleared regularly, and
 - iv** the water supply is turned off, and
 - v** all doors are locked, and all windows secured.
- c.** This restriction will end as soon as you, or a person authorised by you, is living in your house again.



Bonus covers

The following bonus covers are automatically included on the same basis as 'Cover for your house' on page 3. The amounts shown in these bonus covers are included within the total sum insured unless expressly stated otherwise.

Electric current damage

- a. You are covered for burning out during the period of cover caused by electric current to:
 - i the permanent wiring in your house, and
 - ii electric motors 5 years old and under that form part of your house or are solely used to provide services to your house.
- b. You are not covered for any loss or damage caused by electric current to lighting or heating elements, fuses or protective devices.
- c. You must pay your excess as shown on the Policy Schedule towards the cost of any claim under 'Electric current damage' cover.

Electronic programs

- a. You are covered for the reasonable cost of restoring, re-setting or re-programming programs, software and other coded instructions necessary to operate any electronic equipment covered under this policy as part of your house where that electronic equipment has suffered loss or damage covered by this policy.
- b. You are not covered for loss of or damage to any data stored on any of that electronic equipment.
- c. You must pay your excess as shown on the Policy Schedule towards the cost of any claim under 'Electric programs' cover.

Hidden gradual damage

- a. You are covered for the reasonable costs to:
 - i repair any hidden gradual deterioration, rot, mildew or mould damage to your house caused by the leaking of any internal water pipe or internal waste disposal pipe, and
 - ii repair damage necessarily caused to locate the leak.
- b. The leak must first have occurred while you owned, were living in and insured your house with us.
- c. The most we will pay for any one claim is \$1,500.
- d. You must pay your excess as shown on the Policy Schedule towards the cost of any claim under 'Hidden gradual damage' cover.

Methamphetamine contamination

- a. You are covered for contamination damage to your house that first occurs and that you discover, during the period of cover. There is no cover for any contamination damage where any contamination existed or occurred prior to the current period of cover unless the pre-existing contamination was disclosed to and accepted by us in writing. If you have insured your house with us (or any other brand underwritten by IAG New Zealand Limited) continuously since the earlier period when the contamination damage first occurred, we will waive the requirement for the contamination damage to have first occurred during the period of cover.

Damage by you and certain others

- b. You are not covered for any contamination damage that is caused or contributed to, directly or indirectly, by or in connection with you, or your husband or wife, or any person with whom you are living in the nature of a marriage, or any member of your or their family.

For the purposes of this exclusion, you includes any trustee or beneficiary of the trust if the house is owned by the trust, or any director or shareholder of the company if the house is owned by the company, or any unit title holder.

Where you do not live in the house

- c. Where the contamination damage occurs in connection with any tenancy or occupancy of 90 days or less, there is no cover unless the contamination damage was caused by an accidental incident in connection with the manufacture, distribution or storage (but only where the storage is in connection with supply or distribution) of methamphetamine at the house.



What we will pay

- d.** Where there is cover under this bonus cover, we will:
 - i reimburse the reasonable costs you have incurred during the period of cover for testing provided that:
 - a) the testing is carried out in accordance with New Zealand Standard NZS 8510 or by an operator approved by us, and
 - b) the testing confirms contamination damage to the house, and
 - ii pay to remediate that part of the house that suffered contamination damage subject to the provisions below.
- e.** We may choose to:
 - i pay you the reasonable costs incurred to remediate the part of the house that suffered the contamination damage, or
 - ii pay you our estimate of the reasonable costs you would incur to remediate the part of the house that suffered the contamination damage.
- f.** The most we will pay is \$30,000 per contamination claim for each residential dwelling shown on the Policy Schedule as covered by this policy.
- g.** An excess of \$2,500 or the excess shown on the Policy Schedule, whichever is greater, applies per contamination claim for each residential dwelling shown on the Policy Schedule as covered by this policy.

