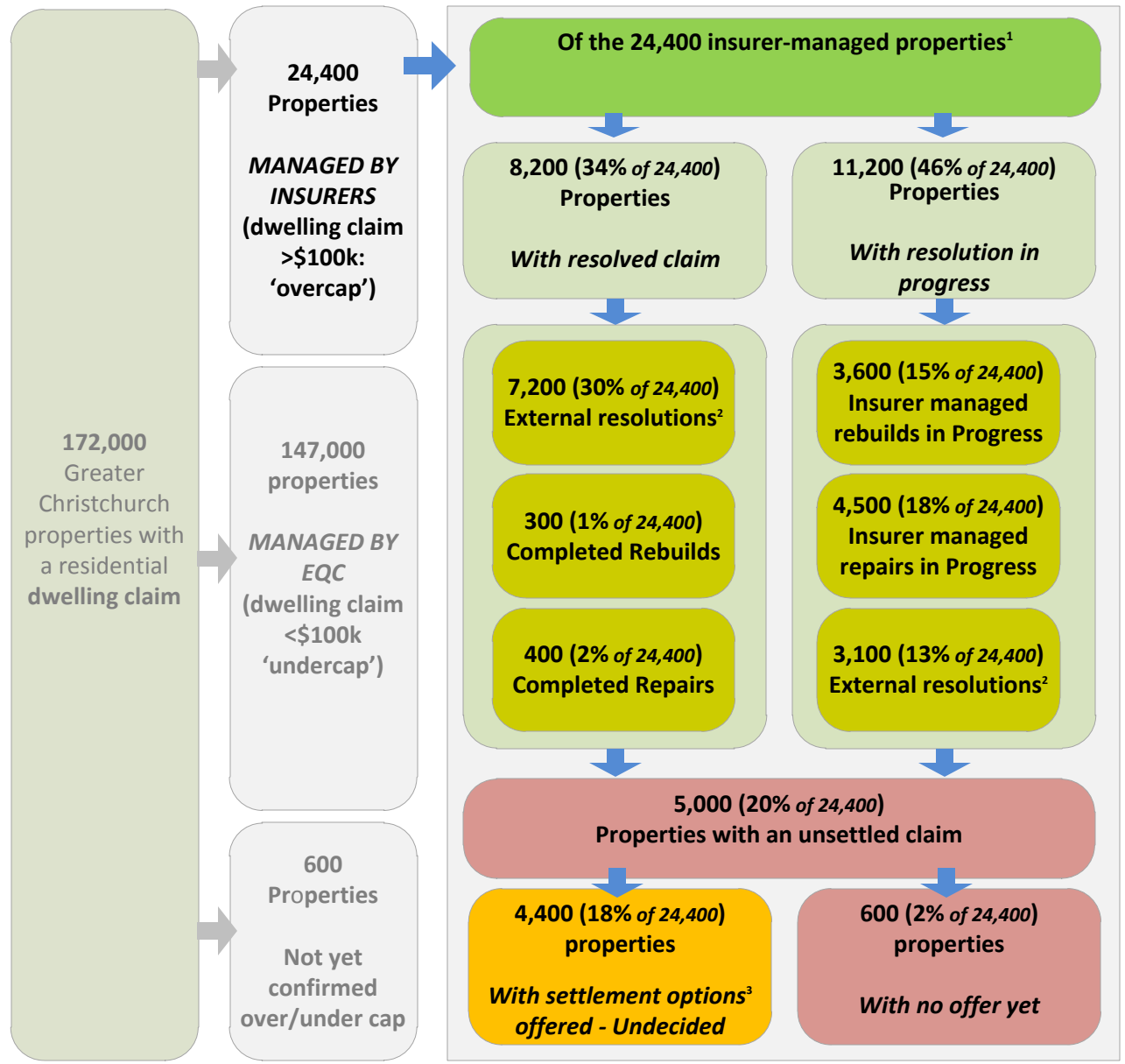


OVER-CAP and EQC 'OUT OF SCOPE' CLAIMS -SUMMARY OF INSURER PROGRESS

- 24,400 properties are subject to a repair or rebuild valued at over \$100K (+GST) and therefore managed by insurers rather than EQC¹.

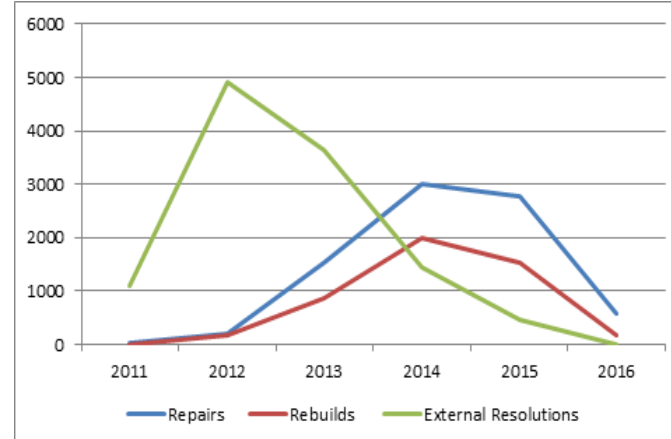
- 83,000 properties are subject to a claim that is 'out of scope' of the EQC resolution process – these include 'ancillary' items such as damaged paths, fences, driveways, swimming pools and patios

