



# GET IN SHAPE

WEBINAR SERIES



## Get in Shape 2020 Review

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27 November 2020

# Agenda

- Review of Get in Shape 2020
- Get in Shape Roadshow 2021
- Get in Shape webinars 2021

**Get in Shape Webinar Series**

The FSC is running a series of Get In Shape webinars to keep the advice community updated and help transition to the new FSC 10am every other Friday and you can [register for the next session here](#). Find out more below, [sign up to receive updates or watch](#)

**Introduction**

Welcome and introduction to the series from Mark Banicevich

**Session 12**

30 October 2020: Get in Shape Session 11: New disclosure regulations: practical implementation

**Session 11**

2 October 2020: Get in Shape Session 10: Privacy - Reviewing your obligations under the Privacy Act

**Session 10**

18 September 2020: FAP Risk Management

**Session 9**

4 September 2020: Governance and Director's duties

**Session Presentations:**

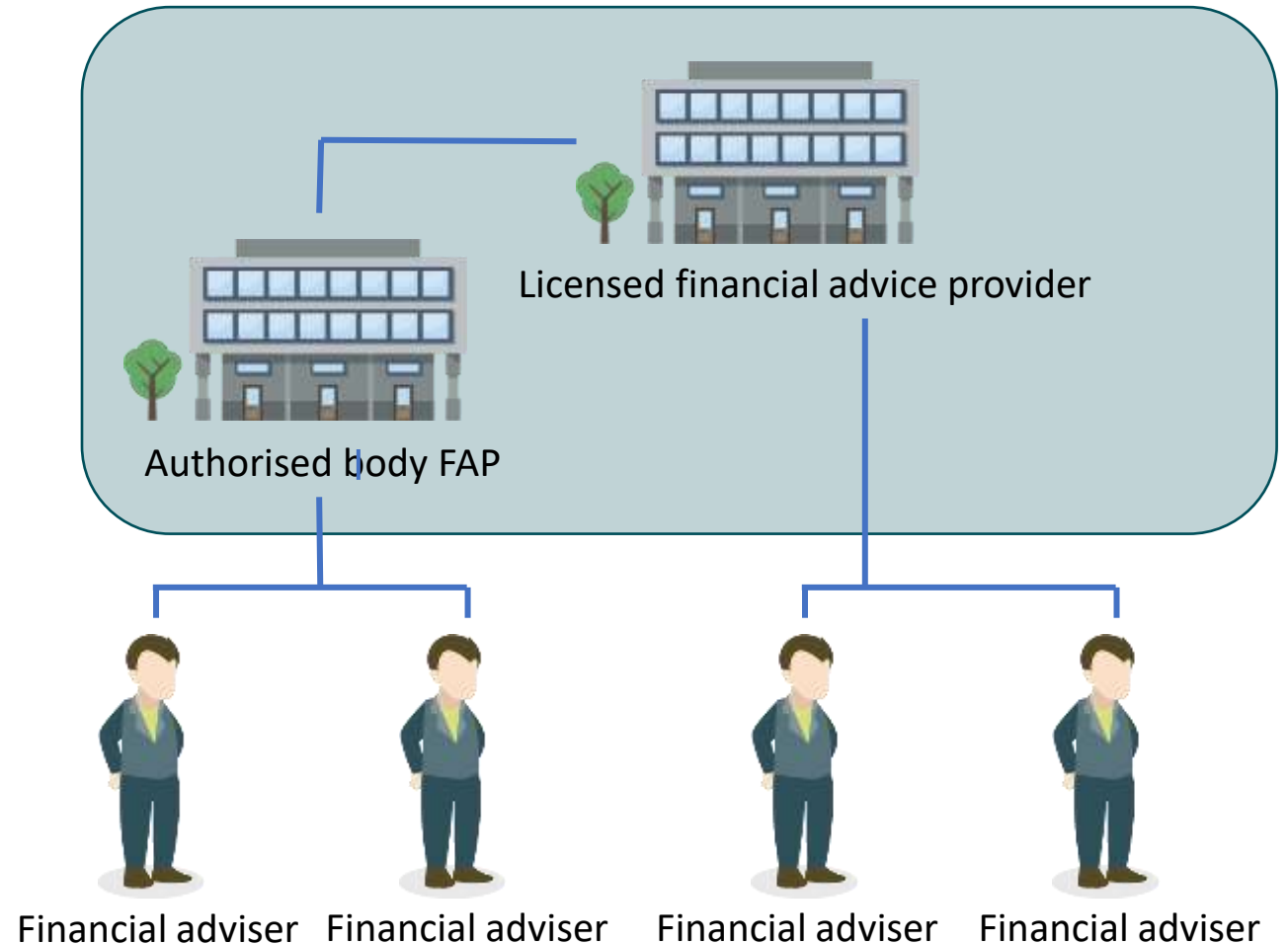
1. Licensing and Business Structures
2. Adviser and FAP Obligations on Day 1 of the new regime
3. Preparing contracts: FAPs, suppliers and clients
4. Compliance with FAA between now and March 15 2021
5. Hear directly from the FMA, MBIE and Code Working Group (no presentation)
6. An opportunity to redesign your advice process
7. Using technology to make your processes more effective and Guidance note for choosing technology
8. Governance & director's duties in small advice businesses
9. FAP Risk Management
10. Privacy - Reviewing your obligations under the Privacy Act
11. New disclosure regulations: practical implementation (View Disclosure Guide For Financial Advisers)
12. Get in Shape Session 12 Understanding conflicts of interest and managing gifts



