

Direction to Extend Function of EQC Earthquake Commission to Act as Agent for Southern Response

1. Direction to the Earthquake Commission pursuant to section 112 of the Crown Entities Act 2004 as permitted by section 5(1)(f)(ii) of the Earthquake Commission Act 1993 (“EQC Act”).

2. The Earthquake Commission (“Commission”) may perform the following additional function:

By resolution of its Board, the Commission may act as agent for Southern Response Earthquake Services Limited (SRES), for the purpose of administering open insurance claims against SRES in respect of damage arising from the Canterbury Earthquakes, being claims that exceed, or may exceed, the cap.

3. In performing the additional function under this direction, the Commission must act in accordance with the terms and conditions of the agency agreement dated 21 October 2019 between the Commission and SRES (as varied by agreement between the parties from time to time following consultation with the Minister).

4. For the purposes of this direction:

4.1. the term “administer” is to be interpreted consistently for claims allocated to the Commission, with the Commission’s appointment as agent to:

4.1.1. assess and manage claims;

4.1.2. estimate repair or rebuild sums and settlement sums;

4.1.3. subject to agreed level of delegated authority:

4.1.3.1. make payment of settlement sums to the relevant customer; and

4.1.3.2. apply repair or rebuild sums to the relevant repair or rebuild;

4.1.4. manage repairs and rebuilds; and

4.1.5. carry out ancillary activities (including, but not limited to, enquiries under the Official Information Act 1982 and Privacy Act 1993).

4.2. “Canterbury Earthquakes” has the meaning given in section 5 of the Canterbury Earthquakes Insurance Tribunal Act 2019;

4.3. “cap” means the statutory amount set out in section 18 of the EQC Act;

4.4. “claim” in relation to SRES includes any claim in respect of any defective or incomplete repair work carried out by or on behalf of SRES; and

4.5. Minister means the Minister Responsible for the Earthquake Commission.

5. This direction expires on **21 October 2024**, unless revoked earlier.

Dated this 21st day of October 2019.

HON GRANT ROBERTSON, Minister Responsible for the Earthquake Commission.