

Landlord's Home and Contents Insurance

Change Summary

ami



Important changes

This change summary applies if you have an **AMI Premier Rental Property Insurance** policy that started before **15 August 2024**. When your policy renews, it will renew on the new **AMI Landlord's Home and Contents Insurance policy wording AMI1714/1**.

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 'Landlord's Home and Contents 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
Landlord's Home Insurance	<p>Home Sum Insured</p> <p>These items are now included within your Home Sum Insured:</p> <ul style="list-style-type: none"> • Tennis courts • Permanently fixed spa pools • Bridges, culverts, permanent fords or dams up to \$15,000 per item • 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 Home Sum Insured amount in your Policy Schedule. You can also use the <u>Cordell Sum Sure calculator</u> to get an estimate. 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>
Landlord's Home Insurance	<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 rental 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 <u>My AMI</u> account, or contact us.</p> <p>See the summary of this and other options in 'Part 2: Landlord's Home Insurance' below and refer to your new policy wording for details.</p>
Landlord's Home and Contents Insurance	<p>New option – Rent default</p> <p>Cover is available for the amount of rent you lose in certain circumstances outlined in your new policy wording.</p>	<p>Customise your cover by purchasing this optional benefit online in your <u>My AMI</u> account, or contact us.</p> <p>See the summary of this option in 'Part 2: Landlord's Home Insurance' or 'Part 2: Landlord's Contents Insurance' below and refer to your new policy wording for details.</p>
Landlord's Home and Contents Insurance	<p>Changes to discounts</p> <p>There may be changes to the discounts available to you.</p>	<p>Go to <u>ami.co.nz/upfront-price</u> for more information about these changes.</p>

Part 2: Summary of your new policy

We have summarised the cover available under the Landlord's Home Insurance and Landlord's Contents Insurance policies 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.

Landlord's Home Insurance	
Automatic cover and benefits	
These are automatically included in your Landlord's Home Insurance policy.	
Sudden and accidental loss or damage	Covered
Legal liability	Higher limit of \$5,000,000. Your excess now applies.
Abandoned possessions	\$10,000 per event
Electronic programs	Covered
Hidden gradual damage	\$3,000 per year
Landscaping	\$1,500 per event
Loss of rent	\$30,000 per event. Includes cover for the amount of rent you lose because of compulsory evacuation due to impending damage. Your excess now applies.
Methamphetamine contamination	\$30,000 per event, minimum \$2,500 excess applies
Natural hazard damage	Covered

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	\$1,000 per event. 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
Sustainability upgrade	\$15,000 following a total loss
<h2>Optional benefits</h2> <p>These are available to purchase under your Landlord's Home 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 rental 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
Rent default	Covers the amount of rent you lose if your tenants are evicted for non-payment of rent, are released from the tenancy agreement as a result of hardship, leave without notice, or if your sole tenant dies

Other important things to know	
Section	What is new
Part one – cover for your rental home What we mean by ‘rental home’	<p>What we mean by ‘rental home’ now includes any of the following that you own:</p> <ul style="list-style-type: none"> • permanent sheds within or on the residential boundary of your rental home that are used only for domestic purposes • 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 rental 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 and water mills, and diesel generators.
Part one – cover for your rental home What we pay – the most we pay	<p>Higher policy limits within your Home Sum Insured:</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>
Part one – cover for your rental home When the most we pay is the replacement cost	<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 rental home up to its floor area and replace your special feature</p>
Part one – cover for your rental home What we pay – how we settle a claim	<ul style="list-style-type: none"> • When your rental 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 rental home - our estimate of the reasonable cost you would incur to rebuild your rental 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. • Standard of repair or rebuild – settlement is based on the reasonable cost to repair or rebuild your rental home to an equivalent size and specification on its original site within a reasonable time frame.

