

Home Plus Insurance

Change Summary

ami



Important changes

This change summary applies if you have an **AMI Market Value House Insurance** policy that started before **15 August 2024**. When your policy renews, it will renew on the new **AMI Home Plus and Contents Plus Insurance policy wording AMI1713/1**.

This document does not form part of your insurance contract. It provides an overview of the most important changes to your policy, which include a number of new and updated benefits as well as new and updated terms and conditions. These changes will take effect from your next policy renewal date on or after **26 October 2024**.

What do you need to do?

1. Check Part 1 of this document and decide whether you need to take any action.
2. See Part 2 of this document for a summary of your new policy.
3. Read your new policy wording at ami.co.nz/policy-documents, select the 'Home Plus and Contents Plus Insurance' policy wording and refer to the relevant sections.

You can customise your cover online through your **My AMI** account. If you have any questions about your cover, please contact us on **0800 100 200** or go to ami.co.nz/contact and we will be happy to help.

AMI Insurance is a business division of IAG New Zealand Limited.

The availability of insurance cover is subject to your application being approved. Terms, conditions and exclusions apply.

Part 1: You may need to take action

What you need to know	What you need to do
<p>Changes to your home cover</p> <p>Cover for your home is no longer limited to its market value. This means if we accept a claim for loss or damage to your home, we will pay the reasonable repair or rebuild costs up to your Total Sum Insured. This is called ‘Sum insured replacement’ cover.</p> <p>It is important to ensure your Total Sum Insured is the amount it would cost to rebuild your home and any special features (including materials and labour, demolition costs, council consents and professional fees). One way to do this is by getting an estimate using the <u>Cordell Sum Sure calculator</u>.</p> <p>You could also qualify for ‘Replacement’ cover for fire or explosion. This means if your home is damaged by fire or explosion, we will pay the reasonable repair or rebuild costs up to the entire floor area – even if it ends up costing more than your Home Sum Insured. To qualify, you need to insure your home for an amount that is equal to or greater than the Cordell Sum Sure Estimate generated by the Cordell Sum Sure calculator above or the estimate provided by an independent insurance valuation for your home.</p> <p>Home Sum Insured</p> <p>These items are now included within your Home Sum Insured:</p> <ul style="list-style-type: none"> • All retaining walls up to \$50,000 • Permanently fixed swimming pools, including their necessary equipment such as pumps, up to \$50,000 per item • Bridges, culverts, permanent fords or dams up to \$15,000 per item • Tennis courts • Permanently fixed spa pools • Wells and boreholes including their pumps, linings and casings • Private utility plant and associated equipment, such as wind and water mills, and diesel generators. 	<p>Review your new policy wording to understand what is included as part of your home, and what needs to be covered separately as a special feature.</p> <p>Check your Home Sum Insured and any Special Feature Sum Insured amounts in your Policy Schedule to ensure you have the right amount of cover. You can use the <u>Cordell Sum Sure calculator</u> to get an estimate or the estimate provided by an independent insurance valuation for your home. If you need to increase this amount or make any changes, you can do this online in your <u>My AMI</u> account, or contact us.</p> <p>Refer to your new policy wording for more details on how ‘Sum insured replacement’ or ‘Replacement’ cover works, or contact us for more information.</p>

What you need to know	What you need to do
<p>New option – Additional costs for heritage homes</p> <p>The additional costs usually required to repair or rebuild a heritage home are no longer included automatically.</p> <p>Cover is available under the new ‘Additional costs for heritage homes’ optional benefit.</p> <p>If we already have your home noted as a heritage home, this new optional benefit will be added to your policy once it renews. Note this cover is subject to an additional premium.</p>	<p>Customise your cover by purchasing or removing this optional benefit online in your My AMI account, or contact us.</p> <p>See the summary of this and other options in ‘Part 2: Summary of your new policy’ below and refer to your new policy wording for details.</p>
<p>Cover for your home</p> <p>Your new Home Plus Insurance policy is not designed for residential rental properties.</p> <p>Cover for residential rental properties is available under the Landlord’s Home Insurance policy.</p>	<p>Contact us if you want to purchase the Landlord’s Home Insurance policy or for more information about the cover.</p>
<p>Changes to discounts</p> <p>There may be changes to the discounts available to you.</p>	<p>Go to ami.co.nz/upfront-price for more information about these changes.</p>

