

Policy | HomeCover®



Insurance



Welcome

Thank you for insuring with AA Insurance. This policy document explains your insurance cover, benefits and responsibilities.

Please read it and keep it in a safe place.

If there is anything you don't understand in this policy document, or if you have any queries, please contact us.

How to contact us

Sales, service and general enquiries

- Call us on: 0800 500 213
- Email us at customerservice@aainsurance.co.nz
- Go to www.aainsurance.co.nz
- Visit your nearest AA Centre

Claims

- Call us on 0800 500 216
- Email us at claimsassist@aainsurance.co.nz
- Go to www.aainsurance.co.nz

Reading your policy 4

Your insurance contract 5

Your responsibilities

Changing terms

Receiving notices

Cancellation by us

Cancellation by you

More than one person named on the policy

Interested parties

Your home 8

Your home includes

Your home excludes

Your cover 10

Accidental Damage Cover

Defined Events Cover

Your cover continued:

- Related costs
- Gradual damage
- Temporary accommodation
- Retaining walls
- Keys or locks
- Natural disaster top-up
- Legal liability

Your cover as a landlord 14

Fixtures and fittings

Loss of rent

Your cover for unoccupied homes 16

Owner Occupied

Rental

Holiday Homes

We do not cover	17
<hr/>	
Making a claim	19
<hr/>	
What we need from you	
Your excess	
How we may settle your claim:	
• Repair or rebuild	
• Additional costs	
• Matching appearance	
• Total loss	
Your policy conditions	22
<hr/>	
Paying your premium and excess	
Maintaining your home	
Taking reasonable care	
Accuracy of information	
Providing up to date information	
Non-compliance with policy conditions	
Definitions	24
<hr/>	
Fair Insurance Code	27
<hr/>	



Reading your policy

This policy document explains your insurance cover, benefits and responsibilities. Please read it carefully and keep it in a safe place.

Words and phrases, that have a specific meaning, are explained in the 'Definitions' section at the end of this policy document.

If there is anything you don't understand, or if you have any queries, please contact us.



Your insurance contract

Your policy is an insurance contract between you and us.

Your policy with us consists of:

- the most recent policy schedule we have sent you,
- the policy document that applies to your current period of cover,
- the information you provided to us in your application,
- any change you advise us of and we agree to in writing,
- any change we advise you of in writing.

You are covered during the period of cover shown on your policy schedule.

The maximum amount we will pay in respect of your insurance cover is:

- the Reinstatement Value,
- any other amounts listed under 'Value of cover' on your policy schedule,
- any amounts payable under 'Your cover continued' on pages 11-13,
- less your total applicable excess shown on your policy schedule.

All amounts referred to in your policy are inclusive of Goods and Services Tax (GST).

You are not entitled to assign this policy, or any interest in this policy, without our prior written consent.

Your responsibilities

Your policy is subject to certain conditions and you should read all your insurance documents carefully. If you do not comply with these conditions, we may take action as outlined under 'Non-compliance with policy conditions' on page 23.

Changing terms

We can change the terms and conditions of your policy at any time if, for example:

- there is a change that affects your home insurance; refer to 'Providing up-to-date information' on page 23,
- we discover new information about your circumstances that affects your home insurance.

Changes we may make to the terms and conditions may include but are not limited to the excess, the premium, reducing or cancelling cover or changing limits. We will notify you of this by sending you an updated policy schedule confirming the change and the date from which the change will take effect.

Receiving notices

We are entitled to send any notice, policy schedule or other written document to your last known physical, postal or email address. If we do this, you will be treated as having received the notice, policy schedule or other written document at:

- 4pm on the second day after we post it, or
- the time and on the day it is emailed or delivered by hand, or
- if we cancel your policy, 4pm on the seventh day after we send the notice.

Cancellation by us

We may cancel your policy at any time by sending you a notice to this effect.

We may also cancel your policy if you do not comply with your policy conditions; refer to 'Non-compliance with policy conditions' on page 23.

Cancellation by you

You may cancel your policy at any time by telling us.

