

AML/CFT

Anti-money laundering and countering financing of terrorism

User Guide: Annual AML/CFT Report

June 2016
Version 3



INTERNAL AFFAIRS

Te Tari Taiwhenua

Version History

Version 1 published April 2014

Version 2 published June 2015

Version 3 published June 2016

Significant updates from Version 2

There are a number of minor and technical amendments to Schedule 2 of the Anti-Money Laundering and Countering Financing of Terrorism (Requirements and Compliance) Regulations 2011 (the Regulations). The proposed amendments do not make substantive changes to the Regulations or the AML/CFT regime. Rather, the proposed amendments:

- a) clarify which information entities need to provide, to improve the quality of information provided in annual reports, and
- b) ensure descriptions are consistent with the Financial Markets Conduct Act 2013 (FMC Act) which came into effect in 2014, and
- c) correct drafting errors.

#	Change	Page	Question
1	Sections about internal review/auditing of reporting entities' risk assessment have been re-ordered so that sections flow logically.	10	4.3 – 4.7 Risk assessment
2	Previous question 4.8 has been split into 4.8 and 4.9 up to reduce errors in responses	11	4.8 & 4.9 Risk assessment
3	Sections about internal review/auditing of reporting entities' AML/CFT programme have been re-ordered so that sections flow logically.	12	5.3 – 5.7 AML/CFT Programme
4	Terminology describing investment-type products and services have been amended to ensure consistency with FMC Act. For example, a number of new FMC Act services have been added here, including licensed intermediary services such as peer-to-peer lenders and discretionary investment management service (DIMS) licensees, among others.	25 - 29	6.2 Products and Services. 35 – 46d
5	Language of the section identifying which sub-sector your reporting entity belongs to has been updated. This is to reflect a change in terminology in section 130 of the Act (AML/CFT supervisors) and section 5 of the Financial Service Providers Act. It makes allowance for the fact that some reporting entities' financial activities may cover more than one sector type.	41	10.1 Questions from the FMA

The annual report is required by section 60 of New Zealand's [Anti-Money Laundering and Countering Financing of Terrorism Act 2009](#) ('the Act'). The annual report applies to activities that are covered by the Act.

One form must be completed for each reporting entity. Reporting entities that are eligible members of a DBG (Designated Business Group) may allow another member of the DBG to complete **Part Two** (Questions 4-5) on their behalf. However, they must still complete a form.

The information required is for the **12-month period from 1 July to 30 June** in each year (reporting period), or alternatively, as at the end of the reporting entity's most-recent full financial year (if this has been specified in a particular question).

You may submit your annual report **any time from 1 July, but by no later than 31 August** following the reporting period. Use the secure electronic uploading facility provided at <http://www.rbnz.govt.nz/regulation-and-supervision/anti-money-laundering/guidance-and-publications> If, for whatever reason, you are unable to complete or upload your annual report, please contact us well before the 31 August deadline at amlcft@rbnz.govt.nz or telephone 04 4713847.

You only need to provide details on revenue associated with products or services that are covered by the Act during the reporting period. If you are unsure whether your activities should be reported, or whether the Act applies to your business, or who your organisation's AML/CFT supervisor is, please contact us.

This user guide is for information only, and cannot be used to comply with the requirements of the Act. It does not constitute legal advice and must not be used as such. After reading this guide, if you do not understand any of your obligations you should contact your AML/CFT supervisor or seek professional advice.

Please ensure the information provided in your report is accurate. **It is an offence to knowingly supply information that is false or misleading in any material respect without reasonable excuse.**

Before you begin:

- Please complete all relevant sections.
- Please avoid including aggregated information, such as consolidated data for a group of reporting entities. Each reporting entity's unique data is required (except where information for a DBG may be provided as indicated in the Note in Part 2).

Only reporting entities need to complete an annual AML/CFT report. The Act describes those who need to comply as 'reporting entities'. Please refer to section 5 of the Act and the Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011 ('Regulations') to determine whether you, or your business, is a reporting entity under the Act.

User Guide: Annual AML/CFT report

Part 1: Answer all questions in this part.

Guidance and definitions for Part 1 (questions 1–3)	
<p>1.1 <i>Period of report</i></p> <p><i>Period that this report covers: [specify]</i></p>	<p>This is the period referred to as ‘during the year’ or ‘at the end of the year’ in this form.</p>
<p>2.1 <i>Entity registration details:</i></p> <p><i>The reporting entity's legal name:</i></p> <p><i>Registered or company incorporation number (or equivalent):</i></p> <p><i>FSPR number (if applicable):</i></p> <p><i>Registered charity number (if applicable):</i></p> <p><i>Trading name(s):</i></p>	<p>Please contact your AML/CFT supervisor if you require further guidance on this question.</p>

Guidance and definitions for Part 1 (questions 1–3)

<p>2.2</p> <p><i>Physical address</i></p> <p><i>Street name and number:</i> <i>Suburb/town:</i> <i>City:</i> <i>Postcode:</i></p>	<p>If you have more than one physical address, provide details of the main address from where the activities covered by the Act are conducted.</p>
<p>2.3</p> <p><i>Postal address (if different from physical address)</i></p> <p><i>Street name and number or PO Box:</i> <i>Suburb/town:</i> <i>City:</i> <i>Postcode:</i></p>	<p>If you have more than one postal address, provide details of the address where we can contact your AML/CFT compliance officer.</p>

