



THE EARTHQUAKE COMMISSION REGULATIONS 1993

CATHERINE A. TIZARD, Governor-General

ORDER IN COUNCIL

At Wellington this 20th day of October 1993

Present:

THE RIGHT HON. W. F. BIRCH PRESIDING IN COUNCIL

PURSUANT to section 36 of the Earthquake Commission Act 1993, Her Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Earthquake Commission Regulations 1993.

(2) These regulations shall come into force on the 1st day of January 1994.

2. Interpretation—In these regulations, unless the context otherwise requires,—

“The Act” means the Earthquake Commission Act 1993:

Expressions defined in the Act have the same meanings in these regulations.

3. Premiums—(1) The premium payable in respect of the insurance of any residential building or personal property under the Act shall be—

(a) Where the period of insurance is 1 year, 5 cents (plus goods and services tax) for every \$100 of the relevant amount:

(b) In the case of any other period of insurance, a pro rata proportion (on a daily basis) of the amount calculated in accordance with paragraph (a) of this subclause, rounded to the nearest 5 cents.

(2) In subclause (1) of this regulation, the term “relevant amount” means—

- (a) In the case of insurance of a residential building, the amount to which the property is insured under section 18 (1) of the Act;
- (b) In the case of insurance of personal property, the amount to which the property is insured under section 20 of the Act.
- (3) No premium is payable in respect of the insurance of any residential land under the Act.
- (4) Subject to subclauses (1) to (3) of this regulation, the Commission may from time to time make and issue determinations relating to the method of calculation of premiums in respect of any class of insurance, class of property, or clauses or wordings contained in contracts of insurance.

4. Excess—(1) For the purposes of clause 1 of the Third Schedule to the Act, and subject to subclause (2) of this regulation, the excess is—

- (a) Residential building—\$200 multiplied by the number of dwellings in the building, or 1 percent of the amount payable under section 29 of the Act, whichever is greater;
- (b) Residential land—\$500 multiplied by the number of dwellings in the residential building which is situated on the land, or 10 percent of the amount payable under section 29 of the Act, whichever is greater, to a maximum of \$5,000;
- (c) Personal property—\$200.

(2) Where a claim is made by the same person in respect of damage to a residential building and damage to personal property located in or on that building caused by the same natural disaster damage, the excess applicable to the claim is \$200 multiplied by the number of dwellings in the building, or 1 percent of the amount payable under section 29 of the Act, whichever is greater.

(3) For the purposes of this regulation, the number of dwellings in a residential building is the number determined in accordance with section 18 (3) of the Act.

5. Reinstatement of insurance on payment of claim—For the purposes of clause 6 of the Third Schedule to the Act, the amount which the Commission is entitled to charge an insured person (or deduct from a payment to an insured person in respect of a claim under the Act) for the continuation of the insurance, after making a payment in respect of a claim, shall be calculated in accordance with the following formula:

$$\frac{a \times c \times d}{365 \times b}$$

where—

- a is the amount of that payment; and
- b is the maximum amount for which the property is insured under the Act; and
- c is the amount of premium paid for the insurance under the Act; and
- d is the number of days from the date of the claim to the date on which the insurance expires.

DIANE WILDERSPIN,
Acting for Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 January 1994, prescribe the rates of premiums payable for insurance under the Earthquake Commission Act 1993, the amounts of excess relating to the insurance, and the amounts payable for continuation of the insurance after payment of a claim.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 22 October 1993.

These regulations are administered in the Earthquake and War Damage Commission.