

AA Insurance

Here are the details of your

Home Insurance Policy



Welcome to AA Insurance

Thank you for choosing
AA Insurance. When you
need us, we'll get things
sorted for you.

About your policy

This policy document explains your insurance cover, the benefits you'll receive, your responsibilities and how to make a claim. Please read it carefully and keep it in a safe place.

How to contact us

We value our customers and aim to deliver the best service possible. If you have any questions about your policy or need more information, please contact us. We're more than happy to help. We also appreciate and encourage your feedback – the good and the bad.

Sales, service and general enquiries

- Call us on 0800 500 213
- Email us at customerservice@aainsurance.co.nz
- Go to aainsurance.co.nz

To make a claim or enquire about your existing claim

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

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Introduction

We agree to cover you as set out in this policy document provided you have paid the premium due.

Your insurance contract consists of all of the following:

- this policy document
- the most recent **policy schedule** we have sent you
- the information you provided to us in your application or declaration
- any information you provide to us regarding any change in circumstances

whether you have received or provided this information verbally, or have completed, accessed or received versions of these documents electronically or in printed form.

It is important you read your policy document and **policy schedule** carefully. If you have any questions or need more information, please contact us.

If you change your mind

We provide you with a 21 day cooling-off period. You can cancel your policy within 21 days from the day cover began provided you have not made a claim. We will then refund in full any premium you have paid.

Words with specific meaning in this policy

The words 'we', 'us' or 'our' mean AA Insurance Limited. The words 'you' or 'your' mean the person or persons listed as 'Who's insured' on the **policy schedule**. The words 'your home' mean the residential building, including residential flat or holiday home, which is owned by you, used for residential purposes and located within the **residential boundaries** at the **insured address**. In addition there are other words in bold that have a specific meaning and are explained in the 'Definitions' section at the end of this policy document.

Headings

Where headings are used in this policy, the headings or references are purely descriptive in nature and are not to be used for interpretative purposes.

Goods and services tax

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

Governing law

This policy is governed by New Zealand law, and the New Zealand courts have exclusive jurisdiction over any legal proceedings about it.

What you are covered for

Cover for loss to your home

We will cover you for **loss** to your home at the **insured address** that happens during the **period of insurance**.

Your home includes

Your home includes all of the following items which are owned by you, used for residential purposes and located within the **residential boundaries** at the **insured address**:

- residential buildings, including sleep-outs
- outbuildings such as sheds, garages, carports, greenhouses, and pergolas
- decks, verandahs, balconies, patios
- paths, paving, driveways, sports courts constructed of a permanent material such as concrete or tarseal, or of permanently set stone, brick or pavers
- any private road, lane, right-of-way or access way, constructed of a permanent material (including associated guttering, drains, piping, cables, and lighting) providing access to a driveway owned by you or shared by you with other residential property owners, and for which you are responsible
- fences, gates and free-standing garden walls
- letter boxes, exterior blinds and awnings, fixed clotheslines and built-in barbeques
- fixed water tanks, septic tanks and their systems
- fixed or built-in swimming pools, spa pools and saunas and their systems
- solar panels
- internal or external appliances or fixtures that are permanently built-in, permanently attached, permanently plumbed into or wired into the building
- carpets and fixed floor coverings
- drains, pipes, gas lines, cables and poles for which you are legally responsible
- aerials and satellite dishes that are attached to your home.

Your home excludes

Your home excludes all of the following:

- land, earth or fill
- temporary structures
- **retaining walls**, except for the cover provided under the benefit 'Cover for retaining walls' on page 17
- lawns, trees, plants, hedges and shrubs
- boat ramps, wharves, jetties, landings, pontoons, piers, water based structures, breakwaters and sea walls, flood walls, and levees
- culverts, dams, bridges
- wells and bore holes
- furniture and furnishings, rugs, blinds and curtains and other contents
- any neighbouring property owner's share in any private road, lane, right-of-way, access way, walls, **retaining walls**, fences, gates, pipes, cables or driveways where those things are jointly owned by you and other property owners.

Cover for private or business use

Private use

If the **policy schedule** shows private use then your home is covered only when it is being used for private or domestic purposes. There is no cover when your home is being used in connection with a business, profession, or occupation.

