

Your NZI home insurance provides 'sum insured replacement' cover

Your home is insured up to a maximum specified amount called a Total Sum Insured. In the event of a major loss, such as a house fire, the Total Sum Insured amount is the maximum payable to rebuild your home.

We strongly encourage you to make sure that the Total Sum Insured amount reflects the likely cost of rebuilding your home, including any changes you may have made to your property during the year in case the worst should happen. Your Total Sum Insured amount should make allowances for things like fences and driveways, as well as additional costs such as demolition and debris removal, professional fees and compliance costs.

How retaining walls, Recreational Features and Special Features are covered

- ▶ Some of our policies have no automatic cover for **retaining walls** and **Recreational Features** (e.g. permanently fixed swimming pools, permanently fixed spa pools and tennis courts), while others have limited automatic cover for these features.

Please check your current policy documents for details about the level of cover you have (if any) for retaining walls and Recreational Features.

- ▶ **Special Features** (e.g. bridges, culverts, cable cars) are not automatically covered under your home policy but can be added by contacting your broker. Any Special Features which NZI has agreed to cover will be stated on your Policy Schedule, with its own maximum sum insured amount.

For full details of your cover please refer to your policy documents. If you **require cover, or if you want additional cover** for retaining walls, Recreational Features or Special Features please contact your broker.

Different ways to help estimate the likely cost of rebuilding your home

- ▶ Visit www.need2know.org.nz/nzi where you'll find an easy-to-use calculator that may help you estimate the likely cost of rebuilding your home.
- ▶ Commission an independent Valuation for Insurance Purposes from a registered valuer.
- ▶ Hire a professional assessor or licensed builder.

What happens if you don't do anything?

If you don't adjust the Total Sum Insured amount provided on your Policy Schedule when your renewal documents arrive, it will automatically become your Total Sum Insured amount when your home insurance renews. In the event of a loss the Total Sum Insured amount will be the maximum amount payable to repair or rebuild your home (subject to the terms of the policy), even if the actual cost of rebuilding your home turns out to be greater.

If you set your Total Sum Insured amount too low, you may have to rebuild your home to a lesser size or quality, or pay for some of the building cost yourself. If the Total Sum Insured amount is too high, you may be paying too much premium. If your home is to be rebuilt and the actual cost of rebuilding it is less than your Total Sum Insured, then that actual cost is all NZI would pay.

Your home insurance premiums

You may find that your new premium is different from your current premium. Any changes you make to your policy, or to the level of cover you have, also affect the premium that is payable.

Need to update your policies?

When your renewal documents arrive, if you need to change your Total Sum Insured, get cover or increase your limits for retaining walls or Recreational Features, add cover for Special Features, or if something on your Policy Schedule is not correct, it's important to let your broker know.