Natural disaster

- a.** This policy is extended to cover any sudden and accidental physical loss of or damage to your house that occurs during the period of cover caused by a natural disaster, subject to the following:

Where EQC Cover applies

- b.** If the loss or damage is covered under the EQC Act, and the cost to repair the part of your house that suffered the loss or damage exceeds your maximum entitlement available under the EQC Act for that event, we will pay the difference between that maximum entitlement and the cost to repair the part of your house that suffered the loss or damage.
- c.** Where the loss or damage would have been covered under the EQC Act but there is no claim paid because:
 - i you failed to correctly notify a claim to the Earthquake Commission within the time required under the EQC Act, or
 - ii the Earthquake Commission decline the claim or limit its liability for that loss or damage in whole or in part and for any reason whatsoever, or
 - iii of any act or omission on your part, the part of your agent, or the part of the Earthquake Commission,

we will only pay the difference between the maximum entitlement that would have been payable (but for the reasons outlined in c. i to iii or the application of an excess) had the Earthquake Commission agreed to accept a claim, and the cost to repair the part of your house that suffered the loss or damage.
- d.** There is no cover for the excess payable by you under the EQC Act.
- e.** The most we will pay under this cover for any event is the difference between that maximum entitlement and the total sum insured.

Where no EQC Cover applies

- f.** Where your claim for loss of or damage to your house under this cover is for, or includes, any part of your house that is not covered under the EQC Act, then the excess will be the higher of:
 - i the excess shown on the Policy Schedule for items not covered by the Earthquake Commission, and
 - ii the excess applying to any claim unless specifically mentioned.

Some examples of parts of your house not covered under the EQC Act are:

 - fence, gate or driveway,
 - patio, path, paving.



Sale and purchase

- a. Where loss or damage occurs after you have entered into an unconditional contract to sell your house, the purchaser is covered by this policy for that loss or damage up until the final settlement date, or until they take possession of your house, whichever happens first as long as:
 - i they meet all the same conditions of this policy that you must meet, and
 - ii they have not otherwise insured the house at the time of the loss or damage.

Security after loss

- a. If a claim is accepted under 'Cover for your house', we will pay reasonable costs approved by us to temporarily secure your house against further loss or damage if it is unoccupied immediately following the loss or damage.
- b. The most we will pay for any one claim is \$2,000.
- c. You do not have to pay an excess for any claim under 'Security after loss' cover.

Temporary accommodation

- a. If your house becomes unfit to live in as a result of an event, or contamination damage to the house during the period of cover that:
 - i is covered by this policy, or
 - ii would have been covered by this policy, but is covered by the EQC Act instead,
 you are covered for the reasonable additional costs for temporary alternative accommodation you incur within New Zealand.
- b. We will cover the temporary alternative accommodation costs:
 - i for you and your immediate family residing with you, and
 - ii kennel and cattery fees for your domestic pets.
- c. We will pay temporary alternative accommodation costs until the earlier of the date on which we:
 - i settle your claim for loss or damage or contamination damage, or
 - ii have paid you 12 months' alternative accommodation costs.
- d. Where we have settled your claim for loss or damage or contamination damage by payment of our estimate of the costs you would incur to repair or remediate, we will cover the amount of temporary alternative accommodation for the reasonable estimated period that it would take to repair or remediate that part of the house that suffers the loss or damage or contamination damage.
- e. The most we will pay is \$20,000 for each residential dwelling shown on the Policy Schedule for any event or contamination claim.
- f. If you have temporary alternative accommodation cover with us under any other policy, you are only able to claim under one policy for any one event or contamination claim.
- g. We will not pay if your temporary alternative accommodation costs are covered under a policy provided by another insurer.
- h. You do not have to pay an excess for any claim under 'Temporary accommodation' cover.
- i. Temporary Accommodation cover is paid in addition to the total sum insured.

Optional cover

The following optional cover is available if you pay an additional premium. The Policy Schedule shows if you have chosen the optional cover. The optional cover is provided on the same basis as 'Cover for your house' on page 3.

Glass or sanitary fixture claims

- a. If we agree to pay your claim under 'Cover for your house' on page 3, you will not have to pay any excess for damage to:
 - i windows (including skylight or leadlight), door glass, fixed glass panes and glass splash backs, and
 - ii baths, hand basins, shower doors, moulded shower cabinet units, bidets, toilet cisterns and bowls, and
 - iii mirrors permanently fixed to your house.



Cover if you damage other people's property

What you are covered for

- a.** You are covered for your legal liability for:
 - i sudden and accidental physical loss of or damage to other people's property, and
 - ii bodily injury to anyone else,
 occurring in the period of cover in connection with your ownership of the house or its grounds.

