

October 2018

# Submissions on the proposed exemption to enable dual-language product disclosure statements

This document includes individual submissions on the proposed exemption to  
enable dual-language product disclosure statements

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[www.fma.govt.nz](http://www.fma.govt.nz)

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FMA document reference code 4230582

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# Background

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We would like to thank all submitters for their feedback on our [consultation paper](#) on the proposed exemption to enable dual-language product disclosure statements (**PDS**).

This document contains individual submissions received in response to the consultation paper. One submitter requested that its submission remain confidential, so this has not been included. Other submissions have personal information redacted. We can withhold information in accordance with the Official Information Act 1982 and the Privacy Act 1993.

Further information is available in the [regulatory impact statement](#) on the [Exemption to enable dual-language product disclosure statements](#).

# Individual submissions

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17 May 2018

Financial Markets Authority  
1 Grey Street  
Wellington

By email: [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz)

To whom it may concern

### **Submission on the Consultation of proposed exemption to enable dual-language product disclosure statements**

Thank you for providing us with the opportunity to submit on the proposed exemption to enable dual-language Product Disclosure Statements (**PDS**). We are supportive of the intent of the FMA enabling issuers to provide dual-language product disclosure statements in both te reo Maori and English. We also support the exemption being expanded to accommodate other languages. We believe this will offer flexibility for information to be provided in a way that is easier for investors to read and understand.

However, we have outlined the following points on the workability of the exemption notice below.

#### **ANZ's Responses**

1. We believe that certification that the two languages in the PDS being accurate and full reflections should be undertaken by independent external translators who have prior knowledge and understanding of financial products. We are of the belief that there should be some minimum benchmark of qualification that the translator should undertake to ensure the technical requirements of the documents are accurately translated. Experience in translating financial product information may also be preferred. Otherwise, there would be the risk that any PDS in another language would not be accurate and could mislead customers.

For clarity, we believe that any changes to PDS documents, irrespective of how immaterial the change may be, should be subject to the review of an external translator. This is to ensure that translated terms remain accurately consistent with the English version of the document (and therefore compliant) at all times.

We believe the FMA should provide official te reo Maori translations of the prescribed PDS wording in the Financial Markets Conduct Regulations 2014. This will help ensure key information in the PDS is presented in a consistent way to investors.

2. A translated PDS document could be of limited benefit to a customer if they have follow up questions that cannot be answered in the same language. For example, a customer may be provided with a PDS in te reo Maori, but any follow up questions they may have may only be able to be answered in English. In this particular instance, this is potentially not a good customer outcome.

3. We do not support a requirement for a PDS to contain both languages side by side as we believe the additional length of the PDS may discourage some investors from reading it. An issuer should have the flexibility to determine the layout of the PDS, including the ability to prepare different language versions of the PDS as standalone documents.
4. If there are dual-language PDSs, we are of the view that there should be a provision which confirms that the English language prevails in the event of any inconsistency. Without this, there is a risk that in the event the PDS has not been accurately translated there could be a conflict as to which is the correct interpretation.

Should the exemption be granted, we are unlikely, in the short term, to produce our PDS documents in another language.

### **About ANZ**

ANZ is the largest financial institution in New Zealand. The ANZ group comprises brands such as ANZ, UDC Finance, ANZ Investments, ANZ New Zealand Securities and Bonus Bonds.

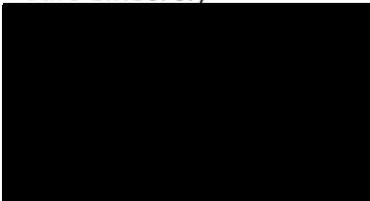
ANZ offers a full range of financial products and services including a significant range of financial advisory services, personal banking, institutional banking and wealth management services. Certain ANZ group companies are licensed by the FMA under the FMCA in relation to issuance of derivatives, provision of discretionary investment management services and management of managed investment schemes.

### **Contact for submission**

ANZ welcomes the opportunity to discuss our submission with FMA officials. Please contact

Once again, we thank the FMA for the opportunity to provide feedback on the Consultation.

Yours sincerely



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**From:** [REDACTED]  
**Sent:** Thursday, 17 May 2018 8:17 AM  
**To:** Consultation  
**Subject:** ASB Bank Limited

**Categories:** Red Category

Good Morning,

ASB Bank Limited (“ASB”) welcomes the opportunity to make a brief submission by way of email to the Financial Markets Authority (**FMA**) on the *Proposed exemption to enable dual-language product disclosure statements* consultation paper (April 2018). ASB’s submission is set out below.

ASB supports the FMA’s proposal, noting the importance of te reo Māori as an official language of New Zealand, a taonga and a language valued by the nation. Additionally, allowing product disclosure statements (**PDS**) to be published both in te reo Māori and English promotes principles of accessibility and provides information in an engaging and accessible form for those who are more comfortable receiving information in te reo Māori.

We acknowledge ASB’s submission could be made publically available by being published on the FMA website. ASB does not seek confidentiality for any aspect of this submission other than my contact details below.

If you require any further information, please do not hesitate to contact me.

Kind Regards,

[REDACTED]

[REDACTED]

  The bank that backs the All Blacks

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This email may contain information which is confidential and/or subject to legal privilege. If you are not the intended recipient, please immediately notify the sender and delete the email.

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# To: Te Mana Tatai Hokohoko Financial Markets Authority

On: Proposed exemption to enable dual-language  
product disclosure statements

14 May 2018

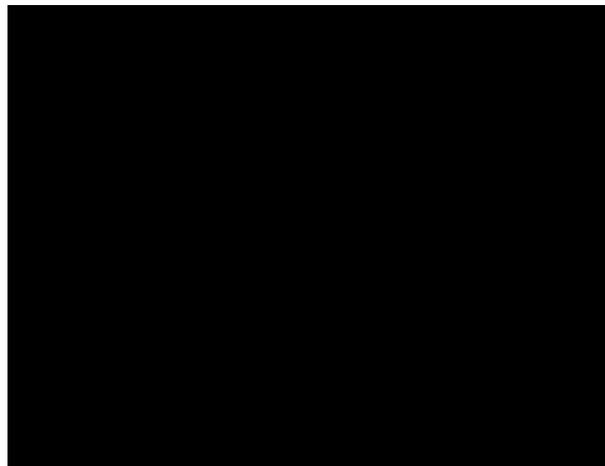
## INTRODUCTION

The Financial Markets Authority (*FMA*) has published a consultation paper (*the Consultation Paper*), which outlines that the FMA is considering using its exemption powers to enable issuers to provide dual-language product disclosure statements (*PDS*). This would allow a PDS to be provided in full in both te reo Māori and English.

We have set out below our submission. Broadly, we support the FMA providing an exemption.

We have no objection to our submission being published and would be happy to discuss with the FMA any of the comments we have made.

Our contacts are:



## ABOUT CHAPMAN TRIPP

Chapman Tripp is a leading law firm with a strong practice in commercial and corporate law and with offices in Auckland, Wellington and Christchurch.

