

BETWEEN

AO
APPLICANT

ZLZ INSURANCE LTD
APPLICANT'S INSURER

AND

ZL
RESPONDENT

Date of Order:

12 June 2014

Referee:

Referee Edwards

ORDER OF THE DISPUTES TRIBUNAL

The Tribunal hereby orders that ZL is to pay the sum of \$1,729.66 to ZLZ Insurance Ltd, as insurers for AO, by no later than 5.00pm on 26 June 2014.

Facts

[1] AO claims that his motorbike, a 2006 Suzuki GN250, was stolen by ZL. The bike been used by AO's son while he was studying in Z Town. When he returned to Auckland, the bike was left at a residence in Z Town while transportation to Y Town was arranged. When transportation was arranged, the carriers reported the bike was missing. AO reported the loss to the Police, where it was recorded as theft of a motorcycle.

[2] As the bike had not been located, ZLZ Insurance Ltd obtained a valuation, which estimated the value of the bike to be \$2000, and cash settled with AO in December 2012.

[3] In approximately March 2013, the Police recovered the bike and advised ZLZ Insurance Ltd that the offender was ZL. ZLZ Insurance Ltd claim that ZL contacted them in July 2013 and accepted responsibility.

[4] The bike was sold at auction.

[5] AO and ZLZ Insurance Ltd claims for losses incurred following the actions of ZL.

Is AO liable to pay for losses incurred?

[6] In the event that a person interferes with the use and possession of goods belonging to another, intentionally and without lawful justification, they may be liable in conversion to pay for any losses incurred.

[7] On the evidence presented, I find ZL liable in conversion to pay for losses incurred in this matter as he intentionally took the bike without permission or lawful justification to do so.

Is the amount claimed for losses fair and reasonable?

[8] ZLZ Insurance Ltd claim that ZL has disputed the quantum. ZLZ Insurance Ltd however obtained a valuation of the bike after it was stolen, that was based upon the information known at that time. There is no evidence that the valuation was unreasonable. I therefore accept the valuation as a fair estimate of the value of the bike at the date of loss.

[9] AO and ZLZ Insurance Ltd are also entitled to claim losses arising from the accident. I find the amount claimed for towing and for the cost of obtaining a valuation to be reasonable, and that they are expenses that have been incurred as a direct consequence of the accident.

[10] The amount recovered for the bike at auction has been deducted from the total losses. ZL is therefore liable to pay the balance as follows:

Valuation of bike at date of loss	\$2000.00
Plus valuation fee	\$ 69.00
Plus cost of towing	<u>\$ 92.00</u>
Total loss	\$2161.00
Less amount received for sale of bike	<u>\$ 431.34</u>
Net loss	\$ 1729.66

[11] ZL did not attend the hearing.