What we will pay

Legal Liability

- a.** We will pay up to \$1 million for any one claim or series of claims arising from any one event which includes:
 - i any reasonable legal, expert and witness expenses you incur to defend, including investigation in preparation for defending, civil proceedings taken against you in a New Zealand court or tribunal that are first approved in writing by us, and
 - ii any costs that are recoverable from you by any claimant in a New Zealand court or tribunal.
- b.** If this policy covers more than one residential dwelling on the same property as agreed by us, the most we will pay for any one event is \$1 million.
- c.** You do not have to pay an excess for any claim under this cover.

Reparation

- a.** You are also covered for your legal liability to pay reparation to a victim who has suffered accidental loss of or damage to property or accidental bodily injury that is a result of you committing an offence during the period of cover in connection with your ownership of the house or its grounds provided that:
 - i you tell us immediately if you are charged with any offence in connection with your ownership of the house or its grounds which resulted in loss of or damage to property or bodily injury to another person, and
 - ii we give our written approval before any offer of reparation is made.
- b.** Reparation means an amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002.
- c.** There is no cover for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:
 - i a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
 - ii the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
 - iii a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.
- d.** Nothing in this cover should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

What we will not cover

- a.** We will not cover legal liability for loss or damage:
 - i to any property owned by you or in the custody or control of you, or any person who normally resides with you, or
 - ii caused intentionally by you or any person who normally resides with you, or
 - iii caused directly or indirectly by any motor vehicle, or
 - iv arising out of or in connection with any profession, business or trade (other than renting the house as a residence), or
 - v arising out of or in connection with any seepage, pollution or contamination (including costs of removing nullifying or cleaning up), or
 - vi if you have agreed to accept liability for that loss or damage when you would not otherwise have been liable, or
 - vii if you have created liability for that loss or damage by a contract or agreement when you would not have been liable otherwise.



What is not covered by this policy

The following exclusions and limitations apply to all parts of this policy.

Breakdown	<p>a. There is no cover for mechanical, electrical or electronic breakdown, other than the cover provided under 'Electric current damage' cover on page 6.</p>
Confiscation	<p>a. There is no cover for any loss, damage, cost, expense, prosecution or liability connected in any way with the confiscation, nationalisation, requisition, acquisition, or destruction of or damage to property by any order of government, public or local authority or under any statute or regulation, unless such order is required to prevent or control sudden and accidental physical loss of or damage that would otherwise have been covered by this policy.</p>
Consequential loss	<p>a. There is no cover for consequential loss, loss of income or additional costs you incur from not having the use of your house, other than the cover provided under 'Temporary accommodation' cover on page 8.</p>
Deliberate damage	<p>a. There is no cover for any deliberate loss or damage caused by:</p> <ul style="list-style-type: none"> i you, or anyone else covered by this policy, or ii any person who normally resides in your house or guest to your house (except for damage by fire or explosion). <p>b. This exclusion does not apply to damage which is covered under 'Methamphetamine contamination' cover on page 6.</p>
Earth movements	<p>a. There is no cover for any loss, damage, cost, expense, prosecution or liability connected in any way with:</p> <ul style="list-style-type: none"> i subsidence or erosion, or ii settling, warping or cracking caused by earth or other movements. <p>b. This exclusion does not apply to loss or damage which is covered under 'Natural disaster' cover on page 7.</p>
Electronic data	<p>a. There is no cover for any loss, damage, cost, expense, prosecution or liability connected in any way with electronic data arising from any cause whatsoever including, but not limited to, a computer virus. This includes loss of use, reduction in functionality or any other associated loss or expense in connection with electronic data.</p> <p>b. However, this exclusion does not apply to:</p> <ul style="list-style-type: none"> i physical damage to other insured property that results from that loss or damage to electronic data, and which is not otherwise excluded, and ii any loss or damage covered under 'Electronic programs' cover on page 6.
Excluded damage	<p>a. There is no cover for loss or damage caused directly or indirectly by:</p> <ul style="list-style-type: none"> i wear and tear (including scratching, denting, chipping), seepage or corrosion, or ii gradual deterioration, rot, mildew or mould other than the cover provided under 'Hidden gradual damage' cover on page 6, or iii pollution, or iv contamination unless it occurs to your house following a sudden, unforeseen and external event, or v hydrostatic pressure to swimming and spa pools, unless the loss or damage is as a result of earthquake, storm or flood, however, this exclusion does not apply to resultant sudden and accidental physical loss of or damage to other parts of your house, or vi insects, rodents, or vermin (other than possums), however, this exclusion applies only to property directly affected. It does not apply to resultant sudden and accidental physical loss of or damage to other parts of your house.



