


Gallagher Bassett NZ Ltd
General Insurance

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 Shortland Street
 Auckland 1140

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FIRST REPORT - INITIAL ASSESSMENT - EARTHQUAKE

To: IAG New Zealand
Attn: Claims Officer
Date: 29/09/2017
Claim Ref: HHH1708995
Gallagher Bassett Ref: C57982

CLAIMS DETAILS

Insured Name: Barbara Wear
Situation of Loss: 51 SEFTON STREET
Suburb: BELFAST
City: Christchurch
Date of Loss: 14/11/2016
Sum Insured: \$
Excess: 200

Reserve

	Previous Reserve	Current Reserve	Previous Payment	Payments This Report	Outstanding Reserve
Building	0.00	3,362.71	0.00	0.00	3,362.71
Contents	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00
Professional Fees	0.00	0.00	0.00	0.00	0.00
Excess					
Less Building Excess	200.00	200.00	0.00	0.00	200.00
Less Contents Excess	0.00	0.00	0.00	0.00	0.00
Totals	0.00	3,162.71	0.00	0.00	3,162.71

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DESCRIPTION OF RISK

Property Occupancy	: Owner Occupied
Design Type	: Double Storey
Building Type	: House
Construction Type	: Other
Square Meters	: 200sqm
Age of Property	: mid 1990's
Time Of Occupancy	: 3.5 years
Property Condition	: Average
Claims History Comments	: The Insured has made the previous claims history available to view.

We note: The Insured advised previous claims were cash settled and repairs have not been undertaken. This is in relation to the patio area as advised by the Insured over the phone.

INTRODUCTION

As per your instructions we attended the above address on the 28th September 2017 where we held discussions with the Insureds partner, Tom Murphy.

GENERAL LOSS DETAILS

On Monday 14th November 2016, a magnitude 7.8 earthquake struck the Canterbury region causing widespread damage including other South Island regions and the lower North Island.

FOUNDATIONS

The dwelling is constructed on a conventional concrete slab on grade.

The foundation has suffered no visible earthquake related damage.

BUILDING ENVELOPE

The exterior wall cladding consists of plaster render over what appears to be Hardie backer and displays no visible earthquake related damage.

The roof consists of flat lined roof areas with butynol and displays no visible earthquake related damage.

INTERIOR

The dwelling displays multiple areas of superficial damage predominately caused by the shaking of

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the structure.

These areas are isolated to the:

- Bedroom 2.
- Bedroom 1.

This will respond to targeted repair options.

Your Insured advised of further areas of concern in regard to the gap between the beading and the wall that runs up the stair stringers on each side. However, it is our opinion that this area as listed below are not Kaikoura earthquake event related and are invalid as evidenced by the following:

- There is no fresh appearance of any tearing affect. The paint surface has not fractured.

OUTBUILDINGS

N/A

DRIVEWAYS, PATHS, RETAINING WALLS AND SWIMMING POOLS

The property is serviced via an asphalt drive and displays no visible earthquake related damage.

The property also retains paved areas and asphalt paths of which display no visible earthquake related damage.

Your Insured advised of further areas of concern in relation to the cracks within the asphalt drive. However, it is our opinion that these areas as listed below are not Kaikoura earthquake event related and are invalid as evidenced by the following:

- Cracks appear historical and well worn.
- Given that the house is located within approximately 5-6 m of a stream and there are trees that line the property, it would appear that these fine cracks are caused due to the gradual subsidence over time and the tree roots.

The Insured also advised of further areas of concern in regard to the waste pipe, that comes out the wall into the gully trap located on the south side where the stream runs . However, it is our opinion that this area as listed below is not Kaikoura earthquake event related and is invalid as evidenced by the following:

- This is a result of gradual subsidence as well, where its has settled towards the stream over time. There appears to be no fresh evidence of earthquake movement or separation where the asphalt meets the house foundation. The drainage gully trap has pulled away from the house indicating that the waste pipe does not meet the gully trap as it once would have.

BUILDING PLATFORM

No damage identified.

REINSTATEMENT OPTIONS

As mentioned, the dwelling is approximately 200 sqm and given the location and specification, it is estimated that this is a repair only and will not exceed the EQC cap.