If you cancel your policy within the first 14 days of the policy inception date, and you have not made a claim, we will refund your premium in full. Otherwise, we will keep the amount of the premium for the cover you have received up to the cancellation date plus an amount for administration costs, and refund the balance of the premium.

More than one person named on the policy

All people listed on your policy schedule are jointly insured and are deemed to act with the expressed authority of each other. Each person insured has the right to make a change to the policy, make a claim under the policy, or cancel the policy. Failure to comply with a policy term or condition by any one person is the same as if all people jointly insured under this policy had failed to comply.

Interested parties

If you have a party who has a financial interest in property covered by this policy, such as a bank or finance company, we may partially or fully settle a claim with them. This payment will go towards meeting or fulfilling our obligations under this policy. However, this interested party is not covered by this policy and does not have any right to make a claim under this policy.

By noting an interested party on your policy schedule, you are authorising us to disclose your personal information to the interested party.



Your home

Your home consists of the items listed under 'Your home includes', used for domestic, but not agricultural or business, purposes located at the address shown on your policy schedule.

Your home includes:

- ✓ residential buildings,
- ✓ outbuildings such as sheds, garages and carports,
- ✓ carpets and floor coverings that are glued to the floor,
- ✓ decks,
- ✓ internal or external appliances or fixtures, permanently built-in, attached, plumbed into or wired into the building,
- ✓ paths, paving, driveways or sports courts constructed of a permanent material such as concrete or tarseal, or of permanently set stone, brick or pavers,
- ✓ drains, pipes, gas lines and cables for which you are legally responsible, within the boundaries of your property,
- ✓ fixed water tanks, septic tanks and their systems,
- ✓ fixed or built-in swimming pools, spa pools and saunas,
- ✓ gates, fences and free-standing garden walls,
- ✓ retaining walls – limited cover applies; refer to 'Your cover continued' on page 12.

Your home excludes:

- × temporary buildings and structures,
- × carpets and floor coverings that are not glued to the floor,
- × furniture and furnishings, rugs, lamps, blinds and curtains,
- × portable swimming pools, spa pools and saunas,
- × any building, outbuilding or structure used for, or in connection with, agricultural or business activities, other than a home office,
- × boat ramps, wharves, jetties, landings, pontoons, water-based structures, breakwaters and sea walls,
- × bridges, culverts and dams,
- × lawns, trees, plants, hedges and shrubs,
- × land, earth or fill.



Your cover

Your policy schedule shows whether you have Accidental Damage cover or Defined Events cover.

Accidental Damage Cover

If you have chosen Accidental Damage Cover, we cover accidental damage to your home as stated in this policy document, provided your policy conditions are met and an exclusion shown on pages 17-18 does not apply.

Defined Events Cover

If you have chosen Defined Events Cover, we cover accidental damage caused by Defined Events to your home as stated in this policy document, provided your policy conditions are met and an exclusion shown on pages 17-18 does not apply.

Defined Events Cover is limited to accidental damage caused by:

- fire, explosion or lightning,
- storm or flood,
- burglary by violent or forced entry (other thefts are excluded),
- malicious damage or vandalism,
- water or oil escaping from, or freezing in, a tank, pipe, water or heating system or appliance within your home,
- burning out caused by electrical current surge,
- impact by vehicle, aircraft, animal, falling trees or branches,
- riot or protest.

Your cover continued

The following cover applies irrespective of whether you have Accidental Damage Cover or Defined Events Cover as shown on your policy schedule, unless stated otherwise.

Related costs

If we pay to rebuild, repair or replace part of your home, we will also pay the reasonable costs incurred with our prior consent of any of the following:

- survey and design work,
- related legal work,
- work necessary to locate the cause of the accidental damage,
- demolition and removal of debris that once formed part of your home,
- removal of the fallen branches or trees that have damaged your home,
- compliance with Government or local authority by-laws or regulations, in respect of the damaged portions of your home only, provided that:
 - your home complied with all requirements in place at the time that it was built and at the time of any alterations, and
 - you had not received notice of non-compliance prior to the date of the event.

Gradual damage

We will pay up to \$2,000 if gradual damage has occurred and has caused damage to your home. This must be caused by the leaking or overflowing within your home of a:

- water pipe, or
- hot water cylinder.