We act for a range of equity and debt issuers, investors, arrangers, and other intermediaries on a broad range of domestic and international capital markets transactions, as well as on securitisations, covered bond arrangements, and structured finance arrangements.

Our Māori Law practice, Te Waka Ture, advises iwi, hapū, Māori landowners, Māori businesses and those looking to work with them.

## OVERVIEW

We welcome the proposed exemption which would enable a PDS to be provided both in te reo Māori and English. We have considered the proposals, benefits and risks within the Consultation Paper, as well as the questions provided, and set out our answers to them below.

### 1. Do you support the proposed exemption to enable PDSs to be provided in both te reo Māori and English in full? Please give reasons for your view including any changes you would like to see.

We support the proposed exemption to enable PDSs to be provided in both te reo Māori and English. We agree with the principles outlined in the Consultation Paper, as well as the overall benefit that such an exemption would improve disclosure to, and effective decision making by, those who are more confident and engaged when they receive information in te reo Māori (whether alone or accompanied by English).

### 2. Do you have any comments on the benefits outlined in this consultation paper?

We consider the benefits of the proposed exemption outlined in the Consultation Paper to have increasing relevance with the expansion of the Māori businesses sector. The Māori economy exceeds \$50 billion of assets and increasingly influential iwi corporates are extending their investment into initiatives that will grow their asset base for the benefit of uri (members). This exemption could allow iwi corporates to be more active participants in New Zealand's capital markets.

We are also seeing an increase in hapū, Māori businesses and Māori individuals being active players in the market as investors. This proposal will only encourage and enhance the opportunity for those people to participate in New Zealand's capital markets.

Lastly, we agree with the FMA that providing a dual-language PDS will assist investors who are *matatau i roto i te reo Māori* (experts or confident in te reo Māori) to make more informed decisions and enable offer information to be accessible to a greater number of investors.

### 3. Do you have any comments on the risks outlined in this consultation paper?

We consider the risks to be offset by both the potential benefits, and mitigating factors which can be implemented.

One of the risks outlined was that the increased length of a dual language PDS could discourage some investors from reading them. We consider this would be offset by the inclusion of a prominent statement, as proposed in the Consultation Paper, that states the te reo Māori and English portions within a dual-language PDS are accurate reflections of each other. In conjunction with issuers remaining responsible for both the te reo Māori and English portions, this allows investors to read and rely on only one of the languages. We do not envisage that investors will read both languages, which gives further weight to the argument that the actual length of the information provided will not increase.

We also consider the risk of the presence of two languages being confusing for investors who are not familiar with both languages to be offset by:

- the proposed inclusion of a prominent statement which would state each language portion within the PDS is an accurate reflection of the other;
- the prohibition of false or misleading statements within PDSs generally; and
- the effective disclosure requirements under the FMA Regulations.

The other risks outlined in the Consultation Paper are addressed under the questions which specifically relate to them.

**4. Have you identified any other benefits or risks associated with this exemption that have not been provided in this consultation paper? Please specify any further benefits or risks you have identified and give reasons for your view.**

The proposed exemption is a positive step towards greater acknowledgement of te reo Māori as the indigenous language of Aotearoa. It also better accommodates for the increase in the Māori economy through improving Māori accessibility to investment information.

Requiring the prescribed English headings and statements to be included beside the Māori translation would provide certainty, however, would double this information within the Māori portion. This would increase the length of the Māori portion and potentially discouraging investors from reading it. We therefore do not support this proposal.

Provision by the FMA of prescribed Māori equivalents to the prescribed English wording under the FMC Regulations could increase consistency between PDSs, improving the engagement of investors. This may be something the FMA wishes to consider (see also our comments in response to question 7).

**5. Other than the length limits in regulations 22 to 25, and 29 of the FMC Regulations, do you think an exemption is required from other regulations or legislation in order to allow a dual-language PDS? Please specify any legislation or regulations you have identified and give reasons for your view.**

An exemption allowing prescribed statements to be worded in te reo Māori may be required to extend regulation 9 of the FMC Regulations. Conversely, the regulation could be adapted to expand its application to translations of the prescribed statements, or provide prescribed statements in te reo Māori.

**6. Do you agree that the existing FMC Act protections are sufficient to deal with a discrepancy between the two languages in the PDS? Please specify any further conditions you think may be required to deal with a discrepancy and explain why these are necessary.**

Yes, we do. See further our comments in response to question 7.

**7. Given the specific nature of the prescribed wording required by the FMC Regulations, do you think there are any difficulties providing the equivalent statements in te reo Māori? Please specify any prescribed wording that you think may be difficult to provide in te reo Māori, and provide alternatives if possible.**

With the difficulty in translating some of the more technical terms, we consider that the FMA could provide or approve a glossary of complex terminology and recommended translations. This could provide more certainty and clarity to those translating a PDS, create and promote industry standard terms, and provide more certainty for investors.

Regulation 9 of the FMC Regulations allows wording within PDSs to slightly differ from those which are prescribed. We consider that the application of this to the equivalent statements in te reo Māori would allow them to better reflect those in English.

Furthermore, providing translations for prescribed information will also be helpful to translators and investors alike. Below is an example where translation could usefully be included in an FMA glossary:

“This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on [*specify Internet site address of offer register*]. [*Name of issuer*] has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.”

**8. (For issuers) would you intend to rely on the proposed exemption if granted for te reo Māori and English?**

We expect that a small number of our clients may seek to rely on the proposed exemption in situations where it would be relevant for their target audience. This, we envisage, would likely be dependent on the efficiency, cost and accessibility of appropriate translators for this proposed exemption to be widely taken up.

**9. Do you agree that the issuer should be required to include a prominent statement in the PDS in both languages stating that:**

**a. the two languages are accurate and full reflections of each other, and**

**b. further information, such as fund updates and annual reports, may only be available in English?**

**We are also considering whether, as an alternative to the statement in 9.b, it would be appropriate for further information to be made available in the other language if requested by the investor (either through in-house capability or an external translator). Please state any preference and give reasons for your view.**

We consider that the proposed statement in 9(a) will provide certainty so that investors can rely on the wording of only one portion of PDSs. This should be the ultimate goal: a PDS that can be read and understood by both speakers on English and te reo Māori, in isolation of each other. In addition, 9(a) supports the issuer being responsible for both portions of a dual language PDS, increasing the likelihood that care will be taken to ensure the two portions are mutually consistent.

The proposed statement for 9(b) mitigates the risk that investors relying on the Māori portion of the PDS are doing so on the assumption that they can receive further documents in te reo Māori. The inclusion of such a statement would clarify the position for the investors and the issuer before any investment would proceed, limiting the potential for confusion. However, we support the alternative suggestion in 9(b) that it be appropriate for further information to be made available in the other language upon request as this supports and strengthens the overall objective of this proposal to make information more accessible and relatable to Māori.

We suggest that any requirement to provide information in a language in which it was not originally prepared upon request should be qualified by a requirement to provide that information as soon as reasonably practicable (rather than a strict number of days), as there may necessarily be a slight delay in engaging a third party translator for such further information.

