

FINAL REGULATORY RETURNS QUESTION SET FOR CLASS 3 FINANCIAL ADVICE PROVIDERS

Overview of Class 3 FAP Regulatory Returns

- The regulatory returns are due by 30 September for the 12-month period from 1 July to 30 June (**period of return**).
- Regulatory returns will be completed using an online form.
- Where we already hold relevant data, this will be pre-populated. The name of the licensed FAP will also pre-populate within the online form in all places which include '[FAP NAME]'.
- The online form is dynamic. Class 3 FAPs will only see relevant questions depending on the options they select. For example, if you do not indicate you will be providing a digital advice facility, you will not see the questions relating to digital advice.
- The comments in red explain when a question will be displayed (if it is not applicable to all FAPs).
- This regulatory return includes the activities of all authorised bodies or engaged entities under your FAP licence. Only one regulatory return is to be submitted regardless of the number of authorised bodies under the FAP. For example, if you have 50 authorised bodies you should only submit 1 regulatory return.
- There are 8 Sections in this regulatory return which are outlined below. Each question includes guidance and rationale to assist with preparing a response and explaining the reason(s) for the question. While this question set finalises the nature and scope of the information we will ask for, the wording of the questions is indicative only, and may change in the final version of the regulatory returns submission form. The FMA will be engaging with the market once the online form is available in 2024.

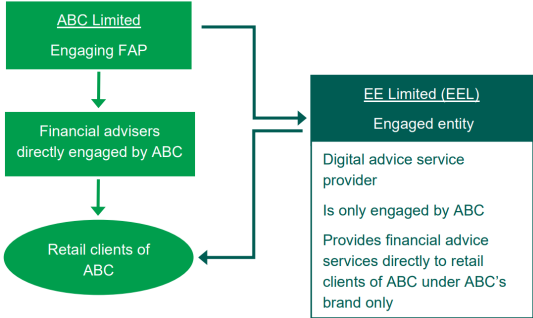


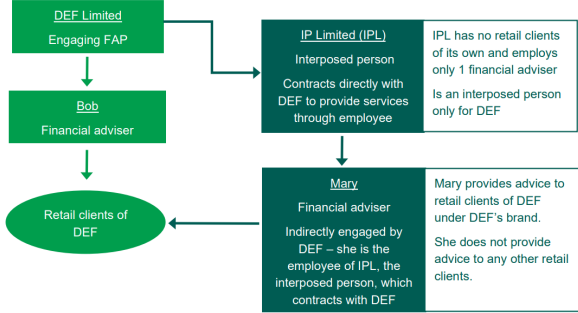
Part	#	Questions we will ask you	Guidance			
BEFORE YOU BEGIN		Please enter your Financial Services Provider (FSP) number.	This is the number associated with the Financial Service Providers Register (FSPR). If you have more than one FSP number (e.g., one as a Financial Adviser and one for a business), it is important you enter the FSP number that is specific to the licence.			
		Name of licenced Financial Advice Provider (FAP). [THIS WILL PRE-POPULATE THE FAP DETAILS]				
		Class of licensed FAP. [THIS WILL PRE-POPULATE THE CLASS]	The FMA specifies three licence classes for FAPs. Please see here for more information.			
		Are you filing this return on behalf of [FAP NAME] and do you have authorisation from [FAP NAME] to file on its behalf? <ul style="list-style-type: none"> • Yes • No 	The purpose of this question is to ensure the person attests to having permission to complete the regulatory return on behalf of the FAP. If you are an FAP operating as an individual (and not an entity), then select 'yes' to this question.			
		Below is a list of the regulatory return filings for which [FAP NAME] is registered. Select one of the options below to continue with the annual return filing.	The online form will populate a list of regulatory returns that are applicable for your business. You will need to select FAP regulatory returns. For example, if you have more than one licence-type, or are an AML/CFT reporting entity, you may have multiple options to choose from. Please select the regulatory return relevant to your FAP licence.			
		Reporting period details [THIS WILL PRE-POPULATE THE CORRECT REPORTING PERIOD] Are the entity details (including the licence class) and the period shown above correct? <ul style="list-style-type: none"> • Yes • No 	Please check the above entity details (including the licence class) and reporting period to ensure they are correct.			
PART 1 – BUSINESS AND INFRASTRUCTURE	1.	Business structure Please answer the following questions that relate to [FAP NAME]'s business structure.				
	a.	Select how [FAP NAME] operates under its FAP licence? <table border="1" style="width: 100%;"> <tr> <td>FAP operating as an individual</td> <td><input type="checkbox"/></td> </tr> <tr> <td>FAP operating as an entity</td> <td><input type="checkbox"/></td> </tr> </table>	FAP operating as an individual	<input type="checkbox"/>	FAP operating as an entity	<input type="checkbox"/>
FAP operating as an individual	<input type="checkbox"/>					
FAP operating as an entity	<input type="checkbox"/>					

		Conduct Act 2013. This will include updated information on the nature, size and complexity of your financial advice provider service”.												
b.	<p>Select which ways [FAP NAME] provides its regulated financial advice? Select all that apply.</p> <table border="1" data-bbox="331 400 768 639"> <tr> <td>Through engaging one or more financial advisers</td> <td></td> </tr> <tr> <td>Through engaging one or more nominated representatives</td> <td></td> </tr> <tr> <td>Directly as the FAP through non digital means</td> <td></td> </tr> <tr> <td>Directly through a digital advice facility (See Note 1)</td> <td></td> </tr> </table>	Through engaging one or more financial advisers		Through engaging one or more nominated representatives		Directly as the FAP through non digital means		Directly through a digital advice facility (See Note 1)		<p>The purpose of this question is to obtain an up-to-date understanding of the business structure of the FAP.</p> <p>Note 1: A FAP licence to provide regulated financial advice service may cover regulated financial advice provided by a natural person, or otherwise, including a digital advice facility.</p> <p>A digital advice facility (also known as 'robo-advice') is automated regulated financial advice generated by a computer programme using algorithms and based on the information provided to a FAP – usually via a website or mobile app – without any direct human involvement at the institutions’ end.</p> <p>Please note that a digital advice facility is not where a FAP provides regulated financial advice merely through digital means, e.g. a website, emails or text messages.</p>				
Through engaging one or more financial advisers														
Through engaging one or more nominated representatives														
Directly as the FAP through non digital means														
Directly through a digital advice facility (See Note 1)														
2.	<p>Confirm how long has [FAP NAME] been providing financial advice in the New Zealand market?</p> <p>[THIS WILL PRE-POPULATE FROM DATA WE ALREADY HOLD ABOUT YOU]</p> <table border="1" data-bbox="331 916 768 1114"> <tr> <td>Less than or equal to 6 months</td> <td></td> </tr> <tr> <td>Greater than 6 months to 1 year</td> <td></td> </tr> <tr> <td>Greater than 1 year to 3 years</td> <td></td> </tr> <tr> <td>Greater than 3 years to 5 years</td> <td></td> </tr> <tr> <td>Greater than 5 years to 10 years</td> <td></td> </tr> <tr> <td>Greater than 10 years</td> <td></td> </tr> </table>	Less than or equal to 6 months		Greater than 6 months to 1 year		Greater than 1 year to 3 years		Greater than 3 years to 5 years		Greater than 5 years to 10 years		Greater than 10 years		<p>The purpose of this question is to obtain an up-to-date understanding of the business structure of the FAP.</p> <p>This question should be answered as at the end of the return period.</p> <p>Your answer should be based on the date the entity or individual commenced providing financial advice in New Zealand. This is not necessarily the date the FAP or TFAP licence was granted.</p> <p>e.g., If the FAP has been providing financial advice since 2002 then you select the greater than 10 years option.</p>
Less than or equal to 6 months														
Greater than 6 months to 1 year														
Greater than 1 year to 3 years														
Greater than 3 years to 5 years														
Greater than 5 years to 10 years														
Greater than 10 years														
3.	<p>Financial Advisers (FA)</p> <p>Please provide the number of Financial Advisers engaged under [FAP NAME]’s FAP licence, as at the end of the return period.</p>	<p>The purpose of this question is to obtain an up-to-date understanding on how the FAP provides regulated financial advice.</p> <p>When you engage a Financial Adviser under your own FAP licence, you must record details of the engagement on the FSPR. This number must be consistent with the information as at the 30 June on the FSPR.</p>												

