



# Financial Service Providers (Registration) Regulations 2020

Patsy Reddy, Governor-General

## Order in Council

At Wellington this 14th day of December 2020

Present:

The Right Hon Jacinda Ardern presiding in Council

These regulations are made under section 44 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008 and clause 90 of Schedule 4 of the Financial Markets Conduct Act 2013—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister of Commerce and Consumer Affairs made in accordance with section 44 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008 and clause 90(2) of Schedule 4 of the Financial Markets Conduct Act 2013.

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## Regulations

### 1 Title

These regulations are the Financial Service Providers (Registration) Regulations 2020.

### 2 Commencement

These regulations come into force on 15 March 2021.

#### *Preliminary provisions*

### 3 Interpretation

In these regulations, unless the context otherwise requires,—

**Act** means the Financial Service Providers (Registration and Dispute Resolution) Act 2008

**authorised body** has the same meaning as in section 6(1) of the FMC Act

**client** means any person who receives a financial service

**consumer credit contract** has the same meaning as in section 11 of the Credit Contracts and Consumer Finance Act 2003

**corporate or public entity** has the same meaning as in section 9(1)(a) of the New Zealand Business Number Act 2016

**crowd funding service** has the same meaning as in regulation 185 of the Financial Markets Conduct Regulations 2014

**custodial service** has the same meaning as in section 431W(2) of the FMC Act

**discretionary investment management service** has the same meaning as in section 432A of the FMC Act

**FMA exemption** means an exemption granted under subpart 2 of Part 9 of the FMC Act

**FMA levies table** means the table in Schedule 2 of the Financial Markets Authority (Levies) Regulations 2012

**FMC Act** means the Financial Markets Conduct Act 2013

**FSP number**, in relation to a person, is the number given to the person on the person's registration under the Act

**managed investment scheme** has the same meaning as in section 9 of the FMC Act

**market services licence** has the same meaning as in section 6(1) of the FMC Act

**New Zealand Business Number** means the number allocated to an entity under the New Zealand Business Number Act 2016

**New Zealand resident** has the meaning set out in regulation 19(1)

**non-consumer credit contract** means a credit contract that is not a consumer credit contract

**peer-to-peer lending service** has the same meaning as in regulation 185 of the Financial Markets Conduct Regulations 2014

**relevant period**—

- (a) has the meaning set out in regulation 15(4) in the case of a person who has been in the business of providing the financial service to persons in New Zealand for less than 6 months (subject to paragraph (d)); and
- (b) has the meaning set out in regulation 16(5) in the case of a person who has been in the business of providing the financial service to persons in New Zealand for 6 months or more but less than 12 months; and
- (c) has the meaning set out in regulation 17(5) in the case of a person who has been in the business of providing the financial service to persons in New Zealand for 12 months or more; and
- (d) in regulation 20, has the meaning set out in regulation 20(3)

**retail client** has the same meaning as in section 6(1) of the FMC Act

**threshold request** means a request made by the Registrar under section 16(1A) of the Act (*see also* regulation 8)

**transitional licence** means a transitional licence issued under clause 71 of Schedule 4 of the FMC Act

**wholesale client**,—

- (a) in regulation 18 and Schedule 6, has the same meaning as in section 49(2) and (3) of the Act;
- (b) in the rest of these regulations, has the same meaning as in section 6(1) of the FMC Act

**wholesale investor** has the same meaning as in section 6(1) of the FMC Act.

**4 Transitional, savings, and related provisions**

The transitional, savings, and related provisions set out in Schedule 1 have effect according to their terms.

**5 Definition of financial service: prescribed services that are same, or substantially same, as certain market services**

The following services are prescribed for the purposes of section 5(1)(ma) of the Act:

- (a) a service of acting as a manager of a managed investment scheme where that service is the same, or substantially the same, as acting as a manager of a registered scheme:
- (b) a service that is the same, or substantially the same, as acting as a provider of a discretionary investment management service:
- (c) a service that is the same, or substantially the same, as acting as a derivatives issuer in respect of a regulated offer of derivatives that is made by the derivatives issuer.

*Registration*

**6 Registration for certain overlapping services not required**

- (1) This regulation applies for the purposes of section 12A(1)(c) of the Act.
- (2) Section 12A of the Act applies in relation to a financial service referred to in column 1 of the following table that is provided by a person (A) if A is registered for another financial service listed opposite to that service in column 2.

<b>Column 1</b>	<b>Column 2</b>
<p><b>Financial service for which A is not required to be registered</b></p> <p>The financial service referred to in section 5(1)(d) of the Act (keeping, investing, administering, or managing money, securities, or investment portfolios on behalf of other persons)</p> <p>The financial service referred to in section 5(1)(i) of the Act (acting as an offeror of financial products offered under an FMC offer)</p> <p>The financial service referred to in section 5(1)(i) of the Act (acting as an offeror of financial products offered under an FMC offer)</p> <p>The financial service referred to in section 5(1)(ia)(i) of the Act (acting as an issuer in respect of regulated products or financial products offered under an FMC offer)</p> <p>The financial service referred to in section 5(1)(ia)(i) of the Act (acting as an issuer in</p>	<p><b>Financial service for which A is registered</b></p> <p>A financial service referred to in section 5(1)(a) to (c), (ia)(ii) or (iii), (ib), or (ic) of the Act</p> <p>A financial service referred to in section 5(1)(ib)(i) of the Act (acting as a manager of a registered scheme (other than a restricted scheme))</p> <p>A financial service referred to in section 5(1)(ib)(iv) of the Act (acting as a derivatives issuer)</p> <p>A financial service referred to in section 5(1)(ib)(i) of the Act (acting as a manager of a registered scheme (other than a restricted scheme))</p> <p>A financial service referred to in section 5(1)(ib)(iv) of the Act (acting as a derivatives issuer)</p>

**Column 1**

**Financial service for which A is not required to be registered**

respect of regulated products or financial products offered under an FMC offer)

**Column 2**

**Financial service for which A is registered**

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**Example**

A financial service provider (**A**) provides a regulated client money or property service, including a custodial service (see section 5(1)(ab) of the Act). A is registered for this service.

A also provides the service of keeping, investing, administering, or managing money, securities, or investment portfolios on behalf of other persons (which is referred to in section 5(1)(d) of the Act). However, A only provides this service in the ordinary course of providing the client money or property service (see section 12A(1)(b) of the Act).

This regulation applies section 12A of the Act to this situation. This means that A does not need to be registered for the second service under section 5(1)(d) of the Act.

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**7 Application to be registered as financial service provider: prescribed information**

For the purposes of section 15(1)(d) of the Act, an application to be registered as a financial service provider must contain, or be accompanied by,—

- (a) the information set out in Part 1 of Schedule 2; and
- (b) the information set out in Part 2 of Schedule 2 that applies to the financial service; and
- (c) the information set out in Schedule 5 that—
  - (i) is prescribed for the purposes of section 15(1)(d) of the Act; and
  - (ii) applies in respect of the application.

**8 Registrar may require information about application of Act to person: prescribed information**

(1) For the purposes of section 16(1A) of the Act, the Registrar may require a person to provide any of the following information:

- (a) the date on which the person started to be in the business of providing a financial service to persons in New Zealand;
- (b) a description of that business in sufficient detail to verify that the business started on that date;
- (c) the number of New Zealand residents to whom the person provided a financial service during a relevant period;
- (d) an amount determined in relation to the financial service for a relevant period in accordance with column 2 of Schedule 6:

- (e) information that verifies the identity of 1 or more of those New Zealand residents:
  - (f) information that verifies that those persons are New Zealand residents:
  - (g) information that verifies the nature and scope of 1 or more transactions with 1 or more of those New Zealand residents.
- (2) The person must provide the requested information within 10 working days after the Registrar makes the request (or any longer period that the Registrar allows).
  - (3) The information under subclause (1)(e) to (g) must be provided on the basis of documents, data, or information issued by a reliable source (and must include a certified copy of the documents, data, or information if required by the Registrar).
  - (4) In the case of information under subclause (1)(e) and (f), the source referred to in subclause (3) must be independent of the person who provides the information.