**10. How do you think we could best mitigate against the risk of discrepancies between the two languages? For example, whether the two languages must be certified by a qualified independent party and/or the issuer as accurate and full reflections of each other.**

We do not support the proposed requirement for the te reo Māori portion to be certified by an independent party to be consistent with the English portion as it is:

- *cumbersome*: it means that issuers will need to effectively get a translation done, then spend a similar amount of time waiting for a second opinion. This increased time will not guarantee any more accuracy as often discrepancies in translation come down to style and dialect;
- *costly*: issuers will effectively be paying for their PDS to be translated twice. This extra cost is not required, as it effectively punishes issuers who want to provide their PDS in te reo Māori with an undue cost; and
- *potentially unhelpful*: translation disagreements can often come down to style and dialect disagreements. A second opinion could lead to more time, on top of that second opinion review, on a debate on the differences in translation between the two translators. This could further alienate issuers from taking up this proposal, particularly if they do not feel well placed to engage in such a debate (e.g. if they do not have an in house te reo Māori capability).

As such, imposing a requirement for certification by an independent party, or other similar conditions, is potentially going to put issuers off altogether: as outlined above, the inefficiency, cost and disagreements between different translators may lead some issuers to conclude that preparing a dual-language PDS is too difficult. This is not the purpose of this proposal and we consider that an independent party review makes the process harder, rather than more accessible.

We consider the practical risk of inconsistencies between the two languages is low if the following actions are taken:

- ensuring that length limits do not apply to the te reo Māori portion of the PDS (or at least providing that they may be relaxed from the limits that would apply to the English portion) as this would accommodate a more accurate reflection of the English portion;
- the FMA issuing a list of approved translators (with their relevant costs, details, timeframes for translations and qualifications) so that the FMA, issuers and investors can have confidence in the original translation, although issuers should still be free to choose to prepare a translation in house or through another translator (for example, they may have an existing relationship with a translator that they wish to maintain). These approved translators would need to satisfy the FMA that they have the relevant qualifications, references and experience to be an approved translator and that they were familiar with any official glossary and business terminologies; and
- the FMA could produce a detailed official glossary of terms that are commonly used in a PDS, with approved translated terms, as well as translated prescribed statements. This would further mitigate the risk of translation inconsistencies and provide a platform for issuers to do some work in-house before translators completed the translation or reviewed in-house translations.

**11. Do you agree that the prescribed length limits should still apply for the English part of the PDS on its own? Please give reasons for your view.**

Yes. We agree that the length limits should continue to apply to the English portion of PDSs. This will ensure that PDSs continue to provide all relevant information concisely, while maintaining their effectiveness in providing succinct information to investors.

The te reo Māori should be at a similar length to the English version but, in recognising that no language can be directly translated word for word, the FMA should be prepared to accept that te reo Māori versions are likely to be longer. This does not mean that te reo Māori versions are not as equally as succinct as the English versions, but recognises that most, if not all, dual language PDSs will be prepared in English first, and then translated into te reo Māori.

**12. What format or layout requirements do you think we should impose for a dual-language PDS, if any? Please specify any requirements and give reasons for your view.**

We do not consider that any further format or layout requirements are needed to be imposed for dual-languages PDSs. The requirements that issuers provide PDSs which are easily readable, clear, concise and effective should be sufficient to guide the format and layout of a dual language PDS.

This would allow issuers to tailor the format and layout of PDSs to best meet the current requirements in relation to the target market of investors.

We are hesitant to support any requirement for a PDS to be translated side-by-side, providing somewhat of a comparison between the two languages on any single page. This would likely have adverse effects on the layout and readability of the PDS, and ultimately, may turn off both English and te reo Māori readers due to the complexity of layout.

**13. Are there any other conditions you think we should impose to ensure that the exemption is appropriately targeted and risks are mitigated? Please specify any additional conditions and give reasons for your view.**

It would be useful for the FMA to provide a list of approved translators it considers understand terminology commonly used within PDSs. This could reduce the risk of discrepancies between te reo Māori and English portions of dual-language PDSs. More information on this recommendation can be found at question 10.

**14. Do you think any of the proposed conditions could impose unnecessary compliance costs? Please specify any conditions which could impose unnecessary compliance costs and give reasons for your view.**

The condition proposed under the alternative statement 9(b), requiring issuers of dual-language PDSs to make translations of further documents available upon request could impose unnecessary compliance costs. With a potentially long list of documents to which this condition may apply, these costs could limit the accessibility of this exemption to issuers. However, we consider that this is consistent with the overall goal of this exemption. We do not consider that issuers will take up this exception without a careful analysis of the potential costs involved. Therefore we would still support the alternative suggestion in 9(b), although suggest that any timing requirement be qualified by providing it as soon as reasonably practicable.

**15. Would you support the proposed exemption to enable PDSs to be provided in full in both English and any other language? Please give reasons for your view including any changes you would like to see.**

We support the proposed exemption being expanded to other languages, in principle. This could increase the benefits of improved investor engagement with PDSs and more effective decision-making.

**16. Have you identified any other benefits or risks for investors if we expand the proposed exemption to include languages other than te reo Māori and English? Please specify any further benefits or risks you have identified and give reasons for your view.**

We consider that expanding the proposed exemption to include languages other than te reo Māori and English would have similar benefits to those already outlined above. However, the major risk of expanding the proposed exemption to include languages now is that any issues cannot be ironed out in a pilot run of te reo Māori only. We envisaged that issues that come up in the te reo Māori pilot could provide beneficial insights for any future expansion into other languages.

**17. Do you think the exemption should be expanded to include all languages, or are there any particular languages you think should be approved in addition to te reo Māori? For example, for countries that are signatories to the AFRP MOC.**

We consider that a targeted approach is best, which allows the FMA to issue an approved list of translators and glossary for the specific language the FMA may include in an exemption, if it considers it necessary to do. In terms of further languages to consider, we support an exemption for a specific list which could include Samoan, Tongan, Hindi, Chinese Mandarin, French, German, Japanese, Korean, and Spanish (list not exhaustive).

In terms of identifying further languages that should be included in such an exemption, we suggest that the FMA should have regard to the extent to which that language is spoken in New Zealand, as well as the degree to which speakers of that language are likely to have available to them resources to assist with financial literacy and decision making for investment in that language. For example,

research published in July 2014<sup>1</sup> by the Ministry of Education suggested Pasifika students have below average financial literacy scores and students who did not speak English at home also had below average financial literacy. As such, allowing for the provision of dual-language PDSs in Pacific Island languages may particularly assist Pasifika people by providing financial information in a language that they are more comfortable with.

**18. (For issuers) would you intend to rely on the exemption if granted for other languages? Please specify what language you would look to include in a dual-language PDS.**

Not applicable. Please refer to question 17 for which languages could be included.