1. Progress: Properties Managed by Insurers ('overcap' claims exceeding \$100k + GST)

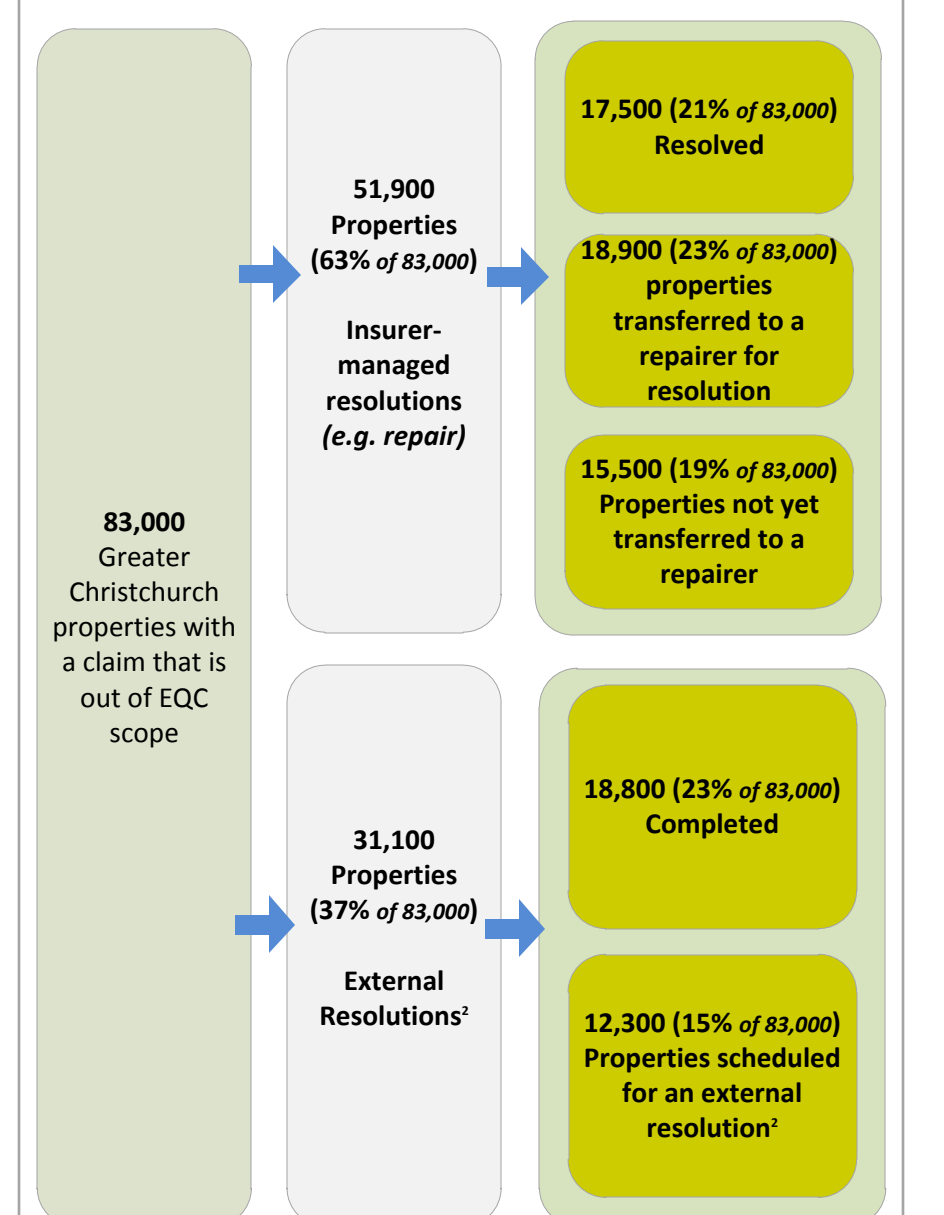


2. Insurer Estimated Timelines For Completion (Rounded to nearest 10)

	Repairs	Rebuilds	External Resolutions ²
2011	30	10	1,090
2012	190	180	4,910
2013	1,530	870	3,640
2014	2,990	2,000	1,450
2015	2,760	1,520	450
2016	580	170	0
TOTAL (24,370)	8,080	4,750	11,540



3. Progress: EQC 'Out of Scope' Claims Managed by Insurers e.g damaged paths, fences, driveways not covered by EQC.



4. Estimated Completed Residential Rebuild/Repairs by Land Category

9%	Technical Category 1 (TC1-future land damage from liquefaction is unlikely)
23%	Technical Category 2 (TC2-minor to moderate land damage from liquefaction is possible in future significant earthquakes)
5%	Technical Category 3 (TC3-moderate to significant land damage from liquefaction is possible in future large earthquakes)
11%	Port Hills
33%	Unmapped
18%	Not Recorded
100%	Total

5. Vulnerable Clients (of 24,400 insurer-managed 'overcap' properties)



Footnotes:

1: If damage from any single event exceeds the EQC cap (usually \$100,000 + GST), the management of repairs or replacement are handed to private insurers.

2: **External Resolution:** An external resolution of a claim refers to any situation in which the loss incurred is resolved outside the project management office that is controlled by the insurance company or reports to the insurance company. Essentially, the resolution is outside the insurance company's control. This includes cash settlements and house re-instatements. 'House reinstatement' is a situation where the insurance company buys the insured a new house.

3: The insured has been provided with their **settlement options** when they have been advised whether they are a repair or rebuild and they have been given the opportunity to make a decision on whether to proceed with an insurer managed repair/rebuild or an external resolution.

Data provided by insurers, collated by CERA