**9 Registration of financial service provider and contents of register:  
prescribed information**

- (1) The following is prescribed for the purposes of section 16(1)(a)(iv) of the Act:
  - (a) the information set out in Part 2 of Schedule 2 that applies to the financial service; and
  - (b) the information set out in Schedule 3; and
  - (c) the information set out in Schedule 5 that—
    - (i) is prescribed for the purposes of section 16(1)(a)(iv) of the Act; and
    - (ii) applies in respect of the registered financial service provider.
- (2) The following is prescribed for the purposes of section 27(1)(d) of the Act:
  - (a) the information set out in Part 2 of Schedule 2 that applies to the financial service; and
  - (b) the information set out in Schedule 3; and
  - (c) the information set out in Schedule 5 that—
    - (i) is prescribed for the purposes of section 27(1)(d) of the Act; and
    - (ii) applies in respect of the registered financial service provider.
- (3) Part 2 of Schedule 2 applies with all necessary modifications for the purposes of this regulation, including—
  - (a) treating references to the applicant as references to the registered financial service provider; and
  - (b) treating the reference to applying for registration under section 22C of the Act as a reference to registration under that section.

*Register of financial service providers***10 Operation of and access to register: prescribed reasons**

The following are prescribed, for the purposes of section 25(3)(b) of the Act, as reasons for the Registrar to refuse access to the register or suspend its operation, in whole or in part:

- (a) to enable the maintenance of the register;
- (b) in response to technical difficulties in the maintenance or operation of the register;
- (c) to ensure the security or integrity of the register.

**11 Annual confirmation: prescribed information**

The following is prescribed for the purposes of section 28(2)(c) of the Act:

- (a) the information set out in Part 1 of Schedule 4; and
- (b) a statement confirming that the details on the register are correct; and
- (c) a statement about whether the information set out in Part 2 of Schedule 4 that is currently held by the Registrar is correct and, if any of the information is not correct, an update of that information.

**12 Registrar must amend register in certain circumstances**

- (1) The Registrar must amend the register if a licensing authority informs the Registrar that—

- (a) a licensed provider's licence has been suspended; or
- (b) a licensed provider's licence has ceased to be suspended; or
- (c) a previously licensed provider has ceased to be a licensed provider.

- (2) In subclause (1),—

**licensed provider—**

- (a) has the same meaning as in section 4 of the Act; but
- (b) includes a person that holds a market services licence that covers a service referred to in section 390 of the FMC Act

**licensing authority—**

- (a) has the same meaning as in section 4 of the Act; but
- (b) includes the FMA in relation to a market services licence that covers a service referred to in section 390 of the FMC Act.

- (3) The Registrar must amend the register to include the information set out in Schedule 5 that—

- (a) is prescribed for the purposes of section 29(e) of the Act; and
- (b) is provided to the Registrar in respect of a provider.

**13 Sharing information with other persons or bodies: prescribed agencies**

The Department of Internal Affairs is prescribed for the purposes of section 34(4)(e) of the Act.

*Minimum threshold for application of Act to certain financial services***14 Regulations apply for purposes of section 7A(2)(c) of Act to services listed in Schedule 6**

- (1) Regulations 15 to 18 prescribe a threshold for the purposes of section 7A(2)(c) of the Act in relation to the financial services listed in column 1 of Schedule 6.
- (2) Nothing in regulations 15 to 18 applies to a person to which the Act applies under section 7A(1)(b) to (e) of the Act.

**Examples**

The threshold rules do not apply to licensed providers, including registered banks, licensed supervisors, licensed insurers, persons who hold, or are authorised bodies under, a market services licence, and licensed NBDTs.

The threshold rules also do not apply to reporting entities to which the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 applies.

- (3) *See* section 7A(1)(a) and (2)(c) of the Act.

**Example**

An Australian company (**A**) is in the business of operating a money transfer service (mainly in Australia).

Section 7A(1)(a) of the Act provides for the Act to apply to A if A's service is provided to people in New Zealand. If the Act applies, A will need to register under the Act. A will also need to become a member of an approved dispute resolution scheme if A provides the service to retail clients.

However, the Act will not apply to A if the service provided to people in New Zealand is less than a threshold prescribed by these regulations.

This example assumes that the Act does not otherwise apply to A under section 7A(1)(b) to (e) of the Act.

This example also assumes that A is not otherwise exempted from the application of the Act. *See* section 7 of the Act, which provides that certain professionals and other bodies are not in the business of providing a financial service. *See also* the Financial Service Providers (Exemptions) Regulations 2010. Those regulations include an exemption for certain overseas providers that do not promote their services in New Zealand.

- (4) *See also* regulations 20 and 21, which provide that the threshold rules do not apply in certain circumstances.

**15 Threshold for new providers**

- (1) This regulation applies if a person (**A**) has been in the business of providing a financial service to persons in New Zealand for less than 6 months.

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- (2) At a time within the period referred to in subclause (1) (the **particular time**), the extent to which the financial service is provided to persons in New Zealand is less than the prescribed threshold if,—
    - (a) during the relevant period, the financial service is provided to fewer than 5 New Zealand residents; or
    - (b) the amount determined for the relevant period in accordance with column 2 of Schedule 6 is less than \$5,000.
  - (3) If the Registrar makes a threshold request in relation to the period referred to in subclause (1), the particular time is the last date on which A provides the information under section 16(1A) of the Act in response to the request.
  - (4) In this regulation, the **relevant period** is the period that—
    - (a) starts when A started being in the business of providing the financial service to persons in New Zealand; and
    - (b) ends at the particular time.

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**Example (continued from regulation 14)**

During the first 3 months of providing the financial service in New Zealand, A provides the service to only 2 New Zealand residents. A is providing the service below the threshold and does not need to be registered.

However, within the next 2 months, A provides the service to 4 more New Zealand residents. A has now provided the service to 6 New Zealand residents. The total amount of money transferred under the service since A started business in New Zealand on behalf of New Zealand residents is \$6,000, excluding GST (see column 2 of Schedule 6). A is now providing the service above the threshold.

A must register under the Act.

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**16 Threshold for providers in business between 6 and 12 months**

- (1) This regulation applies if a person (A) has been in the business of providing a financial service to persons in New Zealand for 6 months or more but less than 12 months.
- (2) At a time within the period referred to in subclause (1) (the **particular time**), the extent to which the financial service is provided to persons in New Zealand is less than the prescribed threshold if,—
  - (a) during the relevant period, the financial service is provided to fewer than 5 New Zealand residents; or
  - (b) the amount determined for the relevant period in accordance with column 2 of Schedule 6 is less than \$5,000.
- (3) If the Registrar makes a threshold request in relation to the period referred to in subclause (1), the particular time is the last date on which A provides the information under section 16(1A) of the Act in response to the request.

- (4) If the due date for providing an annual confirmation falls within the period referred to in subclause (1), the particular time for the annual confirmation is that due date.
- (5) In this regulation, the **relevant period** is a period of 6 months during which A is in the business of providing the financial service to persons in New Zealand that—
  - (a) is selected by the provider; and
  - (b) ends no earlier than 3 months before the particular time.

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**Example (continued from regulations 14 and 15)**

A is now registered under the Act and has been providing the financial service in New Zealand for 10 months.

The Registrar makes a request under section 16(1A) of the Act to ascertain whether A is still in the business of providing a financial service to persons in New Zealand (see section 7A(1)(a)). A must respond to the request within 10 working days (or a longer period allowed by the Registrar).