Guidance and definitions for Part 1 (questions 1–3)

<p>2.4 <i>Other contact details</i></p> <p><i>AML/CFT compliance officer (full name):</i></p> <p><i>AML/CFT contact telephone number :</i></p> <p><i>AML/CFT contact email address (if available):</i></p> <p><i>Website (if available):</i></p>	<p>'AML/CFT compliance officer' means the person designated as an AML/CFT compliance officer under section 56 of the Act.</p> <p>Link to Section 56 of the Act</p> <p>AML/CFT contact telephone number and email address can be those of the AML/CFT compliance officer.</p>
<p>3.1 <i>Is this reporting entity a branch or a subsidiary?</i> <i>Yes/No</i></p> <p><i>If yes, specify:</i> <i>[branch/subsidiary]</i></p>	<p>In this question, 'branch' means the New Zealand place of business of an overseas company.</p> <p>'Subsidiary' means a company that is controlled by another company, as defined in section 5 of the Companies Act 1993.</p>
<p>3.2 <i>In what country is your largest owner based?</i> <i>[country]</i></p>	<p>'Largest owner' means the person or entity that either directly or indirectly owns the largest proportion of the reporting entity.</p>

Guidance and definitions for Part 1 (questions 1–3)

3.3 <i>Number of physical locations in New Zealand (exclude agent's office locations. If none, record nil): [number/nil]</i>	This question applies whether or not the reporting entity is a 'branch' itself. Apart from the main physical address of the reporting entity referred to in question 2.2, include the number of additional physical places in New Zealand from which the reporting entity conducts relevant business. Do not include any physical locations that do not conduct any relevant activity. A relevant activity is an activity that attracts obligations under the Act or regulations.
3.4 <i>Number of New Zealand subsidiaries (or nil): [number/nil]</i>	'Subsidiary' means a company that is controlled by the reporting entity, as defined in section 5 of the Companies Act 1993. Only include subsidiaries conducting a relevant activity. A relevant activity is an activity that attracts obligations under the Act or regulations.
3.5 <i>Number of physical locations outside New Zealand (or nil): [number/nil]</i>	In this question, 'branch' means an overseas business location the reporting entity. Only include branches and physical locations overseas conducting a relevant activity. A relevant activity is an activity that attracts obligations under the Act or regulations.
3.6 <i>Number of subsidiaries outside New Zealand (or nil): [number/nil]</i>	'Subsidiary' means a company that is controlled by another company, as defined in section 5 of the Companies Act 1993.

Part 2: Answer all relevant questions in this part.

Guidance and definitions for Part 2 (questions 4-5)

Answer all relevant questions.

Note: A member of a designated business group (DBG) can rely on another member to carry out some obligations on its behalf, as set out in section 32 of the Act. These include risk assessments and parts of an AML/CFT programme. If you are a member of a DBG, you may allow another member to answer this part on your behalf. However, please note that you are responsible for the information provided. If you are eligible, use the notes in part 6 of this form to state this, together with the legal name and registered number of the member answering this part on your behalf. Then leave this part blank and go to part 3. You are required to answer all other parts of this form.

Questions 4 and 5

The majority of questions relate to the internal review and independent audit of your risk assessment and AML/CFT programme required under section 59 of the Act.

4.1

Does your risk assessment meet the requirements of section 58 of the Act?

[Meets all/Meets some/Meets none]*

**Select one.*

[Link to Section 58 of the Act](#)

4.2

If your risk assessment meets only some of the requirements of section 58 of Act, please list all subsections that it is not fully compliant with (eg, sections 58(1),

Please contact your AML/CFT supervisor if you need further guidance on this question.

Guidance and definitions for Part 2 (questions 4-5)	
58(2)(a)–(h), 58(3)(a)–(c). [list]	
4.3 <i>When was the most recent internal review of the risk assessment completed [date]</i>	<p><i>'Review'</i> means an internal check of your risk assessment to ensure it is current, any weaknesses are identified and changes are made as necessary.</p> <p>If you have not reviewed your risk assessment since it was initially produced, insert the date it was first produced.</p>
4.4 <i>Has the risk assessment been independently audited? [Yes/No]</i>	<p><i>'Audit'</i> means a systematic check of your risk assessment by an independent and suitably qualified person, resulting in a written report.</p> <p>Link to Section 59 of the Act</p>
<p>Questions 4.5, 4.6 and 4.7</p> <p>4.5 <i>If yes to 4.4, when was the most recent audit of the risk assessment completed [date]</i></p> <p>4.6 <i>If yes to 4.4, did the most recent audit of the risk assessment highlight any deficiencies? [Yes/No]</i></p> <p>4.7 <i>If yes to 4.4 and 4.6, have you made the changes identified as</i></p>	<p>Please contact your AML/CFT supervisor if you need further guidance on these questions.</p>

