

12<sup>th</sup> July 2018

S9(2)(a)

To: [insurancereview@mbie.govt.nz](mailto:insurancereview@mbie.govt.nz)

## INSURANCE REVIEW

Please find attached my contribution to the MBIE Insurance Review.

I have attempted to use and follow the steps indicated by the submission template. However, where greater clarity or further information is required by the Review body I will be pleased to provide any information required.

In dealing first with EQC and then State-IAG (the insurers with whom I held a home-owners policy) I have experienced continuing instances of false and misleading conduct, inflicted on policyholders without reference to any ethical compass or fear of appeal. That this should occur in New Zealand in the 21<sup>st</sup> Century is an indictment on government and industry alike which makes a Review of Insurance Law an essential step in repairing the national reputation for decency and fairness.

Background:

- (1) Having negotiated with insurers over a period of nearly eight years to obtain the remedies said to exist, and to obtain the assistance promised by corporate literature and insurance policy held to remediate my home to a condition similar to that existing prior to the earthquakes of 2010 and 2011, I reluctantly allowed myself to be convinced under considerable duress to sign a Cash Settlement Agreement with State-IAG.
- (2) My endeavours' to then exercise the conditions of the Agreement immediately failed as the Scope of Work prepared for me proved to be inadequate by reason of flawed content whereby specific assurances were shown to not have been carried out and specific descriptions of structural damage reported to the insurer were disregarded, omitted and denied.
- (3) Examples of duress applied included veiled threats that *"if you do not sign now it will be the worse for you"*, *"if you don't sign now you will go to the bottom of the (claims) list"*, and the insurers Claims team are *"about to be replaced with a tougher team"*, we have the experience you do not have and our proposal is *"standard practice"*.
- (4) A quotation by a foundation remediator said to be integral to the Cash settlement was made out in my name over my objections and competing bids refused, similarly, supporting engineers' certificates were also made out in my name without my knowledge or participation and the assured remediator proved to be a

- mere "re-leveller" unable to provide guarantees to the builder engaged to repair the superstructure (who, by certification, is required to give such a guarantee).
- (5) From the moment of my having reluctantly signed the Agreement all assistance from the insurer ceased and its only response was confined to demands that the discredited remediation be completed as defined by the flawed Scope of Work which if carried out would only result in a uninsurable and unsaleable building being a very much different result from that assured by the policy and a very different result to that given by repeated assurances during negotiations to induce me to a Settlement.
  - (6) Finally, after some three years of denial and obfuscations the insurers own structural engineers agreed to the substantial damages existing in the building in the face of facts determined by my own structural engineer, engaged at my own expense, being exactly the same damages of my claims of eight years previously to the EQC and State-IAG but consistently denied by each as they strove to minimise the value of my claims.
  - (7) Further to (6) above, all other avenues of remedy or redress having failed, solicitor was engaged ... and there the matter rests, with no hope of obtaining a barrister or fixture at court and little hope (at age 79) of raising the estimated \$44,000 required.

You will understand, I hope, the reasons for my being dissatisfied with property insurance as currently practiced and delivered in New Zealand. My experience, as outlined above, is also that to a greater or less a degree of many friends and relatives.

I am currently in Finland, and returning to New Zealand on the 1<sup>st</sup> September 2018, after which I am quite prepared to appear in person before this Review or any other inquiry that might be established. Otherwise, I am able to be contacted by telephone or email or by post at any of the addresses provided below.

Yours sincerely

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