

MEDIA RELEASE

Vero's National Marine assess cyclone damage to 'Star Watch'

Sydney, 30 March 2006 – Vero National Marine (Vero), one of Australia's leading marine and transit insurers, has led the charge to help out those who have been heavily impacted by the devastating Cyclone Larry in North Queensland.

Reacting quickly and despite communication and phone lines being down, Vero sent out its claims specialists on Tuesday afternoon (only three hours after being advised of the claim) to work with their client, Mr Thomas of Oz-Reef, to help settle the claim as quickly and painlessly as possible.

Vero sent Captain Bruce Copland, a marine surveyor and Mr Ian Perrott, a salvage operator, to meet with the client in Mourilyan near Innisfail and assess the damage to the vessel. These were some of the worst areas hit by the cyclone.

Vero National Marine General Manager, John Nagle, said the fast response and cooperation from Vero's underwriting and claims teams has been outstanding.

"The client is devastated due to the damage to his home and vessel but is very pleased with the outcome and the assistance provided by Vero in this difficult time," he said.

The cyclone swept the vessel, named 'Star Watch', approximately 2kms up an inlet and the damage was extensive.

The vessel's engine room, freezer and crew sleeping area were all flooded. It had tipped over to one side when the tidal surge dropped and was resting at an angle of more than 50 degrees.

The electronics were still on board, however it was decided not to remove them due to concerns that the vessel would completely roll over.

"The damage was so extensive that Mr Copland and Mr Perrott quickly confirmed that the vessel was uneconomic to repair," Mr Nagle said.

The current water level is too shallow for the heavy lift boats to enter and assist the damaged vessel. When the water level raises, barge and salvage vessels will connect to Star Watch and use air bags to pump it out and float it against a barge back to shore.

"It's important that our customers know that Vero will do all they can to assist quickly and minimise the inconvenience in times of need."

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Editor's note

Vero Insurance Limited ("Vero") is a subsidiary of the Promina Group Limited, which is one of the top 50 companies listed on the Australian Stock Exchange. Vero, formerly Royal & Sun Alliance Insurance Australia Limited, has for many years been offering highly specialised solutions to its large range of customers.

Vero is one of Australia's largest intermediated general insurance companies and has 19 branches across Australia, providing a suite of quality specialised and risk management products and services through brokers, corporate partners and risk managers.

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