		This number should include all Financial Advisers who are engaged directly and through Authorised Bodies.								
4.	<p>[QUESTIONS 4 TO 4b REGARDING NOMINATED REPRESENTATIVES WILL ONLY APPEAR IF NOMINATED REPRESENTATIVES ARE SELECTED IN QUESTION 1b]</p> <p>Nominated Representatives (NR)</p> <p>Please provide answers to the following questions about the Nominated Representatives who are engaged under [FAP NAME]'s FAP licence.</p>									
a.	<p>How many Nominated Representatives are engaged under [FAP NAME]'s FAP licence, as at the end of the return period?</p> <p>NR = <input type="text"/></p>	<p>The purpose of this question is to obtain an up-to-date understanding on how the FAP provides regulated financial advice.</p> <p>A FAP must keep an up-to-date record of its Nominated Representatives. See section 431T of the Financial Markets Conduct Act 2013.</p>								
b.	<p>Select which of the options below best reflects [FAP NAME]'s processes and controls in respect to the regulated financial advice given by its Nominated Representatives during the return period.</p> <table border="1"> <tr> <td>Processes and controls are established, and reviewed at least annually</td> <td></td> </tr> <tr> <td>Processes and controls are established, and reviewed when required</td> <td></td> </tr> <tr> <td>Processes and controls are established, but are not reviewed</td> <td></td> </tr> <tr> <td>Processes and controls are not established.</td> <td></td> </tr> </table>	Processes and controls are established, and reviewed at least annually		Processes and controls are established, and reviewed when required		Processes and controls are established, but are not reviewed		Processes and controls are not established.		<p>The purpose of this question is to obtain an understanding of how the FAP views their arrangement to limit the nature and scope and regulate the financial advice given by Nominated Representatives.</p> <p>This question asks for the FAP's self-assessment of their processes and controls that limit the nature and scope of the advice that Nominated Representatives give, and regulate what advice is given and the circumstances in which it is given to customers.</p> <p>By 'established', we mean approved, documented and operating in practice.</p> <p>By 'reviewed', this can be either an internal or external review of the process. The duties of FAPs who engage Nominated Representatives are explained in section 431R of the Financial Markets Conduct Act 2013.</p>
Processes and controls are established, and reviewed at least annually										
Processes and controls are established, and reviewed when required										
Processes and controls are established, but are not reviewed										
Processes and controls are not established.										
5.	<p>[QUESTIONS 5 TO 5b REGARDING AUTHORISED BODIES WILL ONLY APPEAR IF THE FSP NUMBER ENTERED AT THE BEGINNING OF THE REGULATORY RETURN HAS AUTHORISED BODIES ON THE FSPR]</p> <p>Authorised Bodies (AB)</p> <p>Please provide answers to the following questions about Authorised Bodies who are named on [FAP NAME]'s FAP licence as at the end of the reporting period.</p>									

a.	<p>Please provide the number of Authorised Bodies named on [FAP NAME]'s FAP licence at the end of the return period.</p>	<p>The purpose of this question is to obtain an up-to-date understanding on how the FAP provides regulated financial advice.</p> <p>An Authorised Body is an entity named on your licence who can provide the licensed service without needing its own licence.</p> <p>All Authorised Bodies named on your licence must be registered on the FSPR as a FAP.</p>								
b.	<p>Select which of the options below best reflects [FAP NAME]'s processes and controls to maintain control and supervision over the provision of regulated financial advice by its Authorised Bodies during the return period.</p> <table border="1" data-bbox="331 708 730 1038"> <tr> <td>Processes and controls are established, and reviewed at least annually</td> <td></td> </tr> <tr> <td>Processes and controls are established, and reviewed when required</td> <td></td> </tr> <tr> <td>Processes and controls are established, but are not reviewed</td> <td></td> </tr> <tr> <td>Processes and controls are not established</td> <td></td> </tr> </table>	Processes and controls are established, and reviewed at least annually		Processes and controls are established, and reviewed when required		Processes and controls are established, but are not reviewed		Processes and controls are not established		<p>The purpose of this question is to obtain an up-to-date understanding of how the FAP views their processes and controls to maintain control and supervision over Authorised Bodies providing regulated financial advice.</p> <p>This question asks for the FAP's self-assessment of their supervision and controls over the provision of the regulated financial advice service by any Authorised Body named under its licence.</p> <p>By 'established', we mean approved, documented and operating in practice.</p> <p>By 'reviewed', this can be either an internal or external review of the process.</p> <p>Licences that cover Authorised Bodies are explained in section 400 of the Financial Markets Conduct Act 2013.</p>
Processes and controls are established, and reviewed at least annually										
Processes and controls are established, and reviewed when required										
Processes and controls are established, but are not reviewed										
Processes and controls are not established										
6.	<p>Directly engaged entities</p> <p>Does [FAP NAME] have arrangements in place where it <u>directly</u> engages entities to provide regulated financial advice on its behalf?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to obtain an up-to-date understanding of the business structure of the FAP.</p> <p>This question relates to an arrangement where a FAP has chosen to engage an entity directly to give regulated financial advice on the engaging FAP's behalf.</p> <p>This does not relate to regulated financial advice being provided by individuals directly engaged by the FAP, or those individuals who are indirectly engaged via an interposed persons arrangement.</p> <p><u>Who is an engaged entity?</u> The diagram below provides an example of an engaged entity.</p>								

		 <p>In this example, ABC is a FAP that directly engages Financial Advisers to provide regulated financial advice on its behalf to its retail clients. ABC also has an arrangement in place with EEL, an entity that provides regulated financial advice to retail clients of ABC through a digital advice service. ABC has a FAP full licence (Class 3) and has received approval from the FMA that it can engage EEL to provide regulated financial advice on its behalf.</p> <p>A FAP that engages another person to give regulated financial advice must take all reasonable steps to ensure they comply with the relevant duties. This requirement is set out in section 431Q of the Financial Markets Conduct Act 2013.</p>
7.	<p>Interposed person</p> <p>Does [FAP NAME] have arrangements in place where it <u>indirectly</u> engages individuals via an interposed person to provide regulated financial advice on its behalf?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to obtain an up-to-date understanding of the business structure of the FAP. An interposed persons arrangement is where a FAP engages individuals (whether Financial Advisers and/or Nominated Representatives) <u>indirectly</u> through one or more other persons (the ‘interposed persons’) to give regulated financial advice on behalf of the engaging FAP.</p> <p>This does not relate to regulated financial advice being provided by individuals or entities directly engaged by the licensed FAP.</p> <p><u>What is an interposed person?</u> The diagram below provides an example of an interposed person.</p>

		 <p>In this example, DEF is operating under a FAP full licence and directly engages Bob to provide regulated financial advice to DEF’s retail clients. Bob’s entry on the FSPR shows that he is engaged by DEF. Meanwhile, Mary is also a Financial Adviser who is indirectly engaged by DEF, through the entity IPL, to provide regulated financial advice on financial products to DEF’s retail clients. DEF has a FAP full licence (Class 2) and has received approval from the FMA to engage IPL as an interposed person to provide regulated financial advice on its behalf. Mary’s entry on the FSPR shows she is a Financial Adviser engaged by DEF, in addition to her engagement by IPL.</p> <p>This information sheet provides details on the FMA's approach to licensing FAPs involving interposed persons or engaged entities.</p>
8.	<p>Competence, knowledge, and skill</p> <p>Please provide answers to the following questions about competence, knowledge, and skill.</p>	
a.	<p>[THIS QUESTION WILL ONLY APPEAR IF YOU HAVE SELECTED THAT YOU PROVIDE ADVICE DIRECTLY IN QUESTION 1b OR IF YOU HAVE SELECTED FAP OPERATING AS AN INDIVIDUAL IN QUESTION 1a]</p> <p>How does [FAP NAME] meet the competence, knowledge and skill requirements for the regulated financial advice that it provides?</p> <p>Select all that apply.</p>	<p>The purpose of this question is to understand how those engaged by the FAP meet the competence, knowledge, and skill requirement of the Code of Professional Conduct for Financial Advice.</p> <p>Note 1: This includes the relevant strand(s) for product specific advice and/or the investment strand for investment planning.</p> <p>Note 2: An AFA was a person who was (immediately before the commencement of the Code) permitted to provide financial adviser services and/or investment planning services in relation to the financial advice product the advice relates to.</p>