- b.** There is no cover for loss or damage caused directly or indirectly by any:
 - i criminal or reckless act or omission, or
 - ii disregard for, or failure to comply with any provision, notice or order under any Act of Parliament by you or any person who normally resides with you.

Faults or defects

- a.** There is no cover for any loss or damage, cost or expense arising from any fault, defect, error or omission in:
 - i design, plan, or specification, and/or
 - ii workmanship, construction or materials.
- b.** However, this exclusion applies only to property directly affected. It does not apply to resultant sudden and accidental physical loss of or damage to other parts of your house.

First 48 hours of cover

- a.** There is no cover for loss or damage that occurs during the first 48 hours of this policy, caused by storm, flood or landslip. This only applies when you first take the policy out with us.
- b.** However, this exclusion does not apply where this policy:
 - i started immediately following another policy that also insured the same property against the risks of storm, flood and landslip, or
 - ii was taken out at the time you purchased the house.

Natural disaster

See bonus cover for natural disaster cover on page 7.

- a.** There is no cover for loss of or damage to your house caused by natural disaster, other than the cover provided under the 'Natural disaster' cover on page 7.

Nuclear

- a.** There is no cover for any loss, damage, cost, expense, prosecution or liability of any type in connection with:
 - i ionising radiation or contamination by radioactivity from:
 - a) any nuclear fuel, or
 - b) any nuclear waste from the combustion or fission of nuclear fuel.
 - ii nuclear weapons material.

Structural alterations or additions

- a.** There is no cover for any loss or damage caused directly or indirectly by the following events:
 - i structural additions or structural alterations, unless we have been notified of the additions or alterations beforehand and we have agreed in writing to cover this, or
 - ii water in any form (including hail and snow) entering your house because any roofing material, exterior cladding, window or door has been removed by:
 - a) you, or
 - b) any other person, who is acting on your authority.

Terrorism

- a.** There is no cover for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with an act of terrorism, including in connection with controlling, preventing, suppressing, retaliating against, or responding to an act of terrorism.

Unlawful substances

- a.** There is no cover for any loss, damage, cost, expense, prosecution or liability in connection with the presence at the house, of any 'controlled drug' as defined in the Misuse of Drugs Act 1975.
This exclusion does not apply to:
 - i the cover provided under 'Methamphetamine contamination' or 'Temporary accommodation' bonus covers, and
 - ii loss or damage caused by accidental spread of fire or explosion.

**War**

- a.** There is no cover for any loss, damage, cost, expense, prosecution, death or liability of any type in connection with any of the following, including controlling, preventing or suppressing any of the following:
- war, invasion, act of foreign enemy, hostilities or warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power.

If you need to make a claim

These are your obligations as a policyholder. If you do not fulfil these obligations we may decide not to accept a claim.

Your obligations

- a.** If it is likely that you will make a claim, you must contact us immediately. You may be asked to fill out a claim form.
- b.** If there has been any deliberate damage, burglary or theft, you must notify the Police immediately.
- c.** You must do what you can to prevent any further loss or damage.
- d.** You must get our permission before you arrange for any repairs or replacement.
- e.** You must immediately tell us of any communication you receive that relates to an event which has resulted, or could result, in a claim.
- f.** You must help us to manage your claim as we request, including after your claim is settled. This may involve:
- i** providing us with any further information, documents or authorities we ask for, including proof of ownership or value, and/or
 - ii** meeting with us or our representatives, and/or
 - iii** attending court or a tribunal to give evidence, and/or
 - iv** assisting us in taking proceedings in your name.
- g.** You must obtain our agreement before you:
- i** incur any expenses in connection with any claim under this policy, or
 - ii** negotiate, pay, settle, admit or deny any claim against you, or
 - iii** do anything that may prejudice our rights of recovery, or
 - iv** negotiate, offer to pay or pay any reparation, including, but not limited to, offers made as part of any case management conference or sentencing hearing.
- h.** You must consent to your personal information, in connection with the claim, being:
- i** disclosed to us, and
 - ii** transferred to the Insurance Claims Register Limited.

Your entitlements

- a.** You are entitled to:
- i** have your claim acknowledged and dealt with in a professional and efficient manner, and
 - ii** receive a fair settlement of your claim as quickly as circumstances allow, and
 - iii** receive a clear explanation why any claim has not been met, and
 - iv** have free access to our formal complaints procedure (see 'General policy information' on page 14), and
 - v** have free access to an independent review by the Insurance and Financial Services Ombudsman.

