

FAQs

Why has my property been included in the schedule to the High Court case brought against EQC?

Your property is either one for which we have paid for enhanced foundations or ground repairs to overcome the land damage, or for which we cash settled with you based on the cost of enhanced foundations and/or ground repair because of the ILV land damage. EQC and IAG have been unable to agree on who is ultimately responsible for this additional cost of overcoming the ILV land damage. The High Court case has been brought to get the Court's guidance on the issue.

For my particular property, IAG does not have a Deed of Assignment of my EQC Land Claim. How can it bring a High Court case in relation to my property?

The High Court case is between IAG and EQC in relation to all the ILV land damaged properties for which IAG believes it has overcome ILV land damage. The case involves determining what EQC's ultimate liability is in relation to ILV land damage in circumstances where IAG has overcome this land damage through paying you for, or undertaking a, foundation and/or ground solution. This claim does not depend on whether you have signed a deed of assignment or not.

But isn't IAG wanting a payment from EQC in relation to ILV land damage? Doesn't this mean IAG is seeking to take away compensation from me?

Part of the case involves seeking compensation from EQC for the extra cost we have incurred in our settlement with you to overcome ILV land damage. However, IAG strongly disagrees that this is taking away compensation that you would otherwise be entitled to. IAG wants to maximise the amount EQC pays for ILV land damage to ensure that:

- EQC meets its full liability under the EQC Act; and
- You have been fully indemnified for the ILV land damage.

IAG will retain from what it obtains from EQC an amount to compensate us for what we have spent to overcome the ILV land damage at your property.

With my property listed in the Schedule, will I need to be involved in the proceeding?

Your property being listed in the schedule to IAG's statement of claim does not make you a party to the proceeding. The purpose of the schedule is to identify to the Court the properties at issue that IAG believes needs the Court's guidance. You will not be required to take any part in the High Court case. The case is between IAG and EQC. The Court may, however, appoint a lawyer to look after the interests of all policyholders like yourself.

Will the High Court case delay EQC in making any ILV land damage payment to me?

That is possible as EQC may want to wait until the Court ruling before making ILV payments. IAG does not know what EQC's response will be to the case.

How long will the High Court case take?

This is currently unknown. This is a new and complex problem that neither IAG nor EQC have dealt with before. In fact, it is unique in the world given New Zealand's unique system where both EQC and private insurers provide insurance cover for natural disaster damage. However, IAG shares your interest in a speedy and just determination of the issues it is raising and will seek EQC's cooperation in working towards this goal.