	<table border="1"> <tr> <td data-bbox="327 140 712 233">Holds version 1 or 2 of the New Zealand Certificate in Financial Services (Level 5) (Note 1)</td> <td data-bbox="712 140 768 233"></td> </tr> <tr> <td data-bbox="327 233 712 325">Holds the National Certificate in Financial Services (Financial Advice) (Level 5)</td> <td data-bbox="712 233 768 325"></td> </tr> <tr> <td data-bbox="327 325 712 443">Was an Authorised Financial Adviser (AFA) immediately before the commencement of the Code (Note 2)</td> <td data-bbox="712 325 768 443"></td> </tr> <tr> <td data-bbox="327 443 712 536">Gives financial advice only through an individual who satisfies any of the ways stated above</td> <td data-bbox="712 443 768 536"></td> </tr> <tr> <td data-bbox="327 536 712 679">Competence, knowledge and skill demonstrated by reference to financial advice providers procedures, systems and expertise (Note 3)</td> <td data-bbox="712 536 768 679"></td> </tr> <tr> <td data-bbox="327 679 712 798">Competence, knowledge and skill demonstrated by reference to an alternative qualification or experience (Note 3)</td> <td data-bbox="712 679 768 798"></td> </tr> <tr> <td data-bbox="327 798 712 890">Competence, knowledge and skill demonstrated by other means (Note 4)</td> <td data-bbox="712 798 768 890"></td> </tr> </table>	Holds version 1 or 2 of the New Zealand Certificate in Financial Services (Level 5) (Note 1)		Holds the National Certificate in Financial Services (Financial Advice) (Level 5)		Was an Authorised Financial Adviser (AFA) immediately before the commencement of the Code (Note 2)		Gives financial advice only through an individual who satisfies any of the ways stated above		Competence, knowledge and skill demonstrated by reference to financial advice providers procedures, systems and expertise (Note 3)		Competence, knowledge and skill demonstrated by reference to an alternative qualification or experience (Note 3)		Competence, knowledge and skill demonstrated by other means (Note 4)			<p>Note 3: If a person seeks to demonstrate competence, knowledge, and skill by reference to an alternative qualification or experience, or procedures, systems, and expertise - they should do so in an objective, measurable and independently verifiable manner.</p> <p>Note 4: select this option only if none of the above are suitable, for example, if you are using qualifications and training under the Australian education and training standards for relevant providers. This is recognised as meeting standards 6 to 8 of the Code.</p> <p>A person must not give regulated financial advice unless the person meets the standard of general competence, knowledge, and skill.</p> <p>These standards are set out in Part 2 of the Code of Professional Conduct for Financial Advice Services (the Code).</p>
Holds version 1 or 2 of the New Zealand Certificate in Financial Services (Level 5) (Note 1)																	
Holds the National Certificate in Financial Services (Financial Advice) (Level 5)																	
Was an Authorised Financial Adviser (AFA) immediately before the commencement of the Code (Note 2)																	
Gives financial advice only through an individual who satisfies any of the ways stated above																	
Competence, knowledge and skill demonstrated by reference to financial advice providers procedures, systems and expertise (Note 3)																	
Competence, knowledge and skill demonstrated by reference to an alternative qualification or experience (Note 3)																	
Competence, knowledge and skill demonstrated by other means (Note 4)																	
b.	<p>[THIS QUESTION WILL ONLY APPEAR IF YOU HAVE SELECTED THAT YOU PROVIDE ADVICE VIA ENGAGING FINANCIAL ADVISERS OR NOMINATED REPRESENTATIVES IN QUESTION 1b]</p> <p>How do those engaged by [FAP NAME] to provide regulated financial advice on behalf of the [FAP NAME] meet the competence, knowledge and skill requirements for the advice that it provides?</p>	<p>The purpose of this question is to understand how those engaged by the FAP meet the competence, knowledge, and skill requirement of the Code of Professional Conduct for Financial Advice.</p> <p>Note 1: This includes the relevant strand(s) for product specific advice and/or the investment strand for investment planning.</p> <p>Note 2: An AFA was a person who was (immediately before the commencement of the Code) permitted to provide financial adviser services and/or investment planning services in relation to the financial advice product the advice relates to.</p>															

	<p>Select all that apply.</p> <table border="1"> <tr> <td data-bbox="331 172 712 260">Hold/s version 1 or 2 of the New Zealand Certificate in Financial Services (Level 5). (Note 1)</td> <td data-bbox="712 172 768 260"></td> </tr> <tr> <td data-bbox="331 260 712 347">Hold/s the National Certificate in Financial Services (Financial Advice) (Level 5)</td> <td data-bbox="712 260 768 347"></td> </tr> <tr> <td data-bbox="331 347 712 467">Was/were Authorised Financial Adviser/s (AFA) immediately before the commencement of the Code (Note 2)</td> <td data-bbox="712 347 768 467"></td> </tr> <tr> <td data-bbox="331 467 712 555">Gives financial advice only through an individual who satisfies any of the ways stated above</td> <td data-bbox="712 467 768 555"></td> </tr> <tr> <td data-bbox="331 555 712 707">Competence, knowledge and skill demonstrated by reference to the financial advice providers procedures, systems and expertise (Note 3)</td> <td data-bbox="712 555 768 707"></td> </tr> <tr> <td data-bbox="331 707 712 826">Competence, knowledge and skill demonstrated by reference to an alternative qualification or experience (Note 3)</td> <td data-bbox="712 707 768 826"></td> </tr> <tr> <td data-bbox="331 826 712 914">Competence, knowledge and skill demonstrated by other means (Note 4)</td> <td data-bbox="712 826 768 914"></td> </tr> </table>	Hold/s version 1 or 2 of the New Zealand Certificate in Financial Services (Level 5). (Note 1)		Hold/s the National Certificate in Financial Services (Financial Advice) (Level 5)		Was/were Authorised Financial Adviser/s (AFA) immediately before the commencement of the Code (Note 2)		Gives financial advice only through an individual who satisfies any of the ways stated above		Competence, knowledge and skill demonstrated by reference to the financial advice providers procedures, systems and expertise (Note 3)		Competence, knowledge and skill demonstrated by reference to an alternative qualification or experience (Note 3)		Competence, knowledge and skill demonstrated by other means (Note 4)		<p>Note 3: If a person seeks to demonstrate competence, knowledge, and skill by reference to an alternative qualification or experience, or procedures, systems, and expertise - they should do so in an objective, measurable and independently verifiable manner.</p> <p>Note 4: select this option only if none of the above are suitable, for example, if you are using qualifications and training under the Australian education and training standards for relevant providers. This is recognised as meeting standards 6 to 8 of the Code.</p> <p>A person must not give regulated financial advice unless the person meets the standard of general competence, knowledge, and skill.</p> <p>These standards are set out in Part 2 of the Code of Professional Conduct for Financial Advice Services (the Code).</p>
Hold/s version 1 or 2 of the New Zealand Certificate in Financial Services (Level 5). (Note 1)																
Hold/s the National Certificate in Financial Services (Financial Advice) (Level 5)																
Was/were Authorised Financial Adviser/s (AFA) immediately before the commencement of the Code (Note 2)																
Gives financial advice only through an individual who satisfies any of the ways stated above																
Competence, knowledge and skill demonstrated by reference to the financial advice providers procedures, systems and expertise (Note 3)																
Competence, knowledge and skill demonstrated by reference to an alternative qualification or experience (Note 3)																
Competence, knowledge and skill demonstrated by other means (Note 4)																
9.	<p>Select the option that best reflects the processes that [FAP NAME] has in place to ensure all individuals engaged by [FAP NAME] maintain competence, knowledge and skill for the regulated financial advice given during the return period.</p> <table border="1"> <tr> <td data-bbox="331 1050 656 1137">Processes and controls are established, and reviewed at least annually</td> <td data-bbox="656 1050 730 1137"></td> </tr> <tr> <td data-bbox="331 1137 656 1225">Processes and controls are established, and reviewed when required</td> <td data-bbox="656 1137 730 1225"></td> </tr> <tr> <td data-bbox="331 1225 656 1313">Processes and controls are established, but are not reviewed</td> <td data-bbox="656 1225 730 1313"></td> </tr> <tr> <td data-bbox="331 1313 656 1377">Processes and controls are not established</td> <td data-bbox="656 1313 730 1377"></td> </tr> </table>	Processes and controls are established, and reviewed at least annually		Processes and controls are established, and reviewed when required		Processes and controls are established, but are not reviewed		Processes and controls are not established		<p>The purpose of this question is to obtain an up-to-date understanding of how the FAP views their processes for maintaining competency.</p> <p>This question asks for the FAP's self-assessment of arrangements in place to maintain competence, knowledge and skill.</p> <p>By 'established', we mean approved, documented and operating in practice.</p> <p>A person must not give regulated financial advice unless the person meets the standard of general competence, knowledge and skill.</p> <p>By 'reviewed', this can be either an internal or external review of the process.</p> <p>These standards are set out in Part 2 of the Code of Professional Conduct for Financial Advice Services (the Code).</p>						
Processes and controls are established, and reviewed at least annually																
Processes and controls are established, and reviewed when required																
Processes and controls are established, but are not reviewed																
Processes and controls are not established																

