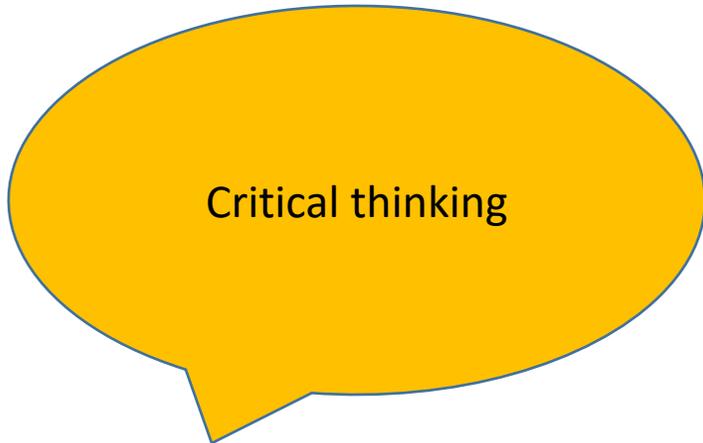
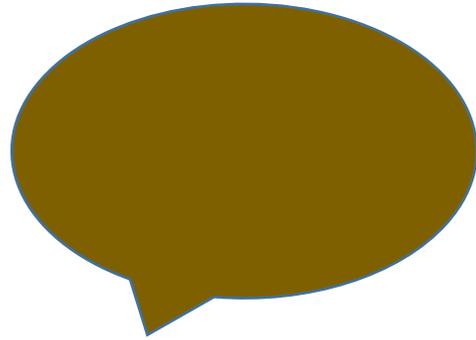


# NZ Earthquakes A Case History

Based on an imperfect fading memory  
And can't avoid hindsight

# Normal visit July 2010



Critical thinking



Risk Appetite  
MI



Local Capability  
Local & Group  
risk management  
Test boundaries

First EQ 4 Sept 2010



# First EQ 4 Sept 2010

Didn't go see

No specific MI  
Local emergency  
plans  
Group vs local

Left to local team  
Local PR

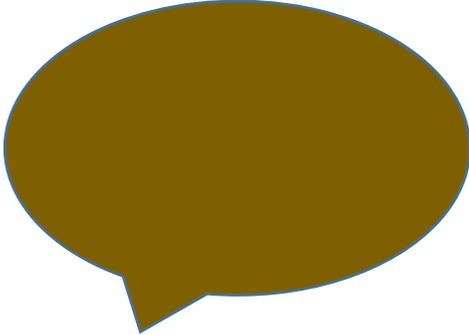
# Second EQ 22 Feb 2011



# Second EQ 22 Feb 2011



Beware  
coincidences



Weak customer  
contact =>  
antagonism



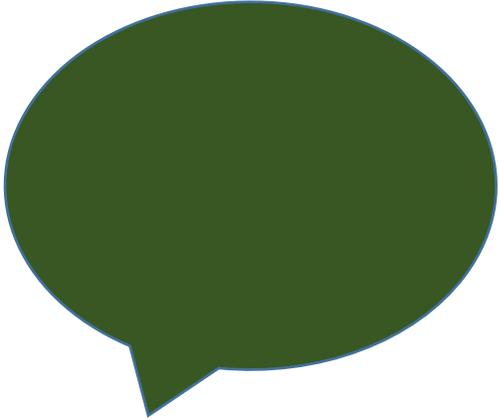
Some discussion –  
local management  
'pride'



Started MI  
Ranges/stress tests?



Discussed and  
agreed keep local



# Third EQ 13 June 2011 and my first visit



# Third EQ 13 June 2011 and my first visit

Saw for self

Met customers  
Urgent report  
back to Board

Reinsurers –  
more dynamic  
interface

Started Group Project  
Ranges  
Longer term view on NZ

Called Bev  
Local/Group PR

# Regulatory meetings and further visits

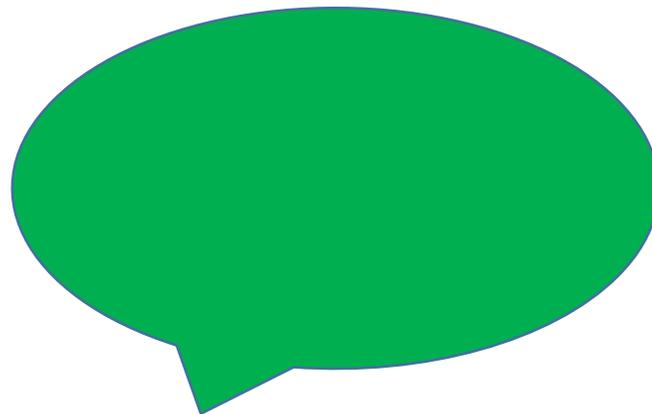
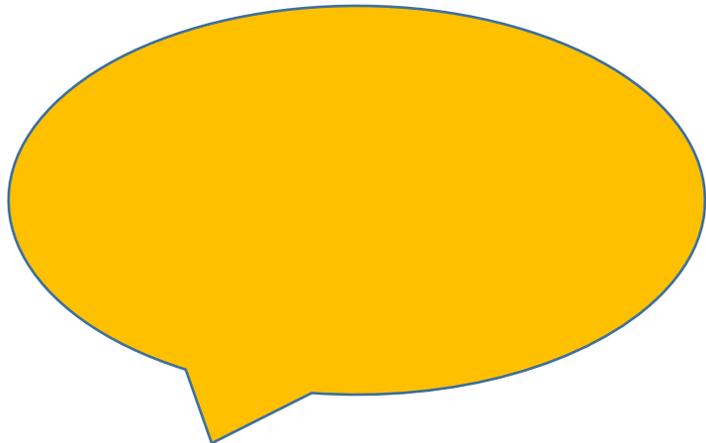