For the purposes of responding, A must select a relevant period of 6 months that ends no earlier than 3 months before A responds to the request.

During that 6-month period, A provided the service to 8 New Zealand residents. The total amount of money transferred under the service on behalf of New Zealand residents was \$8,000, excluding GST (see column 2 of Schedule 6). At the time of responding to the request, A is still providing the service above the threshold.

A must remain registered under the Act.

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**17 Threshold for providers in business for 12 months or more**

- (1) This regulation applies if a person (A) has been in the business of providing a financial service to persons in New Zealand for 12 months or more.
- (2) At a time within the period referred to in subclause (1) (the **particular time**), the extent to which the financial service is provided to persons in New Zealand is less than the prescribed threshold if,—
  - (a) during the relevant period, the financial service is provided to fewer than 10 New Zealand residents; or
  - (b) the amount determined for the relevant period in accordance with column 2 of Schedule 6 is less than \$10,000.
- (3) If the Registrar makes a threshold request in relation to the period referred to in subclause (1), the particular time is the last date on which A provides the information under section 16(1A) of the Act in response to the request.
- (4) If the due date for providing an annual confirmation falls within the period referred to in subclause (1), the particular time for the annual confirmation is that due date.

- (5) In this regulation, the **relevant period** is a period of 12 months during which A is in the business of providing the financial service to persons in New Zealand that—
- (a) is selected by the provider; and
  - (b) ends no earlier than 3 months before the particular time.

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**Example (continued from regulations 14 to 16)**

A has now been in the business of providing a money transfer service for 3 years.

A is required to provide a statement in its annual confirmation about the extent to which A is in the business of providing the service to persons in New Zealand (see item 1 of Schedule 4).

During a 12-month period selected by A (which ends no earlier than 3 months before the due date of the annual confirmation), A provided the service to 12 New Zealand residents, but only \$9,000 was transferred under the service (excluding GST). This is below the prescribed threshold of \$10,000.

On receiving the annual confirmation, the Registrar is satisfied that the Act no longer applies to A under section 7A(1)(a) of the Act and that, accordingly, A is no longer required to be registered. The Registrar may deregister A under section 18(1)(b) of the Act.

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**18 Other rules relating to thresholds**

- (1) The following applies if a provider of a financial service does not have a place of business in New Zealand:
- (a) in determining the number of persons to whom the financial service is provided under regulation 15(2)(a), 16(2)(a), 17(2)(a), or 20(1)(c)(i), wholesale clients or wholesale investors must be disregarded;
  - (b) in determining the amount under regulation 15(2)(b), 16(2)(b), 17(2)(b), or 20(1)(c)(ii), revenue or other amounts must be disregarded to the extent that the service is or will be provided to wholesale clients or wholesale investors.
- (2) The amount determined under regulation 15(2)(b), 16(2)(b), 17(2)(b), or 20(1)(c)(ii) must be determined on a goods and services tax exclusive basis.
- (3) For the purposes of regulations 15 to 17 and 20(1), if a financial service is provided to 2 or more persons acting jointly or in concert,—
- (a) the service must be treated as having been provided to a single person for the purpose of considering how many people the service is provided to; and
  - (b) that person must be treated as being a New Zealand resident if 1 or more of the persons who are acting jointly or in concert are New Zealand residents.
- (4) In determining whether regulation 15(2), 16(2), 17(2), or 20(1) applies, a financial service provided to either of the following must be disregarded:

- (a) a close business associate of the provider of the service:
- (b) a relative of the provider of the service.

## 19 Meaning of terms used in regulations 14 to 20 and Schedule 6

- (1) In regulations 14 to 20 and Schedule 6,—

**close business associate** has the meaning set out in subclause (2)

**control**, in relation to a voting product, means having, directly or indirectly, effective control of the voting rights attached to the product

**FMC offer** has the same meaning as in section 5(3) of the Act

**New Zealand resident** means—

- (a) an individual who—
  - (i) has a permanent place of residence in New Zealand, even if they also have a permanent place of residence elsewhere; and
  - (ii) is a New Zealand citizen or holds a residence class visa granted under the Immigration Act 2009 or holds a visa granted under that Act that allows the person to work or study in New Zealand; or
- (b) an entity that—
  - (i) is formed or incorporated in New Zealand; and
  - (ii) carries on business in New Zealand (*see* subclause (4))

**related body corporate** has the same meaning as in section 12(2) of the FMC Act

**relative** has the meaning set out in subclause (3)

**voting product** has the same meaning as in section 6(1) of the FMC Act.

- (2) A person (C) is a **close business associate** of the provider if any 1 or more of the following apply:
- (a) C is a director or senior manager of the provider or of a related body corporate of the provider:
  - (b) C holds or controls 5% or more of the voting products of the provider (but this paragraph does not apply if the financial service is the service of acting as an issuer of those products under an FMC offer):
  - (c) C is a related body corporate of the provider:
  - (d) C holds or controls 20% or more of the voting products of a related body corporate of the provider:
  - (e) C is a partner of the provider or of a director of the provider (under the Partnership Law Act 2019):
  - (f) C is a spouse, civil union partner, or de facto partner of a person who is a close business associate of the provider under any of paragraphs (a) to (e):

- (g) C is a child, parent, or sibling of a person who is a close business associate of the provider under any of paragraphs (a) to (f) (whether or not by a step relationship).
- (3) A **relative**, in relation to a provider, means any of the following:
  - (a) the provider's spouse, civil union partner, or de facto partner (**B**):
  - (b) a grandparent, parent, child, grandchild, sibling, nephew, niece, uncle, aunt, or first cousin of the provider or B, whether or not by a step relationship:
  - (c) a spouse, civil union partner, or de facto partner of a person who is a relative of the provider under paragraph (b):
  - (d) a trustee of a trust under which the provider, or a relative of the provider (under paragraphs (a) to (c)), is a beneficiary who—
    - (i) is presently entitled to a share of the trust estate or of the income of the trust estate; or
    - (ii) is, individually or together with other beneficiaries, in a position to control the trustee:
  - (e) a trustee of a trust if—
    - (i) the trust is a family trust within the meaning of section 173M(5) of the Tax Administration Act 1994; and
    - (ii) a majority of the individuals who are beneficiaries under the trust are relatives of the provider (under paragraphs (a) to (c)).
- (4) For the purposes of paragraph (b) of the definition of **New Zealand resident**,—
  - (a) a reference to an entity carrying on business in New Zealand includes an entity that—
    - (i) establishes or uses a share transfer office or a share registration office in New Zealand; or
    - (ii) administers, manages, or deals with property in New Zealand as an agent, or personal representative, or trustee, and whether through the entity's employees or an agent or in any other manner:
  - (b) an entity does not carry on business in New Zealand merely because in New Zealand it—
    - (i) is or becomes a party to a legal proceeding or settles a legal proceeding or a claim or dispute; or
    - (ii) holds meetings of its directors or members or carries on other activities concerning its internal affairs; or
    - (iii) maintains a bank account; or
    - (iv) effects a sale of property through an independent contractor; or

- (v) solicits or procures an order that becomes a binding contract only if the order is accepted outside New Zealand; or
- (vi) creates evidence of a debt or creates a charge on property; or
- (vii) secures or collects any of its debts or enforces its rights in relation to securities relating to those debts; or
- (viii) conducts an isolated transaction that is completed within a period of 31 days, not being one of a number of similar transactions repeated from time to time; or
- (ix) invests its funds or holds property.