Guidance and definitions for Part 2 (questions 4-5)	
<p><i>being necessary in the most recent audit?</i> <i>[Yes complete/Not yet complete]</i></p>	
<p>4.8 <i>During the year, did you make available a new product, service or channel? [Yes/No]</i></p>	<p>This question refers to any new product, service or delivery channel for products or services provided by you to your customers.</p>
<p>4.9 <i>If yes to 4.8, before making this product, service, or channel available, did you assess the ML/TF risk? [Yes/No]</i></p>	<p>ML/TF risk means the risk of money laundering and financing of terrorism you may reasonably expect to face in the course of your business by providing this new product or service, or providing new methods by which you deliver products and services to your customers.</p>
<p>5.1 <i>Does your AML/CFT programme meet the requirements of section 57 of the Act?</i> <i>[Meets all/Meets some/Meets none*]</i> <i>*Select one</i></p>	<p>Link to Section 57 of the Act</p>
<p>5.2 <i>If your AML/CFT programme meets only some of the requirements of section 57 of the Act, please list all</i></p>	<p>Please contact your AML/CFT supervisor if you need further guidance on this question.</p>

Guidance and definitions for Part 2 (questions 4-5)

paragraphs that it is not fully compliant with. [list relevant paragraphs from section 57(a) to (l)]

5.3
When was the most recent internal review of the programme completed? [date]

'Review' means an internal check of your AML/CFT programme to ensure it is current, any weaknesses are identified and changes are made as necessary.

If you have not reviewed your AML/CFT programme since it was initially produced, insert the date it was first produced.

5.4
Has the programme been independently audited? [Yes/No]

'Audit' means a systematic check of your AML/CFT programme by an independent and suitably qualified person resulting in a written report.

[Link to Section 59 of the Act](#)

Questions 5.5, 5.6 and 5.7

Please contact your AML/CFT supervisor if you need further guidance on these questions.

5.5
If yes to 5.4, when was the most recent audit of the programme completed? [date]

5.6
If yes to 5.4, did the most recent audit of the programme highlight any deficiencies? [Yes/No]

5.7

Guidance and definitions for Part 2 (questions 4-5)

*If yes to 5.4 and 5.6, have you made the changes identified as being necessary in the most recent audit?
[Yes, complete/Not yet complete]*

5.8
Do you have procedures to identify and verify the identity of –

(a) a new customer (including the customer's beneficial owners or any person acting on behalf of a customer)?

*Yes/No**
**Select one.*

(b) a person seeking to conduct an occasional transaction through your reporting entity?

*Yes/No**
**Select one.*

(c) an existing customer, according to the level of risk involved, if there

For 5.8(c), you will not have sufficient procedures in place if you have not clearly defined what a material change in the nature and purpose of the business relationship is in your policies and procedure documents.

Guidance and definitions for Part 2 (questions 4-5)

has been a material change in the nature or purpose of the business relationship and your reporting entity considers that it has insufficient information about the customer?

*Yes/No**
**Select one.*

5.9
Do you have exception handling procedures for issues related to customer due diligence (CDD) (e.g., clause 4 of the Amended Identity Verification Code of Practice 2013)? [Yes/No]

Exception handling procedures are the systems or processes you have in your AML/CFT programme for dealing with situations when a customer cannot provide the required identification (for example, a process you use when a new customer has no standard forms of identification).

5.10
Outside a DBG, do you outsource any CDD requirements to third parties (as set out in sections 32 to 34 of the Act)?

[Yes/No]

This includes any external person or entity completing customer due diligence as a reporting entity, or similar in another country in accordance with section 33 or as an agent for your business under section 34 of the Act. Do not include any member of your DGB who conducts your CDD under section 32.

5.11
Are your reporting entity's AML/CFT transaction monitoring

Please contact your AML/CFT supervisor if you need further guidance on this question.

Guidance and definitions for Part 2 (questions 4-5)

and account monitoring processes best described as electronic, manual, or a combination of both?

Electronic/Manual/Electronic and Manual*

*Select one.

Part 3: Answer all questions in this part.

Guidance and definitions for Part 3 (questions 6-8)

6 – Products and Services

Definitions for Question 6.1

Please note that ‘transaction’, as defined below, is broader than the definition of ‘occasional transaction’.

‘Transaction’ has the meaning given to it by section 5 of the Act:

transaction —

(a) means any deposit, withdrawal, exchange, or transfer of funds (in any denominated currency), whether —

(i) in cash or

(ii) by cheque, payment order, or other instrument or

(iii) by electronic or other non-physical means.

[Link to Section 5 of the Act](#)

<p>6.1</p> <p><i>Estimate the value and number of all transactions settled by your reporting entity during the year. Add the number of receipts and payments together, record the total number, and repeat for value –</i></p> <p><i>Gross number of transactions: [number]</i></p> <p><i>Gross value of transactions (NZD): \$ [amount]</i></p>	<p>This section requests annual data – provide an estimate which includes all transactions during the 12-month period from 1 July to 30 June (reporting period), or alternatively, as at the end of your reporting entity’s most-recent full financial year.</p> <p>Include all types of settlement or payment or transfer of value, including data from all domestic (New Zealand) and international payment or messaging systems, and/or cash receipts and payments. Only include transactions from relevant activities covered by the Act.</p> <p>Add receipts and payments together to arrive at the total. This is the gross value of transactions for your reporting entity. Please do not provide the net value of transactions (receipts minus payments).</p> <p>In determining the value and number of transactions during the year, you only need to provide an estimate. This means the submissions can be based on an approximate calculation or judgment of the value or number, rather than an exact count of transactions and values.</p> <p>Reporting entities are also reminded of their record-keeping obligations under section 49 of the Act.</p>
<p>6.2</p> <p><i>If your reporting entity offers any of the products and services listed below, tick Yes AND provide an estimate of the percentage (%) of your annual revenue that these products and</i></p>	<p>For each product or service that you offer, provide an estimate of the percentage (%) of revenue this represents of your reporting entity’s total revenue (from relevant activities covered by the Act) during the 12-month period from 1 July to 30 June (reporting period), or alternatively, as at the end of your reporting entity’s most recent full financial year. Include fees or other revenue from any transaction that is covered by the Act but exclude fees or other revenue from services not covered by the Act. You should retain sufficient supporting evidence to justify your estimates.</p> <p>Where revenue could fall under more than one heading, allocate it to the most appropriate heading. Do not double-count any revenue.</p> <p><u>Your total should add to 100%.</u></p>

