

# Mainland Claims Management Ltd

PO Box 36-162  
Merivale  
Christchurch 8146  
New Zealand  
Phone: +64-3-356-1098  
Fax: +64-3-356-1097  
Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)

22 July 2011

The Secretary  
Royal Commission of Inquiry into Building Failure Caused by the Canterbury Earthquake  
Unit 15 Barry Hogan Place  
Christchurch 8041

## DOCUMENTS FOR ROYAL COMMISSION - 605 COLOMBO STREET, CHRISTCHURCH

Dear Sir/Madam

Please find enclosed a set of documents covering your request dated 15 July for information from our files.

The documents relative to the building damage are complete. We have many photographs on files here if you wish to see other photographs of the internal cracks throughout the building. We have used only the main photographs within our reports and this submission. Those photos show the most significant cracks.

For the record, I would like to say that at the time of the 22 February earthquake we all (that is our office and the consultants involved, plus the insured) felt that although the building was in an earthquake damaged state, we did pass on an assurance to the military recycling business on the ground floor, well away from the severe crack area, that the building was fine to work in. We qualified that on the basis that if the cracks got any worse to let us know. The Thai restaurant down below was red-stickered, so was empty.

We had discussed the demolition of this building with Matthew Bushnell of Bushnell Contractors and he had an interest in buildings at both ends of the block; one being repaired and a demolition at the other end. He was trying to get all owners together to arrange demolition of the complete remaining block. We were reliant on our consultant engineers and proposed demolition contractor for this.

Within the mix of the conversations, the heritage position of the building was raised and that caused concern and the need to be handling the matter very carefully with the heritage authorities, so that the demolition could be approved as soon as possible. The main signal was that the involvement of the heritage qualification of the building was going to delay matters and there was no way around that other than to submit a demolition consent application and work through the procedures.

We are satisfied that all that could be done, was done as soon as possible given the variables that applied at the time with everyone being so busy and the holiday season; we thought that the severity of earthquakes had surely come to an end. The 22 February proved this to be incorrect, as did 13 June.

This brings you up to date with the thinking at the time of the 22 February earthquake.

- 2 -

The writer was overseas at the time the earthquake happened and upon return was not sure whether the building had been affected or not, as the 'red zone' was not accessible. The consulting engineer, Mike Fletcher, confirmed shortly after that the building had collapsed and urgent demolition had been completed.

Yours faithfully

A handwritten signature in black ink, appearing to read 'P MacLeod'. The signature is written in a cursive style with a large initial 'P'.

**Peter MacLeod**  
Loss Adjuster  
Mobile: 021 222 4178

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Our Reference: 863

## TIMELINE OF EVENTS FOR INSURANCE CLAIM

### 605 COLOMBO STREET, CHRISTCHURCH BENSON CHEN HOLDINGS LIMITED

Document No.	Date	Description
1	14 October 2010	Instruction received from China Taiping Insurance (NZ) Co Ltd ("China").
1	16 October 2010	Mainland assessor met with Robin Cheng from Benson Chen Holdings (building owner).
1	16 October 2010	Mainland advised China building has serious damage and Mainland will need to revisit the building with the structural engineer, but appears building reserve should be for a total loss.
20	20 October 2010	Copy of structural engineer's report dated 14 September provided to Mainland.
2	22 October 2010	Fax sent to Buchanan & Fletcher asking them to confirm if any bracing work could be undertaken and if there was any prospect for the building to be repaired.
21	5 November 2010	Report received from Buchanan & Fletcher, structural engineers.
22	23 November 2010	Sketches received from Buchanan & Fletcher detailing tie-backs for east wall of building.
3	30 November 2010	Mainland asked Buchanan & Fletcher to arrange for a quote from Bushnell Builders for the tie backs.
23	13 December 2010	Quote received from Bushnell Builders. Insurers gave approval for temporary repairs to be undertaken.
4	29 December 2010	Notification received from China that building received further damage from Boxing Day aftershock and asking Mainland to contact the owner.
5	13 January 2011	Email sent to Robin Chen advising Buchanan & Fletcher were to obtain a permit to enter the building to inspect the additional damage and for Robin Chen to obtain demolition quotes.

6	17 January 2011	Email received from Buchanan & Fletcher detailing additional damage sustained to building and advising an urgent decision on the fate of the building needs to be made.
7	21 January 2011	Email from Mainland to Paul Rutledge saying that building is a 'heritage' building which may slow up the decision process.
8	9 February 2011	Robin Cheng emailed insurance broker advising CCC s124 notice expired on 31 January and they requested a new engineering assessment and work to progress on removing the dangerous aspects of the building.
9	20 February 2011	Email from Mainland to Robin Cheng asking for name of valuer he would like to use and advising preparation for demolition was underway.
10	10 March 2011	Email from Mainland to Buchanan and Fletcher asking them to proceed with obtaining necessary permits and consents to have building demolished.
10	14 March 2011	Email reply from Buchanan and Fletcher advising building had already been demolished.

#### **Reports from Mainland Claims Management to China Taiping**

11	21 October 2010	No 1
12	30 November 2010	No 2
13	7 January 2011	No 3
14	4 March 2011	No 4
15	12 April 2011	No 5
16	18 April 2011	No 6
17	31 May 2011	No 7
18	5 July 2011	No 8
19	20 July 2011	No 9

#### **Engineers Reports**

20	14 September 2010	Buchanan & Fletcher
21	5 November 2010	Buchanan & Fletcher
22	23 November 2010	Sketches from Buchanan & Fletcher
23	13 December 2010	Quote from Bushnell Builders







**Mainland Claims Management**

**From:** Paul - CTPNZ [paul@nz.cntaiping.com]  
**Sent:** Monday, 18 October 2010 11:24 a.m.  
**To:** Mainland Claims Management  
**Cc:** 'Peter Lam'; 'David Cao'; 'Richard'  
**Subject:** RE: urgent FW: Earthquake claim Benson Chen Holdings Ltd Building 605 Colombo St Christchurch policy 1982 Premium paid  
**Attachments:** bip201010495 benson.doc

Hi,

Here is a copy of the claim file and schedule. So allow about \$950,000 then?

CC to GMO – we were hoping to avoid another large loss, but here it is . . . . .

Thanks,  
 Paul Lightfoot  
 ANZIIF-Snr Assoc Clms/HR Mgr



**中国太平**  
**CHINA TAIPING**

CHINA TAIPING INSURANCE (NZ) CO LTD

[www.nz.cntaiping.com](http://www.nz.cntaiping.com)

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**From:** Mainland Claims Management [mailto:claims@mainlandclaims.co.nz]  
**Sent:** Saturday, 16 October 2010 4.19 p.m.  
**To:** Paul - CTPNZ  
**Subject:** RE: urgent FW: Earthquake claim Benson Chen Holdings Ltd Building 605 Colombo St Christchurch policy 1982 Premium paid

Hi Paul

I met with Robin on Saturday 4.00pm. Very nice person. The building has some very large cracks in the upper level within the brick walls and they look very sinister to me. The entire front wall is leaning out to Colombo street and getting worse. I feel you will have a large loss on your hands here so will need to revisit the building with the structural engineer. Your reserve should be on a total loss basis in due time. I will report next week. What is happening is that the engineers are saying that unreinforced brick cannot be repaired. Demolition is the only option. I am about to update you with some reserves to total loss status next week.

Regards, Peter.

**Peter MacLeod**

Loss Adjuster

Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)

Phone: 021 222 4178

**Mainland Claims Management Ltd**





MEMBER OF ADJUST NZ LTD

adjustnzltd

NATIONWIDE INDEPENDENT LOSS ADJUSTERS NETWORK

**From:** Paul - CTPNZ [mailto:paul@nz.cntaiping.com]

**Sent:** Friday, 15 October 2010 10:26 a.m.

**To:** john.steere@odlgroup.co.nz

**Cc:** Mainland Claims Management

**Subject:** RE: urgent FW: Earthquake claim Benson Chen Holdings Ltd Building 605 Colombo St Christchurch policy 1982 Premium paid

Please advise?

Thanks,

Paul Lightfoot

ANZIIF-Snr Assoc Clms/HR Mgr



中国太平  
CHINA TAIPING

CHINA TAIPING INSURANCE (NZ) CO LTD

[www.nz.cntaiping.com](http://www.nz.cntaiping.com)

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**From:** Mainland Claims Management [mailto:claims@mainlandclaims.co.nz]

**Sent:** Friday, 15 October 2010 7.56 a.m.

**To:** Paul - CTPNZ

**Subject:** RE: urgent FW: Earthquake claim Benson Chen Holdings Ltd Building 605 Colombo St Christchurch policy 1982 Premium paid

Hi Paul

Will do. Please supply correct phone numbers as both numbers wrong. Thanks , regards, Peter.

**Peter MacLeod**

Loss Adjuster

Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)

Phone: 021 222 4178

## Mainland Claims Management Ltd



MEMBER OF ADJUST NZ LTD

adjustnzltd

NATIONWIDE INDEPENDENT LOSS ADJUSTERS NETWORK

**From:** Paul - CTPNZ [mailto:paul@nz.cntaiping.com]

**Sent:** Thursday, 14 October 2010 5:13 p.m.

**To:** Mainland Claims Management

**Subject:** urgent FW: Earthquake claim Benson Chen Holdings Ltd Building 605 Colombo St Christchurch policy 1982 Premium paid

ing this insured today, I will send docs later.

Thanks,  
Paul Lightfoot  
ANZIIF-Snr Assoc Clms/HR Mgr



**中国太平**  
**CHINA TAIPING**

CHINA TAIPING INSURANCE (NZ) CO LTD

[www.nz.cntaiping.com](http://www.nz.cntaiping.com)

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**From:** John Steere [mailto:john.steere@odlgroup.co.nz]

**Sent:** Tuesday, 12 October 2010 1.41 p.m.

**To:** Paul - CTPNZ

**Subject:** Earthquake claim Benson Chen Holdings Ltd Building 605 Colombo St Christchurch policy 1982 Premium paid

Hi Paul

We discussed this new claim yesterday. The insured phoned originally saying the building didn't seem to have much damage.

We suggested an engineers and builders report to establish the damage.

The damage is more extensive than originally thought and the area at the front of building is considered dangerous to the public.

Please arrange for a loss adjuster to contact the builder Mathew Bushnell ( who arranged the engineers report) on 0274 531 135 as soon as possible.

The insured contact is Robin Chen 379 4120 or home 337 1833

Thanks

John

John Steere – ANZIIF (Snr Assoc)  
35 Leslie Hills Drive, PO Box 8414, Riccarton, Christchurch  
Phone: 03-3489-802  
Fax: 03-348-4567  
Website: [www.odlgroup.co.nz](http://www.odlgroup.co.nz)

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**From:** canonscans@odlgroup.co.nz [mailto:canonscans@odlgroup.co.nz]

**Sent:** Tuesday, 12 October 2010 2:35 p.m.

**To:** John Steere

**Subject:** Attached Image

Information from ESET NOD32 Antivirus, version of virus signature database 5529  
(101013)

The message was checked by ESET NOD32 Antivirus.