## 20 When threshold rules do not apply to new providers

- (1) Section 7A(2)(c) of the Act does not apply to a person (A) in relation to a financial service if—
- (a) A has—
    - (i) been registered for the service under the Act for less than 6 months; or
    - (ii) applied for registration for the service under the Act; and
  - (b) A has not been in the business of providing the service to persons in New Zealand for 6 months or more; and
  - (c) the Registrar is satisfied that,—
    - (i) during the relevant period, the service has been, or is likely to be, provided to 5 or more New Zealand residents; and
    - (ii) the amount determined for the relevant period in accordance with column 2 of Schedule 6 is, or is likely to be, \$5,000 or more; and
  - (d) the Registrar has notified A that the Registrar is satisfied under paragraph (c).

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### Example

A person (A) is a new provider of a financial service in New Zealand. The Act does not otherwise apply to A under section 7A(1)(b) to (e).

A wants to register for the financial service even though it is currently not providing the service above the threshold prescribed by regulation 15.

If A can satisfy the Registrar that the service is likely to be provided above the threshold within the 6-month period after registration, this subclause disapplies the threshold requirement in regulation 15.

Accordingly, the Registrar may accept A's application and register A for the service.

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- (2) See regulations 18 and 19 (which set out rules relating to subclause (1)(c) and definitions).
  - (3) In subclause (1), the **relevant period** is the 6-month period that starts on the date on which A was, or is likely to be, registered for the service under the Act.

**21 Other circumstances in which threshold rules do not apply**

- (1) Section 7A(2)(c) of the Act does not apply to a financial service referred to in section 5(1)(e) of the Act (being a creditor under a credit contract) if any of the credit contracts entered into under the service are consumer credit contracts.

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**Example**

A person (C) acts as a creditor under a small number of credit contracts with fewer than 10 New Zealand residents each year. This is below the threshold prescribed under regulation 17.

However, some of the credit contracts are consumer credit contracts.

This subclause disapplies section 7A(2)(c) of the Act. Therefore, the threshold rules in regulations 15 to 17 do not apply to C.

This means that the Act applies to C under section 7A(1)(a) of the Act and C must be registered for the financial service of acting as a creditor.

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- (2) Section 7A(2)(c) of the Act does not apply to a person that is disqualified under section 14 of the Act.
- (3) Section 7A(2)(c) of the Act does not apply to an individual in relation to the registration of that individual under section 22C of the Act (which relates to financial advisers).

*Duty to provide warning or other information*

**22 Warnings or information about registration of financial service provider**

- (1) Regulations 23 and 24 provide for duties under section 44(1)(bb) and (bc) of the Act.
- (2) See section 18(1)(ca) of the Act, which provides for the deregistration of a financial service provider that fails to comply with the duties.
- (3) In regulations 23 and 24,—

**advertisement**, in relation to providing a financial service, means any form of communication made to the public or a section of the public for the purpose of promoting the supply of the service

**distribute** has the same meaning as in section 6(1) of the FMC Act.

**23 Advertisement or other communication to include statement warning about lack of active regulation and oversight**

- (1) This regulation applies to a financial service provided by a registered financial service provider (P) if—
- (a) either or both of the following apply:
- (i) an advertisement for the service is distributed:
- (ii) a document or other communication that refers to the service is distributed to a person who receives, or may receive, the service; and

- (b) the advertisement, document, or communication is authorised or instigated by, or on behalf of, P; and
  - (c) the advertisement, document, or communication directly or indirectly refers to P’s registration on the register or P’s membership of an approved dispute resolution scheme; and
  - (d) the information referred to in paragraph (c) is included otherwise than as a result of an obligation imposed by or under an enactment or the rules of an approved dispute resolution scheme.
- (2) Despite subclause (1), this regulation does not apply to any of the following:
- (a) a registered financial service provider in relation to any financial service if the provider provides either or both of the following:
    - (i) a licensed service:

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**Example**

A bank provides a licensed service of being a registered bank. The bank also provides other financial services that are not licensed services.

This regulation does not apply to the bank in relation to any of those services.

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    - (ii) a service referred to in section 390 of the FMC Act under a market services licence:
  - (b) a financial adviser in relation to a financial advice service:
  - (c) a person who is certified under section 131B of the Credit Contracts and Consumer Finance Act 2003 in relation to a service of being a creditor under a consumer credit contract.
- (3) P must ensure that the advertisement, document, or communication contains statements in the following form:
- “*[P’s name]* is not licensed by a New Zealand regulator to provide the *[name of service]*.
- [P’s name]*’s registration on the New Zealand register of financial service providers\* or membership of the *[name of scheme]*\* does not mean that *[P’s name]* is subject to active regulation or oversight by a New Zealand regulator.”
- \*Omit a reference to registration on the New Zealand register of financial service providers or membership of a scheme if the advertisement, document, or communication does not directly or indirectly refer to that registration or membership.
- (4) The statements under subclause (3) must be prominently included immediately after the information referred to in subclause (1)(c).

**24 Additional warning if provider does not have place of business in New Zealand**

- (1) This regulation applies to a financial service provided by a provider (**P**) if—
  - (a) regulation 23 applies; and
  - (b) P does not have a place of business in New Zealand.
- (2) P must ensure that the statement under regulation 23(3) also includes a statement in the following form:

“*[P’s name]* does not have a place of business in New Zealand. It may be more difficult for a New Zealand regulator or a New Zealand-approved dispute resolution scheme to help a person to resolve a complaint about the service.”
- (3) If the advertisement referred to in regulation 23 promotes the service to persons who include persons who are not New Zealand residents, the statement under regulation 23(3) must also include a statement in the following form:

“A New Zealand regulator or a New Zealand-approved dispute resolution scheme is unlikely to be able to help customers outside of New Zealand to resolve a complaint about the service.”
- (4) The statements under this regulation must be prominently included immediately after the statements required by regulation 23.

*Revocations***25 Revocation of former regulations**

The Financial Service Providers (Registration) Regulations 2010 (SR 2010/235) are revoked.

**26 Revocation of transitional regulations at end of transitional period**

Part 1 of Schedule 1 is revoked on the close of 14 March 2024.

## Schedule 1

### Transitional, savings, and related provisions

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#### Part 1

### Transitional, savings, and related provisions relating to Financial Services Legislation Amendment Act 2019 and these regulations

#### 1 Overview

This Part provides for transitional, savings, and related provisions relating to the coming into force of the Financial Services Legislation Amendment Act 2019 and these regulations.

#### 2 Registrar may act on notice of change given before 15 March 2021

- (1) This clause applies if the Registrar has received, on or after 25 November 2019 but before 15 March 2021, a notification of changes relating to the registration of a financial service provider that are connected with the replacement of section 5(1)(a) of the Act by section 63 of the Financial Services Legislation Amendment Act 2019.
- (2) The Registrar may treat the notification as having been made under section 17 of the Act.

#### 3 Registrar may transfer registration of authorised financial advisers and registered financial advisers

- (1) This clause applies in relation to an individual (A) if,—
  - (a) immediately before 15 March 2021, A is—
    - (i) registered as a financial service provider for a financial adviser service; and
    - (ii) a financial adviser of the type referred to in section 16(a) or (b) of the Financial Advisers Act 2008 (that is, an authorised financial adviser or an individual who is registered but not authorised); and
  - (b) the Registrar has, on at least 2 occasions, sent a notice to A at the address contained in the register for A; and
  - (c) the notice contains a brief description of the effect of subclause (2); and
  - (d) the notice informs A about what A should do if A does not want the Registrar to act under subclause (2).
- (2) The Registrar may, on or as soon as practicable after 15 March 2021, transfer A's registration to a financial advice service (*see* section 5(1)(a) of the Act as in force on 15 March 2021) together with the additional information that A is registered under section 22C of the Act.