# 1: FAP structure

## The legal construct

- Licensed financial advice provider (FAP)
- Authorised body FAP
- Financial advisers
- ~~Interposed persons~~
- ~~Nominated representatives~~
- FSP numbers



# 2. Your legal duties on day 1

**A transitional licence doesn't mean you get to transition into your obligations – they start day 1**

- Must be compliant with the applicable legislation, regulations, Code, Standard conditions
- All FAs must be engaged by a transitionally licenced FAP otherwise cannot operate
- Strict limits on the engagement of NRs
- Demonstrate compliance with good conduct obligations
- New disclosure regulations must be satisfied

## Key messages:

- Get ready BEFORE day 1. You cannot start getting ready on day 1.

**Note:** You cannot broaden scope of your advice without obtaining relevant

# 3: Preparing contracts

- Why are contracts important?
- FAP-product manufacturer contract
- FAP- contractor financial adviser agreement
- FAP- employee financial adviser agreement
- FAP-authorized body agreement
- Outsource provider agreements
- Client agreements



# 4: Financial Advisers Act

- **All financial advisers** must comply with the requirements of the Financial Advisers Act 2008.
- General obligations for everyone:
  - Advertising
  - Care, diligence and skill
  - Disclosure
  - Registration on the FSPR
- **Financial advice obligations relate to the:**
  - Type of financial adviser: AFA, RFA, QFE Adviser
  - Category of the product: Category 1 or Category 2
  - Type of advice: Class advice or Personalised Advice
  - Type of client: Retail or Wholesale
  - Type of service: Financial Advice or Broking Service