<p><i>services represented during the reporting period or your most-recent full financial year:</i></p>			
<p>Definitions for Question 6.2</p> <p>Products and Services</p>	<p><u>Domestic.</u> ‘Domestic’ means that both (or all) parties to the relevant transactions are in New Zealand. A ‘domestic wire transfer’ means that the ordering institution, the intermediary institution and the beneficiary institution are all in New Zealand.</p>		
<p>1</p>	<p>Domestic account and deposit-taking services</p>	<p>Include fees or other revenue associated with the provision of accounts for transactions (banks and non-banks) including:</p> <ul style="list-style-type: none"> • term deposits • any account with debit cards or cheque facilities allowing the account holder to make frequent day-to-day transactions via EFTPOS, ATMs, internet or telephone banking, or similar • domestic transaction banking 	
<p>2</p>	<p>Domestic lending (other than residential mortgages and motor vehicle finance)</p>	<p>Include fees or other revenue associated with personal and commercial lending products.</p>	
<p>3</p>	<p>Residential mortgage lending</p>	<p>Include fees or other revenue associated with residential mortgage lending.</p>	
<p>4</p>	<p>Motor vehicle finance</p>	<p>Include fees or other revenue associated with private motor vehicle finance. (Exclude fleet finance. Refer to Finance and Leasing below).</p>	
<p>5</p>	<p>Debt instrument/bonds</p>	<p>Include fees or other revenue associated with bonds and other debt securities (e.g. residential mortgage-backed security, secure debenture stock, covered bonds, subordinated notes, preference securities).</p>	

6	Finance and leasing	<p>Include fees or other revenue associated with commercial loans, examples are: asset and equipment finance, leasing, acquisition, re-financing for domestic commercial property, moveable assets (excluding private motor vehicles), contracts or projects related to infrastructure and energy.</p> <p>Do not include financial leasing arrangements for consumer products, e.g.</p> <ul style="list-style-type: none"> • goods or services of a kind ordinarily acquired for personal, domestic, or household use or consumption • any arrangement primarily for personal, domestic, or household purposes.
7	Government and specialist finance and leasing	<p>Include fees or other revenue associated with finance, leasing, acquisition, re-financing for: government-related contracts, international property, move-able assets (excluding private motor vehicles), or contracts/projects specifically related to infrastructure and energy. Include arrangements associated with the funding of assets or related tax arrangements.</p> <p>Do not include financial leasing arrangements for consumer products, e.g.</p> <ul style="list-style-type: none"> • goods or services of a kind ordinarily acquired for personal, domestic, or household use or consumption • any arrangement primarily for personal, domestic, or household purposes.
8	Domestic wire transfer/electronic funds transfer services	<p>Include fees or other revenue associated with all domestic wire transfer/electronic funds transfer services on behalf of customers.</p> <p>Exclude international wire transfer/electronic funds transfer services (refer to services below).</p>

<u>International.</u> <i>'International'</i> refers to any transaction that is not domestic.		
9	International wire transfer/electronic funds transfer services	<p>Include fees or other revenue associated with the following:</p> <ul style="list-style-type: none"> • all international wire transfer/electronic funds transfer services on behalf of customers that are either incoming to New Zealand or outgoing from New Zealand • all value transfers, either originating from or destined for an overseas account/credit card or any other method that is located, issued or originates from outside New Zealand where the transaction is conducted on behalf of a New Zealand customer/account holder • cross-border transaction banking and private banking for international customers. <p>Exclude:</p> <ul style="list-style-type: none"> • international mobile telephone transfer services • correspondent banking • casino electronic money transfer services (see products/services 51 to 54 below).
10	International mobile telephone transfer services	Include fees or other revenue associated with international person-to-person transfers via a mobile telephone, and international value transfers to or from an account, via a mobile telephone, whether or not they are ultimately made to an account/facility at a financial institution.
11	Forex trading and multi-currency and foreign currency accounts	Include fees or other revenue associated with multi-denomination accounts (such as a bank account holding balances in various different currencies).

