

24 March 2025

By email: [REDACTED]

Official Information Act 1982 Request (OIA) – Resolution Life

Dear [REDACTED]

I refer to your email to the FMA on 11 February, in which you made an OIA request for all FMA reports, analysis and notes on the performance of Resolution Life Australasia Limited (RLA) in respect to its ownership of the life insurance policies originated in by AMP Life Limited (AMP).

Information requested

We have considered your request pursuant to the OIA and based on the review of the records and information we have available in our system.

A number of documents were identified that can be considered within scope of your request. We consider there is good reason to withhold much of the information in the documents because they contain information which is subject to an obligation of confidence, and release would be likely to prejudice the supply of similar information from market participants in future (s 9(2)(ba)(i) of the OIA). It is important to the effectiveness of FMA's regulatory role that the FMA can engage candidly with market participants. Public release of significant internal information considered and discussed in an enquiry is likely to have a negative impact on future candid and effective engagements with market participants.

We have however considered what information we can release from these documents that would be responsive to your request but withholds information as necessary to protect the interests discussed above. We have elected to provide these documents in response to your request in summary form, in accordance with s 16(1)(e) of the OIA.

Case No.	Date	Communication
Case 1	September 2021	FMA oversight of the transition of customers and services as a result of RLA acquiring AMP in July 2020.
Case 2	July 2022	FMA notified of delays with processing claims and policy amendments.
Case 3	October 2022	FMA was notified of system issues and customer/adviser portal data issues which resulted from changes made to RLA's systems and processes following their separation from AMP.

Case 4	May 2023	FMA was notified of allegations of misconduct but was not provided with any evidence to the allegations. The FMA raised this with RLA in the interest of ensuring that RLA addressed the issues highlighted.
Case 5	September 2023	FMA received a complaint regarding an increase of premiums and deductions of unauthorised payments from the complainant's bank account.
Case 6	July 2024	FMA oversight and engagement with RLA to monitor its compliance and conduct.

Case 1

Case One involved the transition of AMP to RLA. This transition began when RLA acquired AMP in July 2020, and AMP Life Limited subsequently changed its name to Resolution Life Australasia Limited in November 2021.

Our records show that the oversight work during this transition was managed by the Adviser Oversight manager and supported by the front-line administration team. RLA implemented an oversight framework which included an overview of the risks involved with the transition, an implementation of processes, and the establishment of internal working groups to facilitate the transition. The primary focus of this was to ensure that AMP Life customers experienced good outcomes consistently.

For non-serviced or 'orphaned' AMP customers, RLA made referrals to its main financial adviser groups, of which close to 80% of RLA's customer base already engage with for seeking financial advice. This ensured that customers who were unable to access financial advice could still receive the necessary support.

Work was also undertaken to change the branding and transition from the AMP IT infrastructure. This included efforts to enhance existing processes for monitoring the conduct of advisers and ensuring that customers continued to have access to financial advice, even if when their advisers had exited financial advice services.

Case 2

Case Two originated as a result of concerns of delays with RLA in processing claims and policy amendments, which were potentially impacting RLA customers. These concerns were raised to address the impact of delays which could result in customers paying higher premiums, while amendments to policies reducing coverage were pending implementation.

The FMA monitored the situation.

Case 3

Case Three involved new remediation items which were communicated to the FMA as part of RLA's Conduct and Culture (C&C) update. RLA separated from AMP in June 2022 when RLA re-acquired AMP's equity. In the C&C update, RLA identified system issues and customer/adviser portal data issues which resulted from changes made to RLA's systems and processes following their separation from AMP in June 2022. While some of these issues impacted a large number of customers, which led to a significant

customer queries and complaints, RLA identified and addressed these issues swiftly using their troubleshooting team which was established for this dedicated purpose.

Upon review, the FMA concluded that these issues were one-off incidents which arose as a result of the separation from AMP and were not considered as systemic issues. The issues identified in the C&C update were resolved immediately by RLA, except for one live issue which was due to be resolved in September 2022.

The FMA continued to monitor the ongoing live issue which RLA would give an update to at the next C&C update. The FMA concluded to take no further action and did not consider these issues as resulting in a breach of Part 2 of the Financial Markets Conduct Act 2013.

Case 4

Case Four involved several allegations made against RLA relating to concerns of RLA overcharging premiums, issues with RLA's online portal, administrative errors, and delays in policy servicing and claims.

The FMA's initial assessment of the case revealed that Financial Advice Providers had difficulty accessing customer policy information, leading to servicing difficulties. The FMA was provided with a summary of the incidents and potential breaches by RLA that the complainant was aware of.

The FMA assessed the incidents highlighted by the complainant and raised this with RLA to address these where required to ensure better customer outcomes. While the FMA was provided with a summary of the incidents against RLA, the FMA was not provided with evidence of any specific instances and thus could not clearly determine whether RLA had committed a breach under Part 2 of the FMCA.

The FMA continued to monitor the situation and engage with RLA to ensure that RLA addressed identified issues and improved its services.

Case 5

Case Five resulted from a complaint received from an RLA policy holder regarding an increase of premiums and deductions of unauthorised payments from the complainant's bank account.

The FMA considered the complaint. As the increase of premiums is outside of the FMA's remit, the FMA was unable to progress further on this aspect of the complaint. The FMA recommend that the complainant undergo RLA's disputes resolution process to progress the second issue raised in their complaint, as the FMA is unable to pursue individual disputes.

The FMA's final assessment confirmed the that the issues raised by the complainant, and the collection of evidence from the complainant would be retained for future monitoring and supervision purposes. The FMA noted that it would consider a firmer approach if further evidence of such cases was presented. At this point, the FMA continued to monitor the situation and communicate with RLA.

Case 6

Case Six relates to the FMA's ongoing oversight and engagement with RLA. The focus of this engagement was to oversee and review various aspects of RLA's operations to assess regulatory compliance of RLA's conduct, governance and operations. This was commenced by the FMA to investigate the extent of prior complaints received, and the extent of RLA's remediation efforts of those instances.

Since commencing this engagement, the FMA notes that RLA has made significant improvements to the timeframes related to its service processing and complaint response times. The FMA also noted improvements to RLA's reporting frameworks and metrics reporting.

The FMA acknowledges that RLA has made a significant improvement in its reporting and conduct. The FMA continues to monitor the sector and engage with RLA, as it does with other entities within the market.

We hope that the abovementioned case summaries provided you with the information you were seeking regarding RLA's performance after acquiring AMP.

If you have any questions, please contact me at jasveet.sandhu@fma.govt.nz.

We also note that you have the right to complain to the Ombudsman regarding our assessment of your OIA request, in accordance with section 28 of the Official Information Act. Information about how to make a complaint is available at www.ombudsman.parliament.nz or phone 0800 802 602.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jasveet Sandhu', written in a cursive style.

Jasveet Sandhu

Senior Legal Counsel, Internal Governance