<http://www.eset.com>

12-Oct-10

China Taiping Insurance (NZ)  
Company Ltd

Client No. B0185

Claim No. 0026106

Your Claim No.

Claims Advice

Insurer Copy

		Initial Estimate
Date of Loss	04-Sep-10	Deductible
Date Reported	11-Oct-10	Loss Reserve
Insured	Benson Chen Holdings Limited	Paid to Date
Policy Number	001868/A	Third Party Recovery
Period of Insurance	From 15-Jun-10 to 15-Jun-11	Depreciation
Insured Property	Business Package	Settlement Amount

**Details of Loss**Earthquake damage  
Building 605 Colombo St**Comments**

Please confirm receipt of this loss and appoint assessor as required.

Your claim is being managed by : John

PLEASE ADDRESS ALL CORRESPONDENCE TO:

John

ODL GROUP LTD

PO Box 8414,  
Riccarton,  
Christchurch,  
New ZealandCHRISTCHURCH | odl group ltd  
35 Leslie Hills Drive, PO Box 8414,  
Riccarton, Christchurch 8440,  
New Zealand  
Phone +64 3 348 9802  
Fax +64 3 348 4567  
Email insure@odlgroup.co.nzAUCKLAND | odl group (auckland) ltd  
Level 1, Selwyn Centre, 182-186 Great South Road  
PO Box 2721533, Papakura, Auckland 2244,  
New Zealand  
Phone +64 9 299 3100  
Fax +64 9 299 3166  
Email insure@odlgroup.co.nz

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2

22 October 2010

Buchanan & Fletcher Ltd  
 Consulting Structural Engineers  
 CHRISTCHURCH 8140

BY FAX: (03) 377 4308

URGENT

FAXED  
 23/10/10  
 2-28pm

Attention: David Eaton

**RE: 605 COLOMBO STREET, CHRISTCHURCH – BENSON CHEN HOLDINGS LIMITED**

Dear David

Further to our telephone call, we confirm we have been appointed by China Taiping Insurance to report on the abovementioned building.

Upon our inspection of the building on Saturday, 16 October 2010, we found serious cracking to the upstairs area adjacent to the front parapet wall facing onto Colombo Street. Further back from that we found cracking to the columns all indicating tremendous movement at the front wall outwards. We are most concerned regarding the cracks and the condition of the building, given that there is a restaurant below serving the public, as well as a retail store to the left.

Would you please re-visit this property and advise if you believe there is anything further that can be done in the meantime to hold the front wall back, or is there any prospect for repair of this building and if so, please prepare a scope of works to enable the repairs to be quoted and commenced.

We have heard from other Engineers that un-reinforced brick cannot be repaired and accordingly your comments would be appreciated.

As there is some urgency in this matter, we would appreciate your urgent attention. If you are not able to attend promptly, please contact the writer urgently to advise, as we will have to engage another Engineer as we feel the building is in a serious condition. We do not wish to incur embarrassment by a lack of failure to act.

Please confirm by return you are able to attend to this matter and provide a report to us as soon as possible. *many thanks, Peter*

Yours faithfully  
**Mainland Claims Management Ltd**

*P MacLeod*

**Peter MacLeod**

**Peter MacLeod**

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**From:** Peter MacLeod  
**Sent:** Tuesday, 30 November 2010 6:24 p.m.  
**To:** 'Mike Fletcher'  
**Subject:** Our Ref 3841 - 605-611 Colombo Street  
**Attachments:** image001.jpg; image002.gif

Hi Mike

Thank you for your email and report 6 November 2010.

Would you please arrange from a quote from Bushnell Builders for the tie backs.

Many thanks.

Kind regards.

**Peter MacLeod**

Loss Adjuster

Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)

Phone: 021 222 4178

**Mainland Claims Management Ltd**

MEMBER OF ADJUST NZ LTD

adjustnzltd

NATIONWIDE INDEPENDENT LOSS ADJUSTER NETWORK

(4)

**Peter MacLeod**

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**From:** Denise <denise@nz.cntaiping.com>  
**Sent:** Wednesday, 29 December 2010 1:16 p.m.  
**To:** Peter MacLeod; nikki@odlgroup.co.nz  
**Cc:** claims@adjustnz.co.nz; Mainland Claims Management  
**Subject:** FW: Benson Cheng - yr ref BIP 2010495 - our ref 26106 URGENT  
**Attachments:** image001.gif

**Importance:** High

Hi

Received an email advising building has received further damage. Can you please contact as soon as possible. See email below

Thanks,  
 Denise - Senior Claims Officer

**Important Notice:**

Please be informed that China Insurance (NZ) Co., Ltd. ("CINZ") has been renamed as **China Taiping Insurance (NZ) Co., Ltd. ("CTPNZ")** effective 26 August 2009. Website and email addresses are altered as shown below, whilst the postal and visiting address, telephone and facsimile numbers remain unchanged.



**中国太平**  
**CHINA TAIPING**

China Taiping Insurance Co Nz Ltd  
 Ph 9685342  
 Email: [denise@nz.cntaiping.com](mailto:denise@nz.cntaiping.com)  
 Web: [nz.cntaiping.com](http://nz.cntaiping.com)

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**From:** Peter Lam [mailto:peter@nz.cntaiping.com]  
**Sent:** Wednesday, December, 2010 12:40 p.m.  
**To:** 'denise'  
**Subject:** FW: Benson Cheng - yr ref BIP 2010495 - our ref 26106

---

**From:** Nikki McLauchan [mailto:Nikki@odlgroup.co.nz]  
**Sent:** Wednesday, 29 December 2010 10:29 a.m.  
**To:** Paul - CTPNZ  
**Subject:** Re: Benson Cheng - yr ref BIP 2010495 - our ref 26106

Hi Paul

Further to the above claim. We had another significant aftershock on Sunday and this building sustained further damage and I have received the following emails from the insured

"email from Robin Cheng 'We got a call from the tenant of the subject building say the firemen go to re-inspect all the old building this morning because the 4.9 shock. They advise the tenant move out from the subject building after the inspection until further notice" and

"The tenant call me that Council already place a yellow sticker to the subject building which they can't enter the building until further engineer inspection to approve the building safe to use. Please let me know if the Engineer go to the building, I need to inform the tenant to open the door." and

"The subject got a RED sticker from Council as per photo"

Can you please let me know who the assessor is so that I can pass this into onto him so that they can try and get an engineer to look at the place.

Thanks so much

Nikki

Sally Walker / Nikki McLauchlan

ODL Group Ltd

35 Leslie Hills Drive, PO Box 8414, Riccarton, Christchurch

Phone: 03-3489-802

Fax: 03-348-4567

Website: [www.odlgroup.co.nz](http://www.odlgroup.co.nz)

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5

## 605 Colombo Street, Benson Chen Holdings Limited

**From:** Mainland, Office <cms@adjustnz.co.nz>

**Sent:** Thursday 13 January, 2011 11:25 am

**To:** <robinchen@paradise.net.nz>

**CC:** <mike@bandf.co.nz>

**Subject:** 605 Colombo Street, Benson Chen Holdings Limited

**Attachments:** 863 bushnell quote.pdf

**Associations:** Mainland, Office [1247], 605 Colombo St, [863]

Following the aftershock on Boxing Day 26 December 2010, we attended various buildings in Christchurch that sustained extensive damage in addition to the original damage. We called round to your building and found it all locked up and the Christchurch City Council in attendance. They were very busy and would not talk about the building. Subsequent to that we understand the building has been red stickered preventing access to the building including your tenants.

The implications of this are that the damage already inspected is probably worse than the original and a further inspection will be required. We have asked Buchanan & Fletcher structural engineers to contact the Christchurch City Council and obtain a permit to re-enter the building inspect the current state of the damage to determine how much further the cracks we are already aware of have opened up. As you are aware the building is leaning out over Colombo Street and is a danger.

Just prior to this we had obtained structural drawings and specifications for supporting the building and retaining the structure back to original at a cost of \$200,000. A copy of the quote from Bushnell Builders is **attached** for your information. That quotation was issued prior to the aftershock. We now have to re-evaluate the position.

China Taiping Insurance have asked me to forward further details of your tenants and the tenancy agreements for rent. Would you please copy these to us as soon as possible to our office at 22 Papanui Road, Christchurch. This office is just short of Bealey Avenue and opposite the liquor store.

The demolition is probably going to be an urgent issue now. What we would normally arrange is for two quotations to be obtained from two contractors to demolish your building. The costs of this are within your sum insured of \$800,000 so you need to be involved in the process of arranging the quotes. If you have a contact who can provide a competitive price to demolish the building then we would appreciate your obtaining a quotation to complete the demolition. Time and structural engineering advice may prove this is not required however we must be prepared for urgent action for demolition as the Christchurch City Council may demand this. As this is a cost to yourself we need to have you involved in the process of arranging the demolition quotes. Please confirm if you have any particular person you require a quote from. We can arrange this or you may wish to arrange the quote yourself. Please confirm.

I will contact you as soon as the structural engineer has completed his further inspection. Meantime I await your comments on the demolition quotes and the supply of tenancy agreements for the building.

Finally, we are arranging for Ford Baker to complete a valuation of this building and Ric Chapman will be in contact with you.

Kind regards.

**Peter MacLeod**

**Loss Adjuster**

**Email:** [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)

**Phone:** 021 222 4178

**Peter MacLeod**

---

**From:** Mike Fletcher <mike@bandf.co.nz>  
**Sent:** Monday, 17 January 2011 3:52 p.m.  
**To:** peter.macleod@xtra.co.nz  
**Subject:** 3841 605 - 611 Colombo Street

Hi Peter

Confirming verbal advice given during our visit to site earlier this afternoon:

- Separation between the east (Colombo Street) wall and cross walls has definitely worsened since our last inspection, on 2 December.
- At the south end, where the separation is biggest, there is now a gap of 50 – 60mm.
- The separation gets worse as you move from north to south along the building, but there are now signs of separation at every cross wall.
- The securing work we designed earlier could still be carried out, but more and/or longer steel straps might now be required. The extent of mortaring and re-pointing of brickwork required will definitely have increased.
- We confirm that the Khmer Noodle House should not be occupied unless the securing work is carried out. It is currently ok to occupy the Kiwi Disposables tenancy, but this should be monitored daily. If there is any significant increase in cracks or gaps, contact this office immediately.
- It is now becoming urgent that a decision is made to either secure or demolish the building.