**4 Registrar may transfer other registration to equivalent service**

- (1) If, immediately before 15 March 2021, a financial service provider is registered for—
  - (a) a broking service (including a custodial service), the Registrar may transfer the provider’s registration to a regulated client money or property service (including a custodial service) (*see* section 5(1)(ab) of the Act as in force on 15 March 2021):
  - (b) the financial service of issuing and managing means of payment, the Registrar may transfer the provider’s registration to the service of issuing or managing the means of payment (*see* section 5(1)(g) of the Act as in force on 15 March 2021):
  - (c) the financial service of participating in an FMC offer as the issuer or offeror of the financial products, the Registrar may transfer the provider’s registration to the service of acting as an offeror of financial products offered under an FMC offer (*see* section 5(1)(i) of the Act as in force on 15 March 2021):
  - (d) a licensed market service, the Registrar may transfer the provider’s registration to 1 or more of the market services listed in section 5(1)(ib)(i) to (v) of the Act (as in force on 15 March 2021).
- (2) The Registrar may act under subclause (1) only on, or as soon as practicable after, 15 March 2021.
- (3) For the purposes of subclause (1)(d), the Registrar may act on the basis of the information that the Registrar holds about the financial service provider that is of the kind specified in column 2 of the table in clause 5.

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**Example**

The FMA has informed the Registrar that a person (**M**) holds a market services licence that covers the service of acting as a manager of a registered scheme.

The Registrar may act on that information to ensure that the register identifies M as a financial service provider who is registered for that service.

Under clause 5, the Registrar may also amend the register to state that M holds a market services licence for that service.

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**5 Registrar may add information to registration**

If, immediately before 15 March 2021, a financial service provider is registered for a financial service listed in column 1 of the following table and the Registrar holds information about the provider of the kind specified in column 2 of the table, the Registrar may on, or as soon as practicable after, that date amend the register to include that information.

<b>Column 1</b>	<b>Column 2</b>
<b>Financial service</b>	<b>Required information</b>
Acting as a supervisor in respect of regulated products or financial products offered under an FMC offer (section 5(1)(ia)(ii) of the Act)	Whether the provider provides the financial service in respect of either or both of the following: (a) debt securities: (b) managed investment schemes.
Acting as a manager of a registered scheme (other than a restricted scheme) (section 5(1)(ib)(i) of the Act)	Whether either or both of the following apply: (a) the provider holds a market services licence that covers the service of acting as a manager of a registered scheme: (b) the provider is authorised to provide that service as an authorised body.
Acting as an independent trustee of a restricted scheme (section 5(1)(ib)(ii) of the Act)	Whether either or both of the following apply: (a) the provider holds a market services licence that covers the service of acting as an independent trustee of a restricted scheme: (b) the provider is authorised to provide that service as an authorised body.
Acting as a provider of a discretionary investment management service (section 5(1)(ib)(iii) of the Act)	Whether either or both of the following apply: (a) the provider holds a market services licence that covers the service of acting as a provider of a discretionary investment management service: (b) the provider is authorised to provide that service as an authorised body.
Acting as a derivatives issuer (section 5(1)(ib)(iv) of the Act)	Whether either or both of the following apply: (a) the provider holds a market services licence that covers the service of acting as a derivatives issuer: (b) the provider is authorised to provide that service as an authorised body.
Acting as a provider of prescribed intermediary services (section 5(1)(ib)(v) of the Act)	Whether 1 or more of the following apply: (a) the provider holds a market services licence that covers a crowd funding service: (b) the provider is authorised to provide a crowd funding service as an authorised body: (c) the provider holds a market services licence that covers a peer-to-peer lending service: (d) the provider is authorised to provide a peer-to-peer lending service as an authorised body.
Acting as a custodian in respect of a registered scheme or a discretionary investment management service provided by a DIMS licensee (section 5(1)(ic) of the Act)	Whether the provider provides the financial service in respect of either or both of the following: (a) 1 or more registered schemes:

<b>Column 1</b>	<b>Column 2</b>
<b>Financial service</b>	<b>Required information</b>
Operating a financial product market (section 5(1)(id) of the Act)	(b) 1 or more discretionary investment management services. Whether 1 or more of the following apply: (a) the provider holds a licence issued under section 316 of the FMC Act: (b) the provider holds a licence issued under section 317 of the FMC Act: (c) the provider operates a wholesale market that is exempt under section 312(1)(b) of the FMC Act: (d) the provider operates under an exemption under section 312(1)(a) or (c) of the FMC Act or under an FMA exemption.
Trading financial products or foreign exchange on behalf of other persons (section 5(1)(k) of the Act)	Whether either or both of the following apply: (a) the provider undertakes trading activities on 1 or more licensed markets: (b) the provider provides the financial service other than by undertaking trading activities on a licensed market.
Acting as an insurer (section 5(1)(m) of the Act)	Whether either of the following apply: (a) the provider holds a licence issued under the Insurance (Prudential Supervision) Act 2010: (b) the provider provides the financial service without holding a licence issued under that Act.

**6 Existing financial service providers must update information in annual confirmation after commencement**

- (1) This clause applies to an annual confirmation supplied by an existing provider on or after 15 March 2021.
- (2) The following is prescribed for the purposes of section 28(2)(c) of the Act:
  - (a) the information set out in Part 2 of Schedule 2 that applies to a financial service that is provided by the existing provider:
  - (b) if the existing provider is an individual, an email address at which the Registrar may contact the provider (not being an email address that is used in connection with providing the financial service).
- (3) However, the information referred to in subclause (2) is only required to be contained in, or to accompany, the annual confirmation to the extent that the information is not already contained in the register (for example, it is not required if it has been added to the register under clause 5).
- (4) Part 2 of Schedule 2 applies with all necessary modifications for the purposes of this clause, including—

- (a) treating references to the applicant as references to the existing provider;  
and
  - (b) treating the reference to applying for registration under section 22C of the Act as a reference to registration under that section.
- (5) In this clause, **existing provider** means a registered financial service provider that was registered for a financial service under the Act before 15 March 2021.

## Schedule 2

### Application to be registered as financial service provider: prescribed information

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#### Part 1

#### General information

- 1 For financial services listed in column 1 of Schedule 6, either of the following:
- (a) a statement that the applicant believes on reasonable grounds that the extent to which the financial service is provided to persons in New Zealand is at, or is more than, the minimum threshold prescribed by regulation 15, 16, or 17; or
  - (b) if the applicant wants to rely on regulation 20(1), a statement that the applicant believes on reasonable grounds that the extent to which the financial service is, or will be, provided to persons in New Zealand will meet the requirements in regulation 20(1)(c)(i) and (ii).

However, this statement is not required if the Act applies or will apply to the applicant under section 7A(1)(b) to (e) of the Act. For example, the statement is not required if the applicant will be—

- a licensed provider; or
- a reporting entity under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

This statement is also not required if—

- regulation 21(1) applies (which relates to being a creditor under consumer credit contracts); or
- regulation 21(3) applies (which relates to an individual who is applying for registration as a financial adviser).

- 2 If the applicant is an individual or a corporation sole,—
- (a) the applicant's residential address:
  - (b) any former names of the applicant:
  - (c) any aliases used by the applicant:
  - (d) the applicant's date of birth:
  - (e) the applicant's gender.
- 3 If the applicant is a body corporate that is incorporated in New Zealand, the applicant's registered office address.
- 4 If the applicant is a body corporate that is not incorporated in New Zealand,—

- (a) the country or jurisdiction in which the applicant is incorporated:
  - (b) any unique identifier given to the applicant on incorporation (such as its company registration number).
- 5 If the applicant is a body corporate or an unincorporated body,—
- (a) in relation to each director, senior manager, and controlling owner of the applicant who is an individual, the director's, senior manager's, or controlling owner's—
    - (i) name:
    - (ii) residential address:
    - (iii) date of birth:
    - (iv) gender:
  - (b) in relation to each director and controlling owner of the applicant that is a body corporate,—
    - (i) the director's or controlling owner's name:
    - (ii) the director's or controlling owner's registered office address:
    - (iii) if the director or controlling owner is not incorporated in New Zealand, the country or jurisdiction in which the director or controlling owner is incorporated:
    - (iv) any unique identifier given to the director or controlling owner on incorporation (such as its company registration number).
- 6 Any trading names used by the applicant.
- 7 The financial services to be provided by the applicant.
- 8 A physical address in New Zealand at which the Registrar may contact the applicant (unless the business address provided under section 15(1)(a)(i) of the Act is a physical address in New Zealand).
- 9 An email address at which the Registrar may contact the applicant.
- 10 The applicant's New Zealand Business Number (if any) if the applicant is a corporate or public entity.
- 11 If the applicant has previously been registered as a financial service provider, all previous FSP numbers given to the applicant.

