



MEDIA RELEASE

Tuesday, 6 March 2018

Stamford Insurance steps in to provide warranties to NZ homebuyers affected by CBL

In response to the news about CBL Insurance, which may leave many homebuyers without protection, Stamford Insurance, New Zealand's leading independent building warranty provider, has stepped in with a new scheme to protect CBL's clients.

CBL Insurance was placed into interim liquidation last week leaving up to 10,000 homeowners with potentially worthless warranties.

Within 48 hours of the announcement, Stamford secured support from Lloyd's of London to restore peace of mind to many homebuyers and builders caught up in the crisis.

Duncan Colebrook, Director of Stamford, said "The underwriters in London responded immediately to our request and are committed to providing New Zealand homebuyers with the finest building warranties.

"Lloyd's can always be relied upon in a crisis and this, once again, underlines the importance of dealing only with the most stable and secure insurance providers."

The scheme put in place by Stamford will protect both buyers and homeowners:

1. For buyers who have signed a contract and paid a deposit where work has yet to start, Stamford will cover the risk that they may lose their deposit if their builder becomes insolvent.
2. If construction has already started, Stamford will guard against builder insolvency and provide 10 years' defects cover on completion.
3. For homeowners who have taken possession of their homes within the past 12 months and who may have lost their protection against major defects arising with their home, Stamford will offer them a new 10 year policy.

Anyone holding guarantees with CBL is urged to contact Builtin for advice about the new arrangements to replace their cover immediately with the Stamford warranty.

Mr Colebrook said: "We had to move quickly to prevent the situation spiralling out of control with many homebuyers possibly in breach of their mortgage conditions and dependent on this insurance to be able to proceed with their purchase. Builders, too, were worried for their clients."

Stamford will now work closely with Builtin, who were CBL's main agent in New Zealand, and who have been dealing directly with those most affected.

Keryl Rickard, Director of Builtin said: “We’re pleased that Stamford was able to move so quickly to support us and our clients. It means that from today it is business as usual.”

Lloyd’s was established in 1688 and is the world’s leading specialist insurer. It is rated A+ with Standard & Poor’s. In recent years it has been an indisputable supporter of New Zealand and has paid out more than \$6 billion in earthquake claims alone.

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For more information please contact:
Nikki Wright, Managing Director, Wright Communications
Ph: 09 366 2450
Email: nikki@wrightcommunications.co.nz

About Stamford Insurance

Stamford Insurance is a specialised insurance broker and underwriting agent, providing risk management advice across New Zealand. Our products and services are often unique and exclusive – designed to solve specific problems and to bring about improved security for your personal, professional and commercial risks. www.stamfordinsurance.co.nz

About Builtin

The Builtin team are specialists in helping building professionals manage risk, for both themselves and their clients. Builtin works exclusively with builders and other trade professionals. They continue to innovate to protect builders and tradies from the risks they face. www.builtininsurance.co.nz