Business use

If the **policy schedule** shows business use then your home is covered when used in connection with a business, profession, or occupation in addition to being covered for private or domestic purposes.

You must tell us if you change the use of your home or your business, profession or occupation changes.

Cover for your legal liability

We will pay for your legal liability for **loss** to physical property in New Zealand arising from the ownership of your home, occurring during the **period of insurance**. We will pay up to \$2million for any one **event**. This includes related legal costs and expenses incurred with our consent.

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

If you have cover for your legal liability under any other insurance policy with us, you can only claim this benefit under one policy per **event**.

What we don't cover under legal liability

We don't cover any of the following:

- exemplary or punitive damages
- legal costs incurred by any other party that you may be ordered or agree to pay
- legal liability assumed by agreement unless you would have been liable anyway.

We don't cover liability caused by, arising from, or involving any of the following:

- **loss** to your own property, or property in your care, custody or control
- intentional acts by you or any family members living with you
- the ownership or possession of any animals other than **domestic pets**
- illegal or unlawful activities or events
- pollution or contamination
- a business, profession or employment.

We also don't cover the exclusions found under 'What we don't cover' on page 20.

Limits on what we will pay

The most we will pay for any one **event** is the total of:

- the **reinstatement cost** to repair or replace your home for 'Replacement Cover' or the **Sum Insured** for 'Sum Insured Cover' or 'Indemnity Cover'
- \$2million for legal liability
- the maximum you are entitled to under the standard benefit 'Cover for temporary accommodation' on page 14.

We will reduce the amount we pay by the total applicable excess and any other deductions set out in this policy.

How we reinstate your cover after a loss

Where your home suffers **loss** covered by this policy, the amount of cover available for future claims will be reduced from the **reinstatement cost** for 'Replacement Cover' or the **Sum Insured** for 'Sum Insured Cover', by the amount of **loss**.

The amount of cover will be restored as and to the extent that the **loss** is repaired or rebuilt.

However, before any amount of your cover is restored following **loss** you must pay any additional premium that we may charge.

There will be no reinstatement of cover if there has been a total loss under this policy.

Conditions of making a claim

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

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.

What you must do

Immediately after an **event** occurs, you must:

- take all reasonable steps to prevent further **loss**
- inform the police in the case of theft, burglary or vandalism, or the attempt at these
- not admit liability
- not, without our consent, incur any expense or negotiate, pay, settle, or make any agreement in relation to any claim.

As soon as possible you must also:

- inform us of the **event** and give the full details and circumstances of what has happened, including details of everyone involved
- obtain our permission before you incur any expense, other than the reasonable cost of urgent work to prevent further **loss**
- send us all relevant communications which you receive as soon as possible
- keep damaged property for our inspection and allow us to inspect any building or other property where **loss** has occurred
- provide proof of ownership, information and other evidence that we may require
- allow us at our expense and in your name to take any action necessary against any other party and to take over and conduct the defence and settlement of any claim against you
- provide all reasonable assistance and co-operate with us and our assessors, investigators, lawyers or anyone else we appoint to assist in the making of your claim, its settlement and any defence of a potential claim against you or any action against anyone else.

If you do not comply with any of these conditions we can:

- decline your claim
- recover from you what we have already paid.

Your excess

An excess is the amount you have to pay for each individual **event** when you make a claim.

The total excess is determined by the circumstances of your claim; you might have to pay more than one type of excess when you claim. The amount and types of excesses are shown on the **policy schedule**. You must pay your excess towards each **event**, even if the claimable amount is subject to a limit.

If you claim under more than one policy with us for **loss** caused by a single **event** at the same location you will only have to pay one excess. This will be the highest total applicable excess.

How we will settle your claim

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

- Replacement Cover
- Sum Insured Cover
- Indemnity Cover.

Where the **loss** is caused by any **event** other than **natural disaster**, we will settle your claim using 'Replacement Cover'.

Where the **loss** is caused by **natural disaster**, we will settle your claim using 'Sum Insured Cover'.

Replacement Cover

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

- repair, rebuild or replace the damaged portion of your home to the **reinstatement condition**
- pay the **reinstatement cost** to repair, rebuild or replace the damaged portion of your home to the **reinstatement condition**.

