

## FAP success roadmap for 2025

Requirement	Explanation	All done	To do
Regulatory return	Have reviewed the regulatory return questions and built a mechanism to easily obtain the required data.		
Documented policies, processes & controls	Have in place fit for purpose, compliant and effective documentation to retain our full FAP licence and meet regulatory and licence obligations		
Governance	Have put in place an effective governance structure to meet governance obligations under the Companies Act 1993 and licence obligations. Have confirmed this structure is meeting the required obligations.		
Meeting duties when providing regulated financial advice	Have proof from a reputable third party that the FAP is meeting its duties under FMCA s431I- 431R (Particular emphasis on s431Q & 431R).		
Competence, knowledge & skill	Have proof that all those engaged to provide regulated financial advice have the competence, knowledge & skill to operate at the equivalent of the New Zealand Certificate in Financial Services (Level 5) v2. If advisers provide advice in more than one area, then they have the relevant additional specialist strands of the level 5 qualification.		
Delivering compliant and suitable financial advice	Have documented proof to confirm all regulated financial advice is compliant and suitable for the client. This includes new clients and existing clients. The advice is compliant with the legislation, regulation, code, good conduct, FAP policies and relevant product provider obligations.		
Meeting good conduct expectations	Can demonstrate it is meeting good conduct expectations.		
Code Standard 9 and CPD	Have determined what CPD advisers need to do in 2025 and has a robust solution in place to monitor the achievement of the CPD		
Productivity	All advisers are fully trained and competent to correctly use the software and templates within the business. Any new templates have been 'signed off' to confirm they are compliant. Any AI being used is subject to compliance checks.		
AML/CFT obligations met	AML/CFT risk assessment and programme updated to meet new AML regulations. Booked AML/CFT three yearly audit.		



## \* Industry themes

**Competence knowledge and skill:** All advisers to have the competence knowledge and skill equivalent to the New Zealand Certificate in Financial Services (Level 5) version 2 with specialist strands in the areas in which they provide financial advice (e.g. investment, life disability health, residential property lending, and general insurance). We have upskilled them on our software and policies. We keep up to date with changes via a robust continuing professional development plan for both the business and each adviser. We are aware that an updated Code of Professional Conduct for Financial Advice Services will shortly be published and we need to comply with this. We have liaised with Strategi Institute to ensure we have CPD/ 'Closing the gaps' modules to update us to the New Zealand Certificate in Financial Services (Level 5) version 3.

**Good conduct:** This is the year to really get to grips with what good conduct is all about and how the business demonstrates this. Product providers and the FMA will be asking us how we prove good conduct.

**Technology:** This is the year to focus on our technology. Is it delivering what we need from a client record keeping perspective and provision of regulatory returns? If we are contemplating the use of AI, then do we have an AI policy in place? Ensure all AI being used in the business is subject to compliance checks.

**Advice process:** Clients want to quickly and easily get the advice they need from us. 2025 is the year to overhaul our advice process and documents so they remain compliant but remove unnecessary duplication, are faster to produce, look more appealing and clients are more likely to read and understand them.

**Compliance:** The FMA will be checking to see that what we ticked in our FAP licence application is what we actually have in place. The business is responsible for all those providing financial advice meeting the advice duties and the Code of Professional Conduct for Financial Advice Services. We need to know our compliance status and be meeting our obligations.

### Strategi resources

- AML/CFT audit
- FAP licensing Kit
- AML/CFT manual and templates
- Licence consultancy and remediation
- Annual compliance assurance review
- New Zealand Certificate in Financial Services (Level 5) v2 and v3
- Governance for Financial Advice Providers (Small Business) (Level 6) Microcredential
- Compliance officer Course (Level 5) Microcredential
- Closing the Gaps course
- AML/CFT training modules and webinars
- Radar- online education platform and CPD modules
- CPD Handbook 2025