Submission template

### Regulations to support the new regime for the conduct of financial institutions

### Instructions

This is the template for those wanting to submit their response to the *Regulations to support the new regime for the conduct of financial institutions* discussion document.

The Ministry of Business, Innovation and Employment (MBIE) seeks written submissions on the discussion document by 5pm on Friday 18 June 2021. Please make your submission as follows:

1. Fill out your name, organisation and contact details in the table, “Your name and organisation”.
2. Fill out your responses to the discussion document questions in the table, “Responses to discussion document questions”. Your submission may respond to any or all of the questions in the discussion document. Where possible, please include evidence to support your views, for example references to independent research, facts and figures, or relevant examples.
3. If you would like to make any other comments that are not covered by any of the questions, please provide these in the “Other comments” section.
4. When sending your submission, please:
	1. Delete this first page of instructions.
	2. If your submission contains any confidential information:
		1. Please state this in the cover page or in the e-mail accompanying your submission, and set out clearly which parts you consider should be withheld and the grounds under the Official Information Act 1982 that you believe apply. MBIE will take such objections into account and will consult with submitters when responding to requests under the Official Information Act.
		2. Indicate this on the front of your submission (eg the first page header may state “In Confidence”). Any confidential information should be clearly marked within the text of your submission (preferably as Microsoft Word comments).

Note that submissions are subject to the Official Information Act and may, therefore, be released in part or full. The Privacy Act 2020 also applies.

1. Send your submission as a Microsoft Word document to financialconduct@mbie.govt.nz.

Please direct any questions that you have in relation to the submissions process to financialconduct@mbie.govt.nz.

Submission template

### Regulations to support the new regime for the conduct of financial institutions

### Your name and organisation

|  |  |
| --- | --- |
| **Name** |  |
| **Email** |  |
| **Organisation/Iwi** |  |

[Double click on check boxes, then select ‘checked’ if you wish to select any of the following.]

[ ]  The Privacy Act 2020 applies to submissions. Please check the box if you do not wish your name or other personal information to be included in any information about submissions that MBIE may publish.

[ ]  MBIE intends to upload submissions received to MBIE’s website at [www.mbie.govt.nz](http://www.mbie.govt.nz). If you do not want your submission to be placed on our website, please check the box and type an explanation below.

I do not want my submission placed on MBIE’s website because… [Insert text]

### Please check if your submission contains confidential information:

[ ]  I would like my submission (or identified parts of my submission) to be kept confidential, and **have stated below** my reasons and grounds under the Official Information Act that I believe apply, for consideration by MBIE.

I would like my submission (or identified parts of my submission) to be kept confidential because… [Insert text]

|  |
| --- |
| Requirements for fair conduct programmes  |
|  | Do you have any comments on the status quo i.e. no further regulations to support the minimum requirements for fair conduct programmes in the Bill? |
| *[Insert response here]* |
|  | Do you have any comments on MBIE’s position that no regulations are needed at this time to support section 446M(1)(a)? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on the proposals regarding distribution of relevant services and associated products? We are particularly interested in how these proposals may be implemented. |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on MBIE’s position that no regulations are needed at this time to support section 446M(1)(ac)?  |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on MBIE’s position that no regulations are needed at this time to support section 446M(1)(bb) to (bd)? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on the proposal to specify further minimum requirements regarding remediation of issues? Are there any further specific remediation principles that should be specified in regulations? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on MBIE’s position that no regulations are needed at this time to support section 446M(1)(be)? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on MBIE’s position that no regulations are needed at this time to support section 446M(1)(bf)?  |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on MBIE’s position that no regulations are needed at this time to support section 446M(1)(d)? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on the proposal to specify further minimum requirements regarding consumer complaints handling? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on the proposals to specify further minimum requirements regarding claims handling and settlement? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on the proposed definition of ‘handling and settling a claim under an insurance contract’ means? If so, why? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have any comments on the discussion regarding customer vulnerability? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you have comments regarding the option of including vulnerable consumers in section 446M(1A)? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you think any further factors should be added by regulations to the list under section 446M(1A)? |
| *[Insert response here]* |

|  |  |
| --- | --- |
|  | Do you think any other regulations that could be made under new section 546(1)(oa) are necessary or desirable? Please provide reasons for your comments. |
| *[Insert response here]* |

|  |
| --- |
| Sales incentives  |
|  | Do you have any comments on the status quo (no regulations)? |
| *[Insert response here]* |
|  | Do you have any comments on the option to prohibit sales incentives based on volume or value targets?  |
| *[Insert response here]* |
|  | What would the likely impacts be for financial institutions, intermediaries and/or consumers of prohibiting sales incentives based on volume or value based targets? |
| *[Insert response here]* |
|  | Do you have any feedback on a more principle-based approach to prohibiting some incentives? |
| *[Insert response here]* |
|  | How could a more principles-based approach to prohibiting some incentives be made workable? |
| *[Insert response here]* |
|  | If a more principles-based option was chosen, should there be some incentives specifically excluded? |
| *[Insert response here]* |
|  | Do you think there are any other viable options other than what has been put forward by this discussion document? Please explain in detail. |
| *[Insert response here]* |
|  | Are there sales incentives based on volume or value targets that should be excluded from the regulations (i.e. allowed to be offered/given)? |
| *[Insert response here]* |
|  | Do you think there are any other types of incentives that should be excluded from the regulations? Please provide reasons for your comments. |
| *[Insert response here]* |
|  | Do you think that the scope of who can be covered by the regulations poses a risk of unintentionally capturing other intermediaries that are paid incentives but should not be covered? |
| *[Insert response here]* |
|  | Do you agree/disagree that within financial institutions and intermediaries sales incentives regulations should apply to all staff? Why/why not? |
| *[Insert response here]* |
|  | Do you agree/disagree that within financial institutions and intermediaries sales incentives regulations should only apply to frontline staff and their managers? Why/why not? |
| *[Insert response here]* |
|  | Do you think that external incentives should apply to any incentive paid to an agent, contractor or intermediary? Why/why not? |
| *[Insert response here]* |
|  | Do you agree that both individual and collective incentives should be covered? Why/why not? |
| *[Insert response here]* |
|  | Do you have any other comments on the discussion related to incentives? |
| *[Insert response here]* |
| Requirement to publish information about fair conduct programmes  |
|  | Is more detail needed to outline what information should be published regarding financial institutions’ fair conduct programmes to assist financial institutions to meet this requirement, or to assist consumers in their interactions with financial institutions? |
| *[Insert response here]* |
|  | Do you have any comments on the options outlined above? What do you think the costs and benefits would be to financial institutions and consumers of the two options? |
| *[Insert response here]* |
|  | This discussion document outlines two options regarding the requirement to publish information about the fair conduct programmes. Do you have any other viable options? |
| *[Insert response here]* |
| Calling in contracts of insurance as financial products under Part 2 |
|  | Do you have any comments on the proposal to declare contracts of insurance as financial products under Part 2? |
| *[Insert response here]* |
| Exclusions of certain occupations or activities from the definition of intermediary |
|  | Do you think it would be appropriate to exclude people who are subject to professional regulation from the definition of an intermediary (e.g. lawyers, accountants, engineers)? |
| *[Insert response here]* |
|  | Do you think that any other occupations or activities should be excluded from the new proposed definition of an “intermediary”? If so, why? |
| *[Insert response here]* |
| Other comments |
| *[Insert response here]* |