

Financial Advice Provider Transitional Licence

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This guide is for businesses or individuals applying for a Financial Advice Provider Transitional Licence.

It explains how to complete your online application – including the information you will need at the time you apply.

For information about the new financial advice regime and transitional licensing, [see our website](#).

Before you apply

Use the below checklist to ensure you have all the information you need to complete your application.

Do you have a RealMe login?

You need this to use our online application form. If you don't already have one, go to [Create your RealMe login](#) and follow the instructions provided. You need to allow at least five days to set up your login.

Are you correctly registered on the Financial Service Providers Register?

Before you can apply for your transitional licence you will need to be correctly registered on the Financial Service Providers Register (FSPR). You will need to enter your Financial Service Provider (FSP) number and the FSP number of any authorised bodies on your licence application.

For details on how to register, see '[Registering correctly on the Financial Service Providers Register](#)'. The Ministry of Business, Innovation and Employment (MBIE) advise on their website that it can take two to five working days for them to process your application. Once your FSPP application is approved it will take up to 24 hours before it is available to be selected for your transitional licence application. Please ensure you have allowed enough time to register correctly on the FSPP.

While updating your FSPP records, it's a good idea to check your directors and senior managers are correctly listed.

Do you know which services and products you will provide advice on?

We ask what type of services and products you plan to provide advice on. See 'What we ask' for more information.

RealMe was formerly known as igovt – an all-of-government shared login service (provided by the Department of Internal Affairs). If you previously had an igovt login, those details will also work with RealMe.

This login belongs to you. It is a personal and individual login, not a shared login. If you are the person designated to manage business applications and filings for your company, other people should not log in as you. Refer to <https://www.realme.govt.nz/>

Do you know how many financial advisers or nominated representatives you will engage to provide regulated financial advice to retail clients on your behalf?

We ask for approximate numbers when you complete your application.

Do you have details for any authorised bodies on your licence?

We need to know:

- their FSP number,
- the type of advice they plan to offer,
- the products and services they will provide advice on, and
- approximately how many financial advisers or nominated representatives they will engage.

Do you have details of any criminal convictions or regulatory action relating to your application?

We need to know about criminal convictions or regulatory action relating to you, your senior managers or directors and any authorised bodies on your licence.

Completing your application

How to apply

You must apply for your transitional licence online. We will accept licence applications between Monday 4 November 2019 and June 2020 (when the new regime comes into effect).

We recommend you submit your application as early as possible to ensure we have time to process it.

From the start of the new regime in June 2020, you can only provide advice to retail clients if you have a financial advice provider licence, or if you have been accepted as a financial adviser, nominated representative or authorised body under another financial advice provider's licence.

Late applications

If you have not submitted your transitional licence application before the new regime comes into effect in June 2020, you will have to:

- wait until you have a full licence before providing advice to retail clients, or
- provide advice under another financial advice provider's transitional or full licence as a financial adviser or nominated representative
- provide advice under another financial advice provider's transitional or full licence as an authorised body.

What is the licence fee and how to pay?

It costs \$405 (ex GST) to apply for a transitional licence, plus \$38.75 (ex GST) per authorised body named on your licence application.

You must pay when you submit your application otherwise we cannot process it. This payment is to apply for a transitional licence, it does not include any levies or fees to register on the Financial Service Providers Register.

Bank transfers are available if you are with Westpac, BNZ or ASB. Bank transfers are not the same as internet banking and more banks will be included as the service becomes available through the banking system. We also accept credit and debit cards. We do not charge a surcharge on credit card payments.

Once you've submitted your application we are unable to issue a refund.

How to change or update your application

If any of your information changes after you have submitted your application and before your licence comes into effect (in June 2020), please email us the details with an explanation of the change(s) and we will advise if we require any further information or if an additional fee applies.

Changes may include:

- adding or removing an authorised body
- adding a new director or senior manager
- removing an existing director or senior manager
- adding or removing another business that provides advice on your behalf.

How we confirm your licence

You will receive a notification confirming receipt of your online application. As we assess your application, we may contact you for clarification on any matter or to request further information.

