

16 January 2012

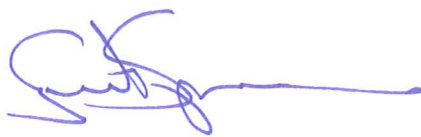
Statement

This statement is a final reminder from the Bank to the insurance industry that after 7 March 2012 it will be an offence under the Insurance (Prudential Supervision) Act 2010 to carry on insurance business without a licence from the Reserve Bank.

The Bank will have a range of enforcement powers from that date to deal with breaches under this Act from imposing fines through to placing companies into liquidation.

For those insurers that have yet to supply the Reserve Bank with the required information for our assessment of compliance with provisional licence (and in some cases full licence) criteria, it will be important that we receive this by the end of January 2012 at the latest or within the deadline already agreed with your nominated supervisor at the Bank.

Please contact the Bank should you have any doubts or concerns about meeting your licensing obligations.



Grant Spencer
Deputy Governor
Head of Financial Stability