Section	What is new
Exclusions – what we do not cover	<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 rental home. • 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 motor vehicle, trailer, caravan, watercraft, or aircraft or other aerial device - asbestos. • Intentional or reckless acts – no longer excludes loss or damage that is intentionally caused by your tenant, any guest of your tenant, or a person who occupies your rental home. • Terrorism – now only excludes terrorism involving biological, electromagnetic, chemical, radioactive or nuclear pollution, contamination or explosion.
Conditions of your cover	<p>If your rental home is a total loss, your Landlord's Home 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>

Section	What is new
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>

Landlord's Contents Insurance

Automatic cover and benefits

These are automatically included in your Landlord's Contents Insurance policy.

Sudden and accidental loss or damage	Covered, no longer limited to specified perils
Legal liability	Higher limit of \$5,000,000. Your excess now applies.
Abandoned possessions	\$10,000 per event
Cover when replacing a whiteware appliance with a more energy-efficient model	Covered
Hidden gradual damage	\$3,000 per year
Landlord's fixtures and fittings	Covered, but only if your rental home is insured by a policy that does not cover these items
Loss of rent	\$30,000 per event. Includes cover for the amount of rent you lose because of loss or damage to landlord's contents that leaves your rental home unliveable and compulsory evacuation due to impending damage. Your excess now applies.
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 unrepairable items	Covered

Optional benefit

This is available to purchase under your Landlord's Contents Insurance policy.

Rent default	<p>Covers the amount of rent you lose if your tenants are evicted for non-payment of rent, are released from the tenancy agreement as a result of hardship, leave without notice, or if your sole tenant dies.</p> <p>IMPORTANT: If you have both Landlord's Home and Landlord's Contents Insurance for the same rental property, you only need to add 'Rent default' once.</p>
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Other important things to know	
Section	What is new
	<p>Your policy no longer covers loss or damage to landlord's contents caused by, or connected to, methamphetamine contamination</p>
<p>Part one – cover for landlord's contents</p>	<p>New clause:</p> <ul style="list-style-type: none"> • Landlord's contents covered for repair or replacement – furniture, furnishings, appliances and linen, that are 10 years old or newer are now covered for replacement. <p>Updated clauses:</p> <ul style="list-style-type: none"> • What we cover – your landlord's contents are now only covered at your rental home or while in your or your family's possession while in transit from the place where they were acquired to your rental home. • What we mean by 'landlord's contents' – no longer includes portable swimming pools or spa pools. Now includes any of the following that you own or are legally responsible for, but only if your rental home is insured by a policy that does not cover them: <ul style="list-style-type: none"> - fixtures and fittings permanently attached to your rental home, including home appliances permanently fitted to the gas, plumbing or electrical supply - fitted floor coverings - kitchen ovens. • Landlord's contents covered for repair or present value – all other landlord's contents are still covered for present value, except for the items listed in 'Landlord's contents covered for repair or replacement'.
<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.

Section	What is new
	<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 landlord's contents directly affected, it does not apply to resultant loss or damage to other landlord's contents. • Types of loss: <ul style="list-style-type: none"> - excludes undamaged parts of a pair or set - excludes loss or damage to fuses, protective devices, or lighting or heating elements caused by electricity - 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 of your rental home or its grounds, or any other building or permanent structure - the ownership or use of any trailer, caravan, watercraft, or aircraft or other aerial device - asbestos. • Intentional or reckless acts – no longer excludes loss or damage that is intentionally caused by your tenant, any guest of your tenant, or a person who occupies your rental home. • Terrorism – now only excludes terrorism involving biological, electromagnetic, chemical, radioactive or nuclear pollution, contamination or explosion.
Conditions of your cover	<p>If your landlord's contents are a total loss, your Landlord's Contents 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>



Section	What is new
Definitions	<p>New definitions:</p> <ul style="list-style-type: none">• closest equivalent item• hidden gradual damage• natural hazard fire. <p>Updated definitions:</p> <ul style="list-style-type: none">• motor vehicle• natural hazard (<i>replaces the 'natural disaster' definition</i>)• present value. <p>There are other new and updated definitions – refer to your new policy wording for details.</p>

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