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New Zealand Captive Insurance Association  
**Attn: Peter Lowe**

**EXCELTIMUM** ●●●  
corporate & public affairs ●●●

Dear Peter

**Insurance (Prudential Supervision) Bill – first reading**

1. Yesterday, the Bill had its first debate in the House, and was passed unanimously.
2. Several of the MPs who spoke at the first reading mentioned the issue of captive insurance:

David Cunliffe, Labour

Concern has been expressed by the captive insurance industry, about the creation of an unregulated foreign captive industry. The Select Committee will want to take close note of this – all parties would want to make sure that there wasn't a competitive disadvantage for the domestic-owned industry.

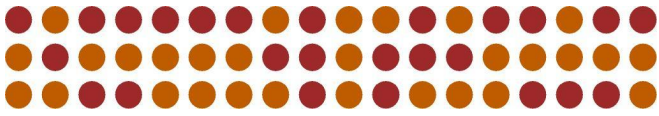
Craig Foss – National

Believes that captive insurance will take up a fair amount of the Select Committee's time.

Raymond Huo, Labour

The Bill could create an unregulated insurance industry, which is a concern. Mr Huo also quoted from the NZCIA press statement.

3. This is very helpful, as these comments are now a matter of public record (transcripts will be available by the end of the week on the Parliament website).
4. The Bill has now been sent to the Finance and Expenditure Select Committee. In the New Year, the Select Committee will invite submissions



on the Bill, and then will hear oral submissions. Having had captives mentioned at the first reading, we will be in a good position to debate the issue in front of the Select Committee.

Yours sincerely

Sarah Phillips  
Senior Consultant