

Understanding your NHCover Claim.



You've made your NHCover claim, so what now? Here's some important information to help you through your Natural Hazards Cover claim, from lodgement to settlement. If you have any questions, your Case Manager is just a phone call away.

What is NHCover?

Natural Hazards Cover (NHCover) is provided by the Natural Hazards Commission Toka Tū Ake (previously the EQC/ Earthquake Commission) for residential buildings and defined areas of residential land.

NHCover covers damage caused by earthquake, landslide, volcanic activity, hydrothermal activity, storms, floods or tsunami, including fire resulting from these hazards. Residential land is covered for damage caused by all these hazards, while residential dwellings are covered for all except storms and floods.

If your residential property isn't damaged after one of these natural hazards, but damage is imminent as a direct result of any of them, NHCover might also apply.

The maximum NHCover amount is \$300,000 per residential dwelling (subject to terms and limitations determined by NHC, according to the Natural Hazards Insurance Act 2023). Different limits apply to residential land.

To learn more about NHCover, visit naturalhazards.govt.nz/know-your-cover/

What is IAG's role in NHCover claims?

IAG is acting on behalf of NHC to assess and settle claims for residential building and/or land damage, in accordance with the Natural Hazards Insurance Act 2023 (the Act).

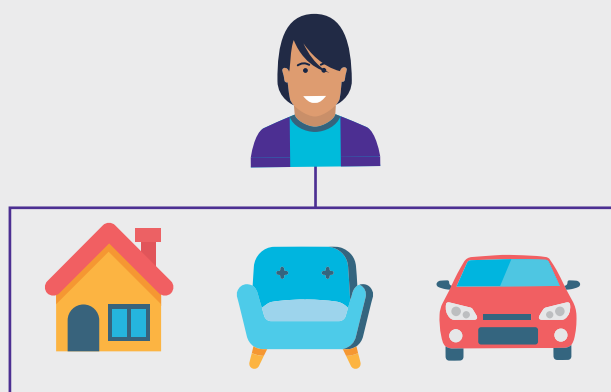
In practice, this means we'll assess, manage, and settle your NHCover claim.

If the damage to your home exceeds your NHCover limit, as your insurer, we'll cover the rest of the costs, subject to the terms and conditions of your home insurance policy, and up to your sums insured.

We'll also manage your non-NHCover claims

As your insurer, we'll also manage any other non-NHCover claims related to the event covered under your insurance policies with us. This includes contents claims, vehicle claims and other parts of your property not covered by NHCover.

That means you'll have just one point of contact across all claims, making things simpler for you during a stressful time.





Authority to act on your NHCover claim

If you wish to do so, you can appoint an agent to act on your behalf when communicating with us about your NHCover claim. An agent can be a person or an organisation, or your insurance broker, if you have one.

To appoint an agent, you'll need to complete an 'Authority to Act' form. Your Case Manager can provide you with this. Please note that completion of this form is a NHC requirement when appointing an agent, so it will need to be completed even if you already have an existing Authority to Act with IAG, or an existing agreement with a broker.

How will your NHCover claim be settled?

Following the assessment, your Case Manager will discuss the claim outcome with you, including your entitlement under the Act, your settlement and excesses.

When no one else has a legal or financial interest in the property, as recorded on the Record of Title.

In this scenario, accepted house and land claims will be cash settled, as separate payments, to your bank account, provided you are the owner of the property.

When others have a legal or financial interest in the property, as recorded on the Record of Title.

If another person or organisation has an interest in the house or land (for example a mortgagee), the interested parties will need to agree and authorise who can receive the settlement payment by signing an Authority to Pay form. Sometimes they will require the payment to be made to them; other times they may be happy for the payment to be made to you.

You may want to get this form signed by the interested parties early, to avoid delays at settlement time. Once the form has been provided, we'll make NHCover settlement payments for loss or damage directly to that nominated person or organisation. If the payment is not being made to you, you'll need to discuss next steps with the person or organisation receiving the payment, in order to carry out the repairs to your property.