Part 2: Summary of your new policy

We have summarised the cover available under the Home Plus Insurance policy below. However this is a summary only. Make sure to read your new policy wording. It is important that you understand the full details of what you are covered for, as well as the exclusions, conditions and limitations that apply. This summary does not form part of your insurance contract.

Natural Hazards Insurance Act

From 1 July 2024, the Natural Hazards Insurance Act 2023 replaced the Earthquake Commission Act 1993. This means that Natural Hazards Cover (NHCover) provided by the Natural Hazards Commission Toka Tū Ake replaces EQCover previously provided by the Earthquake Commission.

We have made some changes to your policy wording to terms and associated definitions to reflect this change, including in the 'Natural hazard damage' automatic benefit (which replaces the 'Natural disaster' automatic benefit). There is no change to the cover we provide as a result of this change.

Automatic cover and benefits	
These are automatically included in your Home Plus Insurance policy.	
Sudden and accidental loss or damage	Covered
Legal liability	Higher limit of \$2,000,000. Your excess now applies.
Electronic programs	Covered
Fatal injury	\$10,000 per event
Hidden gradual damage	\$3,000 per year
Landscaping	\$1,500 per event
Methamphetamine contamination	\$30,000 per event, minimum \$2,500 excess applies
Natural hazard damage	Covered
New structure build	\$10,000 per year
One incident – one excess	If one incident results in a claim under more than one benefit or sub-section of a benefit, we deduct only the highest applicable excess. This also applies if one incident results in more than one claim under your boat, car, caravan, contents, home, landlord's, motorcycle, motorhome, residential contract works or trailer policy, at the same address.

Removal of debris	Covered
Replacement of keys and locks	No excess if your claim is only for keys that are lost, stolen or duplicated without your permission. If your claim is for keys that are damaged, your excess applies.
Sale and purchase	Covered
Stress payment	\$2,000 following a total loss
Sustainability upgrade	\$15,000 following a total loss
Temporary accommodation	\$30,000 per event. Extends to compulsory evacuation due to impending damage. Your home must be your main residence. Your excess now applies.
Water or sewage pipe blockage	\$500 per year. No excess if your claim is only for clearing blocked pipes.
<p>Optional benefits These are available to purchase under your Home Plus Insurance policy.</p>	
Additional costs for heritage homes	Covers the additional costs or fees required to comply with any heritage covenant or order, when repairing or rebuilding your heritage home on the same site
Excess-free glass and bathroom fixtures	No excess if your claim is only for the breakage of glass or bathroom fixtures. If you do not purchase this benefit your excess applies on any claim for these items.
Lifestyle block fencing	\$5,000 per event
Matching floor coverings	Covers the replacement of identical fitted floor coverings in other rooms to the damaged floor covering, if a match cannot be found

