

24 February 2020

Our Ref: MC/CIR/BKR

*By email only*

To: Responsible Officers of all licensed insurance broker companies

Dear Sirs,

**Submission of Audited Financial Statements and Auditor's Report under Section 73(1) of the Insurance Ordinance (Cap.41) ("IO")**

Pursuant to section 73(1) of the IO, a licensed insurance broker company must, within 6 months after the end of each financial year ("the 6-month statutory submission deadline"), provide the IA with its audited financial statements, an auditor's report on its financial statements and an auditor's report stating whether the auditor is of the opinion that the broker company has continued to comply with the Insurance (Financial and Other Requirements for Licensed Insurance Broker Companies) Rules (Cap.41L) ("the required documents").

In view of the impact of the recent outbreak of novel coronavirus on the business operations of insurance brokers and auditors, the Insurance Authority ("IA") is aware that certain licensed insurance broker companies may encounter difficulties in the next few months in providing the IA with the required documents within the 6-month statutory submission deadline. If a broker company anticipates the need for an extension to submit the required documents, it may apply to the IA for an exemption under section 79 of the IO from submitting the required documents within the 6-month statutory submission deadline. Such application shall be made to the IA as soon as practicable in writing together with the supporting information/documents as set out in the **Annex**. In any event, such application must be lodged with the IA before the 6-month statutory submission deadline.

In considering approval of an application for exemption under section 79 of the IO, the IA will take into account, amongst other relevant considerations, the impact of the coronavirus situation on the insurance broker to see if the extension is justifiable and may impose any conditions that it considers appropriate.

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If you have any question concerning the above, please contact Ms Fanny Chu at 3899 9749 or Ms Diana Wong at 3899 9757.

Yours faithfully,

Stephen Po  
Executive Director  
Market Conduct Division  
Insurance Authority

c.c. Professional Insurance Brokers Association  
The Hong Kong Confederation of Insurance Brokers

Encl.

**List of information and documents to the Insurance Authority  
relating to the application for an exemption under  
section 79 of the Insurance Ordinance (Cap.41) (“IO”)**

- (1) The intended date of submission of the required documents under section 73(1) of the IO by the insurance broker company.
- (2) Justification for extending the 6-month statutory submission deadline as specified in section 73(1) of the IO, including the reason and extent of disruption caused by the outbreak of coronavirus to the insurance broker company and the auditor in preparing and arranging the audit work of the financial statements and the required documents.
- (3) Information/documents to demonstrate that the insurance broker company has continued to comply with the financial and other requirements under the Insurance (Financial and Other Requirements for Licensed Insurance Broker Companies) Rules (Cap.41L), such as the management accounts for the relevant financial year and bank statements.