We will only choose to settle your claim using this option where prior to the **loss** you have taken the steps a reasonable person would take to provide us with the following:

- an accurate **Sum Insured**, and
- the accurate size of your home.

If these conditions are not met, we will settle your claim under 'Sum Insured Cover'.

If we have been unable to agree the **reinstatement cost** with you within 12 months of the date of the **loss** or you will not be repairing, rebuilding or replacing the damaged portion of your home we will settle your claim under 'Indemnity Cover'.

Sum Insured Cover

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

- repair, rebuild or replace the damaged portion of your home to the **reinstatement condition**
- pay up to the **reinstatement cost** or the **Sum Insured** whichever is the lesser, to repair, rebuild or replace the damaged portion of your home to the **reinstatement condition**.

Any settlement under this option, including the amounts that we will pay under 'Demolition and debris' and 'Related costs', will be limited to the **reinstatement cost** or the **Sum Insured**, whichever is the lesser.

If we have been unable to agree the **reinstatement cost** with you within 12 months of the date of the **loss** or you will not be repairing, rebuilding or replacing the damaged portion of your home we will settle your claim under 'Indemnity Cover'.

Indemnity Cover

We will pay the **indemnity value** of the **loss** or the **Sum Insured** whichever is the lesser, where:

- we have been unable to agree the **reinstatement cost** with you within 12 months of the date of the **loss**, or
- you will not be repairing, rebuilding or replacing the damaged portion of your home.

Where we choose to settle under this option, we will not pay for 'Demolition and debris' and 'Related costs'.

Demolition and debris

If we choose to settle your claim under 'Replacement Cover' or 'Sum Insured Cover', the total amount we will pay will include the reasonable costs incurred with our prior consent for the following:

- the demolition and removal of debris that once formed part of your home, and
- removing fallen branches or trees that have damaged your home.

Related costs

If we choose to settle your claim under 'Replacement Cover' or 'Sum Insured Cover', the total amount we will pay will include the reasonable costs of any of the following to enable the repair, rebuild or replacement of the damaged portion of your home:

- architects, design, surveyors, legal and council fees
- the cost of compliance with government or local authority by-laws or regulations, provided that:
 - your home complied with all requirements in place at the time that it was built and at the time of any alterations, or had subsequently been certified as being compliant, and
 - you had not received notice of non-compliance prior to the date of the **loss**.

We do not pay:

- costs that are not directly and necessarily incurred in repairing, rebuilding or replacing the damaged portion of your home, or
- any costs that are incurred in relation to undamaged portions of your home, or
- any costs incurred without our prior consent.

Classifying your home as a total loss

We will classify your home as a total loss if:

- for any event the cost of repairing your home will exceed the cost of demolishing and rebuilding your home, or
- your claim is covered under 'Sum Insured Cover' and the **reinstatement cost** will exceed the **Sum Insured**.

The total premium for the entire **period of insurance** must be paid in full before the claim is settled. When we settle a claim for a total loss your policy ends on the date of the **event** and you are not entitled to any refund of premium.

Having 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 by making payment to them. This payment will either go towards meeting or completely 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 the **policy schedule**, you are authorising us to disclose your personal information to the interested party.

Standard benefits

The following benefits are automatically included in your cover.

Cover for temporary accommodation

If your home becomes **uninhabitable** due to **loss** which is covered by this policy or covered entirely by the Earthquake Commission, we will pay the reasonable cost of temporary accommodation for you, any family members living with you and your **domestic pets**.

We will also pay the reasonable costs of temporary accommodation where your home is otherwise safe and sanitary, but you are prevented from accessing it by order or direction of government or local authorities due to possible or impending **loss** which would be covered by this policy or covered entirely by the Earthquake Commission during the **period of insurance**.

We will stop paying temporary accommodation as soon as any of the following occur:

- your home has been repaired or rebuilt
- your home is no longer **uninhabitable**
- you move into another home you own
- we settle your claim under this policy
- we have provided temporary accommodation for 12 months, or
- we have paid \$20,000 for temporary accommodation.

In the event of an earthquake or tsunami covered by this policy, or covered entirely by the Earthquake Commission we may at our sole discretion extend the 12 month limit and pay up to \$40,000 for temporary accommodation.