We will only pay this if you could not have discovered the damage immediately, and the damage was not visible, noticeable or obvious. We only cover the proportion of damage that occurred during the period of cover under this policy.

Temporary accommodation

We will pay the reasonable cost of temporary accommodation for you, your family and your household pets if:

- your home becomes unfit to live in as a direct result of accidental damage, and
- you normally live in your home, and
- we have accepted your home insurance claim.

Temporary accommodation will cease as soon as any of the following occur:

- your home has been rebuilt or repaired,
- your home is habitable again,
- you move into another home you own,
- we settle your claim,
- we have provided temporary accommodation for 12 months,
- we have paid \$20,000 for temporary accommodation.

If you have temporary accommodation cover under any other policy, with us or any other insurer, the most we will pay is \$20,000 for one event.

If you are receiving cover for temporary accommodation and you claim for another event for which you could receive temporary accommodation cover, the most we will pay is \$20,000 for all claims or events combined.

Retaining walls

We will pay up to \$10,000 per event if a retaining wall, at the address shown on your policy schedule, suffers accidental damage caused by an event that is covered under this policy.

Keys or locks

We will pay to replace keys or locks or change key codes if the security of your home is at risk following a burglary, theft, loss or the unauthorised duplication of your keys.

Natural disaster top-up

Your total premium for this policy includes an amount for natural disaster insurance which is provided by the Earthquake Commission and is called EQCover.

Cover for your accidental damage resulting from the natural disaster must have been accepted by the Earthquake Commission for our natural disaster top-up cover to apply.

We will pay the difference between the amount the Earthquake Commission pays you, before the deduction of the EQC excess, and the amount we would have paid if the event had been covered in full by this policy.

We will pay this if:

- your home suffers accidental damage caused by a natural disaster, and
- the Earthquake Commission accepts your claim for the accidental damage, and
- the value of your claim for accidental damage under this policy is higher than the Earthquake Commission's payment.

Legal liability

We will pay up to \$1million for any one event for your legal liability to pay compensation for accidental damage to property in New Zealand caused by, through, or in connection with your ownership of your home, occurring during the period of cover for any one event. Cover includes legal costs, charges, and expenses incurred with our consent.

Legal liability, costs or levies imposed under the Forest and Rural Fires Act 1977 are included.

We do not cover:

- punitive or exemplary damages awarded or reparations ordered by a court,
- liability for accidental damage:
 - to your own property, or property in your care, custody or control,
 - intentionally caused by you or a family member,
- liability directly or indirectly caused by, arising from or involving:
 - any animal belonging to you or in your care, custody or control,
 - vibration, removal or weakening of support affecting other land, buildings or property.
- liability for pollution or contamination,
- liability imposed by an agreement or contract unless liability exists irrespective of that agreement or contract,
- liability directly or indirectly caused by, arising from or involving:
 - a business or occupation,
 - illegal or unlawful activities or events.



Your cover as a landlord

If your home is insured as a rental home, as shown on your policy schedule, the following cover applies.

Fixtures and fittings

'Your home includes', as defined on page 8, is extended to cover:

- carpets and floor coverings that are not glued to the floor,
- fixed window coverings such as blinds and curtains.

Fixtures and fittings cover is limited to accidental damage caused by Defined Events only, irrespective of the cover shown on your policy schedule.

Loss of rent

Loss of rent cover is provided if:

- your home becomes unfit to live in as a direct result of accidental damage, and
- we have accepted your home insurance claim, and
- a current Tenancy Agreement was in place between you and your tenant(s).

Loss of rent cover will cease as soon as any of the following occur:

- your home has been rebuilt or repaired,
- your home is habitable again,
- we settle your claim,
- we have provided loss of rent cover for six months,
- we have paid \$20,000 for loss of rent cover.

We do not pay for any charges, bonds, fees or commission.

If you are receiving cover for loss of rent and you claim for another event for which you could receive loss of rent, the most we will pay is \$20,000 for all claims or events combined.



Your cover for unoccupied homes

Owner Occupied

If your policy schedule shows that your home is insured as Owner Occupied, and your home is unoccupied for more than 60 days, the additional long-term unoccupied excess shown on your policy schedule applies to accidental damage occurring on or after day 61.