Regards,

Mike Fletcher, Director

**Buchanan & Fletcher Ltd**

79 Cambridge Terrace  
PO Box 4571 CHRISTCHURCH 8140  
Ph (03) 366 0304 Fax (03) 377 4308



## Peter MacLeod

---

**From:** Peter MacLeod  
**Sent:** Friday, 21 January 2011 3:08 p.m.  
**To:** 'paul@profint.co.nz'  
**Subject:** FW: 3841 605 - 611 Colombo Street  
**Attachments:** image001.jpg; image002.png

Hi Paul. Copy for your info. All went well on site until Robin mentioned the name of "Heritage Building".

Mike Fletcher says that this designation of a commercial property is a can of worms for decision makers so we may be a while before any approval to demolish can be made. More later. Mike is back next week.

Kind regards, Peter

### Peter MacLeod

Loss Adjuster

Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)

Phone: 021 222 4178

## Mainland Claims Management Ltd



MEMBER OF ADJUST NZ LTD

adjustnzltd NATIONWIDE INDEPENDENT LOSS ADJUSTER NETWORK

---

**From:** Mike Fletcher [mailto:mike@bandf.co.nz]  
**Sent:** Monday, 17 January 2011 3:52 p.m.  
**To:** peter.macleod@xtra.co.nz  
**Subject:** 3841 605 - 611 Colombo Street

Hi Peter

Confirming verbal advice given during our visit to site earlier this afternoon:

- Separation between the east (Colombo Street) wall and cross walls has definitely worsened since our last inspection, on 2 December.
- At the south end, where the separation is biggest, there is now a gap of 50 – 60mm.
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- We confirm that the Khmer Noodle House should not be occupied unless the securing work is carried out. It is currently ok to occupy the Kiwi Disposables tenancy, but this should be monitored daily. If there is any significant increase in cracks or gaps, contact this office immediately.
- It is now becoming urgent that a decision is made to either secure or demolish the building.

Regards,

Mike Fletcher, Director

**Buchanan & Fletcher Ltd**

79 Cambridge Terrace  
PO Box 4571 CHRISTCHURCH 8140  
Ph (03) 366 0304 Fax (03) 377 4308



## FW: recovery of 605 Colombo Street Benson Chen Holdings Ltd China claim no. BIP2010495 id=863 folder=desktop

**From:** Mainland Claims Management <claims@mainlandclaims.co.nz>

**Received** Friday 11 February, 2011 08:43 am

**To:** <cms@adjustnz.co.nz>

**Subject:** FW: recovery of 605 Colombo Street Benson Chen Holdings Ltd China claim no. BIP2010495  
id=863 folder=desktop

**Associations:** 605 Colombo St, [863]

**From:** John Steere [mailto:john.steere@odlgroup.co.nz]

**Sent:** Thursday, 10 February 2011 2:30 p.m.

**To:** canterbury@adjustnz.co.nz

**Cc:** Robin Cheng

**Subject:** FW: recovery of 605 Colombo Street Benson Chen Holdings Ltd China claim no. BIP2010495

Hi Peter

Please see an email below from Robin Cheng.

Please let him know the progress on this issue

Thanks

John

John Steere – ANZIIIF (Snr Assoc)  
35 Leslie Hills Drive, PO Box 8414, Riccarton, Christchurch  
Phone: 03-3489-802  
Fax: 03-348-4567  
Website: [www.odlgroup.co.nz](http://www.odlgroup.co.nz)

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---

**From:** Robin Cheng [mailto:robincheng@paradise.net.nz]

**Sent:** Wednesday, 9 February 2011 5:19 p.m.

**To:** John Steere

**Subject:** Re: recovery of 605 Colombo Street

[Play  
slideshow](#)

Save  
all photos  
Want to save all these photos at once? [Learn how](#)

Online  
pictures are  
available for  
30 days

Hi John,

Please find the enclosing letter from City Council dated 2nd February re the subject. Our outstanding s124 notices was expired on 31 January and Council requested a new engineer assessment and work progress to remove the dangerous aspects of our building. I heard Mr. Matthew Bushnell was attended an meeting with Council re the subject. Could you contact him what was discussed and what shall we going to do for the building.

Regards

Robin Cheng

⑨

**Re: Claim No BIP201010495 Bensen Chen Holdings  
id=adjustnz:p1254a863****From:** Robin Cheng <robincheng@paradise.net.nz>**Received** Sunday 20 February, 2011 09:26 pm**To:** MacLeod, Peter <cms@adjustnz.co.nz>**Subject:** Re: Claim No BIP201010495 Bensen Chen Holdings id=adjustnz:p1254a863**Associations:** 605 Colombo St, [863], MacLeod, Peter [1254]

Dear Peter,

The building was insured \$800,000 for Replacement. I think the insurer should rebuild a new building with the same area limited to max. \$800,000 in case of demolition of the building.

Regards

Robin

**From:** MacLeod, Peter**Sent:** Sunday, February 20, 2011 8:44 PM**To:** robincheng@paradise.net.nz**Cc:** john.steere@odlgroup.co.nz ; China Taiping Insurance Co Ltd (NZ)**Subject:** Claim No BIP201010495 Bensen Chen Holdings id=adjustnz:p1254a863

Dear Robin

As we are preparing for the demolition of the building in the near future we need obtain a valuation on the building for insurers. Could you please confirm if you have valued the property previously and if so who did you use? We normally use Ford Baker or George Anderson. Please confirm the name of your normal valuer so we can update the existing value if any.

We are about to ask Mike Fletcher, the Structural Engineer, to prepare the demolition Resource Consent in conjunction with Matthew Bushnell.

I look forward to hearing from you.

Kind Regards

Peter MacLeod  
Mainland Claims Management Ltd  
Phone 021 222 4178

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**RE: 3841 Benson Chen Holdings, 605 Colombo Street  
id=adjustnz:p1247a863**

**From:** Matthew Bushnell <matthew@bushnell.co.nz>

**Received** Monday 21 March, 2011 04:28 pm

**To:** Mainland Claims Management Ltd <cms@adjustnz.co.nz>, Mike Fletcher  
<mike@bandf.co.nz>

**Subject:** RE: 3841 Benson Chen Holdings, 605 Colombo Street id=adjustnz:p1247a863

**Associations:** 605 Colombo St, [863], Mainland, Office [1247]

The building has been demolished but has not been carted away . I am attempting to find out what is happening in this regard as it will now be more expensive to dispose of the rubbish than if the building was still standing  
Regards Matthew Bushnell

---

**From:** Mike Fletcher [mailto:mike@bandf.co.nz]

**Sent:** Monday, 14 March 2011 10:15 p.m.

**To:** 'Mainland Claims Management Ltd'

**Cc:** matthew@bushnell.co.nz

**Subject:** 3841 Benson Chen Holdings, 605 Colombo Street id=adjustnz:p1247a863

Hi Peter

I talked with Matthew this morning. It seems that this whole building has been demolished, from Mollet Street right through to St Asaph Street.

Presumably this work was carried out under the emergency regulations.

Regards,

Mike Fletcher, Director

**Buchanan & Fletcher Ltd**

79 Cambridge Terrace

PO Box 4571 CHRISTCHURCH 8140

Ph (03) 366 0304 Fax (03) 377 4308

---

**From:** Mainland Claims Management Ltd [mailto:cms@adjustnz.co.nz]

**Sent:** Thursday, 10 March 2011 10:02 a.m.

**To:** mike@bandf.co.nz

**Subject:** Benson Chen Holdings, 605 Colombo Street id=adjustnz:p1247a863

Hi Mike

Thank you for your email 17 January 2011. We have subsequently discussed the matter with Matthew Bushnell of Bushnell Builders. Matthew is asking for a joint effort between yourself and himself in formulating a resource consent to have the demolition completed to this building in conjunction with other buildings that Matthew is arranging at the same time.

Matthew has explained that this is a heritage building, listed as No 4, and there are ways around the delays involved in heritage building demolition if you were to work together. He has his own formula and needs to talk to you about the matter.

On behalf of China Taiping Insurance would you please now proceed and arrange the necessary permits and consents to enable this building to be demolished without any undue delays. As you will appreciate the building is in dangerous condition and we need to move this fairly fast.



Many thanks.

Kind regards

**Peter MacLeod**

**Loss Adjuster**

**Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)**

**Phone: 021 222 4178**

**Mainland Claims Management Ltd**

# Mainland Claims Management Ltd

PO Box 36-162  
 Merivale  
 Christchurch 8146  
 New Zealand  
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 Fax: +64-3-356-1097  
 Email: claims@mainlandclaims.co.nz



Our Reference: 1/4489  
 Your Reference: BIP201010495  
 Date: 21 October 2010

FILE COPY

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
**AUCKLAND**

Attention: Paul Lightfoot

E-mail: paul@nz.cntaiping.com

**REPORT NUMBER 1**  
**EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD**

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	2-Storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts onto Colombo Street.
<b>Policy</b>	Replacement Policy Building – Company Earthquake – \$800,000.00 Protection & Replenishment cost - \$100,000.00 Business Interruption – 12 months - \$100,700.00
<b>Excess</b>	\$1,000 plus GST or 1% of loss value
<b>Date of Loss</b>	Saturday, 4 September 2010, 04:30am
<b>Cause</b>	A substantial earthquake occurred in the Canterbury area centered at Darfield registered at around 7.1 on the Richter Scale.
<b>Estimate</b>	\$950,000.00 plus G.S.T.



adjustnzltd

MEMBER OF ADJUST NZ LTD, NATIONWIDE INDEPENDENT LOSS ADJUSTER NETWORK  
 PHONE: 0800ADJUST 0800235878  
 EMAIL: CHRISTCHURCH@ADJUSTNZ.CO.NZ CLAIMS@ADJUSTNZ.CO.NZ