	<p>10. Compliance</p> <p>Is [FAP NAME] adequately resourced to manage its market service licensee obligations?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to obtain an up-to-date understanding of the FAP's views on resourcing for its compliance and oversight activities. (i.e., the nature / size of the business)</p> <p>This question asks for the FAP's self-assessment of the resourcing (including people, skills and systems) allocated to managing its license obligations.</p>							
PART 2 – LICENSED ACTIVITIES	<p>11. Client numbers</p> <p>How many NZ <u>retail and wholesale</u> clients does [FAP NAME] have at the end of the return period?</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Retail clients =</td> <td style="width: 20%;"></td> </tr> <tr> <td>Wholesale Clients =</td> <td></td> </tr> </table> <p>An estimate is sufficient (+/- 5%)</p>	Retail clients =		Wholesale Clients =		<p>The purpose of this question is to obtain an up-to-date understanding on the number of the FAP's clients and the retail and wholesale split (if applicable).</p> <p>Please answer the question as at the end of the return period.</p> <p>The question relates only to those clients who are domiciled in New Zealand.</p> <p>'Retail' clients are defined in Clause 3, Part 1, Schedule 5 of the Financial Markets Conduct Act 2013, and 'wholesale' clients are defined in Clause 4, Part 1, Schedule 5 of Financial Markets Conduct Act 2013. Standard Condition 3 – "You must provide us with the information we need to monitor your ongoing capability to effectively perform the financial advice service in accordance with the applicable eligibility criteria and other requirements in the Financial Markets Conduct Act 2013. This will include updated information on the nature, size and complexity of your financial advice provider service".</p> <p>If you do not currently have any New Zealand retail clients, enter zero.</p> <p>If you classify all your clients as retail, enter zero for wholesale clients.</p>			
	Retail clients =								
Wholesale Clients =									
<p>12. Types of regulated financial advice</p> <p>Which types of regulated financial advice does [FAP NAME] or any person engaged by [FAP NAME] provide to its retail clients? Select all that apply.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Regulated financial advice on financial advice products (Note 1)</td> <td style="width: 20%;"></td> </tr> <tr> <td>Switching funds within a managed investment scheme (including KiwiSaver) (Note 2)</td> <td></td> </tr> <tr> <td>Investment planning services (Note 3)</td> <td></td> </tr> <tr> <td>Financial planning (Note 4)</td> <td></td> </tr> </table>	Regulated financial advice on financial advice products (Note 1)		Switching funds within a managed investment scheme (including KiwiSaver) (Note 2)		Investment planning services (Note 3)		Financial planning (Note 4)		<p>The purpose of this question is to obtain an up-to-date understanding of what type of advice is provided by the FAP and/or any person engaged by the FAP.</p> <p>Note 1: A person gives regulated financial advice if the person makes a recommendation or gives an opinion about acquiring or disposing of (or not acquiring or disposing of) a financial advice product where it is given in the ordinary course of a business, and is not excluded under any of clauses 8 to 18 of Schedule 5 of the Financial Markets Conduct Act 2013.</p> <p>Note 2: A person gives regulated financial advice if the person makes a recommendation or gives an opinion about switching funds within a managed investment scheme (including KiwiSaver) where it is given in the ordinary course of a business, and is not excluded under any of clauses 8 to 18 of Schedule 5 of the Financial Markets Conduct Act 2013.</p> <p>Note 3: A person gives regulated financial advice if the person designs an investment plan that is based on an analysis of their client's current and future financial situation (and the</p>
Regulated financial advice on financial advice products (Note 1)									
Switching funds within a managed investment scheme (including KiwiSaver) (Note 2)									
Investment planning services (Note 3)									
Financial planning (Note 4)									

		<p>person’s investment goals), and provides a recommendation or opinion on how to realise one or more of those goals where it is given in the ordinary course of a business, and is not excluded under any of clauses 8 to 18 of Schedule 5 of the Financial Markets Conduct Act 2013.</p> <p>Note 4: There are currently no regulations that prescribe financial planning. A person gives regulated financial advice if the person provides financial planning of a kind prescribed by the regulations (if any) where it is given in the ordinary course of a business, and is not excluded under any of clauses 8 to 18 of Schedule 5 of the Financial Markets Conduct Act 2013.</p> <p>The meaning of financial advice and regulated financial advice is set out in section 431C of the Financial Markets Conduct Act 2013.</p>																																		
<p>13. Financial advice products</p>	<p>This section asks about the financial advice products that [FAP NAME] provide regulated financial advice on.</p>																																			
<p>a.</p>	<p>What types of financial advice products have [FAP NAME] (or any person engaged by [FAP NAME]) provided regulated financial advice to its retail clients during the return period? Select all that apply.</p> <table border="1" data-bbox="331 826 898 1391"> <tr> <td colspan="2">Debt securities (unlisted):</td> </tr> <tr> <td>• Transactional accounts</td> <td><input type="checkbox"/></td> </tr> <tr> <td>• Savings accounts</td> <td><input type="checkbox"/></td> </tr> <tr> <td>• Term deposits</td> <td><input type="checkbox"/></td> </tr> <tr> <td>• Foreign currency accounts</td> <td><input type="checkbox"/></td> </tr> <tr> <td>• Other debt securities</td> <td><input type="checkbox"/></td> </tr> <tr> <td colspan="2">Debt securities (listed)</td> </tr> <tr> <td colspan="2">Equity securities (unlisted)</td> </tr> <tr> <td colspan="2">Equity securities (listed)</td> </tr> <tr> <td colspan="2">Managed investment products:</td> </tr> <tr> <td>• KiwiSaver</td> <td><input type="checkbox"/></td> </tr> <tr> <td>• Managed investment schemes</td> <td><input type="checkbox"/></td> </tr> <tr> <td>• Other investment products</td> <td><input type="checkbox"/></td> </tr> <tr> <td colspan="2">Derivatives</td> </tr> <tr> <td colspan="2">Discretionary Investment Management Services (DIMS) facilities</td> </tr> <tr> <td colspan="2">Life insurance contracts:</td> </tr> <tr> <td>• Whole of life/endowment insurance</td> <td><input type="checkbox"/></td> </tr> </table>	Debt securities (unlisted):		• Transactional accounts	<input type="checkbox"/>	• Savings accounts	<input type="checkbox"/>	• Term deposits	<input type="checkbox"/>	• Foreign currency accounts	<input type="checkbox"/>	• Other debt securities	<input type="checkbox"/>	Debt securities (listed)		Equity securities (unlisted)		Equity securities (listed)		Managed investment products:		• KiwiSaver	<input type="checkbox"/>	• Managed investment schemes	<input type="checkbox"/>	• Other investment products	<input type="checkbox"/>	Derivatives		Discretionary Investment Management Services (DIMS) facilities		Life insurance contracts:		• Whole of life/endowment insurance	<input type="checkbox"/>	<p>The purpose of this question is to obtain an enhanced and up-to-date understanding of what financial advice products the FAP and/or any person engaged by the FAP provide advice on which includes ongoing advice to existing clients (i.e., the nature/complexity of the business).</p> <p>Select only the options that currently apply (i.e., products the FAP advised on during the return period). Do not select options simply because the FAP may expand its product offering in future.</p> <p>Financial Advice Products are defined in Section 6 of the Financial Markets Conduct Act 2013.</p> <p>Standard Condition 3 – “You must provide us with the information we need to monitor your ongoing capability to effectively perform the financial advice service in accordance with the applicable eligibility criteria and other requirements in the Financial Markets Conduct Act 2013. This will include updated information on the nature, size and complexity of your financial advice provider service”.</p> <p>You only need to include financial advice products that you currently and have advised on to retail customers in New Zealand. Do not include financial advice products that are only for customers who are outside New Zealand and/or wholesale customers.</p>
Debt securities (unlisted):																																				
• Transactional accounts	<input type="checkbox"/>																																			
• Savings accounts	<input type="checkbox"/>																																			
• Term deposits	<input type="checkbox"/>																																			
• Foreign currency accounts	<input type="checkbox"/>																																			
• Other debt securities	<input type="checkbox"/>																																			
Debt securities (listed)																																				
Equity securities (unlisted)																																				
Equity securities (listed)																																				
Managed investment products:																																				
• KiwiSaver	<input type="checkbox"/>																																			
• Managed investment schemes	<input type="checkbox"/>																																			
• Other investment products	<input type="checkbox"/>																																			
Derivatives																																				
Discretionary Investment Management Services (DIMS) facilities																																				
Life insurance contracts:																																				
• Whole of life/endowment insurance	<input type="checkbox"/>																																			