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GENERAL COMMENTS

All damage within the attached Scope of Works reflects the resultant damage related to this event only, is consistent with the claimed event and falls within the EQC coverage.

Note: The items as listed within the 'Interior and DFPP' as being non earthquake related as noted above, have not been included within the attached Scope of Works/Estimate.

With regard to the components of the claim that have been identified as invalid. We have discussed this with your Insured and your Insured has advised they agree with our findings.

NEXT ACTIONS

Insured	: Await policy response.
Gallagher Bassett	: Close file.
Your Office	: Total claim value \$3,362.71
	Less the applicable excess \$200.00
	Recommended settlement value \$3,162.71

John Henderson

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APPENDIX



Figure 1 : Insured risk



Figure 2 : Plaster block fence- No visible EQ damage - No action required.



Figure 3 : Asphalt drive- area of concern raised by the insured. These are not EQ related. refer to report notes.

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Figure 4 : Asphalt drive- area of concern raised by the insured. These are not EQ related. refer to report notes.



Figure 5 : Asphalt drive- area of concern raised by the insured. These are not EQ related. refer to report notes.



Figure 6 : Asphalt drive- area of concern raised by the insured. These are not EQ related. refer to report notes.

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Figure 7 : Services- Gully trap/waste pipe - area of concern raised by the insured. This is not EQ related as the gully trap has pulled away from the foundation over time as evidenced by the historical and discoloured gap between the asphalt surrounding the gully trap and the foundation. The nearby stream would be a contributing factor causing gradule settlement over time. Stream is approximately 5-6 metres away.



Figure 8 : Services- Gully trap/waste pipe - area of concern raised by the insured. This is not EQ related as the gully trap has pulled away from the foundation over time as evidenced by the historical and discoloured gap between the asphalt surrounding the gully trap and the foundation. The nearby stream would be a contributing factor causing gradule settlement over time. Stream is approximately 5-6 metres away.



Figure 9 : Plaster render of what appears to be hardie backer rather than Poly. No visible EQ damage.

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Figure 10 : Plaster render of what appears to be hardie backer rather than Poly. No visible EQ damage.



Figure 11 : Insureds partner 'Tom' advised of area of concern to crack in patio. This is not EQ related as evidenced by the rounded edges and debris in the crack. this crack has also been sealed over and displays no fresh related EQ damage.



Figure 12 : Insureds partner 'Tom' advised of area of concern to crack in patio. This is not EQ related as evidenced by the rounded edges and debris in the crack. this crack has also been sealed over and displays no fresh related EQ damage.

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Figure 13 : Front entry- old dark crack observed. Not from this event.

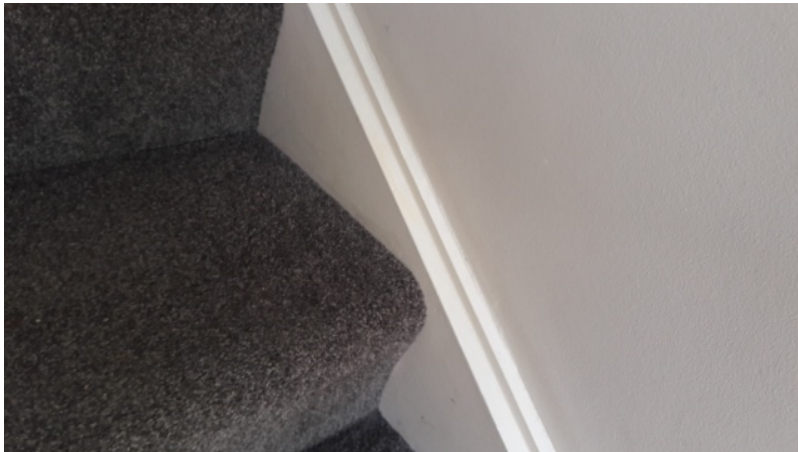


Figure 14 : Stairs no visible damage where stringer and beading meet the wall linings.