-2-

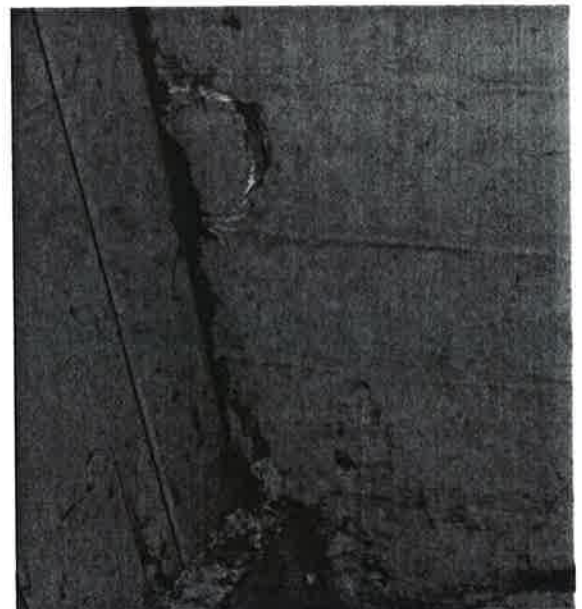


## Damage

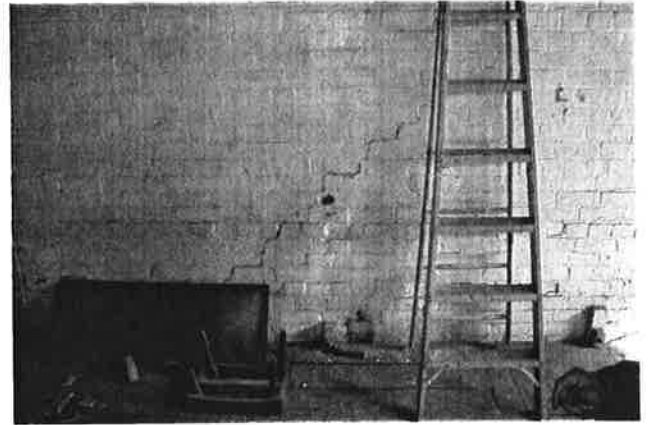
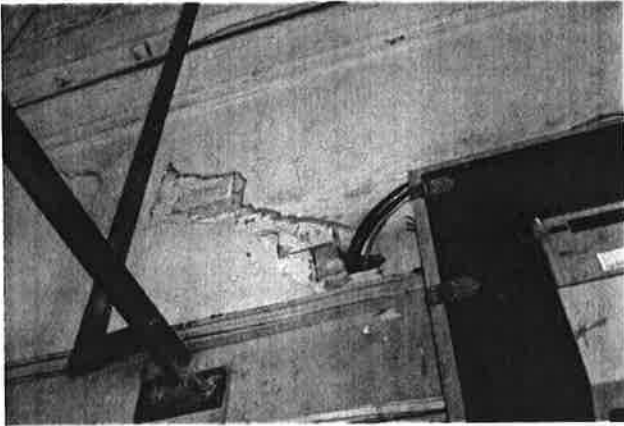
We have completed a survey of this property with the owner, Robin Benson and confirm that serious cracking is evident to the wall adjacent to the front parapet wall looking out onto Colombo Street. The cracks go back further into other support beams to such a degree we anticipate the building will eventually be a total loss.

The previous Engineer from Buchanan & Fletcher Ltd recommended propping of the front edge of the ramp to reduce the tension on the upper brick walls and minimize the risks.

Mr Benson advises that the cracks have widened since the first inspection of the Consulting Engineer. The same cracks are evident through 3 of the bays in the upstairs floor area, so one must be concerned about any further serious earthquakes affecting this to cause collapse to the front of the building.



-3-



### Repairs

As far as we are aware, because of the age and condition of these buildings and the construction of un-reinforced brick, the Christchurch City Council will not allow repair to this property.

Of course, this all has to be verified by the Engineer in due course, but we feel the reserve we have placed on this is realistic in the circumstances.

### Valuation

We suggest a valuation be obtained for this property to confirm the value of the sum insured.

Please confirm.

### Engineering Consultant

Buchanan & Fletcher Ltd have been called regarding the matter, but they are extremely busy and have expressed their doubts regarding preparation of a report for the further damage. They have the original photographs on files, so we will compare those with the current status of the building. We will forward an email to them at the same time as processing this report. If there is any substantial delay, then we may appoint another consulting firm who we usually use and who are providing us with prompt service so we may be in a position to comment.

We attach the following:

- Original report ~~claimed~~ <sup>obtained</sup> by the Insured ✓
- Letter regarding loss of rent from the tenants
- Bushnell Builders account relating to propping up of the exterior verandah.

- 4 -

**Payment**

Bushnell Builders have invoiced \$2,982.64 (GST incl), being the charge for propping up of the front verandah area. This cost is fair and reasonable. Please arrange to pay Bushnell Builders \$2,982.64 as per their bank account details on invoice supplied.

**Comments**

We now await your instructions and will forward our further report as our negotiations progress.

Yours faithfully  
**Mainland Claims Management Ltd**

A handwritten signature in black ink, appearing to read 'Peter MacLeod', written in a cursive style.

**Peter MacLeod**

# Mainland Claims Management Ltd

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 Fax: +64-3-356-1097  
 Email: claims@mainlandclaims.co.nz



Our Reference: 2/4489  
 Your Reference: BIP201010495  
 Date: 30 November 2010

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
**AUCKLAND**

Attention: Paul Lightfoot

E-mail: paul@nz.cntaiping.com

## REPORT NUMBER 2 EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	2-Storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts onto Colombo Street.
<b>Policy</b>	Replacement Policy Building – Company Earthquake – \$800,000.00 Protection & Replenishment cost - \$100,000.00 Business Interruption – 12 months - \$100,700.00
<b>Excess</b>	\$1,000 plus GST or 1% of loss value
<b>Date of Loss</b>	Saturday, 4 September 2010, 04:30am
<b>Cause</b>	A substantial earthquake occurred in the Canterbury area centered at Darfield registered at around 7.1 on the Richter Scale.
<b>Estimate</b>	\$950,000.00 plus G.S.T.



adjustnzltd

MEMBER OF ADJUST NZ LTD, NATIONWIDE INDEPENDENT LOSS ADJUSTER NETWORK  
 PHONE: 0800ADJUST 0800235878  
 EMAIL: CHRISTCHURCH@ADJUSTNZ.CO.NZ CLAIMS@ADJUSTNZ.CO.NZ

**Damage**

We have received a further report from Buchanan & Fletcher regarding the temporary repairs required to hold the front of the building back. According to the engineer, this will hold the building in a secure position until the full extent of the damage is evaluated and the future of the building can be considered without undue pressure to make rapid decisions. The report is yet to be costed by Bushnell Builders and the engineers have requested a pricing for this.

**Loss of Rent/Valuation**

We note your response and will obtain full details of the lease agreements from the client plus a valuation for the building from Ford Baker.

**Protection/Replenishment Costs**

This seems to be the necessary costs of urgent works on the property such as we are addressing at the present time.

**Comments**

We will file a further report as our negotiations progress.

Yours faithfully  
**Mainland Claims Management Ltd**

A handwritten signature in black ink, appearing to read 'P MacLeod', written in a cursive style.

**Peter MacLeod**

# Mainland Claims Management Ltd

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13

Our Reference: 4489  
 Your Reference: BIP201010495  
 Date: 7 January 2011

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
 AUCKLAND

E-MAILED  
 13 | 1 | 11

✓  
 o/c to email report  
 + copy of Benson quotes  
 + my email to Benson  
 New print please  
 call to  
 China T  
 to ?

Attention: Paul Lightfoot

E-mail: paul@nz.cntaiping.com

## REPORT NUMBER 3 EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	2-Storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts onto Colombo Street.
<b>Policy</b>	Replacement Policy Building – Company Earthquake – \$800,000.00 Protection & Replenishment cost - \$100,000.00 Business Interruption – 12 months - \$100,700.00
<b>Excess</b>	\$1,000 plus GST or 1% of loss value
<b>Date of Loss</b>	Saturday, 4 September 2010, 04:30am
<b>Cause</b>	A substantial earthquake occurred in the Canterbury area centered at Darfield registered at around 7.1 on the Richter Scale.
<b>Estimate</b>	\$950,000.00 plus G.S.T.



adjustnzltd

MEMBER OF ADJUST NZ LTD, NATIONWIDE INDEPENDENT LOSS ADJUSTER NETWORK  
 PHONE: 0800ADJUST 0800235878  
 EMAIL: CHRISTCHURCH@ADJUSTNZ.CO.NZ CLAIMS@ADJUSTNZ.CO.NZ



## **Claim Status**

A substantial aftershock, 4.9 richter scale, occurred on Boxing Day 26 December 2010. This has caused further damage to this building which has now been classified as "red sticker", that means no access to the building as the building is in a dangerous condition.

## **Tenant**

Given the red sticker situation confirmed by the insured the tenants will not be able to re-access this building until further notice. The insured is monitoring this.

## **Structural Engineer**

We have been in contact with Buchanan & Fletcher who due to this time of the year are away on holiday but have agreed to reinspect the building upon their return. The procedure to inspect a red stickered building is to approach the Christchurch City Council Building Inspection Department and obtain a permit to enter and then reinspect the condition of the structure. Mike Fletcher of Buchanan & Fletcher will be attending in the next couple of weeks to determine the urgency of demolition. This has all been discussed prior with the insured as the building was classified as a total loss by the inspection we originally completed and the discussion with the engineer. This recent substantial aftershock just brings forward the decision on this to a more urgent level and the insured now has to make his decision. Prior to this we will await the further report from the engineer as to the urgency of the matter.

## **Loss of Rent Claim**

We provided for this in our reserve so no additional reserve requirements here.

## **Valuation**

Ford Baker were very busy in the lead up from Christmas to the New Year and will remind them of the need to value this building prior to demolition.

## **Protection/Replenishment Costs**

Just prior to Christmas we received a quotation from building contractors Bushnell Builders detailing a specification for repair and quotation of \$200,000 plus GST to secure the building. We were about to discuss this with the insured when the aftershock struck. A copy as per the attached has been emailed to the insured. This document may still be relevant.

## **Comments**

We will now arrange a further inspection, the further engineer's report and the valuation before reporting further.

Yours faithfully  
**Mainland Claims Management Ltd**

A handwritten signature in black ink, appearing to read 'P MacLeod'. The signature is written in a cursive style with a large initial 'P'.

**Peter MacLeod**

# Mainland Claims Management Ltd

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 Fax: +64-3-356-1097  
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14

Our Reference: 863  
 Your Reference: BIP2010/10495  
 Date: 4 March 2011

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
**AUCKLAND**

Attention: Paul Lightfoot

E-mail: paul@nz.cntaiping.com

## REPORT NUMBER 4 EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	2-Storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts onto Colombo Street.
<b>Policy</b>	Replacement Policy Building – Company Earthquake – \$800,000.00 Protection & Replenishment cost - \$100,000.00 Business Interruption – 12 months - \$100,700.00
<b>Excess</b>	\$1,000 plus GST or 1% of loss value
<b>Date of Loss</b>	Saturday, 4 September 2010, 04:30am
<b>Cause</b>	Earthquake, 7.1 magnitude, centred at Darfield
<b>Estimate</b>	\$950,000.00 plus GST

### Claim Status

We have received an email from Mike Fletcher at Buchanan and Fletcher dated 17 January 2011 confirming that securing the building could be completed but it would be more expensive and would require a re-design and longer steel straps.



adjustnzltd

MEMBER OF ADJUST NZ LTD, NATIONWIDE INDEPENDENT LOSS ADJUSTER NETWORK  
 PHONE: 0800ADJUST 0800235878  
 EMAIL: CHRISTCHURCH@ADJUSTNZ.CO.NZ CLAIMS@ADJUSTNZ.CO.NZ

The Khmer Noodle House tenant has been 'red-stickered' so there will be no further business there. The other tenant, Kiwi Disposals, is also at risk as the cracks in that part of the building have opened up further.