	<table border="1"> <tr><td>• Term life insurance</td><td></td></tr> <tr><td>• Trauma insurance</td><td></td></tr> <tr><td>• Total and permanent disablement insurance</td><td></td></tr> <tr><td>• Accidental death insurance</td><td></td></tr> <tr><td>• Income protection insurance</td><td></td></tr> <tr><td>• Funeral insurance</td><td></td></tr> <tr><td>• Mortgage protection insurance</td><td></td></tr> <tr><td>• Consumer debt repayment insurance</td><td></td></tr> <tr><td>• Other life insurance contracts</td><td></td></tr> <tr><td>Health insurance contracts</td><td></td></tr> <tr><td>General insurance contracts:</td><td></td></tr> <tr><td>• House insurance</td><td></td></tr> <tr><td>• Commercial Fire and General Insurance</td><td></td></tr> <tr><td>• Contents insurance</td><td></td></tr> <tr><td>• Vehicle insurance</td><td></td></tr> <tr><td>• Marine insurance</td><td></td></tr> <tr><td>• Travel insurance</td><td></td></tr> <tr><td>• Pet insurance</td><td></td></tr> <tr><td>• Other retail insurance contracts</td><td></td></tr> <tr><td>Consumer credit contracts:</td><td></td></tr> <tr><td>• Residential mortgage lending</td><td></td></tr> <tr><td>• Reverse equity home loan</td><td></td></tr> <tr><td>• Personal loans</td><td></td></tr> <tr><td>• Overdrafts</td><td></td></tr> <tr><td>• Credit cards</td><td></td></tr> <tr><td>• Other consumer credit contracts (e.g., mechanical breakdown insurance)</td><td></td></tr> <tr><td>Other financial advice products (please specify):</td><td></td></tr> <tr><td>None of the above. This FAP (including any persons engaged by it) does not provide regulated financial advice to its own clients.</td><td></td></tr> </table>	• Term life insurance		• Trauma insurance		• Total and permanent disablement insurance		• Accidental death insurance		• Income protection insurance		• Funeral insurance		• Mortgage protection insurance		• Consumer debt repayment insurance		• Other life insurance contracts		Health insurance contracts		General insurance contracts:		• House insurance		• Commercial Fire and General Insurance		• Contents insurance		• Vehicle insurance		• Marine insurance		• Travel insurance		• Pet insurance		• Other retail insurance contracts		Consumer credit contracts:		• Residential mortgage lending		• Reverse equity home loan		• Personal loans		• Overdrafts		• Credit cards		• Other consumer credit contracts (e.g., mechanical breakdown insurance)		Other financial advice products (please specify):		None of the above. This FAP (including any persons engaged by it) does not provide regulated financial advice to its own clients.		
• Term life insurance																																																										
• Trauma insurance																																																										
• Total and permanent disablement insurance																																																										
• Accidental death insurance																																																										
• Income protection insurance																																																										
• Funeral insurance																																																										
• Mortgage protection insurance																																																										
• Consumer debt repayment insurance																																																										
• Other life insurance contracts																																																										
Health insurance contracts																																																										
General insurance contracts:																																																										
• House insurance																																																										
• Commercial Fire and General Insurance																																																										
• Contents insurance																																																										
• Vehicle insurance																																																										
• Marine insurance																																																										
• Travel insurance																																																										
• Pet insurance																																																										
• Other retail insurance contracts																																																										
Consumer credit contracts:																																																										
• Residential mortgage lending																																																										
• Reverse equity home loan																																																										
• Personal loans																																																										
• Overdrafts																																																										
• Credit cards																																																										
• Other consumer credit contracts (e.g., mechanical breakdown insurance)																																																										
Other financial advice products (please specify):																																																										
None of the above. This FAP (including any persons engaged by it) does not provide regulated financial advice to its own clients.																																																										
b.	<p>[THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED THAT YOU PROVIDED REGULATED FINANCIAL ADVICE ON MANAGED INVESTMENT PRODUCTS, DERIVATIVES, OR DEBT AND EQUITY SECURITIES DURING THE RETURN PERIOD IN QUESTION 13a]</p>	<p>The purpose of this question is to obtain an up-to-date understanding on the total asset value advised to the FAP’s clients on a non-discretionary basis. Select the option that best reflects your FUA. We only expect an approximation.</p>																																																								

	<p>Which of the following statements best describes the Funds Under Advice (FUA) at your FAP at the end of the return period?</p> <table border="1" data-bbox="331 245 792 616"> <tr> <td>FAP does not have FUA</td> <td></td> </tr> <tr> <td>FUA less than or equal to \$100,000</td> <td></td> </tr> <tr> <td>FUA greater than \$100,000 to \$1,000,000</td> <td></td> </tr> <tr> <td>FUA greater than \$1,000,000 to \$10,000,000</td> <td></td> </tr> <tr> <td>FUA greater than \$10,000,000 to a \$50,000,000</td> <td></td> </tr> <tr> <td>FUA greater than \$50,000,000</td> <td></td> </tr> </table>	FAP does not have FUA		FUA less than or equal to \$100,000		FUA greater than \$100,000 to \$1,000,000		FUA greater than \$1,000,000 to \$10,000,000		FUA greater than \$10,000,000 to a \$50,000,000		FUA greater than \$50,000,000		<p>This question is only relevant to those who selected debt securities, equity securities, derivatives, and managed investment products as financial advice products where it has provided regulated financial advice.</p> <p>Select the approximate range of Funds under Advice where you provide advice on a portfolio of investments (on a non-discretionary basis). You do not need to include financial advice given to clients on a one-off basis.</p> <p>All values are in \$NZD.</p>						
FAP does not have FUA																				
FUA less than or equal to \$100,000																				
FUA greater than \$100,000 to \$1,000,000																				
FUA greater than \$1,000,000 to \$10,000,000																				
FUA greater than \$10,000,000 to a \$50,000,000																				
FUA greater than \$50,000,000																				
c.	<p>[THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED THAT YOU PROVIDED REGULATED FINANCIAL ADVICE ON LIFE INSURANCE CONTRACTS DURING THE RETURN PERIOD IN QUESTION 13a]</p> <p>What proportion of [FAP NAME]'s retail clients who received regulated financial advice resulted in replacement business during the return period?</p> <p>An estimate is sufficient (+/- 5%)</p> <table border="1" data-bbox="331 898 768 1257"> <thead> <tr> <th colspan="2">Life insurance contracts:</th> </tr> </thead> <tbody> <tr> <td>• Whole of life/endowment insurance</td> <td>%</td> </tr> <tr> <td>• Term life insurance</td> <td>%</td> </tr> <tr> <td>• Accidental death insurance</td> <td>%</td> </tr> <tr> <td>• Trauma insurance</td> <td>%</td> </tr> <tr> <td>• Total and permanent disablement insurance</td> <td>%</td> </tr> <tr> <td>• Income protection insurance</td> <td>%</td> </tr> <tr> <td>• Funeral insurance</td> <td>%</td> </tr> <tr> <td>• Other life insurance contracts</td> <td>%</td> </tr> </tbody> </table>	Life insurance contracts:		• Whole of life/endowment insurance	%	• Term life insurance	%	• Accidental death insurance	%	• Trauma insurance	%	• Total and permanent disablement insurance	%	• Income protection insurance	%	• Funeral insurance	%	• Other life insurance contracts	%	<p>The purpose of this question is to understand insurance replacement activity that occurred as a result of regulated financial advice. It assists in our monitoring of the FAP against the duties and Code of Professional Conduct for Financial Advice Services.</p> <p>This question will only appear if you provided regulated financial advice on life insurance contracts during the return period.</p> <p>Replacement business is where a customer moves their policy from one insurance provider to another.</p> <p>Only count instances of replacement business resulting from advice the FAP provided to the retail clients during the return period.</p> <p>The time period within which the replacement business is counted should be when the recommended policy commences.</p> <p>Replacement business does not include changes to existing policies with the same provider, such as extension of cover, sum insured, annual renewals etc.</p>
Life insurance contracts:																				
• Whole of life/endowment insurance	%																			
• Term life insurance	%																			
• Accidental death insurance	%																			
• Trauma insurance	%																			
• Total and permanent disablement insurance	%																			
• Income protection insurance	%																			
• Funeral insurance	%																			
• Other life insurance contracts	%																			

	<p>d. [THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED THAT YOU PROVIDED REGULATED FINANCIAL ADVICE ON KIWISAVER DURING THE RETURN PERIOD IN QUESTION 13a]</p> <p>How many of [FAP NAME]'s retail clients received regulated financial advice which resulted in them switching to a different KiwiSaver provider during the return period.</p> <p>An estimate is sufficient (+/- 5%)</p> <table border="1" data-bbox="331 435 768 469"> <tr> <td>Retail clients</td> <td></td> </tr> </table>	Retail clients		<p>The purpose of this question is to understand KiwiSaver switching activity that occurred as a result of regulated financial advice. It assists in our monitoring of the FAP against the duties and Code of Professional Conduct for Financial Advice Services.</p> <p>This question relates to where a retail client has transferred their KiwiSaver to a different provider as a result of regulated financial advice the FAP has provided.</p> <p>The time in which a KiwiSaver switch is counted should be when the provider confirms the transfer is complete.</p> <p>This question is not related to switches between funds within the same KiwiSaver provider.</p> <p>This does not include switches when regulated financial advice was not provided to the retail client.</p>
Retail clients				
	<p>14. Does [FAP NAME] provide regulated financial advice on overseas pension transfers, including New Zealand Qualifying Recognised Overseas Pension Schemes (QROPS)?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to understand your broader service offering and assists our monitoring against the statutory objectives of the Financial Markets Conduct Act 2013.</p>		
	<p>15. Does [FAP NAME] provide regulated financial advice on any products that they, or any other entity that operates under [FAP NAME]'s FAP licence, manufacture?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to obtain an up-to-date understanding of the business structure of the FAP.</p> <p>This question asks if any person or entity related to the FAP provides regulated financial advice on financial advice products designed or manufactured by the FAP or by other entities listed on the application.</p> <p>If the FAP has only had input into the terms (e.g., policy wording) of products designed and manufactured by the product providers, you can answer 'no' to this question.</p>		
	<p>16. [THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED INVESTMENT PLANNING SERVICES IN QUESTION 13a]</p> <p>Does [FAP NAME] provide any recommendations in relation to alternative advice on alternative assets as part of your investment planning services?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to understand your broader service offering and assists our monitoring against the statutory objectives of the Financial Markets Conduct Act 2013.</p> <p>Alternative assets may include (but not limited to) direct property investments, hedge funds, private equity, or other tangible assets.</p> <p>For example, if the FAP provides advice to a client about residential or commercial real estate as part of investment planning services, then you would select 'Yes'.</p>		

