

FullCover

CURRENT ISSUES
AFFECTING THE INSURANCE
INDUSTRY IN NEW ZEALAND.



If the travel bubble pops



THERE HAS been a lot of excitement about the Trans-Tasman travel bubble, and many Kiwis are taking the opportunity to travel across the ditch to be reunited with family and friends.

If you're planning to expand your travel bubble, there are a few things you should know when it comes to travel insurance. For example, a sudden outbreak of COVID-19 in either country could leave you stranded. Insurance is unlikely to cover your expenses if this were to happen, so consider what this would mean for you.

Different Insurers offer different levels of cover. Some Insurers provide cover for COVID-19 related events where others don't, so our advice to you before travelling is to make sure you know exactly what your policy covers you for.

Options available and worth considering are:

- Medical cover (up to the policy limit) offered by some Insurers if you're diagnosed with

COVID-19 and need hospital care while on your trip.

- Purchasing cover for you and your travel companions in case you contract COVID-19 prior to overseas travel or find yourself unable to continue with your travel as a result.
- Additional expense cover, which offers further protection should your flight be cancelled or re-scheduled because of COVID-19, and this also applies to any connecting flights that may be affected.
- Essential health care worker cover providing cover for essential workers (e.g. nurses) if their leave is cancelled due to a COVID-19 event.

Remember, no two policies are the same, so talk to your Broker about the available options to make sure you get the cover that best suits your needs.

Broker value at claims time

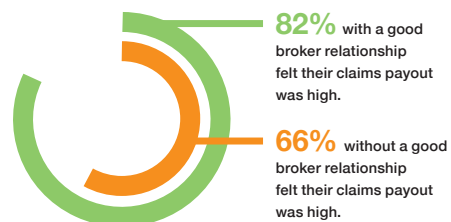
THE LATEST Vero SME research reinforces the value of a Broker when it comes to claims satisfaction.

SMEs that used a Broker were more satisfied with their claims experience and overall claims outcome than those that did not.

The power of collaboration where both Broker and client were working together was

reinforced too. Eighty-two percent who said they had a good relationship with their Broker felt their claims payout was high.

Our Rothbury Brokers and Claims Advisers work closely with all our clients, and we're here to make sure you get the right insurance cover for your needs. And, if you do need to make a claim, our dedicated Claims Advisers are here to manage your claim for you, from



beginning to end, to make sure you get back to where you were before the loss as quickly as possible.

Source: 2021 Vero SME Insurance Index

Claims are being impacted by COVID-19

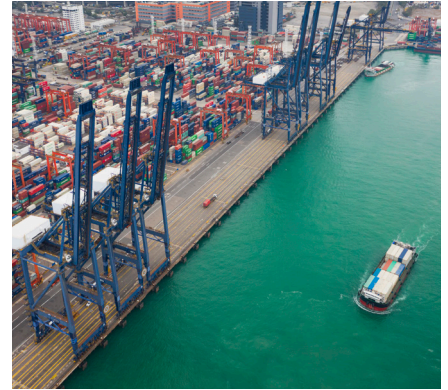
MORE THAN a year on, the effects of COVID-19 are still being seen all around the globe. Supply chains are continuing to be impacted and, here in New Zealand, we're experiencing significant delays when it comes to receiving goods sourced from overseas.

We're seeing delays in specialised timber and fixings along with some hardware. Motor vehicle parts and new motor vehicles are also taking excessive time to arrive in to the country, along with many household appliances and certain types of furniture.

At the moment, there are delays of anywhere from three to six months to receive goods, and this is creating an impact for our clients waiting for a replacement item or repair to be carried out.

We're making every effort to keep your claim on track within the current environment.

If you have any queries about your claim or would like to discuss other options that might be available to you, please contact your Claims Adviser or your Broker.



Is your business prepared for an emergency?

THE HEALTH & Safety at Work (General Risk and Workplace Management) Regulations require all businesses to be prepared for an emergency. Is yours?