### **Structural Engineer**

We have been in contact with Buchanan and Fletcher since then and they will now be asked to prepare a resource consent for demolition of the building. Unbeknown to us this building is a heritage listed building and as such demolition will not be a straight forward case. We will report to you as soon as the outcome of the resource consent has been received.

### **Loss of Rent**

A substantial loss of rent claim will develop from this claim and we have already provided for that within our reports.

### **Valuation**

We have appointed George Anderson Valuers to value this building. Mark Taylor will be attending and we expect a report very shortly.

### **Boxing Day Increase of Damage**

Further to your recent email about the need to advise insurers of the difference between the original damage and the current damage, we advise that the building was a total loss from the first earthquake and the second aftershock on Boxing Day, being one of 4,000 aftershocks, has damaged the building further but it is only the rotation of the front parapet wall over Colombo Street that has moved further. The damage was already done in September and the aftershock has just moved this further to the stage where demolition is now of the utmost importance as there is a slight danger factor leaving the building in this condition.

### **Comments**

We will forward our further report as our negotiations progress.

This report was prepared pre 22 February 2011 earthquake and the photographs depict the damage at that time. The building front did collapse so we will update when we can view the current situation.

Yours faithfully  
**Mainland Claims Management Ltd**



**Peter MacLeod**

# Mainland Claims Management Ltd

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15

Our Reference: 863  
 Your Reference: BIP2010/10495  
 Date: 12 April 2011

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
**AUCKLAND**

Attention: Paul Lightfoot

E-mail: paul@nz.cntaiping.com

## REPORT NUMBER 5 EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	Two-storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts on to Colombo Street.
<b>Policy</b>	Replacement Policy Building – Company Earthquake – \$800,000.00 Protection & Replenishment cost - \$100,000.00 Business Interruption – 12 months - \$100,700.00
<b>Excess</b>	\$1,000 plus GST or 1% of loss value
<b>Date of Loss</b>	Saturday, 4 September 2010, 04:30am
<b>Cause</b>	Earthquake, 7.1 magnitude, centred at Darfield
<b>Estimate</b>	\$950,000.00 plus GST

### Claim Status

As mentioned in our earlier report we have been advised by the insured that the building has been destroyed in the 22 February earthquake and the frontage has collapsed onto Colombo Street.



## **Reserve**

Our reserve has always been on the full sum insured plus loss of rent. This does not change because of the 22 February incident; demolition was required regardless.

## **Valuation**

Unfortunately the valuer did not arrive at the property in time to complete a value but we did talk to the contractor on site, Matthew Bushnell, who commented that the property could be replaced up to two-floor level for around \$1,000,000 so the value is fairly close to the sum insured. We will however obtain measurements of the building from Matthew and obtain a valuation from George Anderson Valuations to confirm this and to satisfy auditors in the future.

## **Business Interruption**

The insured has asked for a payment under the Business Interruption claim for loss of rent that he submits from the Thai restaurant and then the recycled military equipment store. A copy of Benson Cheng's request for payment of \$24,954.01 is up to 25 March in one case and the 21 March in the other case. He has calculated this on the amount of time out following the first earthquake and then the Noodle House, for instance, from the time a red sticker was placed on their portion of the building.

In both cases the request for a progress payment seems reasonable and could be paid.

## **Payment**

Please arrange to pay:

Benson Cheng Holdings Limited c/- O'Donoghue Lindsay Brokers	\$24,954.01
---	-------------

## **Demolition**

We are currently arranging through Matthew Bushnell to complete the partly demolished building, clear the site and cap the water and sewerage and water mains. Mr Chen has approved for this work to take place and we have advised Matthew Bushnell to proceed in obtaining a demolition consent to arrange for this work to be completed within the 'red zone' of the CBD.

Matthew Bushnell is an approved demolition contractor as well as a building contractor.

## **Future Loss of Rent**

We understand from previous discussions with you that China Taiping do not pay loss of rent after the building has been deemed to be a total loss. Is this correct, and if so may we inform the insured of this?

In both cases the military equipment store and the Thai restaurant would have been locked out of the business district regardless as no-one can trade within this district for probably at least twelve months. Your comments in this respect would be appreciated.

## **Comments**

We look forward to receiving your confirmation that the loss of rent will be paid and your comments on any future loss of rent. We will forward our further report as the demolition work progresses.

Yours faithfully  
**Mainland Claims Management Ltd**

A handwritten signature in black ink, appearing to read 'P MacLeod', written over a light blue circular stamp or watermark.

**Peter MacLeod**

# Mainland Claims Management Ltd

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 Christchurch 8146  
 New Zealand  
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 Fax: +64-3-356-1097  
 Email: claims@mainlandclaims.co.nz

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Our Reference: 863  
 Your Reference: BIP2010/10495  
 Date: 18 April 2011

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
**AUCKLAND**

Attention: Paul Lightfoot

E-mail: paul@nz.cntaiping.com

## REPORT NUMBER 6 EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	Two-storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts on to Colombo Street.
<b>Policy</b>	Replacement Policy Building – Company Earthquake – \$800,000.00 Protection & Replenishment cost - \$100,000.00 Business Interruption – 12 months - \$100,700.00
<b>Excess</b>	\$1,000 plus GST or 1% of loss value
<b>Date of Loss</b>	Saturday, 4 September 2010, 04:30am
<b>Cause</b>	Earthquake, 7.1 magnitude, centred at Darfield
<b>Estimate</b>	\$950,000.00 plus GST

### Claim Status

Further to our previous report we have received a call from one of the tenants of the military recycle business asking for permission to work alongside the demolition contractor at the site. We have directed him to contact Benson Robin Chen to come to some agreement on the shared cost of the time for the digger to take it slow.





## **Photographs**

We **attach** some photographs of the destroyed building for your information and one photograph from the insured of the pre-damaged building.

## **Value**

We are about to ask for a value from George Anderson Valuers to confirm the sum insured.

## **Loss of Rent Payment**

We await your instructions on the loss of rent aspect if it is to carry on now that the building has been demolished.

## **Comment**

We will forward our further report as the negotiations progress.

Yours faithfully

**Mainland Claims Management Ltd**

A handwritten signature in black ink, appearing to read 'P MacLeod', written over a light blue circular stamp or watermark.

**Peter MacLeod**

# Mainland Claims Management Ltd

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 Fax: +64 3-356 1097  
 Email: claims@mainlandclaims.co.nz



Our Reference: 863  
 Your Reference: BIP2010/10495  
 Date: 31 May 2011

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
 AUCKLAND

Attention: Paul Lightfoot

E-mail: paul@nz.cntaiping.com

## REPORT NUMBER 7 EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	Two-storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts on to Colombo Street.
<b>Policy</b>	Replacement Policy Building – Company Earthquake – \$800,000.00 Protection & Replenishment cost - \$100,000.00 Business Interruption – 12 months - \$100,700.00
<b>Excess</b>	\$1,000 plus GST or 1% of loss value
<b>Date of Loss</b>	Saturday, 4 September 2010, 04:30am
<b>Cause</b>	Earthquake, 7.1 magnitude, centred at Darfield
<b>Estimate</b>	\$950,000.00 plus GST

### Claim Status

We have not heard from the insured about the demolition and removal of debris costs at this stage. We are awaiting receipt of that in due time. There is quite a lot of email traffic on that subject between Robin Chen and the demolition contractor.



## Loss of Rent

We are not sure if loss of rent payments were agreed to proceed or to be declined. Would you please confirm your position as per our previous report.

## Valuation

We are about to instruct a valuer to value the building working on information provided by the builder concerned and photographs.

## Builder's Invoice

We understand you may have paid the attached invoice. If not, please arrange to pay the account from Bushnell Builders which is in order for payment at \$2,100.42.

## Comment

We will forward our further report as the negotiations progress.

## Attachments

1. Email to Mark Beatson
2. Photos
3. Email from Robin Cheng
4. Invoice from Bushnell Builders

Yours faithfully  
**Mainland Claims Management Ltd**



**Peter MacLeod**  
**Phone 021 222 4178**  
**Email [Peter.MacLeod@mainlandclaims.co.nz](mailto:Peter.MacLeod@mainlandclaims.co.nz)**

# Mainland Claims Management Ltd

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 Fax: +64 3-356 1097  
 Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)

18

Our Reference: 863  
 Your Reference: BIP2010/10495  
 Loss Adjuster: Peter MacLeod  
 Date: 5 July 2011

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
**AUCKLAND**

**Attention:** Paul Lightfoot      **E-mail:** [Paul@nz.cntaiping.com](mailto:Paul@nz.cntaiping.com)  
**Copy to:** Peter Lam              **E-mail:** [Peter@nz.cntaiping.com](mailto:Peter@nz.cntaiping.com)

## **REPORT NUMBER 8** **EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD**

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	Two-storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts on to Colombo Street.
<b>Policy</b>	Replacement Policy Building Company Earthquake      \$800,000.00 Protection & Replenishment Cost      \$100,000.00 Business Interruption – 12 months      \$100,700.00
<b>Excess</b>	\$1,000.00 plus GST or 1% of loss value
<b>Date of Loss</b>	4 September 2010 at 4.30am 26 December 2010 at 10.30am 22 February 2011 at 12.51pm
<b>Cause</b>	Earthquake - 7.1 magnitude centred at Darfield Earthquake - 4.9 magnitude centred near Christchurch Earthquake - 6.3 magnitude centred near Christchurch
<b>Estimate</b>	\$1,092,500.00



### **Claim Status**

Thank you for your note regarding the loss of rent. We have asked the Insured to submit a further claim from the 22 February event. This should be forthcoming shortly at which stage we will forward through a recommendation on settlement.

### **Valuer**

We have chased the valuer up to complete the valuation on this property so that we can arrange a payment for the indemnity value.

### **Progress Payment**

Would you please provide for a progress payment in the next few weeks of \$300,000.00.

### **Fee Account**

We attach a fee account for work completed to date.

### **Comments**

We will forward our further report as negotiations progress.

### **Attachments**

Mainland Claims Management fee account

Yours faithfully  
**Mainland Claims Management Ltd**

A handwritten signature in black ink, appearing to read 'Peter MacLeod', written over a faint circular stamp or watermark.

