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Press Release



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14 December 2011

Images attached: Willow Shoes 01, Willow Shoes 02.

Canterbury Earthquake Victims Praise Fast Claims Handling by Commercial Insurer

At a time when insurance companies are in the spotlight for perceived slow handling of Canterbury Earthquake claims, one of the country's leading commercial insurers, Chartis, has paid out more than \$150 million to its affected clients, 65 percent of total number of earthquake claims submitted to Chartis since September 2010.

This is a result that Cris Knell, CEO of Chartis Insurance New Zealand Limited is proud of, and he is quick to pay tribute to the many business owners who are making positive steps to move on.

"I am full of admiration for the way clients who were affected by the 2010 and 2011 earthquakes have picked themselves up, looked at 'where to from here' scenarios, and have moved forward. Our policyholders and producers told us we're flexible, good to deal with and quick to provide them with the tools and advice they need to get back up and running. I'm pleased we are meeting their expectations, especially in such challenging circumstances."

Claims settled to date include multi-million dollar payouts and range from small lodgements to some of Christchurch's major building damage. Chartis has also provided significant business interruption settlements that have enabled business owners to get back in business quickly.

Mr Knell states that the \$150+ million payout figure will rise substantially over the coming months.

"There is still a significant amount of work ahead and some real challenges to overcome. I anticipate that we will exceed our current claims payments by at least a factor of 4 over the coming months. However this is something our global company has the depth, resources, reach and operational flexibility to comfortably accommodate."

Chartis was voted number one in claims service in a recent insurance survey¹. Claims Manager, John Sabalis, stated that the fast turnaround in settling claims is partly due to the company's global network and crisis experience as well as their immediate access to funds.

"I've been in this business for almost four decades and have worked in at least seven large-scale catastrophes around the world. The Canterbury earthquakes were off the charts in terms of the severity of damage they caused, particularly the 22 February quake.

"By drawing on crisis management expertise from Chartis personnel around the world, including arrangements to temporarily relocate loss adjusters with catastrophe experience to New Zealand, and

a healthy global cash pool, we had plans in place within hours on how to best serve the needs of our clients.

“Since the beginning there has been a sense of urgency amongst our team to process each claim as quickly and as fairly as possible, no matter how large or small our client.” said Mr Sabalis.

Georgie Falloon, owner of Willow Shoes retail store and a Chartis client was affected by all three major earthquakes. In the 4 September 2010 quake the damage to the brick, St Albans premises she owned was irreparable and was subsequently demolished. She relocated and resumed trading, but in the February 22 and June 13, 2011 quakes, she lost a quarter of her stock each time to liquefaction.

“I got a plan in place really quickly and I think that saved us. The day after the September earthquake, I borrowed a horse truck, drove it to the site and salvaged everything I could, including shelving, cabinetry and of course the stock.”

“Chartis was really good to us. They were sensitive, professional and sensible. They took a good look at my business and really listened to how it worked. With each quake, the Chartis team seemed to become more and more helpful. They were nothing but fair, reasonable and flexible.”

Mrs Falloon re-opened her newly built business three weeks ago. “The customers are roaring in”, she says.

¹ Insurance Brokers Association of New Zealand (IBANZ) survey, July 2011.

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EDITOR'S NOTES

Chartis is a world leading property-casualty and general insurance organisation serving more than 70 million clients around the world. With one of the industry's most extensive ranges of products and services, deep claims expertise and strong financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

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