12	Foreign currency/money exchange services	<p>Include fees or other revenue associated with foreign exchange and/or over-the-counter money exchange services, including via foreign exchange bureaux. Include occasional transactions and services available to non-customers.</p> <p>Exclude foreign currency exchange within casinos (see products/services 55 and 56 below).</p>
13	Issuing travellers cheques and bearer-negotiable instruments	<p>Include fees or other revenue associated with issuing travellers cheques and bearer negotiable instruments (BNI).</p> <p><i>'Bearer- negotiable instruments'</i> means any of the following —</p> <ul style="list-style-type: none"> (a) a bill of exchange (b) a cheque (c) a promissory note (d) a bearer bond (e) a traveller's cheque (f) a money order, postal order, or similar order (g) any other instrument prescribed by regulations.
14	Cashing travellers cheques and bearer- negotiable instruments	<p>Include fees or other revenue associated with exchanging travellers cheques and bearer negotiable instruments for cash.</p>
15	Correspondent banking relationships	<p>Include fees or other revenue associated with correspondent banking relationships.</p> <p>Link to Section 29 of the Act</p>

16	Trade finance and related bonds/guarantees, forfeiting, and export/import finance	<p>Include fees or other revenue associated with finance related to international trade, including:</p> <ul style="list-style-type: none"> • trade-related performance guarantees or performance bonds • forfeiting • structured commodity finance and export/agent finance • related services.
<u>Trust and Company Service Providers (TCSPs)</u>		
17	Company formation	<p>Include fees or other revenue associated with the formation of companies, limited partnerships or other legal arrangements such as a private investment vehicle. Include revenue associated with setting up un-incorporated/un-registered legal entities, for example partnerships.</p>
18	Trust formation	<p>Include fees or other revenue associated with the formation of trusts and similar arrangements such as a 'bare trust'.</p>
19	Provider of office services (including registered address, virtual office, serviced offices, phone/mail forwarding)	<p>Include fees or other revenue associated with providing a registered business address, virtual office(s), serviced office(s), phone/mail forwarding.</p>
20	Nominee director/company secretary/partner services	<p>Include fees or other revenue associated with acting (or arranging for another person to act) as a nominee, partner or similar responsibilities.</p>
21	Nominee shareholder services	<p>Include fees or other revenue associated with acting (or arranging for another person to act) as a nominee shareholder or services relating to holding bearer shares.</p>

22	Professional trustee services	Include fees or other revenue associated with acting (or arranging for another person to act) as a protector or special trustee or similar responsibilities.
<u>Service Provision</u>		
23	Debt collection	<p>Please note that debt collection services are exempt from the Act under regulation 22 of the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011. For activities not exempt from the Act, include fees or other revenue associated with debt collection.</p> <p>This means the collection of debt by a person other than:</p> <ul style="list-style-type: none"> • the creditor to whom it is owed or • to whom it was originally owed if it has been assigned. <p>Do not include the value of debt which you have not successfully collected or which otherwise does not form part of your revenue.</p>
24	Factoring services	Include fees or other revenue associated with the purchase of accounts receivable (i.e. invoices) from a third party at a discount (with or without recourse).

25	Cash transport or courier services	Include fees or other revenue associated with the movement of cash within, into or out of New Zealand, or receipt of cash from outside New Zealand. Include bearer-negotiable instruments and domestic cash transport services. Include fees or other revenue associated with these services, but not the value of all cash and/or bearer instruments transported if these amounts would not normally be considered to be 'revenue' for your business.
26	Safe deposit boxes, cash storage	Include fees or other revenue associated with the provision of secure containers, including those held within a larger safe or vault. Do not include the value of all physical currency, and bearer-negotiable instruments held if these amounts would not normally be considered to be 'revenue' for your business.
27	Payroll remittance services	Include fees or other revenue associated with management of the transfer of funds between the accounts of the employer and its employees. Do not include payroll administration services, for example the generation of payroll information including calculating payments and PAYE deductions. Do not include the value of all transfers made if these amounts would not normally be considered to be 'revenue' for your business.
28	Securities registry duties and other fiduciary duties associated with securities/debt issuance	<p>Please note that securities registry services are exempt from the Act under regulation 21 of the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011.</p> <p>For activities not exempt from the Act, include fees or other revenue associated with the provision of registry and management services to an issuer or collective investment scheme. Also include the maintenance of a securities register, the recording of securities transfers, and administrative services for corporate actions or general funds management.</p>

<u>Cash and card services</u>		
29	Credit cards (as issuer only)	Include fees or other revenue associated with acting as an issuer of any card offering a line of credit. Exclude debit cards, cash cards and pre-paid cards.
30	Credit cards (as processor)	Include fees or other revenue associated with acting as a processor of any card offering a line of credit. Exclude debit cards, cash cards and pre-paid cards.
31	Card merchant facilities	Include fees or other revenue associated with offering card facilities, including mobile terminal facilities.
32	Cash transactions (excluding ATM withdrawals, foreign currency)	<p>Include fees or other revenue associated with over the counter, face-to-face and all other channels where cash is handled, (except ATMs and foreign currency transactions).</p> <p>Make sure to include fees or other revenue associated with deposits and withdrawals of physical currency by existing customers, and occasional transactions.</p>
33	Stored value instruments/cards	<p>Please note that some transactions involving stored value instruments/cards), are excluded from the Act under regulation 15 of the Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011.</p> <p>Include fees or other revenue associated with any portable device. This covers a gift facility that is capable of storing monetary value in a form that is not physical currency (regardless of whether the device is reloadable or able to be redeemed for cash), including:</p> <ul style="list-style-type: none"> i) a portable device whose value, or associated value, is transferable to a third party or is able to be remitted ii) any account or other arrangement associated with the value stored on the device (does not include a credit card or a debit card).