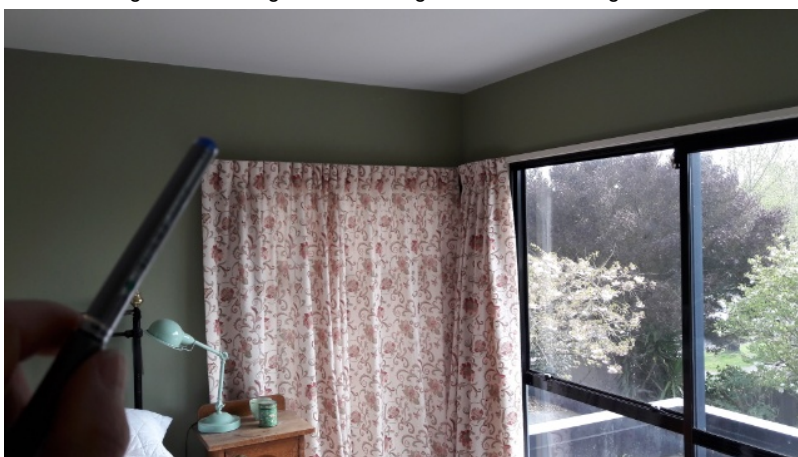


Figure 15 : Bedroom 2 -(1) fresh cracking to wall linings

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Figure 16 : Bedroom 2 -(1) fresh cracking to wall linings

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Figure 17 : Bedroom 1 -(2) fresh cracking to wall linings

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Figure 18 : Bedroom 1 -(2) fresh cracking to wall linings



Figure 19 : Bedroom 2 -(1) fresh cracking to wall linings

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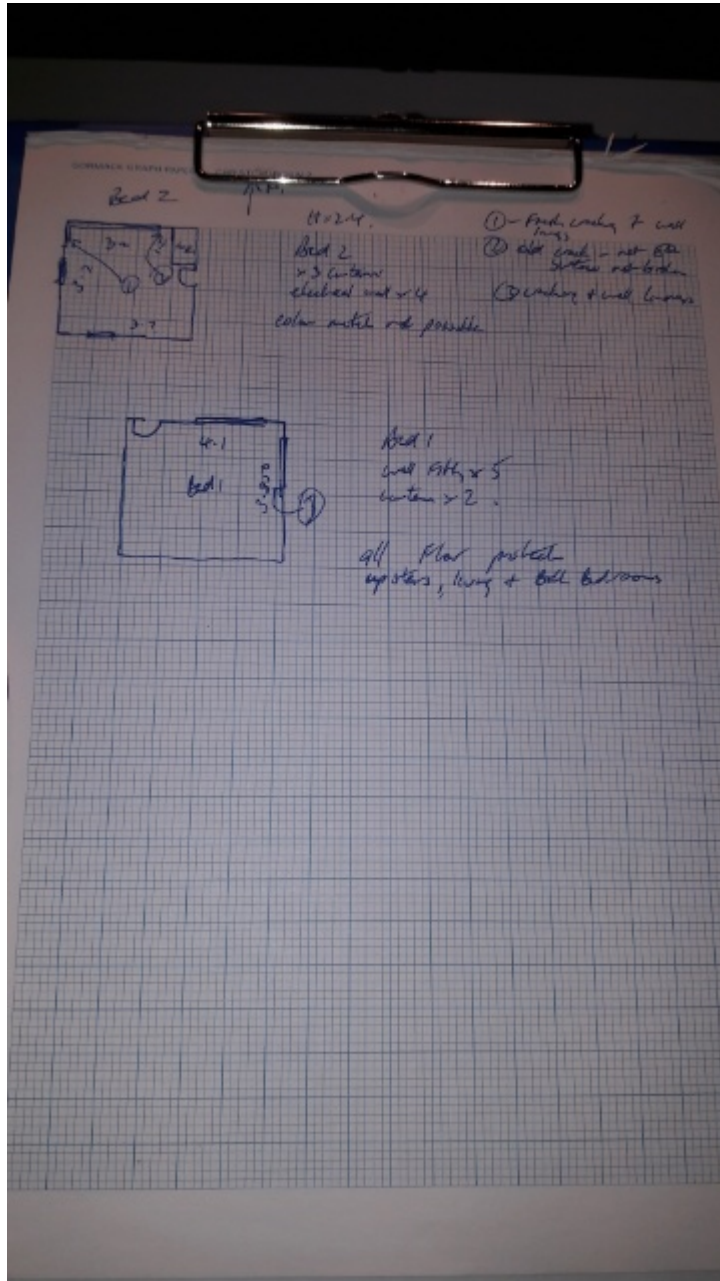