**Peter MacLeod**  
**Phone 021 222 4178**  
**Email [Peter.MacLeod@mainlandclaims.co.nz](mailto:Peter.MacLeod@mainlandclaims.co.nz)**

# Mainland Claims Management Ltd

PO Box 35-162  
 Merivale  
 Christchurch 8146  
 New Zealand  
 Phone: +64 3 356 1098  
 Fax: +64 3 356 1097  
 Email: [claims@mainlandclaims.co.nz](mailto:claims@mainlandclaims.co.nz)



Our Reference: 863  
 Your Reference: BIP2010/10495  
 Loss Adjuster: Peter MacLeod  
 Date: 20 July 2011

The Manager  
 China Taiping Insurance (NZ) Co Ltd  
 P O Box 3398  
**AUCKLAND**

**Attention:** Paul Lightfoot      **E-mail:** [Paul@nz.cntaiping.com](mailto:Paul@nz.cntaiping.com)

## REPORT NUMBER 9 EARTHQUAKE CLAIM – BENSON CHEN HOLDINGS LTD

<b>Insured</b>	Benson Chen Holdings Ltd 605 Colombo Street Christchurch
<b>Interest Insured</b>	Two-storey brick dwelling with GCI roof, serving as a retail camping gear area and restaurant. The property fronts on to Colombo Street.
<b>Policy</b>	Replacement Policy Building Company Earthquake      \$800,000.00 Protection & Replenishment Cost      \$100,000.00 Business Interruption – 12 months      \$100,700.00
<b>Excess</b>	\$1,000.00 plus GST or 1% of loss value
<b>Date of Loss</b>	4 September 2010 at 4.35am 26 December 2010 at 10.30am 22 February 2011 at 12.51pm
<b>Cause</b>	Earthquake - 7.1 magnitude centred at Darfield Earthquake - 4.9 magnitude centred near Christchurch Earthquake - 6.3 magnitude centred near Christchurch
<b>Estimate</b>	\$1,092,500.00

### Claim Status

We have not received a loss of rent claim, in detail, from the insured as yet. We cannot rely on the previous ones as they were of different dates for various periods versus a static claim for the complete shutdown of the building after it collapsed and was demolished.



## Valuer

We still have not received the value from the valuer who is refusing to work any further until his fee was paid. Would you please confirm that the valuer's fee has been paid?

## Progress Payment

A progress payment to the insured of \$300,000 would be in order as soon as funding is available. Please pay this in due time to Benson Chen Holdings Limited, as per previous sending.

## Replacement Building

We anticipate the building will be replaced in due time but there will be a major hold up with this due to the re-establishment of the CBD in Christchurch. Some people are opting to build elsewhere and this may be the decision of the insured in the future.

## Royal Commission of Inquiry

This building having collapsed on Colombo Street and caused fatal injuries to some people on a bus passing by is the subject of an enquiry. We have received an enquiry notice from the Royal Commission of Inquiry and have been asked to forward to them a complete copy of our file by Monday 25 July. Our office received the notice on 19 July 2011. We are currently preparing the documents for transfer to the Commission office and trust you approve.

We are satisfied that all that could be done as far as this building was concerned was attended to, apart from the demolition that was being planned at the time this 22 February earthquake struck. We had advised Buchanan and Fletcher Engineers to prepare a demolition application and there was considerable discussion by telephone on progressing that through the Heritage people as this was a heritage listed building and there was resistance to any demolition in the city. Our consulting engineer, Mike Fletcher, will be able to verify that enquiries were made and the position on demolition was far from satisfactory. It was going to be very involved. Unfortunately during the middle of all these discussions and suggestions by the demolition contractor, Matthew Bushnell, the building front collapsed onto a bus that was passing by the building.

## Comments

We will forward our further report as our negotiations progress.

Yours faithfully  
**Mainland Claims Management Ltd**



**Peter MacLeod**  
Phone 021 222 4178  
Email [Peter.MacLeod@mainlandclaims.co.nz](mailto:Peter.MacLeod@mainlandclaims.co.nz)

**Buchanan & Fletcher Ltd**  
CONSULTING STRUCTURAL ENGINEERS

memo

FAXED

To: BUSHMELL BUILDERS  
 Address: FAX 344 5976  
 Attention: MATTHEW

Job Name:  
605 COLOMBO ST  
 Date: 14/09/10 Job No.: 3841

From: DAVE EATON

Phone No: (03) 366 0304

Fax No: (03) 377 4308

No of pages: 1  
 (including this)

Address: Bradley Nuttall Building  
 79 Cambridge Terrace  
 PO Box 4571 Christchurch 8140  
 New Zealand

Message:

### BRIEF VISUAL INSPECTION POST EARTHQUAKE

- Inspection of 2 / two storey brick structures - ground floor retail & restaurant, first floors vacant.
- Evidence of fresh cracking in first floor brick walls <sup>running</sup> (E/W) particularly noticeable adjacent to east street front wall.
- East wall supports cantilever veranda over footpath.
- Ground floor level some cracking but widths not significant.
- Rear of restaurant block has plaster/concrete fallen from what appears to be steel RST beams which are concrete encased - damage probably cosmetic.
- Recommend propping of front edge of veranda to reduce tension loads on upper brick walls, and minimize risk of East wall being pulled into Colombo st.
- once propping complete, buildings will be adequate for occupation.

D. J. Eaton MILENZ, BUCHANAN & FLETCHER.



**Peter MacLeod**

---

**From:** Mike Fletcher <mike@bandf.co.nz>  
**Sent:** Friday, 5 November 2010 12:44 p.m.  
**To:** peter.macleod@xtra.co.nz  
**Subject:** 3841 605 - 611 Colombo Street  
**Attachments:** 3841 rpt 20101103.pdf; K18 CCC resumption of occupancy eq damaged bldgs 20101018.pdf; 3841 foto01 20101027.JPG; 3841 foto02 20101027.JPG; 3841 foto03 20101027.JPG; 3841 foto04 20101027.JPG; 3841 foto05 20101027.JPG; 3841 foto06 20101027.JPG; 3841 foto07 20101027.JPG; 3841 foto08 20101027.JPG; 3841 foto09 20101027.JPG; 3841 foto10 20101027.JPG; 3841 foto11 20101027.JPG; 3841 foto12 20101027.JPG; 3841 foto13 20101027.JPG

Hi Peter

Here is our report for 605 – 611 Colombo Street

We will proceed with a design for tying back the Colombo Street parapet unless you advise otherwise, and will forward our sketches to you when they are complete. Please let us know if you want us to carry on with the further investigation described in Section 5.2 of the report.

Regards,

Mike Fletcher, Director

**Buchanan & Fletcher Ltd**

79 Cambridge Terrace  
PO Box 4571 CHRISTCHURCH 8140  
Ph (03) 366 0304 Fax (03) 377 4308

05 November 2010

3841/MRF

China Taiping Insurance  
c/- Mainland Claims Management  
PO Box 36-162  
CHRISTCHURCH 8146

Attention: Mr P MacLeod

Dear Sir

**605 - 611 COLOMBO STREET CHRISTCHURCH**

**1. ENGAGEMENT AND BRIEF**

Buchanan & Fletcher has been engaged by you to:

- Carry out a further visual inspection of this building following recent significant aftershocks.
- Advise any conditions that need to be observed, or temporary measures that need to be taken, if the building is to continue to be occupied.
- Advise on possible options for the future of the building.

We had previously visited the building on 14 September. This current inspection was carried out on Wednesday 27 October.

**2. DESCRIPTION**

605 - 611 Colombo Street is part of a row of 2 storey buildings on the west side of Colombo Street, extending from Tuam Street to Mollet Street. The main part of the building is approximately 26 metres wide x 12 metres deep, divided into 5 equal units of about 5 metres wide. There are a variety of smaller lean-to buildings to the west of the main structure.

The 2 southern-most units (605 Colombo Street) are occupied by Khmer Satay Noodle House, while the northern 3 units (611) are occupied by Kiwi Disposables.

The main building has a steeply pitched roof, predominately clad with clay tiles but with some areas in corrugated steel. The first floor is timber framed, and there is a partial mezzanine (also timber framed) over 605. The perimeter walls, and the dividing walls between units, are of unreinforced brick. There is a brick parapet, estimated to be 1200mm high x 450mm thick, on the Colombo Street frontage.

The lean-tos to the west vary in size and construction materials. Most have brick walls, but one is constructed in poured concrete.

### 3. INSPECTION ON 14 SEPTEMBER

We first inspected the building on 14 September, with the Owner and Bushnell Builders.

We found fresh cracking in the first floor cross-walls (ie east/west walls), which was particularly noticeable adjacent to the eastern front wall. This wall supports a cantilevered verandah over the footpath. There was some cracking in the ground floor walls, but this was not considered significant.

Following that visit, we recommended that the front edge of the verandah be propped to reduce loads on the upper brick walls. This work has been carried out.

### 4. RE-INSPECTION ON 29 OCTOBER

A reinspection was requested following a number of significant aftershocks. We carried out this inspection on 29 October with Peter MacLeod of Mainland Claims Management. This inspection covered most of the spaces inside the main building, and the parapet above roof level. We also inspected those parts of the lean-to buildings to the west that were readily accessible.

There did not seem to be any new cracks in the cross walls near the east frontage, however the existing cracks appear to have widened since our first inspection. Above the roof there is clear evidence that the east wall has separated from the cross walls at each end of the building, with a gap in excess of 20mm. There is no visible damage either to the parapet, or to the east wall below.

We observed new cracking and separation at and above first floor level in the Khmer Satay Noodle House. This is where the lean-to buildings to the west join the main building. In one 5 metre wide bay:

- At both side walls, the brick cross walls of the lean-to and the cross walls of the main building have separated by 8 to 12mm above first floor level.
- There is a corresponding gap running across the first floor.

We did not find similar evidence of separation in the other bays.

We were not able to access all of the lean-to buildings during our inspection. In the areas we were able to access, some non-structural damage was visible.

### 5. RECOMMENDATIONS

#### 5.1 East Wall and Parapet

We recommend that the east wall and parapet be tied back to the cross walls. This would involve 2 or 3 pairs of steel ties at each of the 4 internal cross walls plus the 2 end walls. As the building is still occupied, this work should be carried out promptly.

We are currently working on a design for these tie backs, and will forward our sketches to you within a few days. The tie backs would be interim securing work to restore the buildings structural performance to pre 4 September 2010 levels. The longer term future for the building is discussed in 5.4 below.

## **5.1 East Wall and Parapet continued**

This securing work could be carried out without a building consent, according to our interpretation of the document "Resumption of occupancy and use of earthquake-damaged buildings Section 1" recently received from the Christchurch City Council. A copy of this document is attached for your information.

## **5.2 Junction of Main and Lean-To Buildings**

More investigation is needed before we design securing or repairs for the separation between the main and lean-to buildings. We need to know whether the separation is confined to the one area or is more wide spread. We also need to know which of the buildings is moving.

We recommend that we carry out further investigation in conjunction with a building contractor, then report back to you with further recommendations. Please advise if you want us to proceed with this.

## **5.3 Lean-To Buildings**

We recommend that you engage a building contractor to check all of the lean-to buildings and report on any damage found. We should be advised if any actual or possible structural damage is found.