**Part 2****Information for applications for particular financial services**

<b>Column 1</b>	<b>Column 2</b>
<b>Financial service</b>	<b>Required information</b>
Financial advice service (section 5(1)(a) of the Act)	Whether 1 or more of the following apply: <ul style="list-style-type: none"> <li>(a) the applicant is applying to be registered under section 22C of the Act:</li> <li>(b) the applicant holds, or intends to hold, a market services licence that covers the financial advice service:</li> <li>(c) the applicant is, or intends to be, authorised to provide a financial advice service as an authorised body under a market services licence:</li> <li>(d) the applicant holds, or intends to hold, a transitional licence:</li> <li>(e) the applicant is, or intends to be, authorised to provide a financial advice service as an authorised body under a transitional licence:</li> <li>(f) the applicant is, or will be, required to be registered for a financial advice service but is, or will be, exempt under section 389(2)(a) of the FMC Act:</li> <li>(g) the applicant is, or will be, required to be registered for a financial advice service but is, or will be, exempt under section 389(2)(b) of the FMC Act or exempt from section 388(ba) of the FMC Act under an FMA exemption.</li> </ul> <p>In paragraphs (b) and (c), the references to a market services licence do not include a transitional licence.</p>
Regulated client money or property service (including a custodial service) (section 5(1)(ab) of the Act)	Whether the applicant provides, or intends to provide, 1 or more of the following: <ul style="list-style-type: none"> <li>(a) a custodial service that is a retail service:</li> <li>(b) a custodial service that is a wholesale service:</li> <li>(c) a regulated client money or property service (other than a custodial service) that is a retail service:</li> <li>(d) a regulated client money or property service (other than a custodial service) that is a wholesale service.</li> </ul> <p>In this item,—</p> <p><b>retail service</b> means a service that is provided to a retail client (within the meaning of section 6(1) of the FMC Act) or to a class of clients where there is at least 1 retail client in that class</p> <p><b>wholesale service</b> means a service other than a retail service.</p>
Being a creditor under a credit contract (section 5(1)(e) of the Act)	Whether the applicant provides, or intends to provide, the financial service in respect of either or both of the following:

<b>Column 1</b> <b>Financial service</b>	<b>Column 2</b> <b>Required information</b>
Acting as a supervisor in respect of regulated products or financial products offered under an FMC offer (section 5(1)(ia)(ii) of the Act)	(a) consumer credit contracts: (b) non-consumer credit contracts. Whether the applicant provides, or intends to provide, the financial service in respect of either or both of the following:
Acting as a manager of a registered scheme (other than a restricted scheme) (section 5(1)(ib)(i) of the Act)	(a) debt securities: (b) managed investment schemes. Whether either or both of the following apply: (a) the applicant holds, or intends to hold, a market services licence that covers the service of acting as a manager of a registered scheme: (b) the applicant is, or intends to be, authorised to provide that service as an authorised body.
Acting as an independent trustee of a restricted scheme (section 5(1)(ib)(ii) of the Act)	Whether either or both of the following apply: (a) the provider holds a market services licence that covers the service of acting as an independent trustee of a restricted scheme: (b) the provider is authorised to provide that service as an authorised body.
Acting as a provider of a discretionary investment management service (section 5(1)(ib)(iii) of the Act)	Whether either or both of the following apply: (a) the applicant holds, or intends to hold, a market services licence that covers the service of acting as a provider of a discretionary investment management service: (b) the applicant is, or intends to be, authorised to provide that service as an authorised body.
Acting as a derivatives issuer (section 5(1)(ib)(iv) of the Act)	Whether either or both of the following apply: (a) the applicant holds, or intends to hold, a market services licence that covers the service of acting as a derivatives issuer: (b) the applicant is, or intends to be, authorised to provide that service as an authorised body.
Acting as a provider of prescribed intermediary services (section 5(1)(ib)(v) of the Act)	Whether 1 or more of the following apply: (a) the applicant holds, or intends to hold, a market services licence that covers a crowd funding service: (b) the applicant is, or intends to be, authorised to provide a crowd funding service as an authorised body: (c) the applicant holds, or intends to hold, a market services licence that covers a peer-to-peer lending service: (d) the applicant is, or intends to be, authorised to provide a peer-to-peer lending service as an authorised body.
Acting as an administrator of a financial benchmark (section 5(1)(ib)(vi) of the Act)	Whether either or both of the following apply:

<b>Column 1</b>	<b>Column 2</b>
<b>Financial service</b>	<b>Required information</b>
Acting as a custodian in respect of a registered scheme or a discretionary investment management service provided by a DIMS licensee (section 5(1)(ic) of the Act)	<ul style="list-style-type: none"> <li>(a) the applicant holds, or intends to hold, a market services licence that covers the service of acting as an administrator of a financial benchmark:</li> <li>(b) the applicant is, or intends to be, authorised to provide that service as an authorised body.</li> </ul> <p>Whether the applicant provides, or intends to provide, the financial service in respect of either or both of the following:</p> <ul style="list-style-type: none"> <li>(a) 1 or more registered schemes:</li> <li>(b) 1 or more discretionary investment management services.</li> </ul>
Operating a financial product market (section 5(1)(id) of the Act)	<p>Whether 1 or more of the following apply:</p> <ul style="list-style-type: none"> <li>(a) the applicant holds, or intends to hold, a licence issued under section 316 of the FMC Act:</li> <li>(b) the applicant holds, or intends to hold, a licence issued under section 317 of the FMC Act:</li> <li>(c) the applicant operates, or intends to operate, a wholesale market that is exempt under section 312(1)(b) of the FMC Act:</li> <li>(d) the applicant operates, or intends to operate, under an exemption under section 312(1)(a) or (c) of the FMC Act or under an FMA exemption.</li> </ul>
Trading financial products or foreign exchange on behalf of other persons (section 5(1)(k) of the Act)	<p>Whether either or both of the following apply:</p> <ul style="list-style-type: none"> <li>(a) the applicant undertakes, or intends to undertake, trading activities on 1 or more licensed markets:</li> <li>(b) the applicant provides, or intends to provide, the financial service other than by undertaking trading activities on a licensed market.</li> </ul>
Acting as an insurer (section 5(1)(m) of the Act)	<p>Whether either of the following applies:</p> <ul style="list-style-type: none"> <li>(a) the applicant holds, or intends to hold, a licence issued under the Insurance (Prudential Supervision) Act 2010; or</li> <li>(b) the applicant provides, or intends to provide, the financial service without holding a licence issued under that Act.</li> </ul>
Providing a service of acting as a manager of a managed investment scheme ( <b>scheme A</b> ) where the service is the same, or substantially the same, as acting as a manager of a registered scheme (section 5(1)(ma) of the Act)	<p>Whether the applicant—</p> <ul style="list-style-type: none"> <li>(a) is, or will be, exempt from the requirement to provide the service under a market services licence because of an FMA exemption; or</li> <li>(b) offers, or will offer, interests in scheme A only to wholesale investors.</li> </ul>
Providing a service that is the same, or substantially the same, as acting as a	<p>Whether the applicant—</p> <ul style="list-style-type: none"> <li>(a) is, or will be, exempt from the requirement to provide the service under a market services</li> </ul>

<b>Column 1</b>	<b>Column 2</b>
<b>Financial service</b>	<b>Required information</b>
provider of a discretionary investment management service (section 5(1)(ma) of the Act)	licence because the service is provided only to wholesale investors; or (b) is, or will be, exempt from the requirement to provide the service under a market services licence because of an exemption under section 389(3)(b) of the FMC Act or an FMA exemption.
Providing a service that is the same, or substantially the same, as acting as a derivatives issuer (section 5(1)(ma) of the Act)	Whether the applicant— (a) is, or will be, exempt from the requirement to provide the service under a market services licence because of an FMA exemption; or (b) offers, or will offer, derivatives only to wholesale investors.