After we have assessed your application we will email you to confirm whether your licence has been approved or declined. There is no separate licence certificate.

All licences approved during the application period will appear on the Financial Service Providers Register from the first day of the new regime. This is when your licence will take effect. If you apply during the application period but your application isn't processed before the start of the new regime, you will need to wait for approval before you continue providing advice to retail clients, unless you operate under another financial advice provider's licence.

If we decline your licence application, we will email you to explain why and give you the opportunity to respond. If you wish to reapply during the transition period, we recommend you email questions@fma.govt.nz or call 0800 434 567.

Licence conditions

If we grant you a licence, it will be subject to conditions:

- Conditions imposed by the FMC Act or regulations
- Any conditions imposed by the FMA (standard conditions or specific conditions).

Any specific conditions will be notified to you at the time we grant you your licence. For information on any standard conditions that will apply for transitional licences, [see our website](#).

What we ask

Below we explain what we ask in the online application. You won't need to provide any supporting documentation at the time you apply, however, we may ask for further clarification before we make a decision on your licence application.

What we ask	What we mean
Applicant details	
What's your Financial Service Provider (FSP) number?	<p>This is the number associated with your registration on the Financial Service Providers Register.</p> <p>If you have more than one FSP number (an individual and business FSP for example), it's important you enter the FSP number that will hold the licence.</p>
Will you engage authorised bodies?	<p>An authorised body is an entity named on your licence that can provide the licensed service without needing their own licence.</p> <p>All authorised bodies named on your licence must register on the Financial Service Providers Register as a financial advice provider.</p> <p>You, and the authorised body, are responsible for the authorised body's conduct, advice and actions, and ensuring they meet all market services licensee obligations.</p> <p>Answering yes to this question will trigger questions about the authorised body you would like to name on your licence.</p>

What we ask	What we mean
<p>What services and products will you provide regulated financial advice to retail clients on?</p>	<p>We ask what type of financial services and products you plan to give advice on in the new regime.</p> <p>You will be asked to select from:</p> <ul style="list-style-type: none"> • Investment planning services • Financial advice on financial products • KiwiSaver Schemes • Other Managed Investment Schemes • Switching funds within a Management Investment Scheme (including KiwiSaver) • Debt Securities • Equity Securities • Derivatives • Personal Risk Insurances • Fire and General Insurances • Other Insurances • Mortgage Products / Consumer Credit Contracts • Other Financial Advice Products <p>You should only select the options you know apply to you. Don't indicate options just in case you might expand your offering in future. If your business changes you can get in touch with us.</p>
<p>How will you provide regulated financial advice to retail clients?</p>	<p>We need to know the number of all individuals you will engage directly under your financial advice provider licence and/or all individuals you will engage indirectly through another business, such as staff at another business's call centre.</p> <p>If you do not know the exact number of advisers, please provide an estimate. If none, enter zero.</p> <p>We also ask if you will be providing advice through a digital advice facility.</p> <p>A digital advice facility provides automated regulated financial advice through a computer program, using algorithms (with or without the involvement of any individual).</p>
<p>Will you provide regulated financial advice to another business's retail clients on their behalf?</p>	<p>Answer yes if you will provide advice on behalf of anyone else. For example, if you are a call centre, your staff may provide advice on behalf of another licensed financial advice provider.</p> <p>You can only provide regulated financial advice to another financial advice provider's retail clients if:</p> <ul style="list-style-type: none"> • you have an existing agreement in place with them, before April 2019, allowing you to do this, and • they have their own financial advice provider licence or they are an authorised body under a licence.

