

Submission template

Disclosure requirements in the new financial advice regime

Instructions

This is the submission template for the discussion document, *Disclosure requirements in the new financial advice regime*.

The Ministry of Business, Innovation and Employment (MBIE) seeks written submissions on the issues raised in the discussion document by 5:00 pm on Friday 8 November 2019. Please make your submission as follows:

1. Fill out your name and organisation in the table, “Your name and organisation”.
2. Fill out your responses to the consultation document questions in the table, “Responses to discussion document questions”. Your submission may respond to any or all of the questions in the discussion document. Where possible, please include evidence to support your views, for example references to independent research, facts and figures, or relevant examples.
3. When sending your submission:
 - a. Delete these first two pages of instructions.
 - b. Include your e-mail address and telephone number in the e-mail or cover letter accompanying your submission – we may contact submitters directly if we require clarification of any matters in submissions.
 - c. If your submission contains any confidential information:
 - i. Please state this in the cover letter or e-mail accompanying your submission, and set out clearly which parts you consider should be withheld, together with the reasons for withholding the information. MBIE will take such objections into account and will consult with submitters when proactively releasing submissions or responding to requests under the Official Information Act 1982.
 - ii. Indicate this on the front of your submission (e.g. the first page header may state “In Confidence”). Any confidential information should be clearly marked within the text of your submission (preferably as Microsoft Word comments).
 - iii. Please provide a separate version of your submission excluding the relevant information for publication on our website (unless you wish your submission to remain unpublished). If you do not wish your submission to be published, please clearly indicate this in the cover letter or e-mail accompanying your submission.

Note that submissions are subject to the Official Information Act 1982.

4. Send your submission:

- as a Microsoft Word document to faareview@mbie.govt.nz (preferred), or
- by mailing your submission to:

Financial Markets Policy
Building, Resources and Markets
Ministry of Business, Innovation & Employment
PO Box 1473
Wellington 6140
New Zealand

Please direct any questions that you have in relation to the submissions process to faareview@mbie.govt.nz.

Submission on discussion document: *Exposure draft: Financial Markets Conduct (Regulated Financial Advice Disclosure) Amendment Regulations 2019*

Your name and organisation

Name	Simon Webster
Organisation	Finance New Zealand Limited

Responses to discussion document questions

1	Will the proposed record-keeping requirement be workable in practice? Yes
2	Do you have any comments on the drafting of the Regulations that will require information to be made publicly available? No
3	Do you have any comments on the draft Regulations that will require the disclosure of information when the nature and scope of the advice is known? No
4	Do you have any comments on the draft Regulations that will require the disclosure of information when the financial advice is given? Disclosure as to the “amount & value” of commissions and other incentives will need to be disclosed in general terms, outlining the parameters under which product providers may pay commission on the products relating to the financial advice. It is our view that advisers should be required to disclose material variation in commission structures that may influence a decision about what product provider is recommended, but it is not practical to provide, nor does it benefit the consumer, to for example provide disclosure of dollar value commissions under multiple product provider scenarios.

5

Do you have any comments on the draft Regulations that will require the disclosure of a provider's complaints handling and dispute resolution processes when a complaint is received?

No

6

Do you have any comments on the draft Regulations that set the manner in which information must be disclosed?

No

7

Are there instances in your business when regulation 229D might apply to someone who is not the one to give advice to the client? Please give examples and provide any comments on how the draft Regulations apply in such scenarios.

No

8

Do you have any further comments on new regulation 229A to 229H of the draft Regulations?

No

9

Do you have any further comments on new Schedule 21A in the draft Regulations?

No

10

What (if any) transitional provisions should be included in the regulations?

No comment