	<p>17. Client money and client property services</p> <p>During the return period, has [FAP NAME] provided client money or client property services to retail clients as part of its FAP service?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to understand whether the FAP provides client money or property services.</p> <p>Providing client money or property services means that the FAP receives, holds or transfers money or property on behalf of a retail client.</p> <p>'Client money' means money received from (or on account of) a retail client in connection with acquiring, holding or disposing of a financial advice product (or otherwise in connection with a financial advice product).</p> <p>'Client property' means property that is a financial advice product, is a beneficial interest in a financial advice product, or is received in connection with a financial advice product, and is received from, or on account of, the retail client by a person.</p> <p>'Client money or property services' includes custodial services. A 'custodial service' is provided if, under an agreement, the FAP holds client money or client property in trust for, or on behalf of, a retail client (or another person nominated by the client).</p> <p>A FAP may also have client money and property obligations if it uses a wrap platform (regardless of the wrap provider's own obligations and FSPR registration).</p> <p>Please answer no if the exception noted in 431Z(d) of the Financial Markets Conduct Act 2013 is applicable to you.</p>						
	<p>a. [THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED YES IN QUESTION 17]</p> <p>Which of the following statements applies to [FAP NAME] relating to client money and client property services for retail clients? Select all that apply.</p> <table border="1" data-bbox="331 981 768 1222"> <tr> <td>Provides a client money service as part of its FAP licenced service</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Provides a client property service as part of its FAP licenced service</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Uses portfolio administration services such as a WRAP platform for client investments and reporting</td> <td><input type="checkbox"/></td> </tr> </table>	Provides a client money service as part of its FAP licenced service	<input type="checkbox"/>	Provides a client property service as part of its FAP licenced service	<input type="checkbox"/>	Uses portfolio administration services such as a WRAP platform for client investments and reporting	<input type="checkbox"/>	<p>The purpose of this question is to understand whether the FAP provides client money or property services either as part of the licensed service and/or as part of a service offered a portfolio administration service such as a wrap platform to hold client funds.</p> <p>The definition of 'client money' and 'property services' is set out in section 431W of the Financial Markets Conduct Act 2013. Obligations relating to client money and property services are set out in Subpart 5B of Part 6 of the Financial Markets Conduct Act 2013.</p>
Provides a client money service as part of its FAP licenced service	<input type="checkbox"/>							
Provides a client property service as part of its FAP licenced service	<input type="checkbox"/>							
Uses portfolio administration services such as a WRAP platform for client investments and reporting	<input type="checkbox"/>							
	<p>18. [QUESTIONS 18 TO 18b WILL ONLY APPEAR IF YOU HAVE SELECTED THAT YOU PROVIDE ADVICE DIRECTLY THROUGH DIGITAL ADVICE IN QUESTION 1b]</p>	<p>The purpose of this question is to obtain an up-to-date understanding on how the FAP provides regulated financial advice.</p>						

	<p>Digital advice facility</p> <p>[FAP NAME] has indicated that it provides regulated financial advice through a digital advice facility. Please provide answers to the following questions about [FAP NAME]'s digital advice facility.</p>									
a.	<p>How many NZ <u>retail</u> clients do you estimate have received regulated financial advice during return period as part of [FAP NAME]'s digital advice facility?</p> <p>An estimate is sufficient (+/- 5%)</p> <p>Retail clients = <input type="text"/></p>	<p>The purpose of this question is to obtain an up-to-date understanding on the activity of your digital advice facility.</p> <p>We expect that you will be able to make reasonable endeavours to understand the number of retail clients who have interacted and received regulated financial advice from your digital advice facility. For example, your chosen IT systems can maintain records to identify the number of retail clients.</p> <p>We are only interested where the client has acquired a financial advice product as a result of the regulated financial advice provided via the digital advice facility.</p>								
b.	<p>Select which option best reflects the processes that [FAP NAME] has in place to monitor and maintain its digital advice facility during the return period.</p> <table border="1" data-bbox="331 735 730 1066"> <tr> <td>Processes and controls are established, and reviewed at least annually</td> <td></td> </tr> <tr> <td>Processes and controls are established, and reviewed when required</td> <td></td> </tr> <tr> <td>Processes and controls are established, but are not reviewed</td> <td></td> </tr> <tr> <td>Processes and controls are not established</td> <td></td> </tr> </table>	Processes and controls are established, and reviewed at least annually		Processes and controls are established, and reviewed when required		Processes and controls are established, but are not reviewed		Processes and controls are not established		<p>The purpose of this question is to obtain an up-to-date understanding of how the FAP views their processes for monitoring and maintaining their digital advice.</p> <p>This question asks for the FAP's self-assessment on the arrangements in place to monitor and maintain its digital advice facility.</p> <p>By 'established', we mean approved, documented and operating in practice.</p> <p>By 'reviewed', this can be either an internal or external review of the process.</p>
Processes and controls are established, and reviewed at least annually										
Processes and controls are established, and reviewed when required										
Processes and controls are established, but are not reviewed										
Processes and controls are not established										
19.	<p>Vulnerable customers</p> <p>Select which option best reflects the [FAP NAME]'s processes and controls for addressing the needs of retail clients in vulnerable circumstances during the return period.</p>	<p>The purpose of this question is to obtain an up-to-date understanding of how the FAP views their processes for managing customer vulnerability and assists with our monitoring of the FAP against the Duties and Code of Professional Conduct for Financial Advice Services.</p> <p>This question asks for the FAP's self-assessment on arrangements in place to manage vulnerable clients.</p>								

	<table border="1"> <tr> <td>Processes and controls are established, and reviewed at least annually</td> <td></td> </tr> <tr> <td>Processes and controls are established, and reviewed when required</td> <td></td> </tr> <tr> <td>Processes and controls are established, but are not reviewed</td> <td></td> </tr> <tr> <td>Processes and controls are not established</td> <td></td> </tr> </table>	Processes and controls are established, and reviewed at least annually		Processes and controls are established, and reviewed when required		Processes and controls are established, but are not reviewed		Processes and controls are not established			<p>By 'established', we mean approved, documented and operating in practice.</p> <p>By 'reviewed', this can be either an internal or external review of the process.</p>						
Processes and controls are established, and reviewed at least annually																	
Processes and controls are established, and reviewed when required																	
Processes and controls are established, but are not reviewed																	
Processes and controls are not established																	
<p>20. Advertising</p>	<p>Select the types of marketing and advertising used by [FAP NAME] to attract new retail financial advice clients during the return period?</p> <table border="1"> <tr> <td>Third party agencies</td> <td></td> </tr> <tr> <td>Lead generators/ client referrals</td> <td></td> </tr> <tr> <td>Internet (e.g., website, social media, email)</td> <td></td> </tr> <tr> <td>Audio/visual (e.g., TV, radio, billboards, podcasting)</td> <td></td> </tr> <tr> <td>Presentations/seminars</td> <td></td> </tr> <tr> <td>Cold calling</td> <td></td> </tr> <tr> <td>Other</td> <td></td> </tr> </table>	Third party agencies		Lead generators/ client referrals		Internet (e.g., website, social media, email)		Audio/visual (e.g., TV, radio, billboards, podcasting)		Presentations/seminars		Cold calling		Other			<p>The purpose of this question is to understand your business activities with respect to advertising your services.</p> <p>Standard Condition 3 - You must provide us with the information we need to monitor your ongoing capability to effectively perform the financial advice service in accordance with the applicable eligibility criteria and other requirements in the Financial Markets Conduct Act 2013. This will include updated information on the nature, size and complexity of your financial advice provider service.</p> <p>See Part 2 of the Financial Markets Conduct Act 2013.</p> <p>Please select the different ways you promoted your FAP to attract new retail clients during the return period.</p>
Third party agencies																	
Lead generators/ client referrals																	
Internet (e.g., website, social media, email)																	
Audio/visual (e.g., TV, radio, billboards, podcasting)																	
Presentations/seminars																	
Cold calling																	
Other																	
<p>21.</p>	<p>Did [FAP NAME] have referral arrangements with third parties, such as other FAPs, advisers, businesses, or affiliates during the return period?</p> <ul style="list-style-type: none"> • Yes • No 		<p>The purpose of this question is to understand your activities with respect referral business. It assists our monitoring against the statutory objectives of the Financial Markets Conduct Act 2013. See Section 431K of the Financial Markets Conduct Act 2013.</p> <p>We are only interested in clients that are referred to your FAP from another business and/or your FAP refers clients onto another business to receive services (whether advice or sale of products). Even if your referral arrangements are informal (e.g., not written or non-monetary) we still expect you to select 'yes' to this question.</p>														