If you, or a member of your household, have a 'temporary accommodation' benefit with us under any other policy, you are only entitled to payment of this benefit under one policy per **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.

We will not pay this benefit where:

- your home is insured as a holiday home, or
- where the **loss** is to land only.

Cover for new building work

We will cover up to \$50,000 during the **period of insurance** for **loss** to new building work.

New building work includes all of the following:

- any work being undertaken to alter existing fittings or features in your home
- any decks or patios except where there are any alterations to an external wall of a residential building
- any building materials at the **insured address** that are intended for use as part of the alterations to your home and which are owned by you.

We don't cover any of the following under this benefit:

- alterations where the expected value of the completed work, or the cost that an independent professional would charge, including materials, is more than \$50,000 including GST
- any new separate structure being built
- alterations that involve excavation more than 1 metre deep
- alterations that involve any work on load bearing walls
- re-piling or any work involving piles or foundations
- removal of roofing or external cladding
- structural alterations or alterations that involve an extension, such as an additional room, being added to an existing home
- structures or alterations that you are building for commercial purposes
- alterations that have not been granted a Building Consent or similar, where one is required
- alterations that are subject to a separate contract works insurance policy.

Cover for natural disaster

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

Where we accept a claim under this policy, we will pay the difference between the amount the Earthquake Commission pays you, before the deduction of the EQCover excess, and the amount we would have paid if the **loss** had been paid for under 'Sum Insured Cover' on page 11.

This benefit will apply if all of the following occur:

- your home suffers **loss** caused by a **natural disaster**
- the Earthquake Commission accepts your claim for the **loss**
- the Earthquake Commission has paid its full liability in relation to your claim for the **loss**
- the cost of repairing or rebuilding the portion of your home which has sustained **loss** as a result of the **natural disaster** is higher than your cover under EQCover.

We will also pay for **loss** to your home caused by **natural disaster** that the Earthquake Commission does not cover because the damaged property is exempt property under EQCover. An additional excess as shown on the **policy schedule** will apply to these claims.

Cover for resulting gradual damage

We will pay up to \$2,000 towards repairing resulting gradual damage to your home, provided the resulting physical damage is caused by the leaking or overflowing of a:

- **water pipe**, or
- waste disposal pipe, or
- water storage tank

which is hidden from view within the residential building and is permanently connected or contained within its walls, cupboards, floors, ceiling or roof.

This benefit will apply only if you could not have discovered the damage immediately, and the damage was not visible, noticeable or obvious. We only cover the damage that occurred during the **period of insurance** under this policy. We don't cover any other gradually occurring damage.

Cover for keys and 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.

Cover for retaining walls

We will pay up to \$50,000 for **loss** to **retaining walls** arising out of an **event**, including your share in **retaining walls** that are jointly owned by you and other property owners. This includes any costs related to the repair or rebuild of the **retaining walls**.

We do not cover any incomplete **retaining walls**, and any **retaining wall** which doesn't have the appropriate local authority consent.

Cover for unoccupied homes

Owner Occupied

If the **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 the **policy schedule** applies to **loss** occurring on or after day 61.

Holiday Home

If the **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**.

Optional benefit

If you have chosen to include the following benefit, it will be shown on the **policy schedule**.

Excess-Free Glass Cover

No excess applies to claims for **loss** to glass in any:

- windows, doors, or screens, or
- permanently fixed mirrors, splash backs or built-in furniture,

which are part of your home, provided there is no **loss** to any other part of your home.

We don't cover any of the following:

- any damage, wear, tear or deterioration to your home that must be repaired to enable the glass to be fitted
- the cost to repair or replace any framing necessary to enable the glass to be fitted
- the replacement of any undamaged glass or parts of your home in order to create a match.

What we don't cover

This section explains what your policy does not cover. These exclusions apply to all sections of this policy.

If there is intentional damage

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from, or involving intentional, reckless, deliberate, malicious or criminal acts or omissions by:

- you or anyone living with you
- any **guest** in your home.

This exclusion does not apply for theft by a **guest** in your home, provided that you take reasonable care in inviting the **guest** into your home.

If your home is heritage registered

Where your home is registered with the New Zealand Historic Places Trust, we will not pay for any additional costs or fees required to comply with any heritage covenants that apply to your home.