**Schedule 3**  
**Registration of financial service provider and contents of register:**  
**prescribed information**

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- 1 Any trading names used by the registered financial service provider.
- 2 If the registered financial service provider is an individual or a corporation sole,—
  - (a) any former names of the registered financial service provider:
  - (b) any aliases used by the registered financial service provider.
- 3 The registered financial service provider’s New Zealand Business Number if—
  - (a) the provider is a corporate or public entity; and
  - (b) a New Zealand Business Number for the provider has been provided to the Registrar.
- 4 If the registered financial service provider is a body corporate that is not incorporated in New Zealand, the country or jurisdiction in which the registered financial service provider is incorporated.
- 5 If the registered financial service provider is a licensed provider,—
  - (a) the date on which the licence expires (if supplied by the licensing authority):
  - (b) whether the licence is suspended:
  - (c) whether any conditions are imposed on the licence:
  - (d) details of the conditions (if any) that are imposed on the licence (if requested by the licensing authority).

In this item,—

**licensed provider—**

- (a) has the same meaning as in section 4 of the Act; but
- (b) includes a person that holds a market services licence that covers a service referred to in section 390 of the FMC Act

**licensing authority—**

- (a) has the same meaning as in section 4 of the Act; but
- (b) includes the FMA in relation to a market services licence that covers a service referred to in section 390 of the FMC Act.

- 6 If the registered financial service provider holds a market services licence that covers a service referred to in section 390 of the FMC Act,—
  - (a) the relevant service; and
  - (b) the name and business address of the FMA.
- 7 The unique identifier issued to the registered financial service provider by the Registrar.

## Schedule 4

### Annual confirmation: prescribed information under regulation 11

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#### Part 1

#### Information that must be contained in, or accompany, annual confirmation

- 1 For financial services listed in column 1 of Schedule 6, a statement that the registered financial service provider believes on reasonable grounds that the extent to which the financial service is provided to persons in New Zealand is at, or is more than, the minimum threshold prescribed by regulation 16 or 17 of these regulations.  
  
However, this statement is not required if the Act applies to the provider under section 7A(1)(b) to (e) of the Act. For example, the statement is not required if the provider is—
  - a licensed provider; or
  - a reporting entity under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.  
This statement is also not required if—
  - regulation 21(1) applies (which relates to being a creditor under consumer credit contracts); or
  - regulation 21(3) applies (which relates to an individual who is registered as a financial adviser).
- 2 The class or classes of specified persons (as described in column 2 of the FMA levies table) that include the registered financial service provider.
- 3 The information (if any) required to determine the amount of levy payable by a person in a class described in item 2 (*see* column 5 of the FMA levies table).
- 4 If the registered financial service provider is a person to whom, and is in a class and a group to which, regulation 12 of the Financial Markets Authority (Levies) Regulations 2012 applies, the FSP number of whichever person in the class will pay the levy on behalf of the group.
- 5 If the registered financial service provider is included in class 5 (as described in column 2 of the FMA levies table), the relevant total managed assets of the registered financial service provider.

**Part 2****Information held by Registrar that must be confirmed or updated**

- 6 If the registered financial service provider is a body corporate that is not incorporated in New Zealand, any unique identifier given to the provider in relation to the incorporation (such as its company registration number).
- 7 If the registered financial service provider is a body corporate that is incorporated in New Zealand, the provider's registered office address.
- 8 A physical address in New Zealand at which the Registrar may contact the registered financial service provider (unless the business address on the register is a physical address in New Zealand).
- 9 If the registered financial service provider is an individual,—
  - (a) an email address at which the Registrar may contact the registered financial service provider that is an email address used in connection with providing the financial service; and
  - (b) an email address at which the Registrar may contact the registered financial service provider that is not an email address used in connection with providing the financial service.
- 10 If the registered financial service provider is a body corporate or an unincorporated body,—
  - (a) an email address at which the Registrar may contact the registered financial service provider:
  - (b) in relation to each director, senior manager, and controlling owner of the provider who is an individual, the director's, senior manager's, or controlling owner's—
    - (i) name:
    - (ii) residential address:
    - (iii) date of birth:
    - (iv) gender:
  - (c) in relation to each director and controlling owner of the provider that is a body corporate,—
    - (i) the director's or controlling owner's name:
    - (ii) the director's or controlling owner's registered office address:
    - (iii) if the director or controlling owner is not incorporated in New Zealand, the country or jurisdiction in which the director or controlling owner is incorporated:
    - (iv) any unique identifier given to the director or controlling owner on incorporation (such as its company registration number).

- 11 Information about whether the registered financial service provider is a reporting entity to which the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 applies and, if so, a statement of the provider's AML/CFT supervisor under that Act.
- 12 If the registered financial service provider is an individual or a corporation sole, the provider's—
  - (a) residential address:
  - (b) date of birth:
  - (c) gender.

## Schedule 5 Other prescribed information

rr 7, 9, 12

**Note:** A tick alongside particular information means that the information is prescribed for the purposes of the provision of the Act that appears in the column heading above the tick.

Prescribed information	Information provided when applying for registration (prescribed for purposes of section 15(1)(d) of Act)	Information to be entered in register on registration (prescribed for purposes of section 16(1)(a)(iv) of Act)	Information to be contained in register (prescribed for purposes of section 27(1)(d) of Act)	Registrar must amend register to include information (prescribed for purposes of section 29(e) of Act)
If the registered financial service provider is suspended under section 22B of the Act, confirmation of that fact.	✓		✓	✓
If the registered financial service provider is, or will be, relying on section 48A of the Act (which exempts a financial adviser from being a member of a dispute resolution scheme), confirmation of that fact.	✓		✓	✓
If the applicant is, or will be, exempt from the licensing requirement under section 388 of the FMC Act under section 389 of that Act or an FMA exemption, confirmation of that fact and a description of the exemption.	✓			
If registered financial service provider (A) is a financial advice provider, the name and FSP number of every financial adviser who is engaged by A to give regulated financial advice on A's behalf.	✓		✓	✓

Information provided when applying for registration (prescribed for purposes of section 15(1)(d) of Act)	Information to be entered in register on registration (prescribed for purposes of section 16(1)(a)(iv) of Act)	Information to be contained in register (prescribed for purposes of section 27(1)(d) of Act)	Registrar must amend register to include information (prescribed for purposes of section 29(e) of Act)
<p><b>Prescribed information</b></p> <p>If the applicant (A) is an individual, an email address at which the Registrar may contact A (not being an email address that is used in connection with providing the financial service).</p> <p>If the FMA informs the Registrar that a registered financial service provider has become a person that holds, or is an authorised body under, a market services licence that covers a service referred to in section 390 of the FMC Act, the name and business address of the FMA and the information specified in item 5 of Schedule 3.</p> <p>Confirmation of whether the applicant is, or will be, a reporting entity to which the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 applies.</p> <p>If the applicant (A) is, or will be, a reporting entity to which the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 applies, a statement of A's AML/CFT supervisor under that Act.</p>	<p>✓</p>	<p>✓</p>	<p>✓</p>

## Schedule 6

### Determining minimum thresholds under section 7A(2)(c) of Act

rr 8, 14 to 17, 19, 20

<b>Column 1</b>	<b>Column 2</b>
<p><b>Financial service</b> Financial advice service (section 5(1)(a) of the Act) provided only to wholesale clients</p>	<p><b>Amount that applies under regulation 15(2)(b), 16(2)(b), 17(2)(b), 20(1)(c)(ii)</b> The amount is the total revenue derived during the relevant period from providing the service to wholesale clients that are New Zealand residents (including fees and commissions).</p>
<p>Regulated client money or property service (including a custodial service) (section 5(1)(ab) of the Act)</p>	<p>The amount is the higher of—</p> <ul style="list-style-type: none"> <li>(a) the total amount of the client money and the estimated market value of client property that, under the service, is received during the relevant period from, or on account of, clients that are New Zealand residents; and</li> <li>(b) the total amount of the client money and the estimated market value of client property that, under the service, is held on behalf of clients that are New Zealand residents at the end of the relevant period.</li> </ul>
<p>Keeping, investing, administering, or managing money, securities, or investment portfolios on behalf of other persons (section 5(1)(d) of the Act)</p>	<p>The amount is the higher of—</p> <ul style="list-style-type: none"> <li>(a) the total amount of the money and the estimated market value of the securities and investment portfolios that, under the service, is received during the relevant period from, or on account of, clients that are New Zealand residents; and</li> <li>(b) the total amount of the money and the estimated market value of the securities and investment portfolios that, under the service, is held on behalf of clients that are New Zealand residents at the end of the relevant period.</li> </ul>
<p>Being a creditor under a credit contract (section 5(1)(e) of the Act) if the service only relates to non-consumer credit contracts</p>	<p>The amount is the total amount of interest payable during the relevant period under non-consumer credit contracts entered into under the service by debtors who are New Zealand residents.</p>
<p>Operating a money or value transfer service (section 5(1)(f) of the Act)</p>	<p>The amount is the total amount of the money and the estimated market value of other property that is transferred during the relevant period under the service on behalf of clients who are New Zealand residents.</p>
<p>Issuing or managing means of payment (section 5(1)(g) of the Act)</p>	<p>The amount is the total revenue derived during the relevant period from providing the service to New Zealand residents (including revenue received from the client or another person).</p>
<p>Giving financial guarantees (section 5(1)(h) of the Act)</p>	<p>The amount is the total revenue derived during the relevant period from providing the service to New Zealand residents.</p>
<p>Acting as an offeror of financial products offered under an FMC offer (section 5(1)(i) of the Act)</p>	<p>The amount is the total amount of money of the kind referred to in section 87 of the FMC Act that is paid during the relevant period to the offeror by investors who are New Zealand residents.</p>

**Column 1****Financial service**

Acting as an issuer in respect of regulated products or financial products offered under an FMC offer (section 5(1)(ia)(i) of the Act)

Acting as an investment manager in respect of regulated products or financial products offered under an FMC offer (section 5(1)(ia)(iii) of the Act)

Acting as a custodian in respect of a registered scheme or a discretionary investment management service provided by a DIMS licensee (section 5(1)(ic) of the Act)

Operating a financial product market (section 5(1)(id) of the Act) if the market is exempt under section 312(1)(a) of the FMC Act

Trading financial products or foreign exchange on behalf of other persons (section 5(1)(k) of the Act)

Providing forward foreign exchange contracts (section 5(1)(l) of the Act)

Acting as an insurer (section 5(1)(m) of the Act) if the insurer is not a licensed insurer

Providing a service prescribed under regulation 5 that is the same, or substantially the same, as a market service (section 5(1)(ma) of the Act)

**Column 2****Amount that applies under regulation 15(2)(b), 16(2)(b), 17(2)(b), 20(1)(c)(ii)**

For the purpose of the calculation under this item, section 87 of the FMC Act applies to an offer referred to in section 5(3)(b) of the Act with all necessary modifications.

The amount is the total amount of money referred to in section 87 of the FMC Act that is paid during the relevant period to the issuer by investors who are New Zealand residents.

For the purpose of the calculation under this item, section 87 of the FMC Act applies to an offer referred to in section 5(3)(b) of the Act with all necessary modifications.

The amount is the total amount under management under the service at the end of the relevant period in respect of investors who are New Zealand residents.

The amount is the higher of—

- (a) the total amount of the money and the estimated market value of other property that, under the service, is received during the relevant period from, or on account of, investors that are New Zealand residents; and
- (b) the total amount of the money and the estimated market value of other property that, under the service, is held on behalf of investors that are New Zealand residents at the end of the relevant period.

The amount is the estimated total value of the financial products acquired during the relevant period by New Zealand residents under transactions on the market.

The amount is the estimated total value of financial products and foreign exchange traded during the relevant period under the service on behalf of persons who receive the service who are New Zealand residents.

The amount is the total amount received during the relevant period under contracts provided under the service from clients who are New Zealand residents (including amounts in the form of margins and amounts paid on settlement).

The amount is the total amount of premiums received during the relevant period under the service by the insurer from, or on account of, policyholders that are New Zealand residents.

The amount is the total revenue derived during the relevant period from providing the service to wholesale clients that are New Zealand residents (including fees and commissions).

Michael Webster,  
Clerk of the Executive Council.

## Explanatory note

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations, which come into force on 15 March 2021, revoke and replace the Financial Service Providers (Registration) Regulations 2010 (the **2010 regulations**).

The Financial Service Providers (Registration and Dispute Resolution) Act 2008 (the **Act**) provides for a register of financial service providers (the **register**) to be maintained by the Registrar of Financial Service Providers (the **Registrar**). These regulations prescribe various matters relating to registration under that Act, including—

- information to be provided when applying for registration (*see regulation 7*);
- information to be contained in the register (*see regulation 9*);
- circumstances in which access to the register may be refused or its operation suspended (*see regulation 10*);
- information to be contained in an annual confirmation (*see regulation 11*);
- circumstances in which the register must be amended (*see regulation 12*).

These regulations substantially carry over the requirements from the 2010 regulations. However, changes have been made to take into account the main commencement of the Financial Services Legislation Amendment Act 2019 (the **2019 Act**). These include providing for more information to be included in the register about the circumstances in which a financial service is being provided (for example, whether the provider will hold a licence to provide the service).

These regulations include other changes relating to the 2019 Act, including—

- prescribing circumstances in which registration for certain overlapping services is not required (*see regulation 6*);
- prescribing information that the Registrar may require a person to provide (*see regulation 8*). This information will assist the Registrar to determine whether the Act applies to a person;
- prescribing a threshold for providing certain financial services to persons in New Zealand (*see regulations 14 to 21*). If a service is only provided below the threshold, the Act may not apply to the person under section 7A(1)(a) and they may, accordingly, be deregistered;
- requiring providers to give a warning about a lack of active regulation in certain circumstances (*see regulations 23 and 24*).

### Regulatory impact assessment

The Ministry of Business, Innovation, and Employment produced a regulatory impact assessment in June 2019 to help inform the decisions taken by the Government relating to the contents of this instrument.

A copy of this regulatory impact assessment can be found at—

- <https://www.mbie.govt.nz/assets/433d0dd8f9/impact-summary-regulations-to-help-address-misuse-of-the-financial-service-providers-register.pdf>
- <http://www.treasury.govt.nz/publications/informationreleases/ria>

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These regulations are administered by the Ministry of Business, Innovation, and Employment.