PART 3 – COMPLAINTS	<p>22. Complaints</p> <p>These questions relate to complaints received by [FAP NAME]’s Financial Advice Service from a retail client or a representative of the retail client during the return period.</p>	<p>The purpose of these questions is to understand activity around resolving client complaints related to your financial advice services. It assists in our monitoring against the Standard Conditions for FAP Licenses.</p> <p>A complaint relating to your financial advice service is an expression of dissatisfaction made to you or to a person engaged by you relating to your regulated financial advice (including any regulated financial advice given to a retail client by you or on your behalf) or the complaints handling process itself, where a response or resolution is explicitly or implicitly expected.</p> <p>A complaint includes a complaint about a failure to provide a service or give advice, and may be received in a number of ways, including in person, over the phone, or by letter, social media or email.</p> <p>Your internal complaints process should indicate the process for receiving complaints relating to your financial advice business.</p> <p>See Standard Condition 2.</p>
	<p>a. Does [FAP NAME] retain a record of all complaints relating to its FAP?</p> <ul style="list-style-type: none"> • Yes • No 	<p>Records to be kept of all complaints and any action taken in relation to them including the dates on which each complaint was received and any action that was taken in relation to that complaint.</p>
	<p>b. Enter the number of complaints open at the start of the return period.</p>	<p>‘Open complaints’ are those received before the return period that were not resolved when the period began.</p> <p>If you have no complaints open at the beginning of the reporting period, please enter zero.</p>
	<p>c. Enter the number of complaints received during the return period.</p>	<p>This question relates to those complaints received. If you received no complaints during the return period, please enter zero.</p>

d.	Enter the number of complaints resolved internally during the return period.	<p>If no complaints were resolved internally during the return period, please enter zero.</p> <p>This refers to complaints that were resolved internally and not escalated to the FAP's DRS.</p> <p>By 'internally', we mean complaints that were resolved in line with the FAPs internal complaints process.</p> <p>This number should include complaints that were both opened <u>and</u> closed during the return period.</p>								
e.	<p>Of the complaints resolved internally during the return period, how many were resolved within each of the following timeframes?</p> <table border="1" data-bbox="331 571 730 695"> <tr> <td>0 to 3 months</td> <td></td> </tr> <tr> <td>3 to 6 months</td> <td></td> </tr> <tr> <td>6 to 12 months</td> <td></td> </tr> <tr> <td>Over 12 months</td> <td></td> </tr> </table>	0 to 3 months		3 to 6 months		6 to 12 months		Over 12 months		<p>If you resolved no complaints during the return period, please enter zero.</p> <p>Please indicate the time taken to resolve complaints internally. The time should be taken from the date the complaint was received to the date in which the complaint was resolved internally.</p> <p>By internally, we mean complaints that were resolved in line with the FAPs internal complaints process.</p>
0 to 3 months										
3 to 6 months										
6 to 12 months										
Over 12 months										
f.	Enter the number of complaints escalated to [FAP NAME]'s DRS during the return period.	If no complaints were escalated during the return period, please enter zero.								
g.	Enter the number of complaints made to [FAP NAME]'s DRS and resolved in the complainant's favour (upheld) during the return period.	<p>Only include those complaints that have been upheld (and exclude those that have been partially upheld).</p> <p>Complaints made to the DRS should include those made by customers and any escalated directly by the FAP to the DRS.</p>								
23.	Select the category below that reflects the most common nature of the complaints [FAP NAME] received during the return period in relation to the FAP:	<p>The purpose of this question is to understand the most common reason for client complaints related to your financial advice services. It assists in our monitoring against the Standard Conditions for FAP Licenses.</p> <p>Please select only one option.</p>								

		<table border="1"> <tr><td>Regulated financial advice execution issues</td><td></td></tr> <tr><td>Regulated financial advice product design issues</td><td></td></tr> <tr><td>Regulated financial advice reports and documentation</td><td></td></tr> <tr><td>Regulated financial advice suitability</td><td></td></tr> <tr><td>Financial Adviser conduct and competency</td><td></td></tr> <tr><td>Fees/costs associated with the regulated financial advice provision</td><td></td></tr> <tr><td>Product pricing including premium increases</td><td></td></tr> <tr><td>Issues relating to disclosure</td><td></td></tr> <tr><td>Nominated Representative conduct and competency</td><td></td></tr> <tr><td>Privacy and confidentiality</td><td></td></tr> <tr><td>Service issues</td><td></td></tr> <tr><td>Transaction and money handling errors</td><td></td></tr> <tr><td>Admin Issues</td><td></td></tr> <tr><td>Other (please specify):</td><td></td></tr> </table>	Regulated financial advice execution issues		Regulated financial advice product design issues		Regulated financial advice reports and documentation		Regulated financial advice suitability		Financial Adviser conduct and competency		Fees/costs associated with the regulated financial advice provision		Product pricing including premium increases		Issues relating to disclosure		Nominated Representative conduct and competency		Privacy and confidentiality		Service issues		Transaction and money handling errors		Admin Issues		Other (please specify):		<p>Select only the category which reflects the most common category of complaints you have received during the return period. This only relates to complaints received relating to your FAP.</p> <p>We acknowledge that some FAPs will classify their complaints differently to these categories. Please select the category that is the most appropriate to you. This can be an approximation of the most common nature of complaints.</p>
Regulated financial advice execution issues																															
Regulated financial advice product design issues																															
Regulated financial advice reports and documentation																															
Regulated financial advice suitability																															
Financial Adviser conduct and competency																															
Fees/costs associated with the regulated financial advice provision																															
Product pricing including premium increases																															
Issues relating to disclosure																															
Nominated Representative conduct and competency																															
Privacy and confidentiality																															
Service issues																															
Transaction and money handling errors																															
Admin Issues																															
Other (please specify):																															
PART 4 - OUTSOURCING	24.	<p>Outsourcing</p> <p>During the return period does [FAP NAME] outsource any system or process of its FAP?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of these questions is to understand systems and processes that are outsourced in the provision of your FAP service. It assists in our monitoring against the Standard Conditions for FAP Licenses.</p> <p>You can outsource any aspect of your licensed business. However, Standard Condition 4 requires that if you outsource a system or process that is necessary to the provision of your FAP, you must be satisfied that the provider is capable of performing to the standard required to enable you to meet your market services obligations.</p> <p>Even if you partially outsource a system or process, we require you to select this as an outsource provider.</p> <p>We are only interested in outsourced providers that are relevant to your FAP.</p> <p>See Standard Condition 4.</p>																												

