



Western Pacific Insurance Limited (In Liquidation)

Report to Creditors dated 14 December 2016

Contents

	Page
Introduction	2
Canterbury Policy Holders	3
Other Matters	5

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 Brodie Feaver on (04) 498-9933 or Brodie.Feaver@nz.gt.com for any queries.

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

Canterbury Policy Holders

Claims assessment

All known claims, with the exception of one claim, have now been assessed by loss adjusters. We are waiting on 2 insured parties (being 4 losses) to return the discharges.

Distributions to Canterbury policy holders (CPH's) will be made after all earthquake claims have been agreed with insureds and after sufficient funds are received from reinsurers.

This table provides a summary of the status of the claims as it currently stands:

Note	Type of claim	September 2010 Earthquake		February 2011 Earthquake		Total both events	
		No. of claims	Value (\$) (excl. GST)	No. of claims	Value (\$) (excl. GST)	No. of claims	Value (\$) (excl. GST)
1)	Accepted/ closed claims	97	22,597,174	114	41,761,005	211	64,358,179
2)	Assessed claims	1	614,711	3	127,005	4	741,716
3)	Claims partially assessed*			1	176,566	1	176,566
	Total	98	\$23,211,886	118	\$42,064,576	216	\$65,276,462

Note:

- 1) Comprises of all claims completed or closed post liquidation and agreed, settled or closed prior to liquidation
- 2) Comprises of all fully assessed claims which are yet to be formally agreed to by the insureds
- 3) Comprises of all claims for which assessment by the loss adjuster is ongoing

* Estimated values. Claims may increase as assessments are completed.

Reinsurance

The following is a summary of reinsurance position to date:

	\$
Reinsurance funds received to date	25,850,171
Maximum reinsurance recoveries yet to be received	12,420,503
Total reinsurance recoveries	38,270,674

The reinsurance recoveries are subject to the reinsurers accepting the claims lodged and remitting proceeds to us.

We continue to liaise with reinsurers and provide further information in regards to the assessed claims and expected recoveries.

We expect to complete recovery of the reinsurance proceeds in 2017.

Distribution

We intend to make an initial distribution of reinsurance funds on hand in the first quarter of 2017. We have been liaising with the CPH's court-appointed lawyers in relation to this. We will apply to the court to approve the distribution before making the distribution.

We will be sending out a letter shortly providing details of the forthcoming distribution and asking for all insureds to confirm their bank details and contact details.

Costs incurred

The following is a summary of costs incurred during the two months ended 30 November 2016.

	\$
Loss adjustors and engineers	10,634
Claim office costs	18,885
Legal fees (reinsurance)	14,362
Legal fees (other matters)	11,945
Liquidators fees (non-earthquake)	12,407
Liquidators fees (reinsurance)	132,111
Total	\$200,344

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 Brodie Feaver on (04) 498-9933 or Brodie.Feaver@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 in 2017. This is dependent on the reinsurance funds being received.

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: 14 December 2016



David Ruscoe
Liquidator



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