Rental

If your policy schedule shows that your home is insured as a rental home, and your home is unoccupied for more than 60 days, cover is reduced to accidental damage caused by fire, lightning, explosion, storm, flood and natural disaster occurring on or after day 61.

We may extend cover; please contact us to discuss this. We must have agreed this with you for extended cover to take effect.

Holiday Homes

If your policy schedule shows that your home is insured as a Holiday Home, we will continue to provide cover when your Holiday Home is left unoccupied.



**You can contact us on 0800 500 213
if you have any queries.**



We do not cover

The following exclusions apply to your policy.

We do not cover:

- accidental damage or costs, directly or indirectly caused by, arising from or involving:
 - wear and tear, deterioration, corrosion or rust,
 - rot, mould, mildew or gradually occurring damage except as provided by 'Your cover continued, Gradual damage' on page 11,
- accumulating damage; for example, soot, smoke, dirt or cooking build-up,
- defective or faulty workmanship, design or manufacture, structural or inherent defect,
- structural alterations or structural additions to your home, unless we have agreed in writing to cover this,
- water entering your home due to the removal of roofing material, exterior cladding, doors or windows, unless we have agreed in writing to cover this,
- vibration or removal of support from either land or buildings,
- mechanical, electronic or electrical breakdown, fault or failure, unless an electrical current surge causes burning out,
- cleaning and restoration using inappropriate or unsuitable materials or methods,
- pollution or contamination, including any contamination caused by, or in connection with, an illegal activity,
- insects, pests, vermin, rodents or possums,

- non-compliance with New Zealand laws, by-laws and regulations,
- erosion, landslide, earth movement, earthquake, tsunami, hydrothermal or volcanic activity, subsidence or any other natural disaster. However, we will provide cover for accidental damage caused by a natural disaster covered by the Earthquake Commission's EQCover; refer to 'Your cover continued, Natural disaster top-up' on pages 12-13,
- scratching, chewing, tearing or soiling by your household pets,
- the moving, shifting, dislodging or hydrostatic pressure to any swimming pool or spa pool and their covers and liners, or any septic tank, water tank or other in-ground structure unless caused by the insured event of earthquake, storm or flood,
- war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, military rising, insurrection, rebellion, revolution, military or usurped power,
- terrorism or an act, including but not limited to, the use of or threat of, force or violence, with the intention to influence any government and/or to put the public, or any section of the public, in fear,
- nuclear activity, or any incident or accident caused by nuclear material, waste or weapons,
- intentional, reckless, deliberate, malicious or criminal acts or omissions, directly or indirectly caused by, arising from or involving:
 - you or a family member,
 - any guest in your home,
 - any tenant or their guest, other than accidental damage as a result of fire or explosion caused by the tenant or their guest.
- loss of use, loss of value or consequential loss of any kind,
- theft, burglary or accidental damage during an open home,
- any loss, damage or costs that are covered elsewhere, by another insurer or otherwise,
- property which is insured elsewhere or is covered by a warranty or guarantee,
- your excess on this or any other policy.



Making a claim

What we need from you

It is a condition of your policy that you must co-operate with us and give us any information or help we ask for in relation to your claim. If an event occurs, you must:

- inform us as soon as possible,
- provide proof of ownership, including a detailed description of the lost, damaged or stolen item(s),
- notify the police immediately in the event of loss, burglary, theft or malicious damage,
- keep damaged property for our inspection and allow us to inspect any land or buildings where loss or damage has occurred,
- do what you can to prevent further loss or damage,
- help us to minimise the cost of your claim,
- obtain our permission before you incur any expense, other than the reasonable cost of urgent work to prevent further loss or damage,
- immediately send us any letter, notice or court document relating to the event,
- co-operate with our assessors, investigators, lawyers and anyone else we may appoint to help us,
- allow us to take action in your name,
- assist us to recover our costs from the person responsible for the event.

You must not admit liability, limit our ability to recover costs from a third party, or attempt to settle a claim made against you.

If you do not comply with these conditions, we may take action as outlined under 'Non-compliance with policy conditions' on page 23.

