



26 February 2018

McGrathNicol

McGrathNicol Limited

Level 17, 34 Shortland Street
Auckland 1010, New Zealand

PO Box 106-733
Auckland 1143, New Zealand

T +64 9 366 4655

F +64 9 366 4656

mcgrathnicol.com

CBL Insurance Limited (In Interim Liquidation)

Circular to Builders' Warranty insurance policyholders and claimants

On 23 February 2018 Kare Johnstone and Andrew Grenfell, Partners in McGrathNicol, were appointed Interim Liquidators of CBL Insurance Limited ("CBLI") by order of the High Court of New Zealand at 5.50pm.

As a result, policyholders are urged to obtain advice from their insurance brokers or other professional advisors to determine whether they need to purchase new insurance cover.

At this time, based on preliminary financial information, policyholders should be aware that there may be insufficient funds available to meet in full any claims made under policies issued by CBLI.

At this stage, CBLI is not currently in a position to make any further claim payments to policyholders with open claims made under Builders' Warranty policies held by them. Policyholders should take appropriate measures to minimise their losses. Any costs incurred by claimants which would normally be claimable under these policies and for which the policies are liable to respond, will rank as an unsecured creditor claim in the event CBLI is not able to pay its debts in full and it is placed in liquidation.

Claimants should continue to keep CBLI apprised of all developments in respect of their claims.

New claimants should continue to notify CBLI to ensure that their claims are registered. New notifications will continue to be assessed, but no claim payments can be made by CBLI in respect of their claim while the company remains in Interim Liquidation.

As is the position with open claims, any costs incurred by claimants which may normally be claimable under their policies and for which the policies may be liable, will be entitled to rank as unsecured creditor claims should CBLI go into liquidation.

Yours sincerely

CBL Insurance Limited (In Interim Liquidation)

Kare Johnstone
Interim Liquidator

In association
with



Advisory
Forensic
Transactions
Restructuring
Insolvency