Figure 20 : sketch plan



02 October 2017

Ms Barbara Wear
51 Sefton Street
Christchurch 8051

Dear Barbara

Your residential building claim is complete and has been settled

Your IAG claim number:	DCCHH1708995
Insured name:	Ms Barbara Wear
Address of damaged property:	51 Sefton Street, Belfast, Christchurch

IAG is acting on behalf of EQC to assess and settle your EQC claim for residential building damage in accordance with the Earthquake Commission Act 1993 (EQC Act).

Your claim for natural disaster damage from the Kaikoura earthquake, which occurred on 14 November 2016, was assessed on 28 September 2017.

Our assessment has been reviewed and completed. We can confirm that your claim will be cash settled based on our assessment of the costs.

The table overleaf outlines how your payment has been calculated. If you think there are any aspects to your residential building claim still outstanding, please contact us as soon as possible to discuss.

Yours sincerely,

Claims Case Manager
Email: jenny.petherick@iag.co.nz



Your residential building claim settlement.

Item	Amount	Excess deducted*	Less amounts already paid**	Amount to pay
Residential building EQCover	\$3,362.71	\$200.00		\$3,162.71
Total payment including GST				\$3,162.71

How your insurance excess is calculated and deducted*

An excess is the amount that you contribute towards each insurance claim you lodge.

If you have an EQC residential building claim only, your excess per claim is either \$200 multiplied by the number of dwellings in the residential building or 1% of the amount payable, whichever is greater.

If you have both an EQC residential building claim and EQC contents claim, your excess will be calculated as one claim providing the contents are in or on the same residential building and the damage is caused by the same natural disaster. In this case, the excess deducted per EQC claim is the greater of either \$200 multiplied by the number of dwellings in the residential building or 1% of the amount payable for the residential building damage and the contents damage.

If you have an IAG claim(s) for residential building, contents and or Non EQC Act damage, you'll only pay one excess, whichever excess amount is the greatest as per your policy schedule.

Less amounts already paid to you**

This amount includes the cost of urgent works (if any) already paid or reimbursed to you. Any other prior payments (e.g. interim payments) will also be included here. Any prior payments shown in this column are net of any excess deducted at the time that the prior payment was made.

Information about cash settling your claim**Payment**

Your payment method is: **cheque**

Your payment will be posted to you shortly.

Supporting documents

To help explain how we've calculated your settlement amount for the earthquake damage to your home, we've enclosed,

- Damage Scope Report
- Initial Earthquake Report

Your residential building EQCover settlement

Your residential building EQCover settlement is not full and final and you will not be required to sign a discharge.

Asbestos testing

An allowance for asbestos testing may have been included with your settlement. If the test returns a negative result, then there is nothing more you need to do as your cash settlement will not be affected. If the test returns a positive result, you will need to provide a copy of the asbestos test certificate, as your settlement figure may need to be reviewed.

Your obligations

By accepting this payment from us, you are confirming your previous declaration that the claim information that you submitted is true and accurate and that you have not withheld any material information. Please inform IAG if you are, or become, aware that the claim information you provided is no longer accurate or you have new information.



What to do with your payment

It is important that the payment is used to repair or replace the damaged property. In some instances, your future entitlement for insurance cover may be affected if your payment is not used for this purpose. We strongly recommend that you proceed with your repair or replacement promptly to minimise the risk of inflation increasing the cost of your repair or replacement.

Your EQC land claim

If you have a residential land claim, EQC will be in touch with you separately (if they have not already been) regarding the assessment and settlement of your land claim.

Who can you speak to next

Before you begin any repairs on your home, it's a good idea to speak to a licensed building professional about the process and best next steps. This could save money and time in the long run. Depending on which region you're in, your local council might provide support to homeowners affected by earthquake damage.

How to contact us

You can call us on 0800 424411 or email us on disasterclaims@iag.co.nz. Our claims handlers are available from 8am – 5pm Monday to Friday.