The earthquake off the East Coast earlier this year led to a widespread tsunami alert and evacuations in some parts of the country. If you own a business or are in a role that is considered to be conducting a business

or undertaking (PCBU), you're responsible for preparing an emergency plan for your workplace.

WorkSafe sets out some general guidelines that are helpful when it comes to putting together an emergency plan. Your plan should be reviewed regularly, updated and tested at least once a year.

You should take into account/consider the size of your business and the location of your workplace, how many workers you employ, the type of work being carried out, workplace hazards, and the types of emergency situations that could occur.

If you have any concerns, your Broker can help you evaluate your risk.

Protecting your business in the face of a natural disaster



NEW ZEALAND is now ranked as the second riskiest country in the world, but a survey carried out last year with small to medium-sized businesses (SMEs) found that only 47 percent were confident they would be covered if a natural disaster occurred*.

Most Insurers have moved to risk-based pricing, which has resulted in increased premiums and natural disaster excesses. That means that if you're affected by a natural disaster, prior to your rebuild, you will need to have access to funds in order to meet your share of the loss (that's your

excess), and this could be as high as 10 percent of the sum insured.

As a business owner, this could have a huge financial impact, but there are options available to help protect you against those unexpected and high excess costs. Excess Buyback is a type of insurance designed to help manage this type of risk and can help protect you against those unexpected and high excess costs if a natural disaster does occur.

Talk to your Broker about how you can manage your natural disaster risk gap.



New Zealand is now ranked as the second riskiest country in the world

*SOURCE: 2020 Vero SME Insurance Index

My Rothbury app – making life a little easier

My Rothbury is a helpful app for Rothbury clients. You can start a claim, and check your sums insured and excesses at any time!

If you make a claim, you'll receive claim notifications and get instant updates on how your claim is progressing. You can even pay your account through the app at the touch of a button.

So if you haven't already, be sure to download My Rothbury in the App Store or Google Play Store today.



For more information see our video:
www.rothbury.co.nz/my-rothbury-app



The future of insuring coastal properties

RESEARCH CARRIED out for the Deep South National Science Challenge has cast a light on thousands of coastal properties in Auckland, Wellington, Christchurch and Dunedin identified as being within 1km of the coast and in a 1-in-100 year flood zone.

Within the next 15 years, these homes could be at risk of coastal erosion and flooding and may only be able to get partial insurance cover before becoming completely uninsurable by as early as 2050.

Scientists say our sea level will rise by at

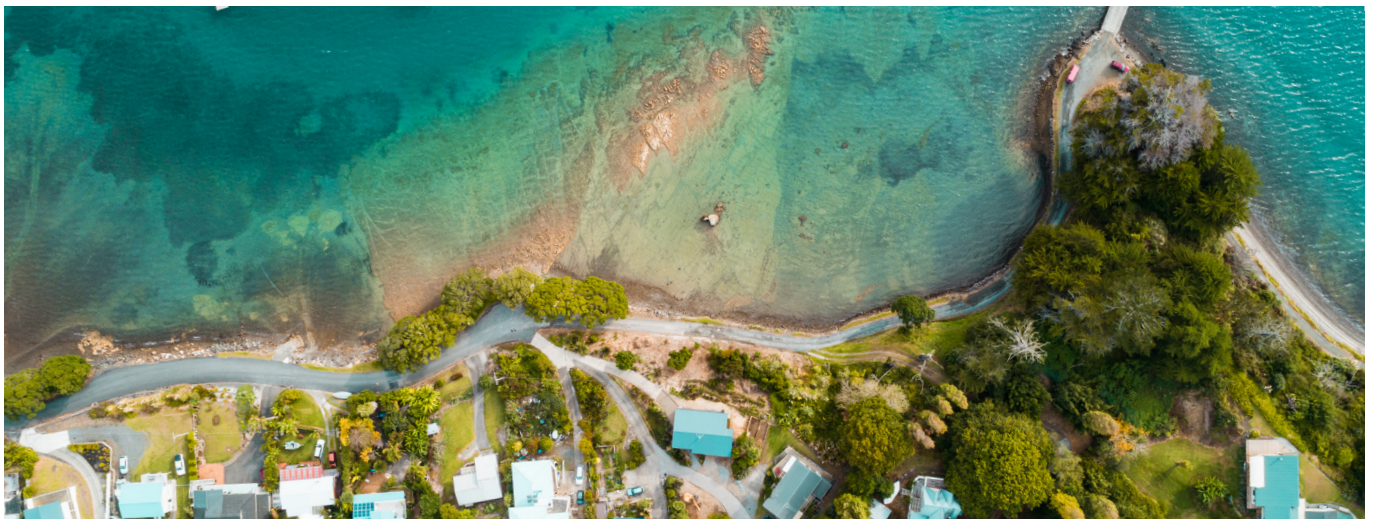
least 10cm over the next 20 years, so it's likely we're going to see an increase in the frequency and severity of coastal flooding.

