



Grant Thornton

Western Pacific Insurance Limited (In Liquidation)

Report to Creditors dated 30 June 2017

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Introduction

On 1 April 2011, the Shareholders by Special Resolution appointed David Ian Ruscoe and Simon John Thorn, of Grant Thornton New Zealand Limited, as Joint and Several Liquidators of Western Pacific Insurance Limited ("the Company").

Simon Thorn vacated the position of Liquidator on 26 June 2013 and was replaced by Richard Grant Simpson.

Reporting

In addition to our six monthly statutory reports we are also to provide bi-monthly reports to creditors and policyholders in accordance with the Order of the Court dated 14 June 2012. The Order of the Court requires the reports to contain details of the work completed, costs and expenses in relation to the realisation of reinsurance proceeds.

Copies of all reports in respect of this liquidation are available from our website:

<http://www.grantthornton.co.nz/western-pacific-insurance/index.html>

Claims office

The claims office is now closed. Please contact Elena Rovida on (04) 495 1723 or Elena.Rovida@nz.gt.com or David Ruscoe on David.Ruscoe@nz.gt.com for any queries.

Address: C/- Grant Thornton, PO Box 10712, Wellington 6143.

Canterbury Policy Holders

Claims assessment

As detailed previously, below is a summary of the status of the accepted claims.

| | September 2010 Earthquake | | February 2011 Earthquake | | Total both events | |
|-------------------------|---------------------------|------------------------|--------------------------|------------------------|-------------------|------------------------|
| Type of claim | No. of claims | Value (\$) (excl. GST) | No. of claims | Value (\$) (excl. GST) | No. of claims | Value (\$) (excl. GST) |
| Accepted/ closed claims | 98 | 23,243,792 | 117 | 41,965,796 | 215 | 65,209,588 |
| Total | 98 | 23,243,792 | 117 | 41,965,796 | 215 | 65,209,588 |

Reinsurance

We advise we have received all reinsurance monies available.

Distribution

We made an initial distribution of reinsurance funds on hand on 23 February 2017 and will make a second distribution on 29 June 2017.

The following table provides details of the first and second distribution.

| Earthquake | Sep-10 | | Feb-11 | |
|--|------------------------|----------------|------------------------|----------------|
| | Value (\$) (incl. GST) | % of tot. loss | Value (\$) (incl. GST) | % of tot. loss |
| Distribution 23.01.2017 (amount incl. GST) | 9,171,742 | 35% | 9,529,612 | 20% |
| Second distribution (amount incl. GST) | 8,385,593 | 32% | 6,704,450 | 14% |

On the basis of the reinsurance monies received and the costs estimated to be incurred, we estimate CPH will further receive the following percentages of their losses, following receipt of GST refunds relating to the distributions.

| Earthquake | Sep-10 | Feb-11 |
|---|---------|---------|
| | % | % |
| Further percentage estimated you will receive | 5% - 8% | 2% - 4% |

The level of pay-out for each earthquake is different because of the different level of re-insurance held by Western Pacific and because of the higher value of claims for the February earthquake.

Costs incurred

The following is a summary of costs incurred during the two months ended 31 May 2017.

| | \$ |
|-----------------------------------|-----------------|
| Loss adjustors and engineers | 465 |
| Claim office costs | 1,043 |
| Legal fees (reinsurance) | 955 |
| Liquidators fees (non-earthquake) | 7,059 |
| Liquidators fees (reinsurance) | 33,214 |
| Total | \$43,267 |

Other Matters

Contact details

Please forward general enquiries to westernpac@nz.gt.com and we will respond as soon as possible.

For any claims enquiries please call Elena Rovida on (04) 495 1723 or Elena.Rovida@nz.gt.com for any queries.

Further information

Further information including correspondence to date and documents relating to our application for Court directions are available on our website www.grantthornton.co.nz.

Disclaimer

The statements and opinions expressed in this report have been made in good faith, and on the basis that all information that we have relied upon is true and accurate in all material respects. In preparing this report we have relied upon, and have not necessarily independently verified, the information and explanations provided to us and we express no opinion as to the accuracy or completeness of that information, other than to note that our investigations are ongoing.

The contents of this report are based on the information available to us at the date of this report. If we become aware of any additional information not known to us at the date of this report, we reserve the right, but shall not be obliged to, review or update this report.

Concluding the Liquidation

We estimate that the liquidation will be completed early 2018.

The liquidators will provide further updates to creditors when sufficient information becomes available. Should you have any queries in relation to any matter raised in this report please contact us on westernpac@nz.gt.com or refer to the Grant Thornton website.

Dated: 30 June 2017



David Ruscoe
Liquidator



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