<u>Investing</u>		
34	Sharebroking	Include fees or other revenue associated with entering into or trading on an exchange (as a broker), in an over-the-counter market, or otherwise, in securities, contracts, financial arrangements and all other instruments.
35	Derivatives trading	Include fees or revenue associated with trading derivatives contracts over-the-counter (OTC) or on an exchange (ETD/ exchange traded derivatives)
36	Issuing derivatives	<p>Include fees or other revenue associated with offering derivatives, including:</p> <ul style="list-style-type: none"> • futures contracts • forward agreements or options (including any cap, collar, floor or spread trade executed through options) • forward exchange contracts • swaps • contracts for difference • margin foreign exchange contracts • rolling spot foreign exchange contracts • or in any other type of derivative (caps, collars, floors and spreads etc). <p>Include mark-to-market valuation changes.</p>
37	Providing a brokers' cash management account	Include fees or other revenue associated with any cash management accounts.
38	Providing other brokering services	Include fees or other revenue associated with any other broking service (as defined in section 77B of the Financial Advisers Act 2008) but do not include fees or revenue from custodial services (see service 43 below).

39	Funds management and administration of superannuation and KiwiSaver funds	<p>Include fees or other revenue associated with acting as a manager for a managed investment scheme (MIS) that are retirement schemes. Include all types of retirement schemes and include fund administration services and investment operations for those schemes.</p> <p>Retirement scheme means any of the following schemes for the purposes of any enactment:</p> <p>(a) a registered scheme that is a KiwiSaver scheme or a superannuation scheme (b) a workplace savings scheme (subject to the enactment and the regulations) or (c) a schedule 3 scheme (subject to the enactment and the regulations).</p>
40	Funds management and administration of retail and wholesale funds	<p>Include fees or other revenue associated with acting as a manager for retail or wholesale managed investment schemes (excluding retirement schemes). Include fund administration services and investment operations relating to those schemes.</p> <p>Include:</p> <p>(a) unit trusts, PIE, hedge funds, option funds, commodity funds, fund of funds, foreign unit trusts, group investment funds, collective investment schemes and listed investment trusts (b) property investment schemes, land investment products, property syndicates, forestry syndicates, listed property trusts, unlisted property trusts and real estate investment trusts (c) venture capital and private equity funds (d) exchange traded funds (ETFs) (e) all other funds (and list these types in the notes section in part 6).</p>
41	Discretionary investment management services (including class and personalised)	<p>Include fees or other revenue associated with making buy–sell decisions about your client’s portfolio on behalf of your client.</p>

42	Financial advice or financial planning	<p>Include fees or other revenue associated with '<i>financial advice</i>' as defined in section 10 of the Financial Advisers Act 2008.</p> <p>Include fees or other revenue associated with an '<i>investment planning service</i>' as defined in section 11 of the Financial Advisers Act 2008.</p>
43	Custodian services	<p>Include fees or other revenue associated with:</p> <ul style="list-style-type: none"> • providing custodial services (as defined in section 77B of the Financial Advisers Act 2008¹) or • acting as a custodian of an MIS under the FMC Act (whether retail or wholesale). <p>This includes revenue earned from maintaining physical possession or legal ownership of securities on behalf of another.</p> <p>Please note: there is a risk of possible duplication with 37B '<i>other broking services</i>', which also includes custodial services under the Financial Advisers Act 2008. Do not double count. You should separate revenue earned from acting as a custodian from other revenue earned from broking services.</p>
44	Issuing debt securities	<p>Include fees or other revenue associated with any issue of debt securities or for providing financial services for the issue of securities. Including investment grade bonds, below-investment grade bonds, warrants, perpetual or subordinated debt, structured debt issues (such as collateralised debt obligations (CDOs) and mortgage-backed securities), and capital guaranteed and capital protected investments.</p>
45	Issuing equity securities	<p>Include fees or other revenue associated with any issue of equity securities or for providing financial services for the issue of securities, including ordinary and preference shares, and private equity.</p>

¹ New definition of custodial services is inserted into section 77B by section 35 of the Financial Markets (Repeals and Amendments) Act 2013.

46	Licensed supervisory functions	<p>Include fees or other revenue associated with:</p> <ul style="list-style-type: none"> activities performed by securities trustees and statutory supervisors who are licensed under the Financial Markets Supervisors Act 2011, including acting as a supervisor of a manager of an MIS activities performed by licensed independent trustees.
46 A - D	A note for readers about the format of questions in the left hand margin. Please note that the numbering for questions 46 A-D does not imply that the treasury functions, operating a financial product market, peer-to-peer lending services or crowdfunding services are associated with supervisory activities (question 46 above).	
46A	Treasury functions (including services provided between related entities)	Include fees or other revenue associated with any treasury function within the reporting entity, including any intra-group treasury transactions.
46B	Operating a financial product market	Include fees or other revenue associated with operating a financial product market – such as NZX.
46C	Peer-to-peer lending services	Include fees or other revenue associated with providing an intermediary facility to connect borrowers and lenders.
46D	Crowdfunding services	Include fees or other revenue associated with acting as an intermediary between companies making offers of shares and investors – by providing the facility through which offers can be made to investors.
	<u>Insurance</u>	
47	Term life insurance	Include fees or other revenue associated with term life insurance.
48	Permanent	Include fees or other revenue associated with whole life, universal, limited-pay, endowment and accidental death policies and products.

