



Office of the Hon Lianne Dalziel
MP for Christchurch East
Minister of Commerce
Minister for Small Business
Minister of Women's Affairs

08 AUG 2006

Mr Peter Lowe
New Zealand Captive Insurance Association
PO Box 369
Auckland

Dear Mr Lowe

Thank you for your inquiry about the Business Law Reform Bill (BLRB). Please note that I am responding on behalf of the Minister of Finance and myself as the Minister responsible for insurance.

The purpose of the BLRB is to protect the international reputation of the New Zealand insurance market. This is intended to be achieved through placing a restriction on entities registered under the Companies Act 1993 or established in New Zealand, holding out that they are regulated under New Zealand insurance law and using words such as insurance, assurance, underwriter, reinsurance and any other term that has a similar meaning in their company name or title, where they only provide products outside of New Zealand.

Any company affected by the proposal can apply for an exemption for legitimate use of one of the restricted words above. If an exemption is not granted, the insurer will be unable to hold out that they are regulated by New Zealand insurance law and must remove any of the above mentioned restricted words from their name or title, unless they comply with New Zealand insurance law.

Please note this is an interim fix and as per my previous correspondence, my officials are currently considering options for an insurance regulatory framework. We look forward to your input following the release of the Review of Financial Products and Providers discussion papers.

Yours sincerely

Hon Lianne Dalziel
Minister of Commerce