

YOUR EQCOVER SETTLEMENT

Once you've received your settlement to repair natural disaster damage to your home, you have some decisions to make about the natural disaster repair work.

From 30 June 2021, a range of private insurers will manage EQCover claims on behalf of EQC. If you have questions about your EQCover settlement, speak to your claim manager directly.

What does my EQCover claim being settled mean?

Once your home and property have been assessed and the extent of natural disaster damage has been determined and an appropriate repair strategy has been agreed, your claim manager will talk you through your entitlement under the Earthquake Commission Act 1993. This is followed up by an email or letter outlining your EQCover entitlement, this is called your 'settlement'. Where your claim manager has elected to settle your EQCover claim by payment, your claim will then be paid via cash settlement.

- Deductions for excess from your EQCover claim entitlement.
- The 'scope of works' detailing the identified earthquake damage to your property and the estimated cost to repair that damage.
- Other supporting expert information e.g. engineering reports and valuation reports.

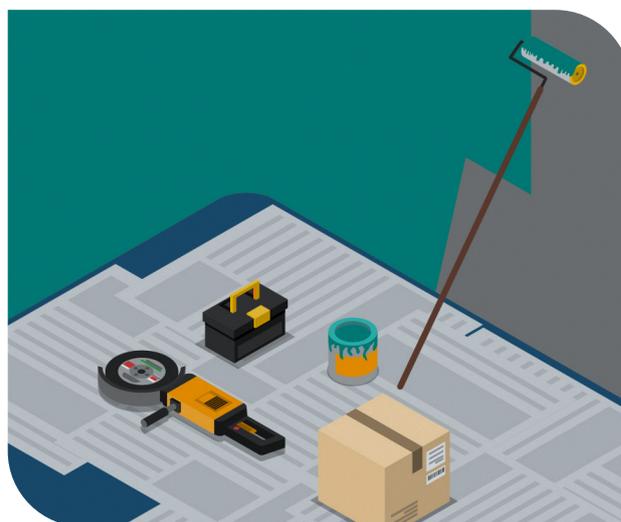
If anyone else has an interest in your property (e.g. a mortgagee), your claim manager may be required to pay your EQCover claim settlement directly to them. Who we pay depends largely on who is recorded on the Record of Title.

What happens when my EQCover claim is settled?

When your EQCover claim is ready to be settled, your assigned claim manager will contact you to explain what this means. This explanation will outline what the outcome of the assessment for natural disaster damage is, the total of your settlement amount, where the settlement will be paid to and the excess that has been deducted. Before making the EQCover claim payment, your claim manager will also either email or post to you your settlement advice documents for your records.

Your settlement advice documents will include:

- Your cash settlement amount for natural disaster damage to your property.
- Any amounts already paid including urgent repairs.



If this has happened with your claim payment, you will need to contact the person who has received the payment to discuss the next steps in carrying out the necessary repairs to your property.

If the amount of natural disaster damage exceeds your EQCover cap, your claim manager will discuss the next steps with you.

What should you do with your cash settlement?

It is important that the payment is used for the purpose of repair or replacement of damaged property and that any repairs are appropriate and carried out in a lawful manner, e.g. engaging the appropriate experts and obtaining the necessary consents where applicable. In some circumstances, your future entitlement to EQCover may be affected if your payment is not used for this purpose.

EQC may limit EQCover

If your property is in imminent danger, EQC may limit the amount of EQCover. EQC may also limit EQCover where there has already been a claim for natural landslip damage (or storm or flood damage to the land). EQC may impose this limit where it thinks there could be further damage that could reasonably be, or have been, avoided (by you or the previous owner).

In these cases, EQC will send a notice of the limit on EQCover to you. The limitation will also be noted on the Record of Title. You can write to EQC at any time and ask if the limitation can be removed.

EQC may cancel EQCover

If you are paid the full amount of EQCover on a claim, we may cancel EQCover on that property where that damaged property is not repaired or replaced satisfactorily. In this case, EQC will send a notice to the owner. The cancellation will also be noted on the Record of Title.

If your EQCover is cancelled, you can write to EQC and ask for EQCover to start again once the property has been repaired or replaced.

What to do if you find further damage

If further natural disaster damage is discovered after the assessment occurs and is not included in the claim settlement/scope of works, you must notify your claim 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 claim manager immediately for further advice.

After confirming the damage was caused by natural disaster, or needs to be reinstated as part of the natural disaster repair, you may receive an additional payment to cover the additional costs up to the EQCover cap.

FOR MORE INFORMATION:

- Visit www.eqc.govt.nz
- Call 0800 DAMAGE (**0800 326 243**)
- Write to EQC, info@eqc.govt.nz or PO Box 311, Wellington, 6140

If English is not your first language you can ask us for an interpreter, at no cost to you, by calling EQC on 0800 DAMAGE (**0800 326 243**) or request a translated version of this document on www.eqc.govt.nz