

REGULATORY UPDATE

July To September 2021



THIS IS A QUARTERLY UPDATE DESIGNED TO KEEP STRATEGI CLIENTS UP TO DATE WITH THE ON-GOING CHANGES TO THE REGULATORY LANDSCAPE PLUS ACTIONS STRATEGI GROUP IS UNDERTAKING TO ASSIST THE INDUSTRY.



Directors

Can use this update as one of the tools to monitor potential key regulatory risks facing the business. Excerpts can be included in board papers.



Compliance managers/ Compliance officers

Can use this update to identify potential new regulatory risks facing the business, and ensure the business has robust policies, procedures, and controls in place to remain compliant, at all times, with the applicable legislation, regulation, and the Code.



Financial advisers

Can use this as a trigger to update professional development plans and undertake training to familiarise themselves with the changes in the regulatory space affecting them.

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July 2021

ACTIVITY

Strategi publishes *'Guidance Note: What does compliant financial advice really look like?'*

Four sets of amendment regulations relating to AML/CFT were approved and came into effect on 9 July 2021.

FMA published *'MIS liquidity risk management review.'*

FMA published *'A guide to talking about money online.'*

Strategi and Dentons Kensington Swan conduct joint webinar explaining how to navigate the new competency standards.

August 2021

ACTIVITY

Strategi publishes Q2 regulatory update.

Strategi publishes Guidance Note on AML/CFT regulations.

FMA cancels MIS licence of Fund Managers Otago Limited.

AML Supervisors publish *'Explanatory Note: Electronic Identity Verification Guideline.'*

AML Supervisors publish *'Factsheet: Birth Certificates with Redacted Information.'*

DIA publish NZ-Pacific Money Remittance sub-sector risk assessment.

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FMA published its Annual Corporate Plan.

FMA published *'Insurance conduct and culture: Fire and general insurers update.'*

FoxPlan Limited censured by FMA for providing unauthorised advice.

AIA admits to breaching Fair Dealing provisions of the FMC Act. FMA seeks penalty of \$700,000.

FMA released information sheet on cyber resilience for FAPs.

September 2021

ACTIVITY

Sharesies issued formal FMA warning for AML breaches.

AML/CFT annual return deadline extended to 30 September 2021

Westpac issued warning regarding AML breaches.

Jarden publicly censured and ordered to pay \$40,000 plus costs for failing to keep watchful eye on trading filters.

TSB fined \$3.5m for AML/CFT breaches.

Strategi published *'Guidance Note: 1 October 2021 Credit Contracts and Consumer Finance Act Changes: a guide for front line staff.'*

Strategi published *'Guidance Note: 1 October 2021 CCCFA changes: a guide for directors and senior managers.'*

Strategi launches to the market the Governance for Financial Advice Providers (Small Business) (Level 6) Microcredential