49	Other life-related products and services associated with annuities, surrender options, etc.	Include fees or other revenue associated with all other life insurance-related products and services, excluding reinsurance.
50	Reinsurance associated with life insurance	Include fees or other revenue associated with life reinsurance.
<u>Casinos</u> - Products/services 51 to 70 are only relevant to casinos only.		
51	Conducting electronic international money transfers in	These are inward transactions that originate from outside New Zealand.
52	Conducting electronic international money transfers out	These are outward transactions that are destined for outside of New Zealand, including movement between two foreign bank accounts held by the casino conducted from within New Zealand (for example a transfer from a bank account held in Hong Kong to a bank account in Sydney).
53	Conducting electronic domestic money transfers in	All electronic transactions on behalf of customers that include payment instructions received from a New Zealand account.
54	Conducting electronic domestic money transfers out	All electronic transactions on behalf of customers that include payment instructions destined for a New Zealand account.
55	Foreign currency exchange in (including travellers cheques and cash)	This refers to exchanging foreign currency for New Zealand dollars. Include foreign exchange and/or over-the-counter money exchange services including foreign exchange bureaus. Include occasional transactions and services available to non-customers (i.e. customers who utilise the foreign exchange service but do not participate in gambling activity).

56	Foreign currency exchange out	This refers to exchanging New Zealand dollars for foreign currency. Include foreign exchange and/or over-the-counter money exchange services including foreign exchange bureaus. Include occasional transactions and services available to non-customers (i.e. customers who utilise the foreign exchange service but do not participate in gambling activity).
57	Cash take from table games (including chip purchase vouchers)	Please contact your AML/CFT supervisor if you need further guidance on this question.
58	Cash take from electronic gaming machines (including tickets/tokens)	Please contact your AML/CFT supervisor if you need further guidance on this question.
<p><i>Please note: Questions 59 to 67 (inclusive) are relevant to casinos only and should not be treated as parts of Question 6.2. The answers to these questions do not require you to estimate the percentage of annual revenue of your business derived from these particular activities.</i></p>		
59	Do you have foreign holding accounts?	
60	If yes, specify number and locations [number, locations]	Specify number and location for this question.
61	Do you have domestic casino operating accounts?	
62	If yes, specify number [number]	Specify number only for this question.
63	Do you have cheque cashing facilities?	This refers to a facility for exchanging cheques for cash or cash equivalents.

64	If yes, specify number during the year and average value [number, average value]	
65	Do you offer stored value instruments? (do not include casino chips)	
66	If yes, what sort of stored value instrument is it? [describe]	
67	What estimated percentage of your gambling activity utilises stored value instruments?	
<i>Please note: Products/services 68 to 74 are parts of Question 6.2. However 68 to 70 are relevant for casinos only.</i>		
68	Debit/credit card facilities out (exclude food and beverage purchases)	This refers to 'cash out' facilities.
69	Cheque in	This refers to cheques being processed into a customer or casino deposit account.
70	Cheque out	This refers to cheques being issued from a casino account (excluding cheques issues for banking purposes).

<u>Other</u>		
71	Loyalty schemes provided, e-cash and virtual credit providers	<p>Please note: Casinos currently have a Ministerial exemption that can be found here: Casino Loyalty Schemes SkyCity Entertainment Group Limited (March 2013)</p> <p>For activities not exempt from the Act, include fees or other revenue associated with e-cash and other forms of physical currency/bearer-negotiable instruments, and virtual/internet credit value transfers. Include person-to-person transfers and value transfers to or from a bill/account, whether or not they ultimately are made to an account/facility at a financial institution.</p>
72	Auction house	<p>For activities not excluded from the Act, include fees or other revenue associated with auction services. Exclude online auctions.</p> <p>Please note: licensed or registered auctioneers and providers of internet auctions are currently exempt from the AML/CFT regime under regulation 21A of the Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011.</p>
73	Online auctions	<p>For activities not excluded from the Act, include fees or other revenue associated with online auctions. Exclude auction services.</p> <p>Please note: providers of internet auctions and licensed or registered auctioneers are currently exempt from the AML/CFT regime under regulation 21A of the Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011.</p>
74	Other relevant products/services	<p>Include fees or other revenue associated with any other products/services covered by the Act. Specify the types of other products/services in part 6.</p>

7 – Customers/members	
<p>7.1</p> <p><i>Estimate the number of customers your reporting entity had a business relationship with during the year: [number]</i></p>	<p>Include all customers who have only had a short-term business relationship, and closed their account during the 12-month period from 1 July to 30 June (reporting period), or alternatively, as at the end of your reporting entity’s most-recent full financial year.</p> <p>Include active, inactive and dormant customers. You are not required to provide information on ‘occasional transactions’ here. Only include customers to whom you are providing a product or service covered by the Act and (or) regulations.</p> <p>‘Business relationship’ has the meaning given to it by section 5 of the Act: business relationship means a business, professional, or commercial relationship between a reporting entity and a customer that has an element of duration, or that is expected by the reporting entity, at the time when contact is established, to have an element of duration.</p> <p>Link to Section 5 of the Act</p>
<p>7.2</p> <p><i>How many customers (question 7.1 above) are classified as politically exposed persons (PEP)? [number]</i></p>	<p>Include your customers that are beneficially owned, controlled by, or for the benefit of a PEP.</p> <p>‘Politically exposed persons (PEPs)’ are individuals who, by virtue of their position in public life, may be vulnerable to corruption. The New Zealand legislation currently limits this concept to foreign PEPs.</p> <p>Link to Section 5 of the Act</p>
<p>7.3</p> <p><i>How many customers (question 7.1 above) are trusts or another vehicle for holding personal assets? [number]</i></p>	<p>Please contact your AML/CFT supervisor if you require further guidance on this question.</p>

