

**FROM:** Frank Speight  
**LOCATION:** 86/G12  
**EXTENSION:** 6520  
**DATE:** Tuesday, 23<sup>rd</sup> May 2000  
**REFERENCE:** Y2311  
**SUBJECT:** PAPUA NEW GUINEA: LOSS ADJUSTERS  
**SUBJECT AREA(S):** Loss Adjusters  
**ACTION POINTS:** **Managing Agents, Brokers and Underwriters to note**  
**DEADLINE:** **With immediate effect**

The Office of the Insurance Commissioner has advised Lloyd's General Representative in Australia that currently insurers offer business to favoured loss adjusters, which he considers to be an unfair practice, inhibiting fair and open competition.

He has confirmed that under Section 17, Subsection 3, of the Insurance Act 1995, it is an offence for a person, other than a licensed loss adjuster to carry on business in Papua New Guinea. Whilst the Insurance Commissioner is currently not intending to enforce this section of the legislation, he has requested that underwriters ensure that a licensed Papua New Guinea loss adjuster be included when tendering for business, to ensure open competition. Therefore, the market is asked to adhere to this request to ensure that regulatory enforcement is not officially adopted.

If you have any questions relating to this bulletin, please contact Maxine Hooper, International Department on extension 6291 or Keith Stern, Lloyd's General Representative in Australia on 00 612 9223 1433.

This bulletin is being sent to all compliance officers, underwriting agents, active underwriters and Lloyd's brokers and for information to market associations.

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