<sup>1</sup> PISA2012, New Zealand financial literacy report  
<https://www.educationcounts.govt.nz/publications/schooling/2543/pisa-2012/148116>

16 May 2018

Financial Markets Authority  
New Zealand  
[consultation@fma.govt.nz](mailto:consultation@fma.govt.nz)

**Submission: Proposed exemption to enable dual-language product disclosure statements**

This submission is from the Financial Services Council of New Zealand Incorporated (FSC).

The FSC represents New Zealand's financial services industry having 33 members at 30 April 2018. Companies represented in the FSC include the major insurers in life, disability, income, and trauma insurance, and some fund managers and KiwiSaver providers plus law firms, audit firms, and other providers to the financial services sector.

Our submission has been developed through consultation, and represents the views of our members and our industry. We acknowledge the time and input of all our members in contributing to this submission.

The FSC's guiding vision is to be the voice of New Zealand's financial services industry and we strongly support initiatives that are designed to deliver:

1. Strong and sustainable consumer outcomes;
2. Sustainability of the financial services sector; and
3. Increasing professionalism and trust of the industry.

***Position on the Exemption***

In line with the FSC's aim of delivering strong consumer outcomes, we support the proposed exemption. This support is on the basis that some consumers would benefit by having a product disclosure statement (PDS) available in their first language. To mitigate the risk of differences between language-versions, we also support the requirement of certification by a translator with the appropriate level of qualification/experience to translate technical documents and/or the issuer.

***Specific areas of feedback and suggestions for optimising the Exemption***

We note that although the consultation is initially focussed on enabling PDSs in Te Reo Māori, it also considers extending the submission to other languages. We agree that the exemption should apply to other languages and we recommend that any language should be allowed, provided its translation from English meets certification requirements. Further, the word limitations of the current regime should apply to the English version only; if it requires more words to translate into any alternate language that should be an explicitly permitted exception.

We question the requirement for an English version to accompany the second language version (i.e. the dual language requirement). This does not appear to be for the benefit of consumers because the point of providing a PDS in their first language is to enable them better to understand its content. An alternate solution would be to require a prominent statement on any non-English PDS (in both English and the alternate language) that an English language PDS is available and where it may be sourced. Another reason

not to require the dual English version is that, in some cases, undue costs to the provider could be required (e.g. where the PDS is commercially printed).

Headings in English, as proposed, should not be required: *“The FMC Regulations require the PDS to contain specific headings and precise statements. The exact wording is provided in English and can be found in the relevant schedules to the FMC Regulations. Our view is that the issuer would still be required to provide the prescribed headings and statements in English”* (p. 5). Such a requirement would not be in the interests of consumers receiving a PDS in another language. It is incongruous to provide the bulk of the PDS in a language other than English but to have prescribed wording appear for headings in English. For the target consumers, who may not read English at all, that is counter to the policy intent of providing consumers information in a form that they can understand.

It is questionable whether providers are prevented currently from providing a non-English PDS under the current regime (provided the prescribed words from the FMC Regulations appear in English in the required places). There appears to be no requirement in the FMC Act or FMC Regulations for any particular language to be used. Further, English is not an official language of New Zealand by law, only by convention. Consequently, we consider it is opportune to clarify that English is the required language for all PDSs, by default.

Any Exemption to allow Te Reo and/or multiple languages should include a statement that there is never an obligation for a provider to make a PDS available in any language other than English. We would be concerned, for example, if another language could be demanded by a minority group, placing an unnecessary compliance cost on the provider.

Finally, there may be an opportunity to extend associated consumer-facing documents where providers opt to use the Exemption. For example, if a provider provides a Mandarin Chinese PDS it would be reasonable to expect that member-facing documents such a Fund Updates and Annual Reports be made available in the all the languages that the PDS is provided in. Otherwise the non-English language speaking consumer would be sold the product in their first language but would not be similarly served in the ongoing information in relation to their investment.

[Redacted signature line]

Yours sincerely

[Redacted name]  
[Redacted contact information]

## Feedback form: Proposed exemption to enable dual-language PDSs

Please submit this feedback form electronically in both PDF and MS Word formats and email it to us at [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) with 'Proposed exemption to enable dual-language product disclosure statements: [your organisation's name]' in the subject line.

If you would prefer to meet with us in person to discuss the proposed exemption, please email [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) by Thursday 3 May. Thank you.

**Submissions close at 5pm on Thursday 17 May 2018.**

Date:	Number of pages:
Name of submitter: [REDACTED]	
Company or entity: Gerald Gates & associates Ltd	
Organisation type: Financial Adviser	
Contact name (if different):	
Contact email and phone: [REDACTED] [REDACTED]	

Question number	Response
<i>You don't need to quote from the consultation document if you note the question number.</i>	
2	<i>I'm interested to know if there has been significant request for PDS 's to be in te reo Maori. Of my 250 plus clients I don't believe any of them would benefit from having a PDS in te reo Maori</i>

**Feedback summary** – *if you wish to highlight anything in particular*

**Please note:** Feedback received is subject to the Official Information Act 1982. We may make submissions available on our website, compile a summary of submissions, or draw attention to individual submissions in internal or external reports. If you want us to withhold any commercially sensitive or proprietary information in your submission, please clearly state this and note the specific section. We will consider your request in line with our obligations under the Official Information Act.

**Thank you for your feedback – we appreciate your time and input.**

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**From:** [REDACTED]  
**Sent:** Friday, 20 April 2018 11:56 AM  
**To:** [REDACTED]  
**Subject:** FMA dual language PDS

Tēnā koe Rebecca

Firstly I want to say that I fully support this proposal and am willing to help in any way possible. For your interest, I am currently co-leading a vocabulary development project (supported by Te Taura Whiri i te Reo Māori) [REDACTED]. We have identified an emerging demand for and interest in enabling clear, specific discussions of wealth and investment matters in te reo Māori. Our project aims to identify a critical vocabulary of 100 wealth and investment terms, and then develop an aligned, industry-informed set of fundamental Māori terminology for the field. This will enable consistent, accurate use within the industry and facilitate industry engagement amongst the Māori language community, and could also support the education of our Māori people in this sector. [REDACTED] and I are both fluent in te reo, and together have a combined skill set that covers both the linguistic and commercial spaces; I highlight this as I believe this is an advantage of our team and for any team doing this sort of work - being able to understand the industry concepts as well as understand (and critique) the Māori translation being considered.

Other key issues/tasks that I see (apologies if I didn't reference it to a specific question from the list):

- Developing the critical vocabulary so that translation is consistent and accurate. Happy to be involved.
- Ensuring the certified translators understand the English translation (financial terminology/context etc). Happy to be involved.
  - Perhaps an advisory panel could be made available to the certified translator pool. Ideally some of the panel would have an understanding of financial & te reo Māori.
- I agree with the comment that dual translation can help with understanding and decision-making (i.e. can help to inform a potential investor). It is a mechanism to explain something from a different point of view.

Happy to explain any of this further if my comments aren't clear.

Awesome mahi!