If there is loss caused by the process of cleaning or restoration

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from or involving the process of cleaning and restoration where inappropriate or unsuitable materials or methods are used.

If mechanical or electrical breakdown occurs

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from or involving:

- failure of any mechanical, electronic or electrical parts, or
- any mechanical, electrical, or electronic failure or breakdown.

This exclusion does not apply where the **loss** results from a sudden, unforeseen and physical accidental external cause.

If your home is confiscated

There is no cover for any **loss**, costs or liability connected in any way with your home being confiscated or seized by anyone with a financial interest in your home.

There is no cover for any **loss**, cost or liability connected in any way with confiscation, destruction, acquisition, designation, or decision by government or local authorities.

If there is damage by pests or pets

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from or involving:

- insects, pests, vermin, rodents or possums, or
- scratching, chewing, tearing, soiling, or vomiting by your **domestic pets**.

If there is a war or nuclear incident

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from, or involving:

- war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming proportions of or amounting to a popular uprising, military uprising, rebellion, revolution, insurrection, military or usurped power
- nuclear weapons, ionising radiations, or contamination by radioactivity from nuclear fuel or the combustion of waste from nuclear fuel.

If there is a terrorism incident

There is no cover for **loss**, cost or liability, directly or indirectly caused by, arising from, or involving an act of terrorism.

An act of terrorism means any act, including but not limited to the use of force or violence, or the threat thereof, which from its nature and context is done for, or in connection with, political, religious, ideological, ethnic, or similar purposes, including the intention to influence any government and/or to put the public or any member of the public in fear.

If there is consequential loss

There is no cover for **consequential loss** of any kind.

If there is reduction in value

There is no cover for the reduction in value of your home from any cause.

If there are structural alterations

There is no cover for **loss**, cost or liability, directly or indirectly caused by, arising from or involving:

- lifting or moving your home
- water entering your home due to the removal of roofing material, exterior cladding, doors or windows
- structural additions or structural alterations to your home except where cover is provided by the benefit 'Cover for new building work' on page 15.

If there is wear, tear, depreciation or gradual damage

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from or involving wear and tear, rust, corrosion, action of micro-organisms, rot, mould, mildew, fungi, smoke, particles and action of light, atmospheric or climatic conditions.

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from or involving gradual deterioration or depreciation of your home, except where cover is provided under the benefit 'Cover for resulting gradual damage' on page 16.

If there is faulty workmanship

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from or involving poor, sub-standard, defective or faulty workmanship, design or manufacture, or involving any structural or inherent defect.

If there is pollution or contamination

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from, or involving, pollution or contamination. This includes any contamination by the use, consumption, storage or manufacture of illegal drugs.

If there is other insurance

There is no cover under this policy where cover is provided by other insurance or by a warranty or guarantee. We will not contribute towards any claim made under any other policy.

If an excess applies

There is no cover for your excess on this or any other policy.

If there is hydrostatic pressure

There is no cover for **loss**, cost or liability, directly or indirectly caused by, arising from or involving hydrostatic pressure or the moving, shifting or dislodging of the earth around any septic tank, water tank, swimming pool, spa pool (including their covers and liners), or other in-ground structure, unless caused by earthquake, storm or **flood**.

If the Accident Compensation Act 2001 applies

There is no cover for costs which are covered under the provisions of the Accident Compensation Act 2001 (or any replacement Act) and any subsequent amendments.

If there is undamaged property

There is no cover for any part of the **loss**, cost or liability:

- associated with painting, repairing or replacing an area, set or part of your home that was not damaged in the **event**, or
- arising because paint, features, fabrics, or other parts of your home are not able to be matched, or
- that are not directly and necessarily incurred in repairing, rebuilding or replacing the damaged portions of your home, or
- that are incurred in relation to undamaged portions of your home.

If your home is not compliant

There is no cover for **loss**, cost or liability, directly or indirectly caused by, arising from or involving the non-compliance of your home with New Zealand laws, by-laws and regulations which apply to it.

If you incur costs

There is no cover for costs or expenses you may incur in order for you to prove or assist us with your claim. This may include you or anyone else's time or materials used.

