

House of Representatives  
Supplementary Order Paper

Tuesday, 14 March 2000



Accident Insurance (Transitional Provisions) Bill

*Proposed amendments*

Gerry Brownlee, in Committee, to move the following amendments:

*New clause 10M*

To insert, following new clauses 10K and 10L to be inserted after the heading of Part 2 on page 13, the following new clause:

**10M Amendments to principal Act relating to prudential supervisors and trust deeds**

- (1) Section 210(1) of the principal Act is amended by inserting, after the word “insurer”, the words “and the prudential supervisor of the manager of the Employers’ Account”.
- (2) Section 210(1)(a) of the principal Act is amended by inserting, after the word “insurer”, the words “and the manager of the Employers’ Account”.
- (3) Section 210(1)(a)(ii) of the principal Act is amended by inserting, after the word “insurer’s”, the words “and the manager’s”.
- (4) Section 210(1) of the principal Act is further amended by repealing paragraph (b), and substituting the following paragraph:  
“(b) to monitor the solvency of the insurer and the manager of the Employers’ Account and to identify any material risk that the insurer or the manager will become insolvent; and”.
- (5) Section 210(1)(c) of the principal Act is amended—
  - (a) by inserting, after the word “insurer” wherever it occurs, the words “and the manager of the Employers’ Account”; and

- (b) by inserting, after the word “insurer’s”, the words “and the manager’s”.
- (6) Section 210(1)(f) of the principal Act is amended by inserting, after the word “insurer”, the words “or the manager of the Employers’ Account”.
- (7) Section 210(1)(g) of the principal Act is amended by inserting, after the word “insurer” where it first occurs, the words “or the manager of the Employers’ Account”.
- (8) Section 212(1)(a) of the principal Act is amended by inserting, after the word “insurer” wherever it occurs, the words “or the manager of the Employers’ Account”.
- (9) Section 212(1) of the principal Act is further amended by repealing paragraph (b), and substituting the following paragraph:
- “(b) the insurer or the manager of the Employers’ Account has transferred the insurer’s or the manager’s obligations under all of the insurer’s or manager’s existing insurance contracts to another insurer; or”.
- (10) Section 214(1) of the principal Act is amended by inserting, after the word “insurer” wherever it occurs, the words “or the manager of the Employers’ Account”.
- (11) Section 215(1)(b) of the principal Act is amended by inserting, after the word “insurer”, the words “or the manager of the Employers’ Account”.
- (12) Section 215(4) of the principal Act is amended by inserting, after the word “insurer” wherever it occurs, the words “or the manager of the Employers’ Account”.
- (13) Section 216(1) of the principal Act is amended by inserting, after the word “insurer”, the words “and the manager of the Employers’ Account”.
- (14) Section 216(4) of the principal Act is amended by inserting, after the word “insurer”, the words “or the manager of the Employers’ Account”.
- (15) Section 217(1) of the principal Act is amended by inserting, after the word “insurer”, the words “or the manager of the Employers’ Account”.
- (16) Section 218 of the principal Act is amended by inserting, after the word “insurer” wherever it occurs, the words “or the manager of the Employers’ Account”.

*Clause 11*

To omit from the heading in line 25 on page 13 the expression “281A”, and substitute the expression “281AA”.

To insert, before section 281A on page 13, the following new section:

**“281AA Prudential supervisor and trust deed**

- “(1) The manager must appoint a prudential supervisor for the Employers’ Account.
  - “(2) The manager must prepare a trust deed for the Employers’ Account.”
- 

**Explanatory note**

This Supplementary Order Paper applies the requirements for a prudential supervisor and the preparation of a trust deed to the manager of the Employers’ Account as to all other insurers. In the interests of balance and confidence in the application of the statutory scheme, there is every reason to maintain consistency of application of these requirements.

*Clause 11* is accordingly amended to insert a new section 281AA in the principal Act to that effect, and a number of consequential amendments to the principal Act are made by the new *clause 10M*.

---