Aku mihi



Level 1 | GHA Centre  
1108 Fenton Street  
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**From:** [REDACTED]  
**Sent:** Thursday, 17 May 2018 1:51 PM  
**To:** Consultation  
**Cc:** [REDACTED]  
**Subject:** New Zealand Bankers' Association

**Categories:** Red Category

Good afternoon

Thank you for the opportunity to provide feedback on the proposed exemption to enable dual-language product disclosure statements.

Please note that NZBA is not providing comments on the conditions of the proposed exemption or the questions set out in the consultation paper. However, we would like for FMA to note our support of the proposed exemption; NZBA and its members support FMA's efforts to promote the maintenance and development of te reo Māori.

Please feel free to give me a call if there is anything you would like to discuss.

Kind regards

[REDACTED]

[REDACTED] New Zealand Bankers' Association

[REDACTED] [www.nzba.org.nz](http://www.nzba.org.nz)

## Feedback form: Proposed exemption to enable dual-language PDSs

Please submit this feedback form electronically in both PDF and MS Word formats and email it to us at [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) with 'Proposed exemption to enable dual-language product disclosure statements: [your organisation's name]' in the subject line.

If you would prefer to meet with us in person to discuss the proposed exemption, please email [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) by Thursday 3 May. Thank you.

**Submissions close at 5pm on Thursday 17 May 2018.**

Date: 17 May 2018

Number of pages: 5

Name of submitter: [REDACTED]

Company or entity: Mercer (N.Z.) Limited

Organisation type: Manager, managed investment schemes / Qualifying Financial Entity

Contact name (if different):

Contact email and phone [REDACTED] [REDACTED]

Question number	Response
<i>You don't need to quote from the consultation document if you note the question number.</i>	
1. Do you support the proposed exemption to enable PDSs to be provided in both te reo Māori and English in full? Please give reasons for your view including any changes you would like to see.	<p><i>Mercer supports the principles of the proposed exemption, namely the use of te reo Māori and increasing investor confidence.</i></p> <p><i>We suggest it would be more appropriate for a proposed exemption to apply to a single language te reo Māori PDS where the direct translation of the English language PDS exceeds the prescribed length limits contained within the FMC Regulations.</i></p> <p><i>A single language PDS would be more likely to meet the requirements of clear, concise and effective than a dual language PDS.</i></p> <p><i>Alternatively the proposed exemption could cover both single language te reo Māori PDS and a dual language English and te reo Māori PDS.</i></p>
2. Do you have any comments on the benefits outlined in this consultation paper?	<p><i>As noted in our answer to Question 1, we believe a PDS in te reo Māori would be more beneficial in terms of clear, concise and effective communication than a dual language PDS.</i></p> <p><i>If an investor wishes to augment the information in the te reo Māori version with the English version this would still be open to them by referring to the English version and te reo Māori version together.</i></p>
3. Do you have any comments on the risks outlined in this consultation paper?	<p><i>There is a risk of discrepancies arising between te reo Māori versions of PDSs that does not occur between current English versions due to the FMC Act and FMC Regulations prescribing much of the wordings and headings contained in PDSs. This could result in a loss of investor confidence and reduce the likelihood of issuers providing them and/or investors using them.</i></p> <p><i>To mitigate this risk we propose a trusted independent organisation should provide the te reo Māori translation of all prescribed wording and headings currently contained in the FMC Act and Regulations.</i></p> <p><i>Our suggestion is that the Te Taura Whiri i te reo Māori (Māori Language Commission) would be an appropriate organisation to provide such wordings. (Please also refer to the "Feedback summary" section of the paper for further thinking on this.)</i></p>
4. Have you identified any other benefits or risks associated with this exemption that have not been provided in this consultation paper? Please specify any	<p><i>There is a risk that some financial terms and words may not have a broadly accepted and well understood equivalent in te reo Māori at the present time. If this is the case, it would be appropriate for Te Taura Whiri i te reo Māori, or some suitable body, to ascertain what process is followed in this situation e.g. is it appropriate to use the English word or phrase in their place. (Please also refer to the "Feedback summary" section of the paper for further thinking on this.)</i></p>

<p>further benefits or risks you have identified and give reasons for your view.</p>	
<p>5. Other than the length limits in regulations 22 to 25, and 29 of the FMC Regulations, do you think an exemption is required from other regulations or legislation in order to allow a dual-language PDS? Please specify any legislation or regulations you have identified and give reasons for your view.</p>	<p><i>No comment.</i></p>
<p>6. Do you agree that the existing FMC Act protections are sufficient to deal with a discrepancy between the two languages in the PDS? Please specify any further conditions you think may be required to deal with a discrepancy and explain why these are necessary.</p>	<p><i>As noted previously, translation of all prescribed wording and headings by an organisation such as Te Taura Whiri i te reo Māori would reduce the instances of this occurring.</i></p>
<p>7. Given the specific nature of the prescribed wording required by the FMC Regulations, do you think there are any difficulties providing the equivalent statements in te reo Māori? Please specify any prescribed wording that you think may be difficult to provide in te reo Māori, and provide alternatives if possible.</p>	<p><i>Yes we believe this could present a difficulty. As noted previously, there is a risk that some financial terms and words may not have a broadly accepted and well understood equivalent in te reo Māori at the present time. If this is the case, it would be appropriate for Te Taura Whiri i te reo Māori, or some suitable body, to ascertain what process is followed in this situation e.g. is it appropriate to use the English word or phrase in their place or to use another term.</i></p>
<p>8. (For issuers) would</p>	<p><i>Mercer would be supportive of an exemption in terms of dual language te reo Māori English PDSs or</i></p>

<p>you intend to rely on the proposed exemption if granted for te reo Māori and English?</p>	<p><i>single language te reo Māori PDS. We have no immediate plans to rely on such an exemption.</i></p>
<p>9. Do you agree that the issuer should be required to include a prominent statement in the PDS in both languages stating that: a. the two languages are accurate and full reflections of each other, and</p> <p>b. further information, such as fund updates and annual reports, may only be available in English?</p> <p>We are also considering whether, as an alternative to the statement in 9.b, it would be appropriate for further information to be made available in the other language if requested by the investor (either through in-house capability or an external translator). Please state any preference and give reasons for your view.</p>	<p><i>We agree that in the case of a dual language PDS a prominent statement should be included.</i></p> <p><i>In the case of a single language te reo Māori PDS a similar statement should be included that the te reo Māori version is a full reflection of the English version.</i></p> <p><i>At this stage we do not believe it should be mandatory for further information to be provided in te reo Māori. It would be preferable to consider a development pathway to this information being available over time.</i></p> <p><i>There is a risk that requiring additional information to be provided in te reo Māori would reduce the likelihood of issuers proceeding with the provision of a PDS in te reo Māori. As noted previously, there is a risk that some financial terms and words may not have a broadly accepted and well understood equivalent in te reo Māori at the present time.</i></p> <p><i>If an investor does wish to obtain additional information in te reo Māori they could do so by engaging directly with a translator; a directory of which is included on the Te Taura Whiri i te reo Māori website.</i></p>
<p>10. How do you think we could best mitigate against the risk of discrepancies between the two languages? For example, whether the two languages must be certified by a qualified independent party and/or the issuer as accurate and full reflections of each other.</p>	<p><i>We believe this risk can be mitigated by all prescribed wording and headings being provided by an organisation such as Te Taura Whiri i te reo Māori. The remaining words should be certified an accurate translation by a qualified translator.</i></p>
<p>11. Do you agree that the prescribed length limits should still</p>	<p><i>Yes we agree, however, we note that if a single language te reo Māori PDS is provided instead of a dual language PDS this may become irrelevant.</i></p>

