

ONGOING INSURANCE

Once you cash settle, the insurance policy on your current house will be reviewed and may be amended as part of the final settlement.

The ongoing cover available will depend on whether you have cash settled on a repair, or rebuild.

Please read the following information carefully and speak to your Claims Manager or our Sales Team for further advice and information.



REPAIR

We will continue to insure your home while you make arrangements to repair the damage, but cover will not be provided indefinitely.

In order for your home policy to be renewed, you'll need to give us clear evidence of your intention to repair the damage, such as builders' quotes.

Provided this evidence is given to us before the policy's renewal date, we will agree to renew your policy. If this renewal is within six months of your cash settlement, your policy will continue until the following renewal.

How will a cash settlement affect the amount my home is insured for?

Your sum insured should be reduced by the cash settlement amount you received. For example, if your home would cost \$500,000 to rebuild and you've received \$150,000 for the unrepaired damage, your new sum insured should be \$350,000.

You will be contacted to update your sum insured.

What if I choose to sell my property following my cash settlement?

Your policy will be cancelled when you sell the property. However potential purchasers can contact us to discuss options.

What if I decide to rent out the property after I cash settle?

If there is substantial damage to your owner occupied home and you choose to rent it out, you will need to contact us to see what impact this has on your insurance.

REBUILD

Your existing cover will be cancelled at the time of settlement.

What if I intend to rebuild on site?

Talk to us about whether your existing policy provides liability cover. If not, you may like to extend your contents cover to ensure you have the relevant liability protection.

If you have an undamaged building on the same site (such as a Granny Flat or garage), IAG will insure your building for the current value plus liability for a maximum period of two years.

What if I would like to extend or renew these policies?

To extend the cover beyond the first year you will be required to provide some additional information that indicates you are rebuilding on the site.

DURING REINSTATEMENT

What insurance do I require when repairing or rebuilding my home?

You will need to arrange contract works insurance for a rebuild, and any repair requiring structural work.

Your cash settlement is likely to include an amount to cover this extra cost.

Do I need to inform IAG if the Council apply any special terms when I apply for consent?

Yes. We need to know if there are any special terms, such as a building consent issued subject to Section 72 of the Building Act because of land being subject to, or likely to be subject to, a natural hazard. This is likely to impact your ongoing and future insurance.

AFTER REINSTATEMENT

Once the rebuild is complete, what do I need to provide for full insurance cover to be reinstated?

Insurance cover can be provided once the work is complete and a Code of Compliance Certificate has been issued. Additional information may also be required and terms of cover may differ from what you have today. When you are ready to insure your new home please contact us to understand what cover is available.

Once the repair is complete, what do I need to provide for full insurance cover to be reinstated?

The information required depends on the type of work carried out:

1. If consent was required for the repairs, we will require evidence that a Code Compliance Certificate has been issued.
2. For structural damage where no consent was required, we will require:
 - a. Scope of works
 - b. Producer Statements (both PS1 Design & PS4 Construction Review) from a certified structural engineer
3. For cosmetic damage, a statement from the tradesperson who carried out the repairs outlining the extent of repairs undertaken, verifying that all work has been completed in a manner compliant with the Building Code. For minor repairs, we may accept copies of receipts and/or photos as evidence at our discretion.

