

**Reprint  
as at 27 May 2010**



**Financial Reporting Act (American  
International Assurance Company  
(Bermuda) Limited) Exemption  
Notice 2009**

(SR 2009/153)

Financial Reporting Act (American International Assurance Company (Bermuda) Limited) Exemption Notice 2009: revoked, on 27 May 2010, by clause 8 of the Financial Reporting Act (American International Assurance Company (Bermuda) Limited) Exemption Notice 2010 (SR 2010/129).

Pursuant to section 35A of the Financial Reporting Act 1993, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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**Note**

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

**This notice is administered by the Securities Commission.**

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## Notice

### 1 Title

This notice is the Financial Reporting Act (American International Assurance Company (Bermuda) Limited) Exemption Notice 2009.

### 2 Commencement

This notice comes into force on its notification in the *Gazette*.

### 3 Expiry

This notice expires on the close of 31 May 2014.

### 4 Application

The exemptions granted by this notice apply to the following accounting periods of AIAB:

- (a) the accounting period ended on 30 November 2008;
- (b) any subsequent accounting period in respect of which, pursuant to a direction of the Bermuda Monetary Authority, sections 15 to 18 of the Insurance Act 1978 of Bermuda do not apply to AIAB on condition that AIAB files specified financial statements that relate to that accounting period with the Authority.

### 5 Interpretation

- (1) In this notice, unless the context otherwise requires,—

**Act** means the Financial Reporting 1993

**AIAB** means American International Assurance Company (Bermuda) Limited, a company incorporated in Bermuda

**HK FRS** means the financial reporting standards of Hong Kong, including the Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, that comply with IFRS as adopted by Hong Kong

**IFRS** means—

- (a) International Financial Reporting Standards and International Accounting Standards that have been issued or adopted by the International Accounting Standards Board in accordance with the constitution of the International Accounting Standards Committee Foundation; and
- (b) final interpretations by the International Financial Reporting Interpretations Committee approved by the International Accounting Standards Board in accordance with that constitution

**specified financial statements** means the audited consolidated financial statements prepared in respect of AIAB that comply with the requirements of the laws of Hong Kong.

- (2) Any term or expression that is defined in the Act and used, but not defined, in this notice has the same meaning as in the Act.

## **6 Exemptions from sections 10(1), 11, 13 to 15, and 18 of Act for directors of AIAB**

Every director of AIAB is exempted from sections 10(1), 11, 13 to 15, and 18 of the Act in respect of AIAB.

## **7 Conditions of exemptions**

The exemptions are subject to the conditions that—

- (a) AIAB complies with the requirements of the laws of Hong Kong that relate to the preparation, content, auditing, and public filing of specified financial statements that relate to the accounting periods referred to in clause 4; and
- (b) the specified financial statements comply with HK FRS; and
- (c) if, in complying with HK FRS, the specified financial statements do not give a true and fair view of the matters to which they relate, the directors of AIAB add information and explanations that will give a true and fair view of those matters; and
- (d) the specified financial statements are delivered to the Registrar for registration annually, and before the date on which financial statements and group financial state-

- ments would, but for the exemptions, be required to be delivered for registration; and
- (e) the directors of AIAB comply with all the requirements of the Act in relation to financial statements required by section 8(2) of the Act for the New Zealand business of AIAB.

Dated at Wellington this 26th day of May 2009.

The Common Seal of the Securities Commission was affixed in the presence of:

[Seal]

J Diplock,  
Chairperson.

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### Statement of reasons

This notice, which comes into force on its notification in the *Gazette* and expires on 31 May 2014, exempts the directors of American International Assurance Company (Bermuda) Limited (**AIAB**) from various provisions of the Financial Reporting Act 1993 (the **Act**).

AIAB is incorporated in Bermuda. The Bermuda Monetary Authority currently allows AIAB to file accounts prepared and audited in accordance with the provisions of Hong Kong law in place of those usually required under the Insurance Act 1978 of Bermuda. The exemptions apply only if this continues to be the case.

The effect of the exemptions is to provide relief to the directors of AIAB from the preparation, content, auditing, and filing requirements of the Act. The exemptions are granted on condition that AIAB prepares and publicly files financial statements that it is re-

quired to prepare under the financial reporting requirements of Hong Kong.

The Securities Commission considers that it is appropriate to grant the exemptions because—

- the effect of the exemptions is to allow AIAB to provide the accounts that it is required to prepare under the financial reporting requirements of Hong Kong. The principal differences in reports provided in reliance on the exemptions are—
  - the financial statements of AIAB and the consolidated financial statements of the group will comply with International Financial Reporting Standards as adopted by Hong Kong (rather than with New Zealand’s financial reporting standards):
  - the financial statements of AIAB and the consolidated financial statements of the group will be audited in accordance with the requirements set out in Hong Kong’s legislation and the auditor’s report will provide the information required by Hong Kong’s legislation instead of the Act:
- the Commission has had regard to the financial reporting and audit requirements of Hong Kong that AIAB must comply with:
- AIAB publishes audited financial statements in accordance with International Financial Reporting Standards as adopted by Hong Kong. As of 1 January 2007, for financial reports published after that date, New Zealand has also moved to a regime based on International Financial Reporting Standards as its generally accepted accounting practice:
- the Commission is satisfied that the consolidated accounts required to be prepared under Hong Kong financial reporting laws provide sufficient information to avoid any detriment to investors:
- the Bermuda Monetary Authority allows AIAB to file accounts prepared in accordance with Hong Kong law in place of those usually required under the law of Bermuda:
- the exemptions address the particular difficulties experienced by AIAB in issuing securities in New Zealand. They are not broader than is reasonably necessary to address these difficul-

ties, and still require that financial statements be filed in New Zealand.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 28 May 2009.

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## **Notes**

### **1 *General***

This is a reprint of the Financial Reporting Act (American International Assurance Company (Bermuda) Limited) Exemption Notice 2009. The reprint incorporates all the amendments to the notice as at 27 May 2010, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that contain transitional, savings, or application provisions that cannot be compiled in the reprint are also included, after the principal enactment, in chronological order. For more information, see <http://www.pco.parliament.govt.nz/reprints/>.

### **2 *Status of reprints***

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

### **3 *How reprints are prepared***

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not

included in Acts, and provisions that are repealed or revoked are omitted. For a detailed list of the editorial conventions, see <http://www.pco.parliament.govt.nz/editorial-conventions/> or Part 8 of the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force*.

#### **4 Changes made under section 17C of the Acts and Regulations Publication Act 1989**

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
  - indentation
  - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)

- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
  - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
  - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

**5** *List of amendments incorporated in this reprint  
(most recent first)*

Financial Reporting Act (American International Assurance Company (Bermuda) Limited) Exemption Notice 2010 (SR 2010/129): clause 8

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