<p>apply for the English part of the PDS on its own? Please give reasons for your view.</p>	
<p>12. What format or layout requirements do you think we should impose for a dual-language PDS, if any? Please specify any requirements and give reasons for your view.</p>	<p><i>We do not believe any layout requirement should be provided for a dual language PDS. In terms of single language te reo Māori PDS it should follow the same format as currently prescribed.</i></p>
<p>13. Are there any other conditions you think we should impose to ensure that the exemption is appropriately targeted and risks are mitigated? Please specify any additional conditions and give reasons for your view.</p>	<p><i>No comment.</i></p>
<p>14. Would you support the proposed exemption to enable PDSs to be provided in full in both English and any other language? Please give reasons for your view including any changes you would like to see.</p>	<p><i>As an official language of New Zealand, we believe the exemption should be extended to te reo Māori. Once this is implemented and operating smoothly consideration, based on investor demand, could be given to extending this to other languages.</i></p>
<p>15. Have you identified any other benefits or risks for investors if we expand the proposed exemption to include languages other than te reo Māori and English? Please specify any further benefits or risks you have identified and give reasons for your view.</p>	<p><i>Refer to question 14.</i></p>
<p>16. Do you think the exemption should be expanded to include all languages, or are there any particular</p>	<p><i>Refer to question 14.</i></p>

<p>languages you think should be approved in addition to te reo Māori? For example, for countries that are signatories to the AFRP MOC.</p>	
<p>17.(For issuers) would you intend to rely on the exemption if granted for other languages? Please specify what language you would look to include in a dual-language PDS.</p>	<p><i>At this stage Mercer has no plans to rely on such an exemption.</i></p>
<p><b>Feedback summary</b> – <i>Further to our suggestion that a trusted independent organisation such as Te Taura Whiri i te reo Māori provide the te reo Māori translation of all prescribed wording and headings currently contained in the FMC Act and Regulations:</i></p> <p><i>A central authority / enabler may assist smooth implementation providing an efficient way of enabling the strategic intent of the exemption. It could potentially reduce the risk of misinterpretation and would help support the translators and issuers reflect the needs of their customers. Te Taura Whiri i te reo Māori or some other recognised authority could have a notified and defined support role should the exemption be available to issuers with broad responsibilities including:</i></p> <ul style="list-style-type: none"> <li>• <i>The development of a set of standard phrasing, prescribed language / headings / titles and terms specific to PDS offerings</i></li> <li>• <i>Support to issuer translators seeking reference and moderation of language guidance</i></li> <li>• <i>Mediation or arbitration where disputes arise over translation differences</i></li> </ul> <p><i>We appreciate that provision of such a role would be subject to resourcing.</i></p>	
<p><b>Please note:</b> Feedback received is subject to the Official Information Act 1982. We may make submissions available on our website, compile a summary of submissions, or draw attention to individual submissions in internal or external reports. If you want us to withhold any commercially sensitive or proprietary information in your submission, please clearly state this and note the specific section. We will consider your request in line with our obligations under the Official Information Act.</p>	
<p><b>Thank you for your feedback – we appreciate your time and input.</b></p>	

## Feedback form: Proposed exemption to enable dual-language PDSs

Please submit this feedback form electronically in both PDF and MS Word formats and email it to us at [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) with 'Proposed exemption to enable dual-language product disclosure statements: [your organisation's name]' in the subject line.

If you would prefer to meet with us in person to discuss the proposed exemption, please email [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) by Thursday 3 May. Thank you.

Submissions close at 5pm on Thursday 17 May 2018.

Date: 18.04.2018 Number of pages: 2

Name of submitter: [REDACTED]

Company or entity: Peak Portfolio Management Ltd

Organisation type: Sole Practitioner AFA

Contact name (if different):

Contact email and phone: [REDACTED] [REDACTED]

Question number	Response
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*You don't need to quote from the consultation document if you note the question number.*

1. Do you support the proposed exemption to enable PDSs to be provided in both te reo Māori and English in full? Please give reasons for your view including any changes you would like to see.	<i>I agree with the proposal of an the exemption for word limits for a PDS in both English and Te Reo , with the option of English and another language included in the exemption. This would be particularly helpful for KiwiSaver members who may not have any previous investment experience.  This could be a requirement of KiwiSaver default providers, so they can send out a dual language PDS to some new members who are auto enrolled –if new members are asked for their ethnic background in the form submitted to IRD.</i>
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2. Do you have any comments on the benefits outlined in this consultation paper?	<i>This exemption would provide an opportunity for providers who wish to enhance their products to align with Tikanga Māori, and other groups e.g. Asian.  It would also improve engagement with speakers of Te Reo and those who consider financial products such as KiwiSaver to be 'Pakeha stuff' not relevant in their lives.</i>
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11. Do you agree that the prescribed length limits should still apply for the English part of the PDS on its own? Please give reasons for your view. Q	<i>Despite the changes, a PDS is still an unappealing document for many people, and I doubt if many new KiwiSaver members read them. Keeping them short increases the likelihood that they will at least flick through them and read some topics such as fees, taxes and how to get your money out.</i>
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12. What format or layout requirements do you think we should impose for a dual-language PDS, if any? Please specify any requirements and give reasons for your view. 1	<i>As an alternative to a dual language PDS, it would be encouraging if more providers had other language options on their website, so that key information could be provided in the language of their choice. The reader could click a drop down box and select from Te Reo, Samoan or Chinese for example - based on the provider's target client base and whether they are a default provider or not. Default providers should be the first to move to dual language information/offer documents.</i>
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Feedback summary – This is a positive direction that the FMA is taking and I hope the sector will take note.

**Please note:** Feedback received is subject to the Official Information Act 1982. We may make submissions available on our website, compile a summary of submissions, or draw attention to individual submissions in internal or external reports. If you want us to withhold any commercially sensitive or proprietary information in your submission, please clearly state this and note the specific section. We will consider your request in line with our obligations under the Official Information Act.

**Thank you for your feedback – we appreciate your time and input.**

# Feedback form: Proposed exemption to enable dual-language PDSs

Please submit this feedback form electronically in both PDF and MS Word formats and email it to us at [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) with 'Proposed exemption to enable dual-language product disclosure statements: [your organisation's name]' in the subject line.

If you would prefer to meet with us in person to discuss the proposed exemption, please email [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) by Thursday 3 May. Thank you.