What we ask	What we mean
<p>Will another business (or its staff) with a financial advice provider licence provide regulated financial advice to retail clients on your behalf?</p>	<p>Another business can provide regulated financial advice to retail clients on your behalf only if:</p> <ul style="list-style-type: none"> • you have an existing agreement in place with them, before April 2019, allowing them to do this, and • they have their own financial advice provider licence or they are an authorised body under your licence. <p>For this question, we only want to know about businesses providing advice on your behalf that hold a financial advice provider licence.</p> <p>If the business you want to engage does not yet have an FSP number, we will ask you some more questions about them. They must not provide advice on your behalf until they are registered and licensed.</p>
<p>Authorised bodies' details</p> <p>These questions will only appear if you indicated you would be having authorised bodies in the 'Applicant details' section.</p>	
<p>What is the authorised body's FSP number?</p>	<p>This is the number associated with the authorised body's registration on the Financial Service Providers Register.</p>
<p>What services and products will the authorised body provide regulated financial advice to retail clients on?</p>	<p>We ask what type of financial services and products the authorised body plans to give advice on in the new regime. You will be asked to select from:</p> <ul style="list-style-type: none"> • Investment planning service • Financial advice on financial products • KiwiSaver Schemes • Other Managed Investment Schemes • Switching funds within a Managed Investment Scheme, including KiwiSaver • Debt Securities • Equity Securities • Derivatives • Personal Risk Insurances • Fire and General Insurances • Other Insurances • Mortgage Products / Consumer Credit Contracts • Other Financial Advice Products <p>You should only select the options you know apply to the authorised body. Don't indicate options just in case they expand their offering in future. If their business changes you can get in touch with us.</p>

What we ask	What we mean
<p>How will the authorised body provide regulated financial advice to retail clients?</p>	<p>We would like to know the number of all individuals the authorised body will engage directly under your financial advice provider licence and all individuals the authorised body will engage indirectly through another business, such as staff at another business's call centre.</p> <p>If you do not know the exact number of advisers, please provide an estimate. If none, enter zero.</p> <p>We also need to know if the authorised body will be providing advice through a digital advice facility.</p> <p>A digital advice facility provides automated regulated financial advice through a computer program, using algorithms (with or without the involvement of any individual).</p>
<p>Will the authorised body (or its staff) provide regulated financial advice to retail clients on your behalf?</p>	<p>The authorised body can only provide regulated financial advice to retail clients on your behalf if you have an existing agreement in place allowing them to do this.</p>
<p>Will another business (or its staff) provide regulated financial advice to the authorised body's retail clients on its behalf?</p>	<p>Another business can provide regulated financial advice to retail clients on the authorised body's behalf only if:</p> <ul style="list-style-type: none"> • there is an existing agreement in place between the authorised body and that business, before April 2019, allowing them to do this, and • the business has its own financial advice provider licence or is another authorised body under your licence. <p>If the business that the authorised body wants to engage does not yet have an FSP number, we will ask you some more questions about them. The business must not provide advice on the authorised body's behalf until they are registered and, in some cases, licensed.</p> <p>You will have the option to add additional authorised bodies at the end of the section.</p>
<h2>Fit and proper</h2>	
<p>For entities</p> <p>We ask for details about:</p> <ul style="list-style-type: none"> • criminal convictions relating to your senior managers or directors • regulatory action relating to you or your authorised bodies. <p>If you are an individual applicant, you won't see this section as it only applies to incorporated companies.</p> <p>For individuals</p> <p>We ask for details about any criminal convictions and regulatory action relating to you as the applicant.</p> <p>If you are an incorporated company, you won't see this section as it only applies to individual applicants.</p>	<p>You do not need to include any conviction that is eligible for concealment under the Criminal Records (clean slate) Act 2004. This includes convictions made overseas that would be eligible for concealment if made in New Zealand.</p> <p>For example, you do not need to tell us about any minor traffic infringements, such as speeding tickets and drink driving charges.</p>

What we ask	What we mean
Contact details	
We ask for key contact details for the applicant.	This is the person we will contact if we have any questions or need further information to support the application.
Declarations	
We ask you (or the person authorised to complete the form on your behalf) to complete a declaration confirming all the information is true and correct	It's important you review the application carefully and make sure your answers are correct before you submit. Once you've submitted the application form you won't be able to change your answers. It's a criminal offence to make false or misleading statements in your application.

Help and information

If you need help filling out your application or have questions about the licensing process please email questions@fma.govt.nz. You can also call us on 0800 434 567 or +64 3 962 2698 if you're calling from overseas.

Our lines are open:

- Monday to Thursday – 8.30am to 5.00pm
- Friday – 9.00am to 5.00pm