Other important things to know

Section	What is new
<p>Part one – cover for your home</p> <p>What we mean by ‘home’</p>	<p>What we mean by ‘home’ now includes any of the following that you own.</p> <ul style="list-style-type: none"> • Items used only for domestic purposes: <ul style="list-style-type: none"> - permanent sheds within or on the residential boundary of your home - retaining walls - tennis courts, permanently fixed spa pools and swimming pools, including their necessary equipment such as pumps. • Items used primarily for domestic purposes but may also have rural lifestyle use: <ul style="list-style-type: none"> - outbuildings within or on the residential boundary of your home - bridges, culverts, permanent fords and dams - wells and boreholes including their pumps, linings and casings - private utility plant and associated equipment, such as wind or water mills, and diesel generators.
<p>Part one – cover for your home</p> <p>What we pay – the most we pay</p>	<p>Within your Home Sum Insured we pay up to a certain amount for the following items:</p> <ul style="list-style-type: none"> • all retaining walls: \$50,000 • a permanently fixed swimming pool, including its necessary equipment such as pumps: \$50,000 • a bridge, culvert, permanent ford or dam: \$15,000. <p>You may be able to insure these items for a higher amount. Contact us for more information.</p>
<p>Part one – cover for your home</p> <p>When the most we pay is the replacement cost</p>	<p>In certain circumstances, we do not apply the limits of your Home Sum Insured and Special Feature Sum Insured, and instead we replace your home up to its floor area and replace your special feature</p>

Section	What is new
<p>Part one – cover for your home</p> <p>What we pay – how we settle a claim</p>	<p>Changes to how we settle a claim:</p> <ul style="list-style-type: none"> • When your home is economic to repair – we no longer factor in an allowance for depreciation and wear and tear from our estimated cost of repair. • When your home is a total loss – we will choose to pay you in one of the following ways: <ul style="list-style-type: none"> - the reasonable cost you incur to rebuild your home - our estimate of the reasonable cost you would incur to rebuild your home, less any demolition and removal costs we incurred - the reasonable cost you incur to buy another home anywhere in New Zealand including reasonable legal and associated fees, if you choose to buy another home. <p>Previously, we paid you the reduction in the market value of your home after the loss or damage happened, or your Total Sum Insured, whichever was less.</p> <ul style="list-style-type: none"> • Standard of repair or rebuild – settlement is based on the reasonable cost to repair or rebuild your home to an equivalent size and specification on its original site within a reasonable time frame. We pay to repair or rebuild to a condition as near as reasonably possible to when it was new, using current industry accepted building materials and construction methods. Previously, the cost of repair was limited to the amount it would cost to put your home back to the condition it was in before the loss or damage happened.
<p>Exclusions – what we do not cover</p>	<p>New exclusions:</p> <ul style="list-style-type: none"> • Communicable disease • Computer systems • Fines and damages • Sanctions • Weapons. <p>Updated exclusions:</p> <ul style="list-style-type: none"> • Causes of loss – excludes loss or damage caused by slugs or snails and the like. However, this only applies to the part of the property directly affected, it does not apply to resultant loss or damage to other parts of your home.

Section	What is new
	<ul style="list-style-type: none"> • Types of loss: <ul style="list-style-type: none"> - excludes undamaged parts of a bathroom suite or kitchen suite - now only excludes the accidental burn out of any mechanical, electrical or electronic equipment, or its parts, over 15 years old where the burn out is caused by an external force. • Liability – no cover for liability connected to: <ul style="list-style-type: none"> - the ownership or use of any trailer, caravan, watercraft, or aircraft or other aerial device - asbestos. • Terrorism – now only excludes terrorism involving biological, electromagnetic, chemical, radioactive or nuclear pollution, contamination or explosion.
Conditions of your cover	<p>If your home is a total loss, your Home Plus Insurance policy will be automatically cancelled from the end of the day of the loss.</p> <p>If you pay the premium by instalments, we deduct any premium you owe us up to the end of the period of insurance before we settle a total loss claim. This is because we agreed the premium at the start of the period of insurance, and you must pay the premium in full, whether you pay in one lump sum or by instalments.</p>
Definitions	<p>New definitions:</p> <ul style="list-style-type: none"> • natural hazard fire • partner • retaining wall • total loss. <p>Updated definitions:</p> <ul style="list-style-type: none"> • contamination level • hidden gradual damage • natural hazard (<i>replaces the 'natural disaster' definition</i>) • NHI Act (<i>replaces the 'EQC Act' definition</i>). <p>There are other updated definitions – refer to your new policy wording for details.</p>

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