If insurance does become unavailable in these areas, it will make it difficult to borrow money to purchase a property. This could also mean trouble for existing owners who may need to spend considerable dollars to make changes to their homes to prevent ongoing flooding and is also likely to impact premium prices and excesses. Furthermore, a resource consent from Council may be required

in order to carry out any flood or erosion prevention.

In the future, Insurers may well identify particular hazards as no longer being insurable. For example, flood damage caused by excessive rain but not flood damage caused by a storm surge. This will raise issues identifying the single cause of a flooding event and could mean some legal battles between Insurers and those insured.

If you're thinking of purchasing a property in a coastal area, talk to your Broker first.



There's more to insurance than just price

WHEN IT comes to recommending insurance solutions, we carefully balance cost, cover and the claims rating of Insurers.

Over the past 24 months, we've seen the insurance market firming as premiums continue to rise due to a number of factors including continued extreme weather events and natural disasters, claims inflation with the rising cost of materials and repairs, compliance costs, increased government levies, and the frequency and severity of claims.

The global pandemic, increasing social and political unrest and lower investment yields, are also fuelling insurance and reinsurance pricing and Underwriters' appetite to insure. The Insurance Council of New Zealand (ICNZ) highlighted an eight percent increase in premiums (in the ICNZ statistics to September 2019).

As Insurance Brokers, we look for financial strength and capacity that has been proven in offshore markets when recommending

insurance solutions to you. We work to ensure that we're balancing security, risk appetite, coverage and price so that we can recommend and secure the most favourable terms for you.

Need help growing your business?



GROW
NEW ZEALAND BUSINESS

ALL GROW NZ Members receive...

- Fortnightly emails with business insights and up to date local market information
- Access to credible product and service providers that can help your business thrive
- Access to a monthly webinar to help create business value
- A monthly eBook to help you grow your business
- Access to bespoke business consultancy services

AFTER THE disruption of last year, we're all looking forward to more positive times ahead. While New Zealand's economic activity has bounced back from lockdown relatively unscathed, many businesses are still in recovery mode.

If you need some additional support to help your business succeed and grow in 2021

our business partner, Grow New Zealand Business, is offering Rothbury clients a free subscription to its advisory services.

You'll receive free help and support from expert professionals and access to top tools.

Rothbury Brokers are all financial advisers

ROTHBURY INSURANCE Brokers are all experienced financial advisers.

That means you'll be getting expert advice on behalf of Rothbury Insurance Brokers, based on your own unique circumstances and tailored to your needs.

Insurance today can be complicated, so our job as your Broker is to help you get the

best insurance solutions for your needs and remove any exposure you have.

Getting back on your feet, and back to where you were before a loss, is why insurance exists. Our dedicated team of Claims Advisers are here to help you every step of the way with any claims you have. They will manage your claim for you from beginning to end, working to get the very best outcome for you.

Rothbury and TSI Brokers become one

We're pleased to announce that TSI Brokers and Consultants is now part of Rothbury Insurance Brokers.

We're now in 24 locations around the country, including North Harbour, Mt Maunganui and Gisborne.

Growing the team and expanding our presence around the country so that we can provide local service, and be there on the ground for our clients, is very important to us, and we're thrilled to welcome the TSI team to the Rothbury family.

Our locations and people



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