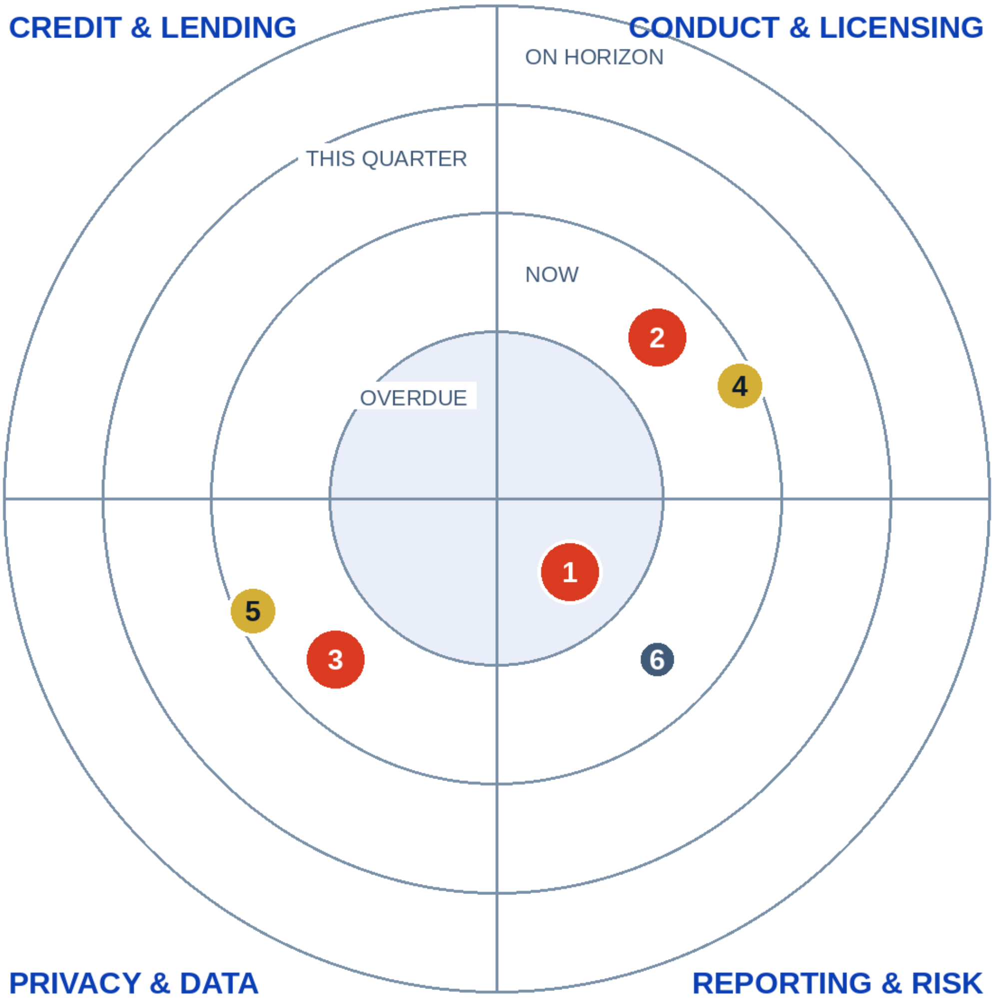
What's moving on the horizon for these firms and what it quietly breaks.

LEAD SIGNALS

Insurers are being looked at from three directions at once: a fire levy regime that has been live since 1 July with transitional rules still in play, CoFI expectations around sales incentives, and a privacy inquiry that has already found breaches over health data security. The BNZ undertaking and the outsourcing decision show the same tests apply to premium calculations and to vendors.



ANGLE = CATEGORY · DISTANCE FROM CENTRE = WHEN IT BITES · SIZE & COLOUR = SEVERITY

1 **REPORTING & RISK** · OVERDUE **HIGH**

Fire levies changed on 1 July

WHO: general insurers and any firm collecting fire levies on insured property

WHAT: levy calculation, remittance reporting and billing systems now serving two regimes at once

WHEN: in force since 1 July. Transitional rules still apply to pre-July contracts

SOURCE: legislation.govt.nz

2 **CONDUCT & LICENSING** · NOW **HIGH**

$2.6m for a calculation mismatch

WHO: insurers whose systems calculate premiums, discounts or fees against published policy terms

WHAT: calculation engines that drifted from the terms customers actually signed

WHEN: enforceable undertaking accepted after $5.39m in underpaid interest. Find the drift before the regulator does.

SOURCE: fma.govt.nz

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3 **PRIVACY & DATA** · NOW **HIGH**

Health data breach findings landed

WHO: health and life insurers holding sensitive health and personal information

WHAT: security safeguards that would not survive a post-breach inquiry into whether they were reasonable

WHEN: Phase 1 found Privacy Act breaches in May. Compliance notices are coming and Phase 2 is next.

SOURCE: privacy.org.nz

4 **CONDUCT & LICENSING** · NOW **MEDIUM**

Sales incentives under the microscope

WHO: insurers running sales campaigns or offering benefits to advisers and other third parties

WHAT: governance, record keeping and outcomes monitoring around incentives that cannot show fair treatment

WHEN: findings published under the CoFI regime. Expectations are now on record.

SOURCE: fma.govt.nz

5 **PRIVACY & DATA** · NOW **MEDIUM**

Outsourcing does not outsource accountability

WHO: insurers relying on claims administrators, assessors or software vendors that hold policyholder data

WHAT: vendor contracts and oversight that leave privacy obligations implied rather than enforced and monitored

WHEN: decision published and the stores named. The principle applies well beyond retail.

SOURCE: privacy.org.nz

6 **REPORTING & RISK** · NOW **LOW**

Climate reporting paused, not cancelled

WHO: life and health insurers in the climate related disclosures regime

WHAT: reporting calendars, and any voluntary climate disclosures, which still carry fair dealing risk

WHEN: no action position effective 19 June 2026, pending legislation. The statutory duty exists until Parliament removes it.

SOURCE: fma.govt.nz

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