Your excess

Your excess is the amount you must pay towards your claim for each individual event. The amount of your excess is shown on your policy schedule. You must pay your excess towards each event, even if the claimable amount is subject to a limit.

When you make a claim, we require you to pay the full excess to us unless we agree otherwise.

If you insure your home and contents with us at the same address, and an event occurs at that address entitling you to make a claim under both policies, you will only need to pay one excess. This will be the highest applicable excess of those policies.

How we may settle your claim

Repair or rebuild

We will choose to settle your claim in one of the following ways:

- Pay the costs reasonably incurred to:
 - rebuild, or
 - repair or replace the damaged portion of your home to the Reinstatement Value.
- If repair or rebuilding work does not commence within six months of the date of the event, pay the current value of your home unless we agree to extend this time period.
- If we decide that the Reinstatement Value is greater than the current value of your home, and you wish to buy another house rather than repair or rebuild your home we will, at our option, pay the cost of purchasing the new home and the reasonable legal conveyancing cost associated with the purchase, provided that the most we will pay for the combined new home and conveyancing cost is the Reinstatement Value.

- If we decide that the Reinstatement Value is greater than the current value of your home, with our consent, you may rebuild your home on an alternate site owned by you, provided that we will only pay what it would cost to rebuild your home at the address on your policy schedule including any discount available to us from our suppliers.

Additional costs

We do not pay any additional costs resulting from your choice to repair or rebuild your home to a different standard, size or specification to your home immediately before the accidental damage occurred. These costs could include the fees for an architect, engineer or specialist, superior materials, specialist labour, temporary accommodation, rebuilding at a different address to the address on your policy schedule or loss of rent.

Matching appearance

If we pay to repair or replace damaged sections of wall, ceiling, floor coverings or curtains, at our option, we may pay to repair or replace undamaged sections, if this is reasonably required to achieve a match. The repair or replacement of undamaged sections is limited to the room, passageway, stairwell or functional area where the damage occurred.

Total loss

When we settle a claim for a total loss, and we pay your maximum entitlement under this policy, your existing policy comes to an end and we retain the full annual premium you have paid for the current period of cover. Any outstanding instalments of the premium need to be paid to us.



**You can make a claim at any time
by calling us on 0800 500 216.**



Your policy conditions

Your policy is subject to the following conditions that you must comply with.

Paying your premium and excess

You must pay, or have arranged to pay us, the premium shown on your policy schedule by the date stated. You must also pay any excess that applies, as shown on your policy schedule, when you make a claim.

Maintaining your home

Your home must be properly maintained, repaired and kept in good order at all times.

Taking reasonable care

You must take all reasonable care, at all times, to avoid circumstances that could result in a claim under this policy.

Accuracy of information

Your policy with us relies on the accuracy of the information you provide to us. You must provide full and accurate information and answer honestly, correctly and completely all questions we ask you.

Providing up-to-date information

You must tell us immediately if:

- you change your address,
- the nature of occupancy or security of your home changes,
- there will be any structural alterations or structural additions to your home,
- your home will undergo removal of roofing material, exterior cladding, doors or windows,
- there will be any excavation or foundation work on the property,
- you or a family member are convicted of any criminal offence.

Non-compliance with policy conditions

If you do not comply with your policy conditions we can:

- reduce an entitlement or decline any claim you make, or
- cancel your policy with immediate effect or, at our option, with effect from the date of your failure to comply with a policy condition, or
- avoid your policy, meaning we can treat your policy as if it had never existed, or
- change your policy terms and charge you an additional premium to reflect the amount that would have been payable had all policy conditions been complied with.

If we avoid your policy, any premium you have paid to us may be forfeited, and any claim payments we have made to you must be refunded to us.



Definitions

Words and phrases that have a specific meaning are explained below.

Accident/Accidental

A sudden, unintended and unforeseen occurrence.

Accidental Damage

Sudden, unintended and unforeseen physical loss or sudden, unintended and unforeseen physical damage.

Application

The information provided to us when you applied for and purchased this policy, together with the declarations that were agreed to by you, or in your name.