There is no cover for repairs that are not related to your claim.

If there is existing damage

There is no cover for any damage to your home which has not been repaired at the time that this policy commences.

If there is land damage

There is no cover for the costs associated with the repair, preparation, stabilisation or other treatment of the land necessary to comply with regulations to permit repair or rebuilding of your home.

There is no cover for **loss**, cost or liability, directly or indirectly caused by, arising from, contributed to or involving the condition of the land on which your home is situated where:

- you, or a previous owner of your home, have received payment from the Earthquake Commission in order to repair the land, and those repairs have not been undertaken, or
- you are aware that the land requires repair or poses a threat to your home.

If there is natural disaster damage

There is no cover for any **loss**, cost or liability, directly or indirectly caused by, arising from, or involving erosion, landslide, earth movement, earthquake, tsunami, hydrothermal or volcanic activity, subsidence or any other **natural disaster**, except where cover is provided under the benefit 'Cover for natural disaster' on page 16.

If there is removal of support

There is no cover for **loss**, cost or liability, directly or indirectly caused by, arising from or involving vibration, removal of support or weakening of support from either the land or buildings.

If there is loss of electronic data

There is no cover for **loss**, cost or liability, directly or indirectly caused by, arising from or involving interference with or loss of or to computer software or electronic data. This includes loss of use, reduced functionality or any other associated loss, cost, liability or expense in connection with the electronic data.

Policy conditions

You must not transfer your legal rights

You must not assign or transfer or attempt to assign or transfer this policy or your interest in this policy to any other party.

You must give full and accurate statements

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.

If any claim under this or any other policy with us is supported by any incorrect or incomplete information or statement or is in any respect fraudulent, then your claim is not payable and this policy will be automatically terminated from the date that the incorrect information was supplied to us, or the statement or fraudulent claim was made to us. We may also terminate any other policy you have with us at the same time.

You must tell us if there are any changes in circumstances

You must tell us immediately if any of the following happen:

- you, your partner or any family member living with you are convicted of any criminal offence
- you, your partner or any family member living with you have any insurance policy or claim avoided, declined, cancelled or not renewed
- you change your address
- you change the nature of occupancy of your home
- your home will undergo any structural alterations or structural additions
- you change the use of your home or the type of business use changes.

As a result of these changes in circumstances, or if you fail to tell us of a change immediately and we become aware of this, we may:

- change your policy terms and make alterations to your premium
- reduce cover or change limits
- cancel your policy.

We will notify you of this by sending you a **policy schedule** confirming the change and the date from which the change became effective.

If there is an alteration to your premium, which remains unpaid then we can reduce the **period of insurance** in line with the proportion of the unpaid premium.

You must maintain and secure your home

You must at your cost and expense, maintain your home in good repair, secure your home and take all reasonable precautions to prevent **loss** occurring.

You are jointly insured

All people listed as 'Who's insured' on the **policy schedule** are jointly insured and are considered to act with the expressed authority of each other. This means that if anyone does or fails to do anything so that there is no cover, there will be no cover for any of the people listed on the **policy schedule**. Each person listed under 'Who's insured' on the **policy schedule** has the right to make a change to the policy, make a claim under the policy, or cancel the policy.

If you breach policy terms and conditions

Some parts of this policy can cover other parties as well as you. To gain benefit of any cover under this policy, they must meet all the same conditions and obligations that you are required to meet.

No claim will be payable where any person covered under this policy breaches any of the terms and conditions. Nothing in this policy affects the common law rights of either party, including our right to avoid your policy for non-disclosure. If we avoid your policy, any claim payments we have made to you or related costs we have paid must be refunded to us.

How we administer your policy

If we send notices

We will send any notice, **policy schedule** or other written document to your last known physical, postal or email address.

If you pay your premium by instalment

If we have agreed to accept payment of your premium by instalment, where any instalment is overdue all benefits under this policy will be suspended from the date the first unpaid instalment was due. Your policy will be automatically cancelled if any premium instalments remain unpaid for 28 days. Because this cancellation is automatic you will not be sent a cancellation notice.

Cancellation

Cancellation by you

You may cancel this policy at any time.

If you cancel this policy outside the cooling-off period and you have not made a claim, you will be refunded the unused portion of your paid premium, less the cancellation fee shown on the **policy schedule**.

