



7 February 2012

Melba

C H McLachlan
10 ROWANWOOD CLOSE,
HALSWELL,
CHRISTCHURCH 8025

CLAIM NUMBER: CLM/2011/017369

Dear C H McLachlan

RE: 10 ROWANWOOD CLOSE, HALSWELL, CHRISTCHURCH 8025

Recently EQC assessors completed an assessment of all damage to your property from the earthquakes and aftershocks since 4 September 2010. We appreciate you taking the time to meet with them to go through this process.

Your Statement of Claim enclosed with this letter describes the location and type of damage identified at the time of your assessment.

What is the outcome of my assessment?

When our assessors recorded your property's earthquake damage, indicative repair costs were attributed to your claim. These costs enabled EQC to *provisionally* refer your claim(s) to Fletcher EQR (Earthquake Recovery) to manage your repairs. This provisional referral enables Fletcher EQR to plan and prepare, before your claim is confirmed as being in the Fletcher EQR managed repair programme. You may be contacted by Fletcher EQR as part of this process before hearing from us again.

A small number of claims provisionally referred to Fletcher EQR may be confirmed as cash settlements at completion of the settlement process. The settlement options are explained here:

<p>Cash Settled</p> <p>Generally, minor damage requiring repairs of \$10,000 (+ GST) or less</p>	<ul style="list-style-type: none"> • EQC pay you the settlement amount so you can manage the repairs yourself; or • You can choose to 'opt in' and have Fletcher EQR manage your repairs. To 'opt in' please call 0800 DAMAGE (0800 326 243)
<p>Fletcher EQR managed repair</p> <p>Generally, moderate damage requiring repairs greater than \$10,000 (+ GST)</p>	<ul style="list-style-type: none"> • EQC refers your claim for managed repair with Fletcher EQR • <i>Under certain conditions</i> you can choose to 'opt out' of the Fletcher EQR managed repair process. This means you become responsible for: <ul style="list-style-type: none"> • project managing all your repairs • ensuring repairs comply with the Building Act • obtaining all necessary consents from your local authority • resolving disputes with your contractor if they arise <p>For more information about opting out of the Fletcher EQR managed repair process please visit the 'Frequently Asked Questions' section at www.eqc.govt.nz, or phone 0800 DAMAGE (0800 326 243)</p>

EQC Fact Sheet

This fact sheet explains some of the terms used in our letter and describes the process that you can expect following the referral of your property repair to Fletcher EQR.

Terms

Term	Description
Managed Repair	Properties requiring repairs greater than \$10,000 (per claim) are classified as a managed repair and these claims will generally be managed by Fletcher EQR.
'Opt-out'	Customers referred for a managed repair can choose to opt out by having their repairs managed by a contractor of their choice, accredited by Fletcher EQR. Under certain conditions customers can choose to opt out of EQR managed repair and take on the responsibilities of project managing the repairs themselves. In both instances EQC pay the contractor directly.
Cash Settle	Properties that require repairs up to \$9,999 (per claim) are classified as a "Cash Settle". This means that payment is made directly to the customer and the customer manages their repairs..
Claim Excess	An excess is the amount you have to contribute towards each claim accepted by EQC.

Typical process for claims provisionally referred to Fletcher EQR

Typically, the following process will apply now that your claim as been provisionally referred to Fletcher EQR:

- EQC determines through the settlement process how your claims will be resolved e.g. confirmed as managed repair or cash settled
- You will receive a confirmation letter from EQC advising how your claim has been settled
- If you are confirmed as a managed repair
 - Fletcher EQR assigns your claim to a Fletcher EQR hub located near your property; and
 - Fletcher EQR will contact you to begin the discussion about your property repairs.

Process for claims that are cash settled

A small number of claims that have been provisionally referred to Fletcher EQR will be cash settled as follows:

- EQC determines through the settlement process that your claims are to be cash settled
- You will receive an EQC Claim Settlement Advice letter and payment will be made either by cheque or direct credit.