Burglary

The unlawful taking of your property from your home.

Common materials and methods

Building materials and construction methods normally used within the New Zealand building and construction industry at the time of loss.

Consequential loss

Loss of value or additional expense arising as a consequence of an event; for example, the cost to replace undamaged property to create a uniform appearance.

Current value

The market value of the home immediately prior to the accidental damage, with due allowance for age, wear, tear, depreciation and degree of maintenance.

Defined Events

The events set out on page 10 under 'Defined Events Cover'.

Event

An accident that entitles you to make an insurance claim under this policy.

Excess

The amount you must pay towards your claim for each individual event that occurs and is covered by this policy.

Exclusion

A restriction within this policy document that removes or reduces cover for certain types of damage, circumstances, activities, property or otherwise.

Family member

Your spouse, partner, parents, grandparents, grandchildren, siblings, children, aunts, uncles, cousins, in-laws or dependants, normally living with you and not covered by a Tenancy Agreement.

Flood

An accidental overflowing or influx of water from a natural source beyond its normal confines.

Guest

A person who enters your home with your consent, or with the consent of a person who lives at your home.

Home

The residential buildings used for domestic purposes located at the address shown on your policy schedule, including the items listed under 'Your Home Includes' on page 8.

Household pet

An animal that lives with you at your home; for example, a cat, dog or bird.

Open home

A viewing of your property for the purposes of selling. This may have been arranged by you, a real-estate agent or anyone else.

Period of cover

The period starting and ending on the days and at the times shown on your policy schedule.

Policy schedule

The most recent notice of cover we issue to you relating to this policy.

Reinstatement Value

The costs to repair or to rebuild the home to a condition as similar as possible to when it was new or last enhanced, using common materials and methods, to a specification, size and standard comparable to the condition of the home immediately before the accidental damage occurred, less any discount available to us.

Theft

A criminal act in which property belonging to you is taken without your consent.

Unoccupied

Unoccupied means that no one has slept in your home overnight. Overnight stays of one night a week or less on average also mean that your home is unoccupied.

Vehicle

Any type of machine on wheels or caterpillar tracks, that is made to be or intended to be propelled by its own power, as well as anything towed by the machine.

Water pipe

A hollow, complete cylinder through which water flows as part of a heating, water reticulation or plumbed system. This does not include gutters, or pipes within appliances.

We, us and our

AA Insurance Limited.

You and your

The person or persons listed as 'Who's insured' on the policy schedule.

Fair Insurance Code

As a member of the Insurance Council of New Zealand (ICNZ) we are committed to complying with the Fair Insurance Code.

This includes:

- acting fairly and openly in all our dealings with you,
- providing you with information so you can select the cover that best suits your needs,
- ensuring you can ask for and receive information and assistance to help you understand your policy,
- ensuring you can ask for and receive a copy of the information you gave when you applied for your policy,
- when you make a claim, letting you know what to do and settling it fairly and promptly.

You can obtain a full copy of the Fair Insurance Code from us.

If you are not satisfied with one of our policies, our service, or a decision we make, please tell us. Often a quick conversation with one of our representatives can help resolve things.

If we can't agree, or you are still unhappy, please let us know. We will explain our complaints procedure to you and we have a Customer Resolution Service in place to assist you if needed.

Can we help with anything else?

AA Insurance RoadCover[®] Plus

Comprehensive cover from the car insurance specialists.

AA Insurance RoadCover[®] Third Party

Cover if you accidentally damage someone else's car or property.

AA Insurance RoadCover[®] Third Party Fire and Theft

All the benefits of Third Party cover and we'll also protect your vehicle if it's stolen or damaged by fire.

AA Insurance ContentsCover[®]

New For Old cover on your belongings.

AA Insurance PleasurecraftCover[®]

Comprehensive cover on your trailered boat.

AA Insurance RoadCover[®]

Caravan/Trailer

Cover for your caravan or trailer.

AA Insurance MotorcycleCover[®]

Comprehensive cover on your motorcycle.

We're here to help

Call AA Insurance today on
0800 500 213 for cover you can rely on.

Or visit **www.aainsurance.co.nz**
or your nearest AA Centre.