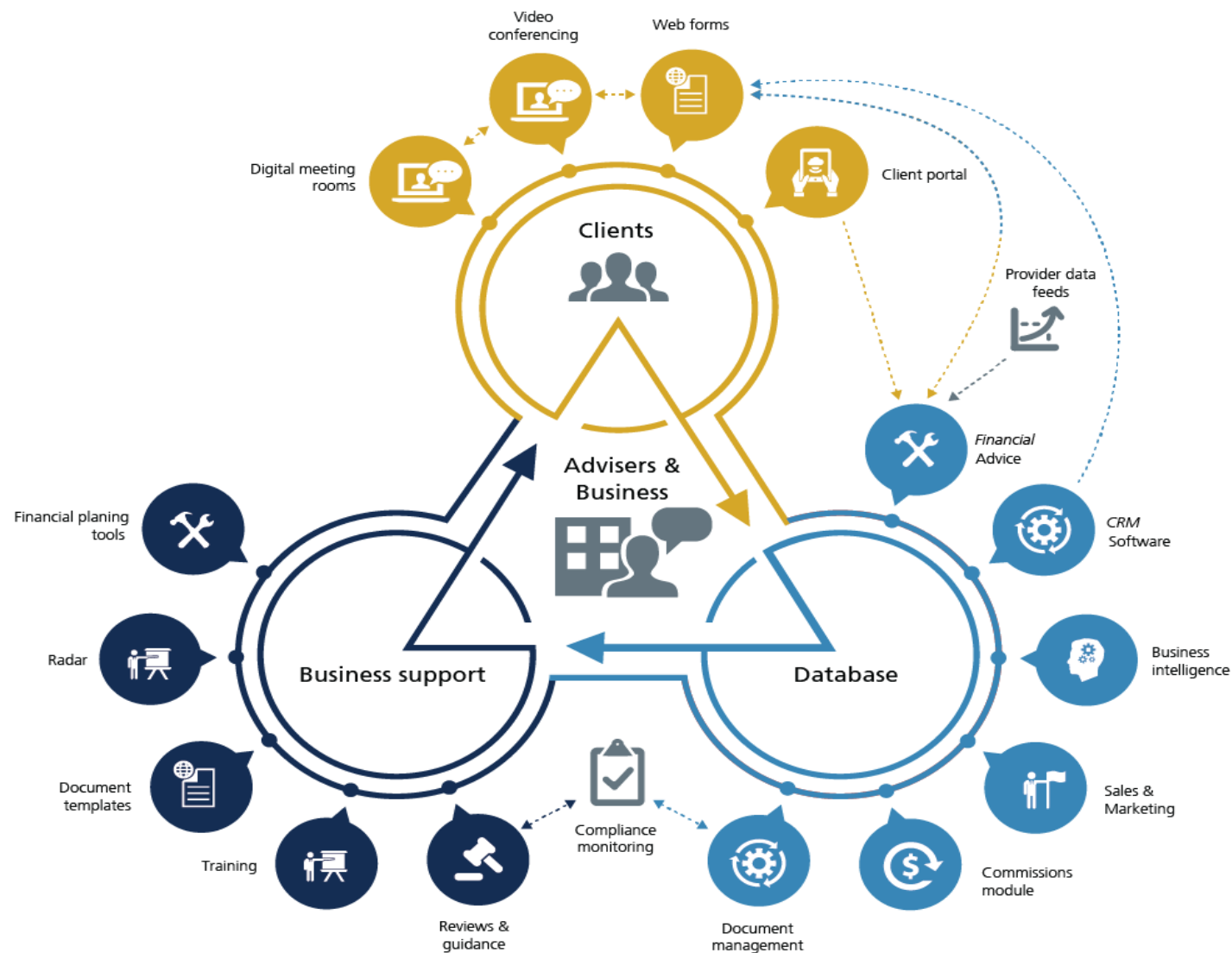
# 6: Redesign your advice process

1. Establish goals and a relationship with the client
2. Gather data
3. Analyse data
4. Make a recommendation
5. Implement the advice
6. Monitor and review





# 7: Using technology



# 8: Governance

- Ensure the business and all those under its licence are compliant with legislation, regulation, code, good conduct, FAP standard conditions and contract obligations
- Maintain fit and proper status
- Oversee the financial advice provided to clients
- Companies Act, Financial Markets Conduct Act, FSP Act, Privacy Act, Fair Trading Act, Consumer Guarantees Act, Health and Safety at Work Act, others...



# 9: Risk Management

- What is risk management?
- Techniques for managing risk
- Determining your desired level of risk
- Common FAP risks
- Reporting/tracking your risks



# 10: Privacy Act 2020

## Collecting personal information

1. Only collect personal information you need
2. Get it directly from the individual when possible
3. Be open about what you are going to do with it
4. Be fair about how you get it

