

29 November 2013

[Name]
[Address]

e-mail: [policyholder]
cc: [QS]

Dear [Policyholders]

COMMON TEMPLATE - REPAIR AND REBUILD TRADE SUMMARY

I refer to our recent telephone discussion/meeting/email exchange.

You advise that you have already instructed, or will shortly instruct, a quantity surveyor to estimate the reinstatement cost for your house and other insured property. To ensure an accurate comparison can be made you should encourage your quantity surveyor to use the **attached** template which has been developed by Arrow International in conjunction with a group of independent quantity surveyors to allow a common approach to presentation and calculation of estimates.

The key point to highlight is that the wording, and numbering, is adopted directly from NZS 4202: 1995, Standard Method of Measurement of Building Works. The Standard provides an industry recognised set of definitions and measurements and the listed items under *Headings and Definitions* is taken from, with some slight amendment to account for modern building methods, the contents page of the NZS 4202. A trade summary approach was preferred by the group of quantity surveyors gathered, as being more accurate than an elemental estimate. There is, however, some flexibility according to the circumstances of the subject house, whether repair or rebuild, over the degree of detail that needs to be included in the build-up of each item.

The template has been endorsed by the High Court for application in cases listed under the Earthquake List and has been circulated through the New Zealand Law Society and to quantity surveyors practicing in Christchurch.

We do encourage its adoption for the purposes of your disputed claim to avoid unnecessary and complex debate over the components of each element for costing. Arrow International will prepare its cost estimation, using the same template, which can be exchanged once your estimate is available.

It is important to point out that information that will be exchanged between Arrow International and your quantity surveyor, and involving you and Southern Response, is personal to you and your property. It should not be used for any other purposes. Specifically, if a particular rate or percentage allowance is adopted on behalf of Southern Response for your house, that figure or method of measurement can not be used as a precedent or reference for other claims with other homeowners involving different houses. It is important that your information is treated confidentially.

We look forward to hearing from you once your cost estimation is available so that we can move to further discussions.

If you have any questions about the template or wish to further discuss the negotiation process from this point, please telephone [insert: name contact detail].

Thank you.

Yours sincerely

Southern Response Earthquake Services Limited

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