



Insurance Proceeds surplus

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Introduction

- An update on where the process is at
- Not straight forward
- We will:
 - Look at background
 - Explain what is proposed will happen
 - Explain process

Background

- Arises from 2013 global settlement
- The way that agreement was structured was settlement sum was plus GST
- However GST was not payable on payments relating to material damage
- That means there will be a surplus at the end of the ERP

What is proposed?

- Not straight forward – we needed to figure out:
 - How the insurance surplus should be held – on which trusts?
 - How the insurance surplus should be allocated – who gets it?
 - How the surplus should be divided- how much do they get?
 - Should CPT be able to recover the 2011/12 insurance premium and parishes who contributed repaid?

What is proposed?

- CPT and Standing Committee considered over a number of months – legally complex with different consequences
- How should the surplus be held – on which trusts
 - Held on the same trusts as the insured property
 - Held for the ministry units given this is a surplus and insured property restored
- How should the surplus be allocated – who gets it
 - All ministry units that paid premiums
 - All ministry units that made claims
- How should to be divided – how much do they get
 - Pro-rata on premium
 - Pro-rata on claim level

What is proposed?

- How should the surplus be held – on which trusts
 - Held on the same trusts as the insured property
 - Surplus relating to material damage claims held for land and buildings
 - Surplus relating to contents and business interruption held for purposes of ministry units
- How should the surplus be allocated – who gets it
 - Allocated where there were claims – a recognition that without the claims then no surplus

What is proposed?

- How should it be divided – how much do they get
 - Pro-rata on claim level
 - Repairs will be final cost of repair
 - Total losses on insured sum paid out
- 2011/2012 insurance premium
 - Paid for at direction of Synod by CPT and some parishes contributed
 - Ultimately c\$1m paid for from GTE
 - Propose that GTE be refunded with interest as well as those parishes that contributed

What is the process?

- Application for directions to High Court
 - Filed today
 - Is on a consent basis with CPT applying, Diocese a party and CCRL and CCRT as affected parties have written in support
 - All going well judgment will issue on the papers with minimal fuss
- Synod support needed
 - Mindful this affects ministry units
 - Support of Synod sought and then ministry units will be notified

Conclusion

- A lot of work went into this
- Believe it is fair and legally robust

- Questions?