# Regulatory meetings and further visits



FSA –  
'accidental  
meeting' –  
not prepared

Start of active  
3-way  
regulator  
exchanges



Started ACS  
PR  
Legal

# Ongoing

Openness  
On the case

NZ CB meeting  
EQC in NZ!

3 Boards – want  
to help/be  
involved/feel  
vulnerable  
Sub-Committee

Active reinsurance  
management  
and event split  
Cash Flow!

Avoid group think

Group project & MI  
Ranges, best/worst case  
Contingency plans  
BAU needs its place

Bev's feedback  
ACS, Local PR/legal,  
engineers/geologists,  
PwC restructure advice

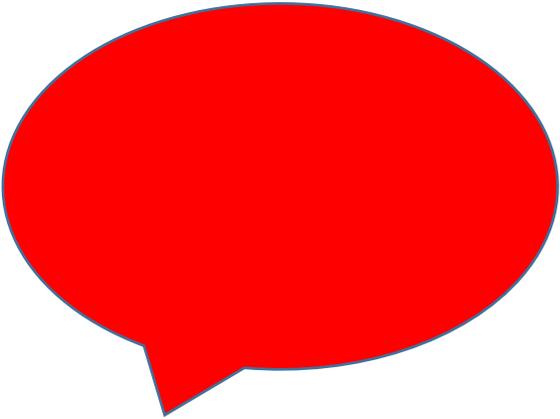
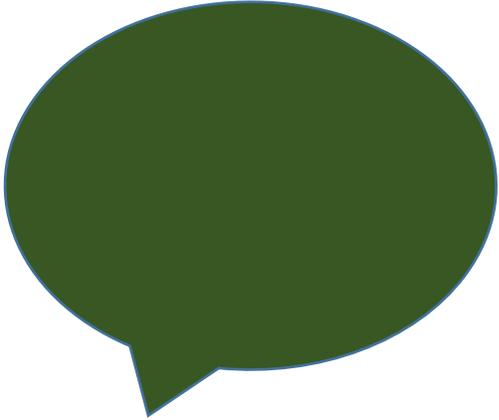
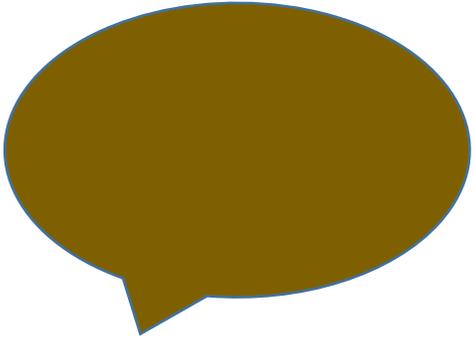
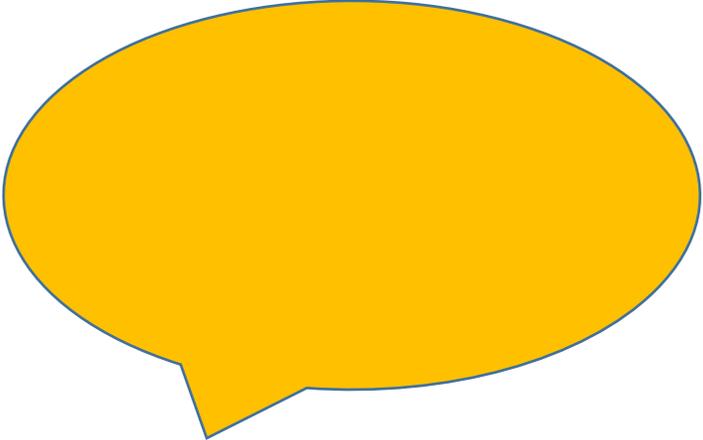
# Fourth EQ 23 Dec 2011



# Fourth EQ 23 Dec 2011



Added  
nervousness



Limited extra impact

# Ongoing management

Reinsurer  
active dialogue

Listening  
Aligning  
Reduce uncertainty  
Personalities

Active regulator  
exchanges

Customer action  
group support  
Ongoing liaison

Balance pragmatic  
need to act/decisive  
with controls

Continent Scheme of  
Arrangement  
Focus minds to reach  
conclusion  
Open meeting

ACS awards  
Bev  
the local  
Ecclesiastical  
CEO!

# Summary

SELF  
AWARENESS

REGULATOR  
INTERFACE

STAKEHOLDERS

FINANCIAL  
MANAGEMENT

CULTURE &  
BEHAVIOUR

PROJECT, PROCESS &  
ACTIONS

EXPERTISE

# In the end

Lots learned

Regulators understood

Happy Customers

Impact managed

Matured

Lessons learned

Had the best expertise

Biggest insight – Nobody expects.....