Our entitlements

- a.** We are entitled to:
- i** inspect your house by entering any land or building where loss or damage has occurred, and
 - ii** take and keep possession of your damaged or recovered items, and
 - iii** deal with any salvage in a reasonable manner, and
 - iv** complete all necessary documents and authorities as your agent, and
 - v** negotiate, defend or settle any claim against you that is covered under this policy, and recover from any other person anything covered under this policy.



- Other insurance**
- a. If you make a claim under this policy and there is another policy covering the same loss, damage or liability, we will not contribute towards a claim under any other policy.

Your excess

- What you must pay**
- a. Your excess is the first amount you must pay towards the cost of any claim you make. The Policy Schedule or this policy document shows the excess that applies.
 - b. It is your responsibility to pay your excess prior to the settlement of your claim. Your excess can be:
 - i paid to the repairer or supplier and we will deduct the excess from our payment to them, or
 - ii paid to us, or
 - iii deducted from any sum paid to you.

- Pay only one excess**
- a. If you insure your house and your household contents with us, and you make a claim under both policies for sudden and accidental physical loss of or damage caused by the same event, you will only have to pay one excess. The amount will be the higher of the two excesses.
 - b. If you insure your house, household contents and motor vehicle with us, and you make a claim under all three policies for accidental physical loss of or damage caused by the same fire, storm or flood event, you will only have to pay one excess. The amount will be the highest of the three excesses.

Your responsibilities

These are your responsibilities as a policyholder. If you do not fulfil these responsibilities, we may decide not to accept a claim and/or to cancel your policy or treat it as it never existed.

- Protecting your property**
- a. You, and anyone else covered by this policy must take reasonable care to protect all property covered by this policy.
 - b. You must keep your property in a good condition at all times.

- True statements and answers**
- a. All information supplied by you or on your behalf must be truthful and correct.
 - b. Your insurance contract is based on information supplied to us either by you or on your behalf:
 - i in the proposal, or
 - ii within the period of cover, or
 - iii at renewal, or
 - iv when you make a claim under this policy.
 - c. You must tell us immediately about any change of circumstance that may affect our decision:
 - i whether to accept your proposal and on what terms, or
 - ii whether to continue or to renew this policy, or
 - iii whether to reinstate this policy, or
 - iv about any claim made under this policy.
 - d. If any information supplied is untruthful or incorrect, or if you do not disclose all of the information you should have, the policy will be treated as though it never existed and we will refuse to accept a claim.
 - e. If you make a fraudulent claim, we may decline your claim and cancel the policy with immediate effect.
 - f. We may change the terms of this policy in response to any material change in circumstances you or anyone else advises to us. The change in terms will be effective from the date of the change in circumstance.

Please ask us if you are not sure whether you need to tell us about something.



- Breach of any condition**
- a. If you or anyone else covered by this policy or acting on your behalf, breaches any of the conditions of this policy, we may at our sole discretion:
 - i decline your claim, either in whole or in part, and/or
 - ii decline any claim connected with the same event that you make on any other policies you have with us, and/or
 - iii declare either this policy or all insurance you have with us to be of no effect and to no longer exist from the date of the dishonest or fraudulent act, or breach.

Changing or ending your policy

- Changing your policy**
- a. You can ask to change your policy at any time. We must agree in writing to any changes before they become effective.
 - b. We can change the terms of your policy by writing to or emailing you at the last known address we have for you. Any changes will become effective from the 14th day after the date of the notice.

- Ending your policy**
- a. You can cancel your policy at any time. If you do, we will refund any premium due to you based on the unused portion of the period of cover.
 - b. We can cancel your policy at any time by writing to or emailing you at your last known address we have for you. Your policy will be cancelled on the 14th day after the date of the notice. If this happens, we will refund any premium due to you based on the unused portion of the period of cover.
 - c. Your policy will be automatically cancelled if you do not pay the premium. Cancellation under this clause will be effective from the date to which the policy was paid up to.
 - d. If, in our opinion it is uneconomic to repair the loss to your house, your policy will be automatically cancelled on the date we pay your claim. We will not refund you any premium for the unused portion of the period of cover.
 - e. Your policy will end immediately if you sell your house or your interest in your house ends. If this happens, we will refund any premium due to you based on the unused portion of the period of cover.

