

FACTSHEET 5 - WHAT PAYMENTS DO I NEED TO CONTRIBUTE?

Before the rebuild or repair of your home begins you need to contribute any EQC funds you have received for your house; any applicable excesses; and the funds for any additional work you are choosing to pay for yourself. Here are some of the common questions our customers have asked. These may help you as you move through this step.



What EQC funds do I have to pay?

EQC is the lead insurer on your home. Your insurance provides 'top-up' cover. Any EQC funds paid (or due) to you for your home need to be put towards its reinstatement. This includes part cap payments.

For example, if you received \$100,000 (+GST) for the February earthquake, plus \$15,273 (+GST) for June and \$24,759 (+GST) for September, you will need to contribute the \$140,032 (+GST) received from EQC towards your reinstatement.

What excesses do I have to pay?

If your claim is over-cap, the EQC excess you pay for each house claim you have is:

- Claims of \$20,000 + GST or less = \$200 excess
- Claims over \$20,000 + GST = 1% of the value of your claim for your excess, e.g. the excess on a cap payment of \$100,000 is \$1,150.

Important: Your Claims Case Manager will work out and advise what IAG and total excesses you will need to pay as part of explaining the reinstatement process for your home.

I would like to have some additions and changes made while you are working on my house – who pays for them?

It is possible to make changes to the design of your home. If you want to make major changes, for example, going from a six bedroom home to a one bedroom one, discuss this with your Claims Case Manager so that they can explain your options to you. If you want to make minor changes discuss these with your Loss Adjuster at your first onsite meeting. Some changes may be covered by your policy and others may be ones you choose to pay for yourself. If you are thinking of making changes you will fund yourself these will be costed as part of the design phase and will need to be paid for before your rebuild / repair begins.

So in total what will I need to pay prior to the actual reinstatement getting underway?

Before your job begins you will need to contribute all EQC funds + all applicable excesses + any funds for any additional work you have chosen to pay for.

For example, Mrs Brown's three bedroom house is being rebuilt. She has asked to have a fourth bedroom added at her cost. The builder has costed this at \$20,000.

- Mrs Brown received \$29,700 (inc GST) from EQC for her September claim
- Mrs Brown received \$113,850 (inc GST) from EQC for her February claim

The building contract is ready to be signed, so Mrs Brown will need to pay \$165,000 plus any IAG excesses applicable:

- \$143,550 = The EQC funds she received +
- \$1,450 = The EQC excesses applicable +
- \$20,000 = the fourth bedroom

When do I need to make these payments?

All EQC payments, excesses, and funds for any additional work you are choosing to pay for will need to be made available prior to the building contract being signed. The reinstatement of your house will not be able to proceed further until you pay these funds. Keep in contact with your bank throughout the initial stages of your reinstatement so they can assist you to have those funds ready when needed.

My claims have not been apportioned by EQC so I don't know how much they will be paying – what happens here?

As long as you are confirmed 'over-cap' – which for most people means you will be paid \$100,000 (+GST) for one claim - we will continue to manage your claim and move it along as far as we can. If it is likely EQC will pay further funds towards your home, we may ask you to sign a 'Deed of Assignment'. This means that once we get started on your house, any additional EQC payments for your house will be paid directly to IAG to put towards the reinstatement of your house.

My land is damaged and I am expecting an EQC land payment – does that go to IAG too?

Depending on the degree of land damage before we can rebuild or repair your house, the land may need to be remediated. Your Loss Adjuster and Rebuild Solution Manager will discuss this with you at your first site visit.

TC3 Properties with foundation damage: If the foundation solution for your home addresses the land damage, you may be required to contribute your land payment towards the cost of the foundation.

WHAT DO I NEED TO DO RIGHT NOW?

- Contact your Claims Case Manager so they can confirm the payments you will need to make towards the reinstatement of your home
- Talk to your bank and advise them when you will need your EQC funds, the excess/es you will need to pay, and changes you wish to make to your property which aren't covered by your insurance policy and you will need to pay for yourself

WHO CAN HELP ME?

Your **Claims Case Manager** will be able to confirm the amount you need to be ready to pay.

Your **Bank**, if you have a mortgage or need to borrow money for extra work you will be paying for yourself