a.	<p>[THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED YES IN QUESTION 24]</p> <p>Please select the systems or processes provided to [FAP NAME]'s in relation to the FAP service and whether this is fully outsourced or partially outsourced.</p> <table border="1" data-bbox="331 288 965 691"> <thead> <tr> <th>System or Process</th> <th>Fully outsourced</th> <th>Partially outsourced</th> </tr> </thead> <tbody> <tr> <td>Regulated Financial Advice services (including digital advice) (Note 1)</td> <td></td> <td></td> </tr> <tr> <td>Compliance (including oversight function)</td> <td></td> <td></td> </tr> <tr> <td>Record keeping (e.g., digital CRM)</td> <td></td> <td></td> </tr> <tr> <td>Cyber Security</td> <td></td> <td></td> </tr> <tr> <td>Marketing (including lead generation)</td> <td></td> <td></td> </tr> <tr> <td>Research</td> <td></td> <td></td> </tr> <tr> <td>Training services</td> <td></td> <td></td> </tr> <tr> <td>Other (please specify):</td> <td></td> <td></td> </tr> </tbody> </table>	System or Process	Fully outsourced	Partially outsourced	Regulated Financial Advice services (including digital advice) (Note 1)			Compliance (including oversight function)			Record keeping (e.g., digital CRM)			Cyber Security			Marketing (including lead generation)			Research			Training services			Other (please specify):			<p>The purpose of these questions is to understand systems and processes that are outsourced in the provision of your FAP service. It assists in our monitoring against the Standard Conditions for FAP Licenses.</p> <p>We are only interested in arrangements where you rely on the outsource provider to meet your market services licensee obligations as they relate to your financial advice service (licensee obligations).</p> <p>Note 1: With regards to the category 'Regulated Financial Advice services (including digital advice)', please note this refers to outsourcing the provision of regulated financial advice to a third party that holds its own FAP licence. Outsourcing the facilitation and execution of transactions, custodial services, cash management, investment research are not included in this category.</p> <p>e.g., Where the FAP have outsourced record keeping via using a third-party to hold records, then the record keeping is outsourced. However, where a FAP keeps some of its records in hard copy at its premises and other records via third party, then the record keeping function is partially outsourced.</p>
System or Process	Fully outsourced	Partially outsourced																											
Regulated Financial Advice services (including digital advice) (Note 1)																													
Compliance (including oversight function)																													
Record keeping (e.g., digital CRM)																													
Cyber Security																													
Marketing (including lead generation)																													
Research																													
Training services																													
Other (please specify):																													
25.	<p>[THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED YES IN QUESTION 24]</p> <p>At the end of the return period does [FAP NAME] have a written contractual agreement in place with all the outsource providers noted in question 24a?</p> <ul style="list-style-type: none"> • Yes • No 	<p>By 'contractual agreements' we mean contracts that are written and formal (i.e., finalised and signed, if applicable).</p>																											
a.	<p>[QUESTIONS 25a AND 25b WILL ONLY APPEAR IF YOU SELECTED NO IN QUESTION 25]</p> <p>Enter all outsource provider(s) that do not have an existing contractual agreement relating to [FAP NAME]'s FAP</p>																												
b.	<p>Does this outsource provider(s) have a New Zealand Business Number (NZBN)?</p> <ul style="list-style-type: none"> • Yes • No 																												

	<p>c. [THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED YES IN QUESTION 25b]</p> <p>Please enter this outsource provider's NZBN.</p> <p>[THIS WILL PRE-POPULATE THE BUSINESS NAME]</p>									
	<p>d. [THIS QUESTION WILL ONLY APPEAR IF YOU SELECTED YES IN QUESTION 24]</p> <p>Does [FAP NAME] have regular dates scheduled for reviewing all current outsourcing arrangements?</p> <ul style="list-style-type: none"> • Yes • No 									
PART 5 - BUSINESS CONTINUITY AND TECH SYSTEMS	<p>26. Business continuity</p> <p>Select which option best reflects the [FAP NAME]'s business continuity arrangements during the return period.</p> <table border="1" data-bbox="331 735 730 1066"> <tr> <td>Processes and controls are established, and reviewed at least annually</td> <td></td> </tr> <tr> <td>Processes and controls are established, and reviewed when required</td> <td></td> </tr> <tr> <td>Processes and controls are established, but are not reviewed</td> <td></td> </tr> <tr> <td>Processes and controls are not established</td> <td></td> </tr> </table>	Processes and controls are established, and reviewed at least annually		Processes and controls are established, and reviewed when required		Processes and controls are established, but are not reviewed		Processes and controls are not established		<p>The purpose of this question is to obtain an up-to-date understanding of how the FAP views their processes for their business continuity arrangements.</p> <p>This question asks for the FAP's self-assessment on arrangements for business continuity.</p> <p>By 'established', we mean approved, documented and operating in practice.</p> <p>By 'reviewed', this can be either an internal or external review of the process.</p> <p>See Standard Condition 5.</p>
Processes and controls are established, and reviewed at least annually										
Processes and controls are established, and reviewed when required										
Processes and controls are established, but are not reviewed										
Processes and controls are not established										
	<p>a. Were [FAP NAME]'s business continuity arrangements <u>tested</u> during the return period to ensure they remain relevant for the FAP?</p> <ul style="list-style-type: none"> • Yes • No 	<p>By 'tested', we mean assessing the usability and effectiveness of your BCP using a testing method of your choice to meet the requirements defined by the FAP.</p>								

	<p>27. Technology systems</p> <p>During the return period, did [FAP NAME] discover any incident that materially affected the cyber resilience of its critical technology systems?</p> <ul style="list-style-type: none"> • Yes • No 	<p>The purpose of this question is to understand events that materially impacts the information security of your critical technology systems related to your financial advice service. It assists in our monitoring against the Standard Conditions for FAP Licenses. Standard Condition 5 for FAP licenses notes a material event is one where the confidentiality, integrity, or availability of your information and/or your technology systems has been compromised. You do not need to notify us of minor events, such as receiving a ‘phishing’ email.</p> <p>See Standard Condition 5.</p>																										
	<p>a. [QUESTIONS 27a AND 27b WILL ONLY APPEAR IF YOU SELECTED YES IN QUESTION 27]</p> <p>Were these reported to the FMA within 10 working days of discovering the event(s)?</p> <ul style="list-style-type: none"> • Yes • No 																											
	<p>b. What type of material events(s) affecting the information security of its critical technology systems did [FAP NAME] encounter? Please select all that apply.</p> <table border="1" data-bbox="331 762 770 1203"> <tr><td>Attack on a system</td><td></td></tr> <tr><td>Botnet traffic</td><td></td></tr> <tr><td>Command-and-control (C and C) server hosting</td><td></td></tr> <tr><td>Denial of service</td><td></td></tr> <tr><td>Malware</td><td></td></tr> <tr><td>Password guessing</td><td></td></tr> <tr><td>Phishing and credential harvesting</td><td></td></tr> <tr><td>Ransomware</td><td></td></tr> <tr><td>Scams and fraud</td><td></td></tr> <tr><td>Suspicious network traffic</td><td></td></tr> <tr><td>Unauthorised access</td><td></td></tr> <tr><td>Website compromise</td><td></td></tr> <tr><td>Other (please specify):</td><td></td></tr> </table>	Attack on a system		Botnet traffic		Command-and-control (C and C) server hosting		Denial of service		Malware		Password guessing		Phishing and credential harvesting		Ransomware		Scams and fraud		Suspicious network traffic		Unauthorised access		Website compromise		Other (please specify):		<p>We want to know about any events that materially impacts the information security of your critical technology systems that impacts your financial advice service.</p>
Attack on a system																												
Botnet traffic																												
Command-and-control (C and C) server hosting																												
Denial of service																												
Malware																												
Password guessing																												
Phishing and credential harvesting																												
Ransomware																												
Scams and fraud																												
Suspicious network traffic																												
Unauthorised access																												
Website compromise																												
Other (please specify):																												

	<p>28. Select which option best reflects [FAP NAME]'s information security arrangements, during the return period.</p> <table border="1" data-bbox="331 231 788 475"> <tr> <td data-bbox="331 231 698 320">Information security arrangements are established and have been reviewed during the return period.</td> <td data-bbox="698 231 788 320"></td> </tr> <tr> <td data-bbox="331 320 698 410">Information security arrangements have been established, but are not reviewed</td> <td data-bbox="698 320 788 410"></td> </tr> <tr> <td data-bbox="331 410 698 475">Information security arrangements are not established.</td> <td data-bbox="698 410 788 475"></td> </tr> </table>	Information security arrangements are established and have been reviewed during the return period.		Information security arrangements have been established, but are not reviewed		Information security arrangements are not established.		<p>The purpose of this question is to obtain an up-to-date understanding of how the FAP views their processes for information security arrangements and assists with our monitoring of the FAP against the Standard Conditions for FAP Licenses.</p> <p>This question asks for the FAP's self-assessment of the arrangements that manage information security (which includes cyber resilience).</p> <p>By 'arrangements', we mean policies, processes and controls that preserve and maintain the confidentiality, integrity and availability of information and/or information systems.</p> <p>By 'established', we mean approved, documented and operating in practice.</p>
Information security arrangements are established and have been reviewed during the return period.								
Information security arrangements have been established, but are not reviewed								
Information security arrangements are not established.								
DECLARATION	<p>I confirm that I have the authority to submit this report on behalf of [FAP NAME].</p> <p><input type="checkbox"/> I confirm.</p> <p>I have reviewed the answers and information and can confirm that I am satisfied that, to the best of my knowledge after undertaking all reasonable inquiries, all answers are true and correct.</p> <p><input type="checkbox"/> I confirm.</p>	<p>A person commits an offence by making, or authorising the making of, any statement in this FAP return that is false or misleading in a material respect if the person knows it to be false or misleading.</p> <p>See section 512 of the Financial Markets Conduct Act 2013.</p>						
	<p>Full name of [FAP NAME]'s authorised person.</p> <p><input type="text"/></p>							
	<p>Position of the authorised person at [FAP NAME].</p> <p><input type="text"/></p>							
	<p>Date: [THIS WILL PRE-POPULATE THE CURRENT DATE]</p>							