Cancellation by us

We may cancel your policy at any time by sending you a notice to this effect. The cancellation will take effect on the 7th day after the notice has been sent. We will refund the unused portion of your paid premium.

Definitions

Consequential loss

Additional expense, cost, liability or loss arising as a consequence of an **event**. This includes any loss of income, loss of value, loss of use, additional costs, and liability.

Domestic pets

A domestic animal which you own and which lives with you at your home, for example a cat, dog or bird.

Event

A sudden and unforeseen occurrence that causes **loss** that is not intended or expected by you.

Flood

The inundation of land by water escaping from or released from the normal confines of the sea, any watercourse, reservoir, pond, dam, or lake, as well as the runoff, accumulation, or pooling of water.

Guest

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

Indemnity Value

Is our option of:

- the **Market Value**
- the depreciated replacement cost as assessed by an independent registered valuer appointed by us
- the cost of repairs, less wear and tear and depreciation, but including the cost of complying with government or local authority by-laws or regulations.

Insured address

The place where your home is located. It is shown on the **policy schedule**.

Loss

Sudden, unforeseen, accidental physical loss or sudden, unforeseen, accidental physical damage at a specific time and place.

Market Value

The value of your home excluding land, immediately prior to the **loss**, as determined by an independent registered valuer appointed by us.

Natural disaster

Earthquake, natural landslip, volcanic eruption, hydrothermal activity, tsunami or fire resulting from any of these. It does not include any gradual or slowly moving natural landslip.

Period of insurance

The period of insurance shown on the **policy schedule**.

Policy schedule

The most recent policy schedule we have sent you.

Reinstatement condition

A building standard and specification similar to, but no more extensive or better than the condition of your home when it was new or last enhanced, using currently equivalent techniques and building materials readily available in New Zealand. We will only replicate heritage features if the currently equivalent techniques and/or building materials are readily available in New Zealand.

Reinstatement cost

The costs that are reasonably required to repair, rebuild or replace the damaged part of your home to the **reinstatement condition**, less any discount that would be available to us from our suppliers.

Residential boundaries

The part of the land on which the residential building which constitutes your home is situated, which is used by you, any family members living with you, or by your tenant, for predominantly residential purposes. It does not include any part of the land which is used for commercial or farming purposes.

Retaining walls

A wall which serves a purpose, in whole or in part, in retaining land, except for a wall which forms part of the structure of the residential building or any other building, which shall not be a retaining wall.

Sum Insured

The Home Sum Insured shown on the **policy schedule**. The Sum Insured is the amount determined when your policy begins and at each renewal. It is shown on the **policy schedule** and you can discuss the value with us at any time. By paying your premium, you have accepted the Sum Insured.

Uninhabitable

Your home is no longer a safe or sanitary place to live, as determined by government or local authorities, or by us, due to physical damage to your home. It does not mean a disinclination by you to remain in an otherwise safe and sanitary home.

Unoccupied

You or a person you authorise are not living in your home as a residence and the property is not being visited more than weekly.

Water pipe

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

Let's get it sorted

If you're 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 if you are still unhappy, please let us know. We can explain our complaints procedure to you and we have a Customer Resolution Service in place to assist you if needed.

If there is anything you don't understand in this policy document, or if you have any queries, please contact us on 0800 500 213.

Can we help with anything else?

Contents Insurance

Cover for your personal belongings at home and around NZ.

Comprehensive Car Insurance

Comprehensive cover with optional extras to suit your car.

Third Party, Fire and Theft Car Insurance

All the benefits of Third Party Car Insurance and cover if your car is stolen or damaged by fire.

Third Party Car Insurance

Cover if you accidentally damage another person's vehicle or property.

Landlord Insurance

Protection for your investment property.

Classic Vehicle Insurance

Specialised cover to protect your pride and joy.

Motorhome Insurance

Cover for your home away from home.

Caravan/Trailer Insurance

Put your worries about what you're towing behind you.

Motorcycle Insurance

Tailored cover to suit your motorcycle.

We're here to help you

Call us anytime

0800 500 213

Visit us online

aainsurance.co.nz

Or come in and see us at your nearest

AA Centre