## **5.4 Longer Term Future for the Building**

At some time in the future, the Christchurch City Council will require a report on whether the building is "earthquake prone" in terms of the Building Act. In our opinion it is likely that the building will be found to be earthquake prone. At that stage, the building would require earthquake strengthening in accordance with the Council's current policy.

## **6. SCOPE AND LIMITATIONS OF REPORT**

### **6.1 Restriction of Use**

This report has been prepared solely for the benefit of China Taiping Insurance as our client with respect to the brief. The reliance by other parties on the information or opinions contained in the report shall, without our prior review and agreement in writing, be at such parties' sole risk.

### **6.2 Limitations of Report**

The brief is as set out in Section 1 of this report. This report has been prepared for the purpose of the meeting the requirements of the brief and the report shall not be relied on for any other purpose.

Our investigation has extended to a brief visual inspection of the building. The inspection was limited to those parts of the building that were readily accessible. No testing of strength of materials was carried out.

We did not carry out any calculations or formal design work in the preparation of this report.

Photos taken during our 29 October inspection are attached.

Please contact the writer if you have any questions or concerns

Yours faithfully

A handwritten signature in black ink, appearing to read 'M.R. Fletcher', with a stylized flourish at the end.

M R Fletcher  
DIRECTOR  
**BUCHANAN & FLETCHER LTD**

## *Christchurch City Council*

### **Resumption of occupancy and use of earthquake-damaged buildings Section 1: Buildings included in the scope of s122 of the Building Act 2004**

#### Purpose

Christchurch City Council is aware that many owners of buildings damaged in the recent earthquakes are keen to resume occupation and use as soon as possible. The following procedures have been specifically developed to allow that.

#### Earthquake-prone building status

The red or yellow safety notices may be taken to mean that the buildings are dangerous according to the Building Act as amended by Order in Council on 16 September 2010. (These notices remain in force until at least 3 November 2010 and may be renewed beyond that date.)

All buildings issued with red or yellow safety notices that have suffered structural damage will also be regarded by the Council as potentially earthquake-prone under s122 of the Building Act 2004. As such they will be subject to the Christchurch City Council Policy on Earthquake-prone buildings 2010.

#### Options for owners to resume occupancy and use

The conditions for removal of red and yellow safety notices given below are based on two main options for owners:

1. Option 1:
  - a. Interim securing to bring the building back to pre-earthquake condition, followed by:
  - b. Strengthening (or other improvement in structural performance) to at least the standard required by the *Christchurch City Council Earthquake-prone, Dangerous and Insanitary Buildings Policy 2010 (CCC EPB Policy)* by 4 September 2013.

*Note: Interim securing work is not regarded as an alteration in terms of s112 of the Building Act 2004 and will not require a building consent.*

2. Option 2:
  - a. Strengthening (or other improvement in structural performance) to at least the standard required by the CCC EPB Policy.

*Note: An owner may elect to demolish the building or strengthen/ improve the structural performance beyond the minimum requirements.*

## Conditions for removal of safety notices and resumption of occupancy and use

The following conditions apply to the removal of red and yellow safety notices that were placed on buildings following the 4 September 2010 earthquake.

1. **Buildings with [REDACTED] Safety Notices**
  - a. *No action required. Notice may be removed or stay at discretion of owner.*
  - b. *Buildings with green safety notices which were identified as earthquake-prone or potentially earthquake-prone before 4 September 2010 will retain that status and will be subject to the requirements of the CCC EPB Policy.*
2. **Buildings with [REDACTED] or Yellow Safety Notices**
  - a. *Resumption of occupancy and use of buildings with red or yellow safety notices will be permitted only after Council approval is obtained in writing.*
  - b. *Such approval will be given when the following conditions are met:*

### **Option 1:**

- *Structural integrity and performance.* Where the integrity of the building (or part of the building) was materially affected by the Darfield earthquake or any aftershocks, *interim securing measures* must be taken to restore the structural integrity and expected structural performance of the building to at least the condition that existed prior to the earthquake of 4 September 2010.
- *Potentially dangerous features.* Potentially dangerous features on the building such as unreinforced masonry chimneys, parapets and walls must be removed or the features secured so that their integrity and level of structural performance is consistent with that generally achieved in other parts of the building, and so reduces the danger to people's safety and of damage to other property.
- *Threat from nearby buildings.* Where there is a threat to a building or its occupants as a result of potentially dangerous features such as unreinforced masonry chimneys, parapets and walls *on other buildings*: Either:
  - The potentially dangerous features *on all other buildings* must be removed or the features secured so that their integrity and level of structural performance is consistent with that generally achieved in other parts of the building, and so reduces the danger to people's safety and of damage to other property.

Or:

  - Protective measures must be installed on the subject building that protect its occupants in the event of collapse of the potentially dangerous features *on any other building*.

### **Option 2:**

- The structural performance of the building must be improved to at least the standard required by the CCC EPB Policy. *(This is as nearly as is reasonably practicable to 67% of new building standard.)*

- *Threat from nearby buildings.* Threats from neighbouring buildings shall be treated in a similar manner as for option 1.
- c. *A Chartered Professional Engineer with appropriate qualifications and experience in the structural design of buildings for earthquake must sign and submit the attached statement.*
- d. *Until receipt and acceptance by Christchurch City Council of the signed statement the building will be classed as dangerous in terms of s121 of the Building Act 2004. If no action is taken on a building within a reasonable time, Council will exercise its powers under s126 of the Building Act 2004 to remove the danger.*
- e. *Every building that is within the scope of s122 of the Building Act 2004 and was issued with a yellow or red safety notice during the state of emergency or subsequently will be regarded as potentially earthquake-prone. As such it will be subject to the CCC EPB policy unless it can be shown that it is not likely to collapse and cause death, injury etc in a moderate earthquake. (Normal criteria in section 122 defining an earthquake-prone building applies.)*

**Note:**

In framing these conditions the Council has interpreted ss 121(1)(c) and (d) of the Building Act 2004 to mean that when the conditions for removal of the red and yellow safety notices are met, the risks “that the building could collapse or otherwise cause injury or death to any person in the building as a result of an earthquake that generates shaking that is less than a moderate earthquake” or “that other property could collapse or otherwise cause injury or death to any person in the building” are tolerable in the context of other risks.

**Note to structural engineers:**

*Judging by the impact on buildings in Christchurch city, the earthquake of 4 September 2010 is believed to be equivalent to no more than a moderate earthquake. Furthermore, survival without collapse cannot be taken as conclusive proof that a building will survive other earthquakes with similar overall levels of ground shaking. Factors such as directionality and duration of strong shaking need to be taken into account. Christchurch City Council believes that strengthening to as nearly as is reasonably practicable to that of a new building is the best course of action. Achievement of as nearly as is reasonably practicable to 67% of a new building standard will be accepted for strengthening / structural improvement of earthquake-prone buildings.*



Statement by Chartered Professional Engineer in respect of the building at:

(Building Address).....

(Business Name *if applicable*) .....

I, ..... (*name*), am a Chartered Professional Engineer (No.....,) with relevant experience in the structural design of buildings for earthquake actions.

I have been engaged to provide advice to the owner on the interim securing / strengthening of the above building following the earthquake of 4 September 2010.

I am aware of all the measures taken to secure or strengthen the building (the work) which were carried out by (*Name and contact address of contractor*). .....

I have inspected the work on completion and am satisfied on reasonable grounds that:

a. *Structural integrity and performance.* Where the structural integrity and/or structural performance of the building (or part of the building) was materially affected by the Darfield earthquake or any aftershocks to date, interim securing measures have been taken to restore the structural integrity and performance of the building to at least the condition that existed prior to the earthquake of 4 September 2010.

b. *Potentially dangerous features.* Potentially dangerous features on the building such as unreinforced masonry chimneys, parapets and walls have been removed or secured so that their integrity and level of structural performance is consistent with that generally achieved in other parts of the building, and so reduces the danger to people’s safety and of damage to other property.

c. *Threat from nearby buildings.* (Delete one if not applicable)

- Protective measures installed on the subject building are sufficient in nature and extent to protect its occupants in the event of collapse of potentially dangerous features on *adjacent or nearby buildings*.
- I have identified *all* potentially dangerous features such as unreinforced masonry chimneys, parapets and walls *on all adjacent or nearby buildings* that have potentially dangerous features which threaten the subject building or its occupants.

Buildings which I have identified in the above category are:

- i. ....
- ii. ....
- iii. ....

- I have advised the owner of the subject building that approval for resumption of occupancy and use will be subject to Council approval to remove the red or yellow safety notices from the buildings listed above.

Signed ..... Chartered Professional Engineer

Date .....



AUSTRALIAN BUILDINGS

SATAY NOODLE HOUSE

SOOKY NOODLE HOUSE

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[www.kingsdisposal.co.nz](http://www.kingsdisposal.co.nz)

LEATHER

22

# Bushnell Builders

LIMITED  
REGD. MASTER BUILDERS

TELEPHONE: 3445 972  
FAX: 3445 976  
EMAIL: admin@bushnell.co.nz

198-200 SPRINGS RD  
PO BOX 13362  
CHRISTCHURCH 8141

December 13th, 2010

CHINA TAIPING INSURANCE  
CL- ODL Group/ Mainland Claims Management  
PO Box 36 162  
Christchurch  
Attention Mr P Macleod

Dear Sir,

Re: 605 - 611 Colombo Street, Reference Number.

We submit our Budget Estimate of \$200,000.00 excluding G.S.T for the above all as per site interpretation and Engineers Report and sketches No 3841/SK1-3.

General Scope:

1. Erect scaffold both external and internal
2. Drill holes through brickwork where required for structural steel
3. Install structural steel as per engineers design, 5m average length of tie backs has been allowed for. Base plates to the outside wall are to be shaped to fit over outer face moulds.
4. Install structural brace frame where 1<sup>st</sup> floor wall has been removed.
5. Install structural brace frame over door opening.
6. Adapt electrical mains board, Provisional Sum \$1,000.00
7. Form openings in ceilings and walls where required to allow for installation
8. Brick up door opening, 1 of.

Our Budget Estimate is based upon the following:

- A sum OF \$2,000.00 has been allowed for Building Consent fees.
- A sum of \$6,000.00 has been made for traffic management.
- No allowance has been made for design fees and tests.
- Free use of the Clients facilities, eg. Power, Water and Toilet.
- No allowance has been made for any fire upgrade.
- All shelving and tenant equipment is to be moved and reinstated by others.
- No allowance has been made for any making good or structural repairs to the ground floor.

- It is assumed uninterrupted access will be given through the lower ground tenancies.
- For the purpose of valuing variations our direct hourly rate is \$48.00 Contractors margin of 10% will be added to the adjustment of provisional sums, material and subcontract invoices.

Note: this is a budget estimate only.