Understanding your NHCover excess

An excess is the amount you must contribute towards an accepted claim and is deducted from the amount of your settlement.

For NHCover building claims, your excess will be \$500 per dwelling. For NHCover land claims, your excess will be \$500 per dwelling, capped at \$5,000. These figures are GST inclusive.

Your Case Manager will discuss these with you prior to settlement.

You can also find out more about NHCover excesses and how they're calculated at [naturalhazards.govt.nz/know-your-cover](https://www.naturalhazards.govt.nz/know-your-cover)

Understanding your IAG excess

If you have a claim that exceeds your maximum NHCover entitlement, the standard policy excess outlined in your policy schedule will apply *as well* as the NHCover excess.

If your claim relates to, or includes, property not covered by NHCover (for example paths and driveways), you will be required to pay an IAG natural hazard damage excess of \$5,000 (minimum), as outlined in your policy wording, or the policy excess outlined in your policy schedule – whichever is greater.

Excesses can differ by policy, so check your policy wording and schedule for details of your excess or discuss this with your Case Manager.

What should you do with your payment?

Your cash settlement payment should be used to repair or rebuild the property damaged in the hazard event.

If you have been paid the cost to repair or rebuild the property, but you don't, this might affect the amount of cover you have for future damage under your NHCover or under your IAG insurance policy.

What should you do if you find further damage?

If further natural hazard damage is discovered, you must notify your Case Manager as soon as possible.

If you discover this damage during the repair process, you must stop all work related to the affected area and contact your Case Manager immediately for further advice.

If we confirm the newly discovered damage was caused by a natural hazard event, you may receive an additional NHCover payment, up to the NHCover limit that applied to your policy at the date of the natural hazard event (subject to terms and limitations determined by NHC, according to the Natural Hazards Insurance Act).

Where can you find more information?

Visit naturalhazards.govt.nz for the latest information about NHCover and what you're insured for, the claim process, settlement and more, or ask your Case Manager to direct you to this information.

What do we do with the information we collect?

Protecting your privacy is important to us, and we're committed to acting in accordance with the Privacy Act 2020.

NHC and IAG collect information for the purpose of administering the Act; performing its functions; and natural hazard preparedness, response and recovery.

Under the Act, NHC can share property-related information with the public, including private insurers, government agencies such as local government, or third parties. This includes information about:

- natural hazard damage to a property and any claims made under the Act in relation to a property
- the assessed cost of replacing or reinstating damaged property, reinstatement methods and settlement amounts.

NHC may also disclose information in response to threats to public or personal health and safety. Personal information is protected by the provisions set out in the Privacy Act 2020.

IAG and NHC may also use your personal information for research, and statistical purposes.

IAG may use information about natural hazard damage to a property for underwriting purposes in relation to that property.

NHC's Privacy Statement is available at nhc.govt.nz/privacy-statement

IAG's Privacy Policy is available at iag.co.nz

Code of Insured Persons' Rights

Starting July 1, 2024, the Natural Hazards Commission Toka Tū Ake (NHC) and its agents will manage all NHCover and EQCover claims in accordance with the Code of Insured Persons' Rights. This code outlines your rights and the responsibilities of the NHC and its agents when handling your claim. For more details about the code and information on the complaint procedure if you believe the code has been breached, please visit naturalhazards.govt.nz/about-nhc/code-of-insured-persons-rights

Dispute Resolution Scheme

Starting July 1, 2024, the independent dispute resolution scheme is available if you disagree with a *referable decision* made on your NHCover claim lodged on or after 1 July 2024. For more information about this scheme and to understand what constitutes a *referable decision*, please visit naturalhazards.govt.nz/dispute-resolution-scheme



This information is provided as a guide, it does not replace your policy wording. Please check your policy wording and talk to us if you have any questions about your situation.

We are a member of the Insurance Council of NZ and adhere to the Fair Insurance Code, which provides you with assurance that we have high standards of service to our customers. Further information on the Fair Insurance Code can be found at icnz.org.nz

IAG provides insurance for the following brands:

