



Anti-Money Laundering and Countering Financing of Terrorism (Requirements and Compliance) Amendment Regulations 2016

Jerry Mateparae, Governor-General

Order in Council

At Wellington this 7th day of June 2016

Present:

The Right Hon John Key presiding in Council

These regulations are made under sections 60 and 153 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 on the advice and with the consent of the Executive Council.

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Regulations

1 Title

These regulations are the Anti-Money Laundering and Countering Financing of Terrorism (Requirements and Compliance) Amendment Regulations 2016.

2 Commencement

These regulations come into force on 15 July 2016.

3 Principal regulations

These regulations amend the Anti-Money Laundering and Countering Financing of Terrorism (Requirements and Compliance) Regulations 2011 (the **principal regulations**).

4 Schedule 2 amended

- (1) This regulation amends Schedule 2.
- (2) In question 2.1, replace “(refer to New Zealand’s Financial Service Providers Register)” with “(if applicable)”.
- (3) In question 2.4,—
 - (a) replace “AML/CFT contact telephone number (if available)” with “AML/CFT contact telephone number:”; and
 - (b) replace “AML/CFT email address (if available)” with “AML/CFT contact email address (if available)”.
- (4) In question 3.3, replace “physical branch locations” with “physical locations”.
- (5) In question 3.5, replace “branches” with “physical locations”.
- (6) In Part 2, note, replace “(the **AML/CFT Act 2009**)” with “(the **Act**)”.
- (7) In question 4.1, replace “AML/CFT Act 2009” with “Act”.
- (8) In question 4.2, replace “does not meet all of the requirements of section 58 of the AML/CFT Act 2009,” with “meets only some of the requirements of section 58 of the Act.”.
- (9) Replace questions 4.3 to 4.8 with:
 - 4.3 When was the most recent internal review of the risk assessment completed? [*date*]
 - 4.4 Has the risk assessment been independently audited?
Yes/No*
*Select one.
 - 4.5 If yes to 4.4, when was the most recent audit of the risk assessment completed? [*date*]
 - 4.6 If yes to 4.4, did the most recent audit of the risk assessment highlight any deficiencies?
Yes/No*
*Select one.

- 4.7 If yes to 4.4 and 4.6, have you made the changes identified as being necessary in the most recent audit?
Yes, complete/Not yet complete*
*Select one.
- 4.8 During the year, did you make available a new product, service, or channel?
Yes/No*
*Select one.
- 4.9 If yes to 4.8, before making this product, service, or channel available, did you assess the ML/TF risk?
Yes/No*
*Select one.

- (10) In question 5.1, replace “AML/CFT Act 2009” with “Act”.
- (11) In question 5.2, replace “does not meet all the requirements of section 57 of the AML/CFT Act 2009,” with “meets only some of the requirements of section 57 of the Act,”.

- (12) Replace questions 5.3 to 5.7 with:

- 5.3 When was the most recent internal review of the programme completed?
[date]
- 5.4 Has the programme been independently audited?
Yes/No*
*Select one.
- 5.5 If yes to 5.4, when was the most recent audit of the programme completed? [date]
- 5.6 If yes to 5.4, did the most recent audit of the programme highlight any deficiencies?
Yes/No*
*Select one.
- 5.7 If yes to 5.4 and 5.6, have you made the changes identified as being necessary in the most recent audit?
Yes, complete/Not yet complete*
*Select one.

- (13) In question 5.9, replace “Identity Verification Code of Practice 2011” with “Amended Identity Verification Code of Practice 2013”.
- (14) In question 5.10, replace “AML/CFT Act 2009” with “Act”.
- (15) In question 5.11, after “transaction monitoring”, insert “and account monitoring”.

- (16) In question 6.2, replace the heading above item 23 with “*Service provision*”.
- (17) In question 6.2, replace items 35 to 46 with:

- 35 Derivatives trading
- 36 Issuing derivatives, including derivatives or futures contracts, contracts for difference (CFDs), margin foreign exchange, forward foreign exchange contracts, and rolling spot contracts
- 37 Providing a brokers’ cash management account
- 38 Providing other brokering services
- 39 Funds management and administration of superannuation and KiwiSaver funds
- 40 Funds management and administration of retail and wholesale funds, including—
 - (a) unit trusts, PIE, hedge funds, option funds, commodity funds, fund of funds, foreign unit trusts, group investment funds, collective investment schemes, and listed investment trusts:
 - (b) property investment schemes, land investment products, property syndicates, forestry syndicates, listed property trusts, unlisted property trusts, and real estate investment trusts:
 - (c) venture capital and private equity funds:
 - (d) exchange traded funds (ETFs):
 - (e) all other funds (list these types in the notes section in Part 6)
- 41 Discretionary investment management services (including class and personalised)
- 42 Financial advice or financial planning
- 43 Custodian services
- 44 Issuing debt securities (including investment grade bonds, below investment grade bonds, warrants, perpetual or subordinated debt, structured debt issues (such as collateralised debt obligations (CDOs) and mortgage backed securities), and capital guaranteed and capital protected investments)
- 45 Issuing equity securities (including ordinary and preference shares, and private equity)

46	Supervisory activities
46A	Treasury functions (including services provided between related entities)
46B	Operating a financial product market
46C	Peer-to-peer lending services
46D	Crowd funding services

- (18) In question 7.3, replace “trusts or other vehicles” with “a trust or another vehicle”.
- (19) In question 7.5, replace “If customers are non-residents, estimate percentages as at the end of the year [%]” with “Estimate, as at the end of the reporting period, the percentages of the following types of customers”.
- (20) In question 8.1, item 3, replace “(excluding employees acting as advisers working outside of main offices)” with “(exclude your reporting entity’s employees)”.
- (21) In question 8.1, item 4, replace “(excluding employees acting as advisers working outside of main offices)” with “(exclude your reporting entity’s employees)”.
- (22) In question 8.1, item 5, after “Other”, insert “(list these other methods of acceptance in the notes section in Part 6)”.
- (23) Replace question 10.1 with:
- 10.1 Identify the sub-sector(s) that your reporting entity belongs to: issuer of securities/licensed supervisors/fund managers/brokers and custodians/financial advisers/derivative issuers/DIMS providers/peer-to-peer lenders/equity crowd funding service providers/other (specify in the notes section in Part 6)*
- *Select all that are relevant.
- (24) In Part 6, reminder, replace “AML/CFT Act 2009” with “Act”.

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 July 2016, amend the Anti-Money Laundering and Countering Financing of Terrorism (Requirements and Compliance) Regulations 2011 (the **principal regulations**). The amendments to Schedule 2 of the principal regulations, which sets out the form of annual AML/CFT reports, clarify the information that entities need to provide and make several consequential adjustments to ensure consistency with the Financial Markets Conduct Act 2013.

**Anti-Money Laundering and Countering Financing of
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