**Submissions close at 5pm on Thursday 17 May 2018.**

Date: 5 May Number of pages: 2

Name of submitter: [REDACTED]

Company or entity: **Tem Corporation Aotearoa Ltd**

Organisation type: Privately held company

Contact name (if different):

Contact email and phone: [REDACTED]

Question number	Response
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*You don't need to quote from the consultation document if you note the question number.*

1.	Yes. Te reo is an official language therefore te reo Māori should be allowed to be reflected and applied in all regulation and policy. <b>Complies with the Māori Language Act, the Treaty of Waitangi principles and intent.</b>
2.	The inclusion of Te reo Māori in the financial markets and financial services is a natural extension of its use. It supports the intent of maintenance and development of te reo. Further to the benefits outlined in the paper, allowing dual language in PDS's and other such documents sends a strong message of commitment to the future of New Zealand. The required development to translate industry terminology into Māori language that may be required to fully reflect the English versions will enhance the Māori language. This 'Māori financial markets' terminology may then be incorporated in Māori education and financial literacy.
3.	Te Taura Whiri i te Reo Māori is the obvious authority to assist with risk mitigation and providing assurance to the accuracy and full reflection. We do not support the view that PDSs provided in dual language may reduce investor confidence. The Treaty of Waitangi is the first example of what happens when there is not accurate and full reflection; the original deed to make Tongariro National Park is another example of two different meanings.
4.	See 3 and 4 above. Benefit; further validity to te reo and to NZ Inc.
6.	Yes. The inclusion of Te Taura Whiri as the te reo Māori authority and oversight.
7.	We understand that Te Taura Whiri has a process for developing new words or terminology in Māori should it be required. this is important to maintaining the relevance of te reo.  The awareness of the functionality and capacity of Te Reo is an important aspect of this. The confirmation that te reo can translate investment and financial market terminology is mostly an issue for those lacking in the depth of knowledge and experience in te reo. We believe the Maori language can handle anything thrown at it.
9.	Yes,

10.	<i>See comments above</i>
11.	<i>Yes, the challenge between legal compliance and plain language for the customer is ongoing. Controlling the number words assists diligence and language skill.</i>
<b>Feedback summary</b> – As the Māori investment space grows and matures there is a expected drive toward Maori Ethical (Kaupapa) investment principles and planning insync within Maori frameworks and thinking, the same applies to the Reo.	
<b>Please note:</b> Feedback received is subject to the Official Information Act 1982. We may make submissions available on our website, compile a summary of submissions, or draw attention to individual submissions in internal or external reports. If you want us to withhold any commercially sensitive or proprietary information in your submission, please clearly state this and note the specific section. We will consider your request in line with our obligations under the Official Information Act.	
<b>Thank you for your feedback – we appreciate your time and input.</b>	

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New Zealand



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[www.facebook.com/whairawa](https://www.facebook.com/whairawa)

## **RE: Proposed Exemption for Dual-Language Product Disclosure Statements**

Tēnā koutou e Te Mana Tātai Hokohoko,

On 17 April, the Financial Markets Authority (FMA) released its Consultation Paper seeking feedback on a proposed word limit exemption to enable Product Disclosure Statements to be provided in Māori as well as English.

Whai Rawa Fund Limited (Whai Rawa) thanks the Financial Markets Authority for the opportunity to respond to this proposal.

Whai Rawa supports the introduction of a length limit exemption to enable dual-language Te Reo Māori and English Product Disclosure Statements (PDS); provided this is undertaken in a way that ensures the mana of the Māori language by meeting the same standards of consistency, certainty and clarity currently required of English-language PDS.

In furtherance of this, Whai Rawa recommends the FMA consult Te Mātāwai in order to determine appropriate reo Māori terms, phrases and statements for use as suitable equivalents to those English language terms, phrases and statements prescribed by the Financial Markets Conduct Regulations.

### **Background**

Whai Rawa is a wholly owned subsidiary of Te Rūnanga o Ngāi Tahu, the governance body which protects and advances the collective interests of the iwi of Ngāi Tahu whānui, comprising some 60,000 registered members.

Overall, tribal investment strategy is designed to enable Te Rūnanga to meet its obligations to Ngāi Tahu iwi members, with the aim of ensuring steady and sustainable cashflow based on profit and capital growth. This has seen our iwi wealth grow from an initial \$170 million in 1998 to \$1.5 billion as of 2018.

This investment strategy is complemented by a tribal distribution strategy, a landmark feature of which is the matched savings programme – Whai Rawa Unit Trust (managed by Whai Rawa Fund Limited).

Whai Rawa was established by Te Rūnanga in 2006, to improve the wellbeing of iwi members by providing a mechanism for financial distributions that also encourages savings and grows iwi members' individual financial capability. To date, it is the only iwi MIS in Aotearoa New Zealand and has managed funds of approximately \$72 million.

Our obligations to iwi members are not limited to the purely economic. We also have a duty to maintain the mauri (lifeforce) of Ngāi Tahu culture and the environment. Consequently, the tribal distribution strategy is extensively aligned to a tribal development strategy.

A significant strand of Ngāi Tahu iwi development is the reo Māori strategy, Kotahi Mano Kāika (KMK). This vehicle actively supports whānau to revitalise and maintain their reo, and has successfully facilitated the emergence of a new generation of native speakers of the Ngāi Tahu dialect.

In light of these complementary interests – to secure the on-going economic and cultural wellbeing of Ngāi Tahu iwi members – Te Rūnanga fully supports Whai Rawa advancing this proposal.

Whai Rawa and Te Rūnanga sincerely appreciate the goodwill the FMA is showing in taking the initiative to support Te Reo Māori through this endeavour. We look forward to the progression of this proposal, and shall apply for the Reo Māori exemption to the PDS word limits as soon as this is permitted.

If you have any questions regarding this response, please contact [REDACTED]

Nāku noa,



**Whai Rawa**

Te Whare o Te Waipounamu | 15 Show Place, Addington | Ōtautahi 8042  
PŌ Box 13-046 | Christchurch 8141  
Aotearoa

Tel 0800 942 472 | Email [whairawa@ngaitahu.iwi.nz](mailto:whairawa@ngaitahu.iwi.nz) | Website [www.whairawa.com](http://www.whairawa.com)

## Feedback form: Proposed exemption to enable dual-language PDSs

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If you would prefer to meet with us in person to discuss the proposed exemption, please email [consultation@fma.govt.nz](mailto:consultation@fma.govt.nz) by Thursday 3 May. Thank you.

Submissions close at 5pm on Thursday 17 May 2018.