## Holding personal information

5. Keep it secure
6. Let people see their own information
7. Correct it if the person thinks it is wrong

## Using and disclosing personal information

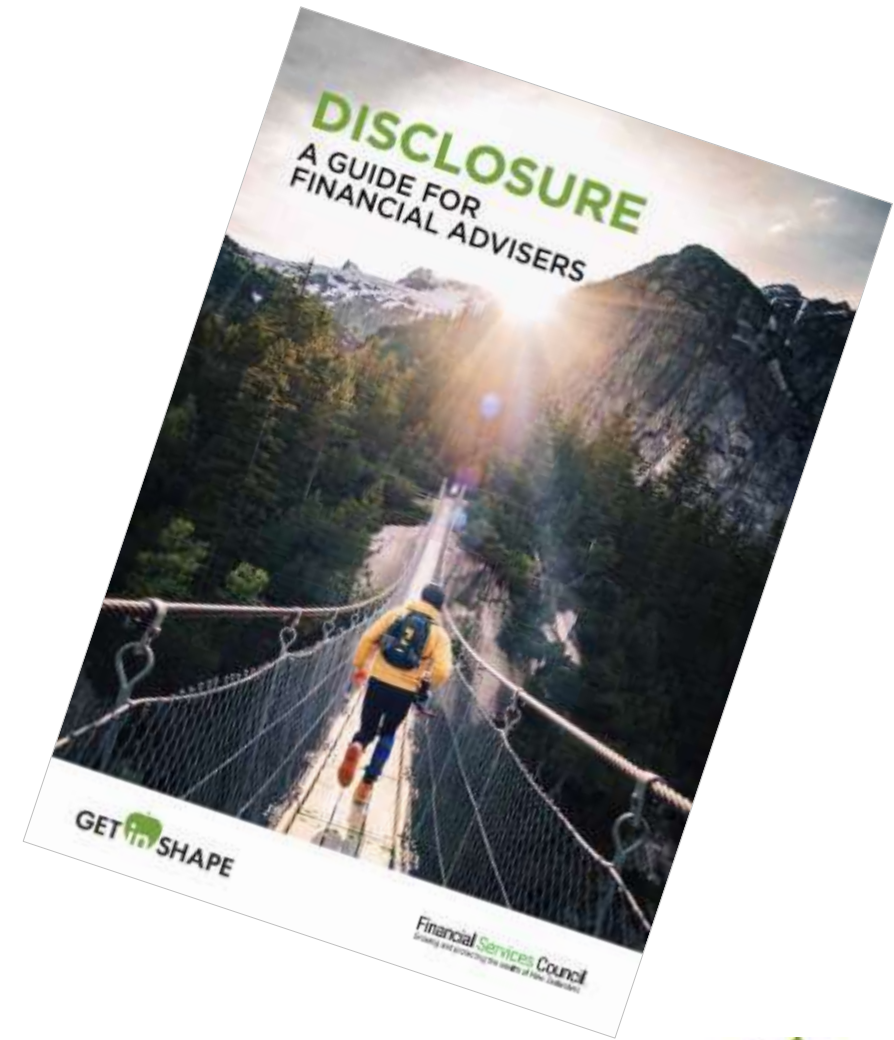
8. Make sure it is accurate before you use it
9. Dispose of it when you no longer need it
10. Only use it for the reason it was collected
11. Only share it if you have a good reason
12. Only send it overseas if it will be adequately protected
13. Only use unique identifiers when it is clearly allowed

**This is a new principle  
in the Privacy Act 2020**



# 11: Disclosure

- A big leap for some businesses
- What is different
- Practical ways to implement disclosure
- Dos and don'ts
- Terminology
- Summary





# 12: Conflicts of interest

## Part 1:

- All about conflict of interests
- The FMA's expectations
- Why is it so important to identify, manage and disclose them?

## Part 2:

- New disclosure requirements on conflicts, gifts and incentives
- Responsibilities for disclosure
- Tips on good practice



# Get in Shape Roadshow 2021

- Wellington - 11 February
- Auckland & **live stream** -12 February
- Christchurch - 17 February
- Dunedin - 18 February
- Full morning session, plus Masterclass
- Only \$65 for the morning session and \$95 for the masterclass !
- Register NOW, at [www.getinshape.nz](http://www.getinshape.nz)

# Get in Shape webinars 2021

More great content to come, which may include:

- Common issues found in FAPs
- Implementing FMC Act requirements
- Full licensing requirements
- Business Continuity Plans
- Compliance Assurance Programmes
- Financial management in your business



# Summary

- If you acted on each webinar in 2020, you should be in good shape for 15 March 2021
- There is more to come – keep it up:
  - Get in Shape Roadshows, February 2021
  - Get in Shape webinars continue

# Next Steps

- Are you up-to-date?
  - Yes – take a break over Christmas – you deserve it
  - No – use the Christmas break to Get in Shape!
- Evaluate your business
- Seek help
- 15 March 2021 will rush upon us!



# Useful links

- FSC Professional Advice Knowledge Hub, <http://advice.fsc.org.nz/>
- FSC Get in Shape Roadshow 2021, <http://getinshape.nz/>
- FMA guide to full licensing requirements, <https://www.fma.govt.nz/assets/Licensing-guides/Introductory-guide-to-full-licence-requirements.pdf>
- FSC disclosure guide for financial advisers, <https://www.fsc.org.nz/site/fsc1/FSC%20Disclosure%20Guide%20Final%20v7.pdf>
- Privacy Commission eLearns, <https://privacy.org.nz/tools/online-privacy-training-free/>
- Employment Agreement Builder, <https://eab.business.govt.nz/employmentagreementbuilder/startscreen/>