DIOCESAN INSURANCE STATUTE 1988

BE IT ENACTED by the Bishops, Clergy and Laity of the Diocese of Auckland in Synod assembled:

1. The short title of this statute shall be **"DIOCESAN INSURANCE STATUTE 1988"**.

2. Each parish (which for the purpose of this statute shall include mission ventures and co-operating parishes) shall insure at all times and keep insured all churches, halls, vicarages and other buildings together with stained glass windows, musical instruments and moveable furniture and fittings belonging to such parishes against loss or damage by fire or other causes with one or more insurers nominated by the Diocesan Council which shall, with the concurrence of the General Trust Board of the Diocese of Auckland, undertake the obligations under this statute on behalf of the General Trust Board or other church trustees in whose name the buildings may be held.

3. Without limiting the provisions of clause 2 above, each parish, when called upon by the Diocesan Council shall classify each building within its boundaries under one of the following three classifications:
   a. **Category A**: buildings which are essential to the life of the parish and for which replacement at least equal to the existing specifications would be required in the event of its damage, loss or destruction;
   b. **Category B**: buildings which are essential to the life of the parish but which in the event of damage or destruction by the perils insured would not be replaced with buildings of existing size or quality; and
   c. **Category C**: buildings which would not be replaced or repaired in the event of damage or destruction by the insured perils.

4. Notwithstanding the classifications selected by each parish, the Diocesan Council shall have the power to re-classify any building in any case where it considers that the parish classification is inappropriate having regard to the needs of the parish.

5. The classification of the buildings within each parish having been determined in accordance with clauses 3 and 4 above, the Diocesan Council shall arrange insurance for such buildings as follows:
   a. **Category A**: buildings classified under category A shall be insured under replacement insurance conditions (i.e. to replace the existing building), for all the perils insured by the policy, except in respect of earthquake and war where the insurance shall be limited to the indemnity value of such buildings unless specific cover is required and arranged with insurers for earthquake reinstatement conditions.
   b. **Category B**: buildings classified under category B shall be insured for such sum as shall be adequate to reinstate the building to such an agreed standard or format as may be appropriate for future or present use. This value, as decided by the parish shall be called, functional replacement value and will, in most cases, be more than indemnity value but less than the sum insured required to replace the existing structure.
   c. **Category C**: buildings classified under category C shall be insured either for the cost of demolition and debris removal or under indemnity conditions as decided by the parish.

6. Each parish shall pay the annual or other periodical premiums to the Diocesan Council immediately they shall become due and payable or otherwise on terms acceptable to Diocesan Council in its sole discretion.