

# What is happening now?

OCTOBER 2019

## FINANCIAL SERVICES LEGISLATION AMENDMENT ACT

### What is it?

The Act introduces a package of changes to the regulation of financial advice. It sets out the duties that will apply to providers and individuals e.g. persons giving advice must prioritise clients' interests.

### Where is it at?

The Act passed into law in April 2019. The new regime for financial advice will come into effect in 29 June 2020.

### How to find out more?

- Visit [Parliament's website](#)
- Visit [MBIE's website](#)

## REGISTRATION

### What is it?

The Companies Office is making changes to the Financial Service Providers Register (FSPR) to implement the changes to the registration requirements in the new regime.

### Where is it at?

In addition to the registration requirements in the Act, detailed requirements are being developed in regulations, including measures to prevent misuse of the FSPR. Cabinet decisions on the upcoming changes can be viewed on MBIE's website.

### How to find out more?

- Visit [MBIE's website](#)
- Contact MBIE: [faareview@mbie.govt.nz](mailto:faareview@mbie.govt.nz)
- Contact the Companies Office: [info@fspr.govt.nz](mailto:info@fspr.govt.nz)

## CODE OF CONDUCT

### What is it?

A new Code of Conduct for Financial Advice will set standards of conduct and client care, and competence knowledge and skill for those giving financial advice e.g. the Code will require persons giving advice to act with integrity.

### Where is it at?

The Minister of Commerce and Consumer Affairs approved the Code of Conduct in May 2019.

### How to find out more?

- Visit the [Code Working Group's website](#)
- Sign up to the [Code Working Group's mailing list](#)
- Contact the Code Working Group: [code.secretariat@mbie.govt.nz](mailto:code.secretariat@mbie.govt.nz)

## DISCLOSURE

### What is it?

New disclosure requirements will require certain information to be provided to consumers when receiving financial advice to help them make informed decisions.

### Where is it at?

On 25 February 2019 Cabinet agreed on the disclosure requirements that will apply, with the detailed requirements to be set in regulations. MBIE is currently consulting on draft regulations. You can view the consultation and submit your feedback on MBIE's website.

### How to find out more?

- Visit [MBIE's website](#)
- Contact MBIE: [faareview@mbie.govt.nz](mailto:faareview@mbie.govt.nz)

## LICENSING

### What is it?

Financial Advice Providers that give advice to retail clients will need to be licensed by the Financial Markets Authority (FMA). There will be two phases of licensing: transitional and full. Financial Advice Providers will initially be able to operate under a transitional licence, and will have two years to obtain a full licence. Applicants will need to satisfy the FMA of certain matters before a licence is granted e.g. the FMA could require that the applicant has processes for managing customer complaints.

### Where is it at?

Applications for transitional licenses will open on 25 November. The FMA's Transitional Licence Guide for Financial advice providers and 'Explore your options' tool for financial advisers are available on the FMA website. Information about full licensing will be made available in due course.

### How to find out more?

- Visit the [FMA's website](#)
- Contact the FMA: [questions@fma.govt.nz](mailto:questions@fma.govt.nz)

## FEES AND LEVIES

### What is it?

Cabinet has made decisions on the licensing fees and levies that will apply in the new regime. This includes the fees for obtaining transitional and full licences for the financial advice service and the FMA levies that apply at registration and annual confirmation.

### Where is it at?

The details of the licensing fees and levies have now been set in regulations. You can view the Cabinet decisions on the fees and levies on MBIE's website.

### How to find out more?

- Visit [MBIE's website](#)
- Contact MBIE: [faareview@mbie.govt.nz](mailto:faareview@mbie.govt.nz)