General policy information

- Assignment** Except as outlined in 'Financially interested parties' below, you must not otherwise transfer any of your entitlements or benefits under this policy to any person or entity without our prior written consent.
- Currency** Any amount stated in this policy or in the Policy Schedule is in New Zealand dollars.
- Disputes** We have a formal complaints procedure to help resolve any aspect of our policies or our service that you are unhappy with. For information, please call us on **0800 100 200** or chat to us on Facebook @AMIIInsuranceNZ.
- Financially interested parties** If we know of anyone with a financial or security interest over your house, we may make payment in settlement of a claim direct to the interested party. Any person shown on the Policy Schedule as an interested party is not covered by this policy and has no right to make a claim.
- Goods and Services Tax** All amounts referred to in this policy include any GST that may apply.
- Governing law and jurisdiction** The law of New Zealand applies to this policy and the New Zealand courts have exclusive jurisdiction.
- Joint insurance** If this policy is issued to more than one person, then the policy is a joint policy. This means that if one person does, or fails to do, something which breaches the policy or forfeits the right to cover, no cover will be available for any person under this policy.



Legislation changes Any reference to any Act of Parliament or subordinate regulations or rules referred to in this policy includes any amendments made or substitutions to that law.

Definitions

In this policy some words have special meanings and they apply to the plural and derivatives of those words. Wherever these words are mentioned in this policy, they have the following meaning:

accidental	means unforeseen and unintended by you.
act of terrorism	means an act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that: <ul style="list-style-type: none"> – involves violence against one or more persons, or – involves damage to property, or – endangers life other than that of the person committing the action, or – creates a risk to health or safety of the public or a section of the public, or – is designed to interfere with or disrupt an electronic system.
bodily injury	means the accidental death of, or accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.
computer virus	means a set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes but is not limited to Trojan Horses, Worms and Time or Logic Bombs.
contamination claim	means contamination damage arising out of or attributable to an event or multiple events regardless of the number of acts, persons, tenancies, occupancies or incidents involved.
contamination damage	means physical loss or damage caused by methamphetamine contamination that exceeds the contamination level.
contamination level	means the relevant guideline value for indoor surface contamination as set out in the most recent version of the New Zealand Standard NZS 8510.
electronic data	means facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
EQC Act	Earthquake Commission Act 1993 and any Act in substitution of that Act.
event	means any one event or series of events arising from one source or original cause.
house	please see 'Our definition of house' on page 2.
house sum insured	means the amount shown in the Policy Schedule of the same name. This includes any increased cover limits for retaining walls and recreational features.
incident	means something that happens at a particular point in time, at a particular place and in a particular way.
methamphetamine	means the Class A controlled drug Methamphetamine or Class B controlled drug Amphetamine as defined by the Misuse of Drugs Act 1975 or any of their precursor chemicals and by-products.

motor vehicle	means any type of machine on wheels, or caterpillar tracks, that is made or intended to be propelled by its own power, as well as anything towed or intended to be towed by the machine.
natural disaster	means an earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or natural disaster fire, as defined in the EQC Act.
period of cover	means the period of cover shown in the Policy Schedule.
policy schedule	means the most recent Policy Schedule we have produced for you.
present value	means the value of an item immediately before the loss or damage occurred, taking into account wear and tear and depreciation.
recreational features	means any tennis court and/or permanently fixed swimming pool or permanently fixed spa pool including its ancillary fixed equipment and/or pump(s).
remediate	means to reduce the level of methamphetamine contamination to below the contamination level. <i>This means that we will not pay to remove all traces of methamphetamine contamination and will not restore the house to its condition when it was new.</i>
special feature	means any item that is listed in the Policy Schedule with a corresponding special feature sum insured.
special feature sum insured	means the sum insured amount shown in the Policy Schedule that corresponds with the special feature.
total sum insured	means the amount shown in the Policy Schedule of the same name inclusive of the: <ul style="list-style-type: none"> i house sum insured which includes any retaining walls and recreational features, and ii any special features' sums insured, and iii bonus covers and optional cover unless stated otherwise within such cover(s).
we, us or our	means AMI Insurance (AMI), a business division of IAG New Zealand Limited.
you or your	means the person or persons or corporate body to whom the Policy Schedule is addressed.

If you are unsure about any of the information contained in this policy, please call us on 0800 100 200 or chat to us on Facebook @AMIInsuranceNZ. We will be happy to explain.

Thanks
for insuring
with AMI.

Call us on 0800 100 200
or visit ami.co.nz