Copy to  
Bensen Cheng Holdings  
ODL Group  
PO Box 8414  
Christchurch  
[robincheng@paradise.net.nz](mailto:robincheng@paradise.net.nz)

Yours faithfully,



M.J. BUSHNELL.

**Peter MacLeod**

---

**From:** Mike Fletcher <mike@bandf.co.nz>  
**Sent:** Tuesday, 23 November 2010 12:11 p.m.  
**To:** Peter MacLeod  
**Subject:** 3841 605 - 611 Colombo Street  
**Attachments:** 3841 ltr 20101123.pdf; 3841 sk01-03 20101123.PDF

Hi Peter

Here are our sketches showing tie-backs for the east wall plus a covering letter.

Regards,

Mike Fletcher, Director

**Buchanan & Fletcher Ltd**

79 Cambridge Terrace  
PO Box 4571 CHRISTCHURCH 8140  
Ph (03) 366 0304 Fax (03) 377 4308

23 November 2010

3841/MRF

China Taiping Insurance  
c/- Mainland Claims Management  
PO Box 36-162  
CHRISTCHURCH 8146

Attention: Mr P MacLeod

Dear Sir

**605 - 611 COLOMBO STREET CHRISTCHURCH**

Further to our report of 3 November, we have now designed tie-backs for the east wall and parapet. Our sketches 3841/Sk01 – 03 are attached.

The sketches do not show the number of tie-backs required. This will need to be established on site, in conjunction with the building contractor, when the work is costed.

At the same time that the tie backs are installed, cracks in the brickwork should be mortared up or re-pointed where they could affect weather-tightness, security or privacy.

We recommend that you engage Bushnell Builders Ltd to carry out this work. They are already familiar with the building, and are submitting a price to carry out repair work on 615 Colombo Street (to the north).

As the building is still occupied, the repair work should be carried out promptly.

Please contact the writer if you have any questions or concerns

Yours faithfully



M R Fletcher  
DIRECTOR  
**BUCHANAN & FLETCHER LTD**

## sketch

Bradley Nuttall Building 79 Cambridge Terrace  
 PO Box 4571 Christchurch 8140 New Zealand  
 Phone (03) 366-0304 Fax (03) 377-4308  
 Email admin@bandf.co.nz

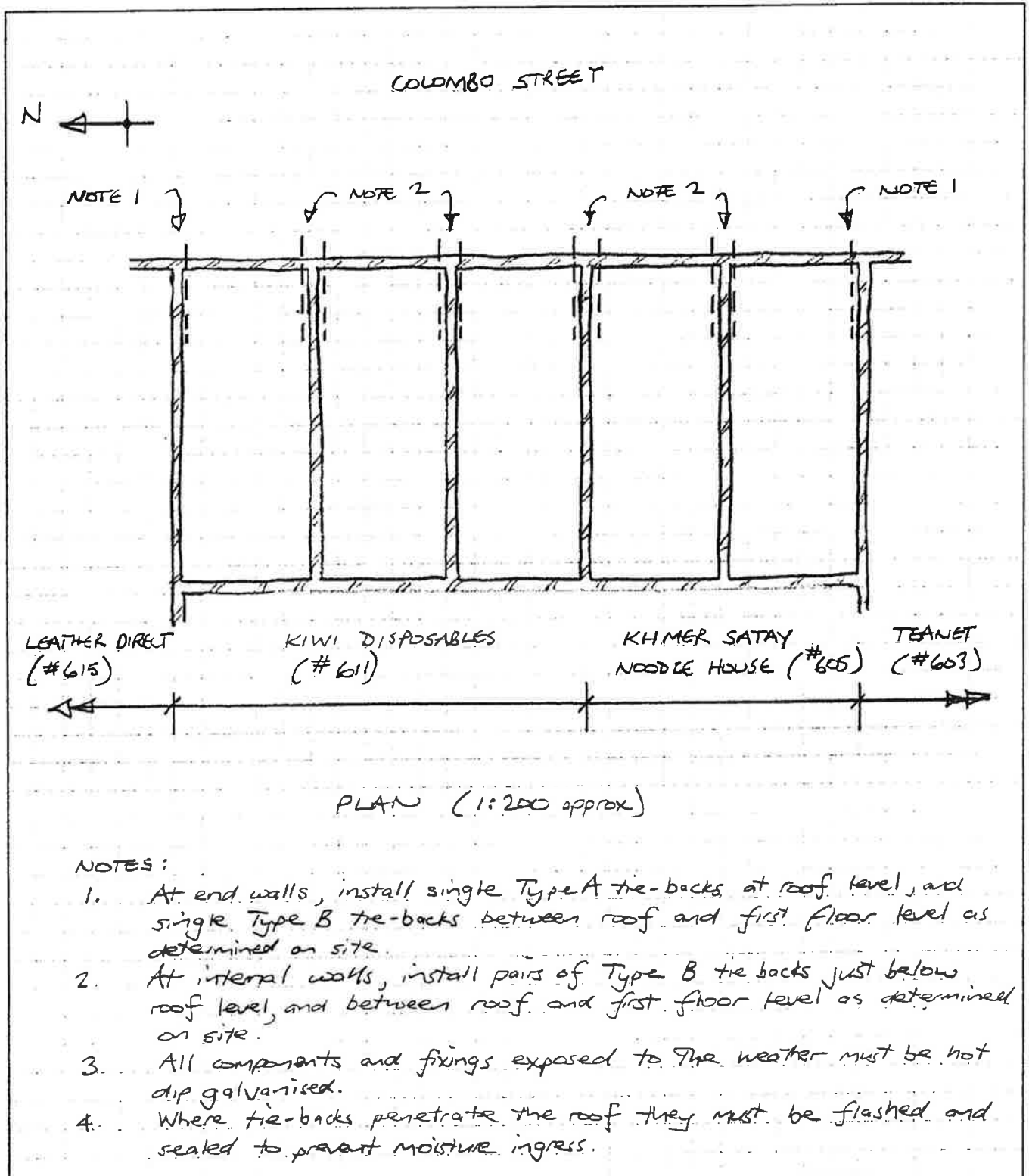
Sketch Title: PLAN OF TIE-BACK LOCATIONS

Sketch No: 3841/SK 01

Job Name: 605-611 COLOMBO STREET

Date: 22/11/10

Job No.: 3841

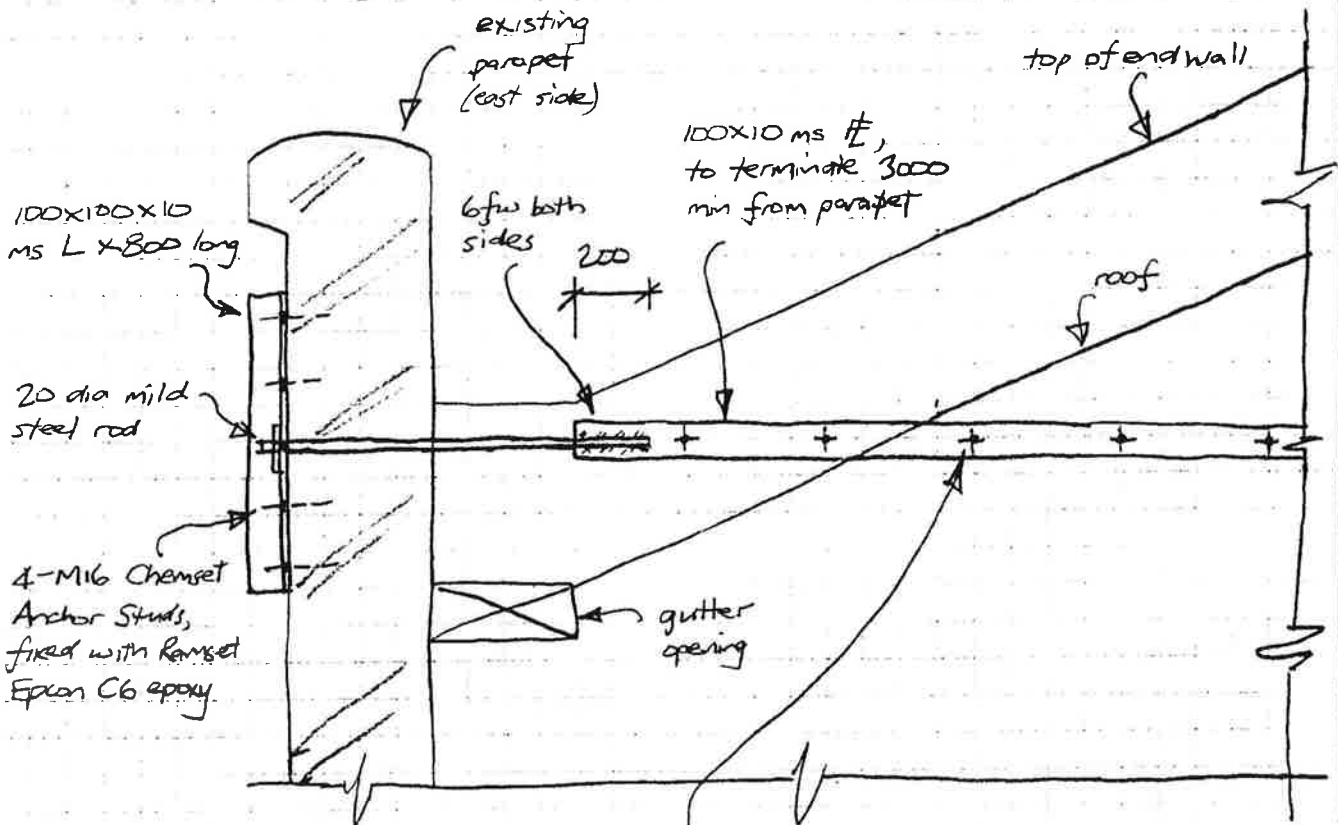


# sketch

Bradley Nuttall Building 79 Cambridge Terrace  
PO Box 4571 Christchurch 8140 New Zealand  
Phone (03) 366-0304 Fax (03) 377-4308  
Email admin@bandf.co.nz

Sketch Title: TYPE A TIE-BACK.  
Sketch No: 3841/SK 02

Job Name: 605-611 COLUMBO STREET  
Date: 22/11/10 Job No.: 3841



total B-M16 threaded rods  
at approx 400 centres thru wall.  
Grout around each rod with  
Sika Grout GP. Nuts plus locknuts  
or spring washers each end.  
Provide 100x125x10 washer  
where no steel flat on far side  
of wall

TYPE A TIE-BACK (1:20 approx)



# sketch

Bradley Nuttall Building 79 Cambridge Terrace  
PO Box 4571 Christchurch 8140 New Zealand  
Phone (03) 366-0304 Fax (03) 377-4308  
Email admin@bandf.co.nz

Sketch Title: TYPE B TIE-BACK  
Sketch No: 3841/SK03

Job Name: 605-611 COLDMBO STREET  
Date: 22/11/10 Job No.: 3841