What happens while I am waiting for confirmation of my claim settlement?

In order to confirm your claim settlement, your claim has been placed in our settlement process. In this process EQC claim officers look at all your claims lodged against your property since 4 September 2010 to determine which claim(s) have already been assessed, and if any payment(s) have been made to you or to contractors working on your property (including any emergency/urgent works that have been undertaken). This enables us to determine the amount of damage each earthquake and aftershock event has caused to your property and apportion (distribute) the total amount of property damage across each of your claim(s). As you can appreciate this is a complex and lengthy process, which can take up to four months. However, it is necessary to determine EQC's liability for the repair or settlement of your property damage, and for our reinsurance purposes.

How will I know that the settlement of my claim(s) is confirmed?

EQC will advise you in writing and confirm whether your claim will remain in the Fletcher EQR managed repair programme or will be cash settled.

Will I need to pay excess?

Yes. Regardless of whether your claim is cash settled or referred to for Fletcher EQR managed repair, you must pay an excess on every claim you have lodged. This is a minimum (per claim) of \$200 or 1% of the total repair costs of your property.

If your claim is cash settled your excess will be deducted from the payment made to you. If you are confirmed as a managed repair we will discuss with you how your excess will be paid.

What are my next steps?

We recommend you wait until you receive written confirmation from EQC that either your claim:

- will remain in the Fletcher EQR managed repair programme; or
- will be cash settled.

EQC is committed to settling claims as quickly as possible and we apologise for the time it may take to confirm your claim settlement. We thank you for your patience.

Further Information

If you have questions about this letter or your Statement of Claim (enclosed), please email info@eqc.govt.nz or phone us on 0800 DAMAGE (0800 326 243).

Further information is also available on www.eqc.govt.nz and a fact sheet is enclosed to explain the terms and processes commonly used in the managed repair process.

Yours sincerely



Claims Officer

Statement of Claim

Claim Number	CLM/2011/017369	Damage Location	10 ROWANWOOD CLOSE, HALSWELL, CHRISTCHURCH 8025
Claimant	C H MCLACHLAN	Reviewed by	(not reviewed)
Main Contact	C H MCLACHLAN	Contact Address	10 ROWANWOOD CLOSE, HALSWELL, CHRISTCHURCH 8025
SOW Status	Approved	Reviewed on	24/11/2011
		Edited by	

Elements included in settlement

<u>Location of damage</u>		<u>Damaged Feature</u>	<u>Damage</u>
Roof	Main Building - Pitched two storey	Soffit	Cracked soffit lining Nails/screws popped to linings
Elevation	Garage - North	Wall framing	Cosmetic damage
Elevation	Garage - East facing the road	Wall framing	Cosmetic damage
Elevation	Garage - South front entrance	Wall framing	Structural Damage
		Wall Cladding	Structural damage Structural damage
		Wall Cladding	Cracking to paint Structural damage
		Window	Raking out of plumb
Living	Ground Floor	Main Building - Open plan to lounge and entry	Wall covering Cosmetic damage
		Door (External)	Cosmetic damage Cosmetic damage
Lounge	Ground Floor	Main Building - Open plan	Wall covering Cosmetic damage
Hallway	Ground	Main Building -	Door Cosmetic damage

	Floor		(Internal)	
Bedroom	First Floor	Main Building - 1 NW corner	Ceiling	Cosmetic Damage
			Door (Internal)	Cosmetic damage
Bedroom	First Floor	Main Building - Bed 2 - nth east corner	Ceiling	Cosmetic Damage
			Floor	Cosmetic damage
				Cosmetic damage
			Door (Internal)	Cosmetic damage
Hallway	First Floor	Main Building - Open plan to lounge	Wall covering	Cosmetic damage
Room (Other)	Ground Floor	Garage - Garage	Floor	Cosmetic damage
			Garage door	Impact damage
			Wall framing	Cosmetic damage

Ends