Date: 17 May 2018 Number of pages: 3

Name of submitter: [REDACTED]

Company or entity: Whai Rawa Fund Limited

Organisation type: Manager, Managed Investment Scheme

Contact name (if different): [REDACTED]

Contact email and phone: [REDACTED]

Question number	Response
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*You don't need to quote from the consultation document if you note the question number.*

<p><b>Question 1</b></p>	<p>Whai Rawa supports the proposed exemption to enable PDS' to be made in Te Reo Māori (Te Reo) and English.</p> <p>The ability to provide PDS' in Te Reo would be welcomed by Whai Rawa given its status as a wholly owned subsidiary of Te Rūnanga o Ngāi Tahu and that it is currently the sole iwi owned Managed Investment Scheme (MIS) manager. This would also enable Te Rūnanga to better satisfy its Reo Māori strategy, by affirming the importance of Te Reo to Ngāi Tahu identity, as well as serving to normalise Te Reo.</p> <p>Provision for the use of Te Reo in PDS' would represent a great show of support from the FMA for the Māori language, and a recognition of the value of Te Reo within New Zealand society more broadly. This, in turn, would contribute to the fulfilment of the Crown's commitments to Te Reo, pursuant to the Te Ture mō Te Reo Māori 2016<sup>1</sup>.</p>
<p><b>Question 2</b></p>	<p>Whai Rawa agrees that the benefits outlined in the Consultation Paper are likely to accrue from the exemption.</p>
<p><b>Question 3</b></p>	<p><b>i. Mistake</b> Whai Rawa agrees that the risk of mistake or discrepancy within a PDS arising on the basis of interpretation difficulties between the two languages is a relevant consideration, however there are ways of mitigating this.</p> <p>Issuers of any PDS could readily make a statement to the effect that prima facie, each version of a PDS is of equal authority, but in the event of a conflict in meaning, the Māori or English version will prevail.</p> <p><b>ii. Further Provision for Te Reo</b> Whai Rawa agrees that a prominent statement in the PDS is sufficient to manage the issue of a lack of further Māori resources.</p> <p>Moreover, Te Taura Whiri (the Māori Language Commission) keeps a register of licensed translators and interpreters who may be engaged to facilitate any issues surrounding the making of complaints.</p> <p>Although some cost may attach to interpreter services, under the Māori Language Act, Departments of State should endeavour to make their services accessible to iwi and Māori, including through the use of Te Reo<sup>2</sup>.</p>

<sup>1</sup> Māori Language Act 2016, section 8(2): "Māori Language and the Crown".

<sup>2</sup> Māori Language Act, section 9(1).

	<p>By the discretion of the FMA, this may mean that the provision of interpreters is appropriate in certain situations if a matter should arise where this is reasonable.</p>
<p><b>Question 4</b></p>	<p><b>i. Additional Benefits</b></p> <p>Whai Rawa believes that additional benefits entailed by the exemption include:</p> <ul style="list-style-type: none"> <li>• An increase in confidence in the Crown as a Treaty Partner by Māori; and</li> <li>• An increase in confidence in the financial sector as a whole by Māori.</li> </ul> <p>Language is the key to open communication and engagement. In the burgeoning era of Post-Settlement Iwi Governance, dual-language instruments signal a respect for the role of the Māori economy to the fortunes of New Zealand.</p> <p>This would also enhance New Zealand’s reputation in the international community, being a powerful symbol of New Zealand’s recognition of its obligations in respect of indigenous rights.</p> <p><b>ii. Additional Risks</b></p> <p>Te Reo is a highly idiomatic language, which is expressed through vivid imagery and implied analogy. This makes it likely that if issuers are to provide their own translations of a PDS, these will be quite different from one another, and may diverge from the highly prescribed nature of the regulated English in the Financial Markets Conduct Act<sup>3</sup>.</p> <p>Whai Rawa believes that this could undermine the status of the Māori versions of any PDS. If there is not the same level of statute-prescribed terminology for the Māori as the English versions of a PDS, then there is unlikely to be the same degree of weight afforded to the Māori, for want of certainty.</p> <p>This may further increase the potential liability of entities that offer dual language PDS, and so, may discourage the use of reo Māori PDS altogether.</p> <p>However, Whai Rawa believes this risk may be mitigated by relying on existing Crown agencies to produce regulated Māori for the purposes of dual language PDS’. We expand on this point below.</p>
<p><b>Question 7</b></p>	<p>As stated at 4.ii, Whai Rawa considers that the appropriate solution to the issue of Māori equivalents to the regulatory prescribed wording is for the FMA to consult Te Taura Whiri and Te Mātāwai to determine the best reo Māori equivalents to the prescribed English.</p> <p>Both of these Crown agencies are empowered by the Māori Language Act 2016 to facilitate the use of Te Reo in official and judicial contexts. Te Taura Whiri and Te Mātāwai engage leading Te Reo experts from across the country, to promote the use of Te Reo in Aotearoa.</p> <p>Of particular relevance are sections 19(1)(d) and (e) of the Māori Language Act, which provide that the functions of Te Mātāwai are:</p> <p style="padding-left: 40px;">“(d) to assist Ministers who have responsibilities relating to the purpose of this Act to identify relevant issues, develop solutions, and take opportunities to collaborate with other agencies in the public sector in matters relating to the Māori language” and:</p> <p style="padding-left: 40px;">“(e) to provide advice and guidance to Crown agencies on how they may contribute to developing or implementing the Māori language strategies”</p> <p>Whai Rawa believes that the Crown, as well as enabling dual language PDS’, should also provide the means to enable dual Māori-English PDS, including through the facilitation of appropriate translation. Section 543 of the Financial Markets Conduct Act provides for the</p>

<sup>3</sup> Financial Markets Conduct Act 2013, section 543.

	making of regulations for matters relating to PDS', and via this, the use of certain, appropriate translations can be required.
<b>Question 8</b>	Whai Rawa intends to rely on the proposed exemption if it is granted and will issue all future PDS in both English and Te Reo Māori.
<b>Question 14</b>	<p>The issue of additional costs is a possibility, particularly if the FMA maintains it is for issuers to entirely facilitate the translation of their PDS into Te Reo as well as English.</p> <p>This is another reason why Whai Rawa believes it is appropriate for the FMA to work with Te Mātāwai to provide the prescribed regulatory language required by the Financial Markets Conduct Act.</p> <p>The Crown itself is responsible for the implementation of Te Ture mō Te Reo Māori.</p>
<p>Feedback summary –</p> <p>Whai Rawa supports the introduction of a length limit exemption to enable dual-language Te Reo Māori and English Product Disclosure Statements (PDS); provided this is undertaken in a way that ensures the mana of the Māori language by meeting the same standards of consistency, certainty and clarity currently required of English-language PDS.</p> <p>In furtherance of this, Whai Rawa recommends the FMA consult Te Mātāwai in order to determine appropriate reo Māori terms, phrases and statements for use as suitable equivalents to those English language terms, phrases and statements prescribed by the Financial Markets Conduct Regulations.</p>	
<p><b>Please note:</b> Feedback received is subject to the Official Information Act 1982. We may make submissions available on our website, compile a summary of submissions, or draw attention to individual submissions in internal or external reports. If you want us to withhold any commercially sensitive or proprietary information in your submission, please clearly state this and note the specific section. We will consider your request in line with our obligations under the Official Information Act.</p>	
<p><b>Thank you for your feedback – we appreciate your time and input.</b></p>	