7 – Customers/members	
<p>7.4 <i>How many customers (refer question 7.1 above) are non-residents? [number]</i></p>	<p><i>'Non-resident'</i> means individuals (natural persons) who are not ordinarily resident in New Zealand, and entities (non-natural persons) who do not have their principal place of business in New Zealand.</p>
<p>7.5 <i>Estimate, as at the end of the reporting period, the percentages of the following types of customers.</i></p>	<p>Estimate the percentage (%) of customers in each category below as at the end of the 12-month period from 1 July to 30 June (reporting period), or alternatively, as at the end of your reporting entity's most-recent full financial year. Please enter 0% for categories that are not applicable.</p> <p>Please note: Some customers will have more than one address. (For example, one for correspondence, and one for the customer's home residence. Some customers who live overseas for the purpose of their job may have a 'care of' address). Take care to establish whether the customer is, or is not, ordinarily resident in New Zealand.</p>
<p>Type 1: <i>NZ resident individuals</i></p>	<p>Individuals (natural persons) who are ordinarily resident in New Zealand. Include joint accounts and children.</p> <p>Exclude entities and any type of organisation (e.g. a social club, company, charity or family trust).</p>
<p>Type 2: <i>Non-resident individuals</i></p>	<p>Individuals (natural persons) who are not ordinarily resident in New Zealand.</p>
<p>Type 3: <i>NZ-resident entities</i></p>	<p>Includes:</p> <ul style="list-style-type: none"> • Any type of New Zealand entity or organisation (including company, association, trust, charity or foundation, club or society) that is incorporated/registered/etc. in New Zealand, and has a principal place of business in New Zealand, even if the owners/controllers/directors/trustees are overseas • New Zealand government bodies/agencies. <p>Exclude:</p> <ul style="list-style-type: none"> • individuals

7 – Customers/members

	<ul style="list-style-type: none">• overseas entities (refer to type 4 below).
Type 4: <i>Non-resident entities</i>	Includes any type of entity or organisation (whether or not it is incorporated/registered/etc. in New Zealand) that does not have its principal place of business in New Zealand. Exclude overseas government bodies (refer to type 5 below).
Type 5: <i>Overseas government bodies (or similar)</i>	Any overseas government or body or agency or inter-governmental organisation.
Type 6: <i>Other</i>	If 'Other' is selected, specify the type of customer in the space provided.
Total = 100%	

8 – Channels. Please note: Only relevant if your business had new customers during the reporting period.	
8.1 <i>Estimate the proportion of your new customers who were accepted via the following methods during the year</i>	<p>For each of the methods your reporting entity uses for on-boarding and accepting customers, please state the percentage (%) of new customers accepted. Include new customers referred from any source, including overseas or group referrals. Include new customers to your reporting entity that are existing customers of your group or parent.</p> <p>Only include new customers to whom you are providing a product or service covered by the Act, and (or) regulations. If an intermediary/financial adviser has referred a new policy which is ‘repeat annual business’ for an existing customer of your reporting entity, please do not include these in your estimate of new customers.</p> <p><u>Percentages should add up to 100% overall.</u></p>
Channel 1: <i>Face-to-face</i>	‘Over-the-counter’ or similar interaction between the reporting entity’s staff and the customer. (Exclude interaction via an intermediary - refer to channels 3 and 4 below).
Channel 2: <i>Non face-to-face</i>	Non face-to-face. Remote interaction including (without limitation) telephone, internet, mail, e-mail, social networking, and direct marketing. Include any other method except/excluding interaction with customers via/involving an intermediary (see below).
Channel 3: <i>Domestic intermediaries/agents/third party referral</i>	<p>All third parties and intermediaries who are physically located and operating in New Zealand.</p> <p>Intermediaries include all third parties making referrals and introductions of business. Include accountants, solicitors, brokers and agents, whether independent or tied advisers. Exclude your reporting entity’s employees even where those employees do not work at the reporting entity’s main address (refer to channel 1).</p>
Channel 4: <i>Overseas intermediaries/agents/third parties referral</i>	<p>All third parties and intermediaries who are not physically located and operating in New Zealand.</p> <p>Intermediaries include all third parties making referrals and introductions of business. Include accountants, solicitors, brokers and agents, including independent or tied advisers. Exclude your reporting entities’ employees working abroad (refer to channel 1).</p>
Channel 5: <i>Other</i>	If ‘Other’ is selected, specify the details of this method of acceptance in the notes section in Part 6..
Total = 100%	

Part 4 – Answer all questions from your relevant AML/CFT supervisor

The following questions are sector specific. Please answer the questions that are relevant to the AML/CFT supervisor of your reporting entity.

9 – Questions from the Reserve Bank of New Zealand	
Institutions that your reporting entity deals with	
9.1	<p><i>For this section –</i></p> <p><i>(a) count the number of relationships you have, according to the 4 types stated in the table in question 9.2</i></p> <p><i>(b) use your own country risk assessment document to categorise these relationships into the 3 categories stated in the table in question 9.2</i></p> <p><i>(c) record the version and date of your country risk assessment in the notes to part 6.</i></p>
9.2	<p><i>Count your relationships with all entities for the purpose of establishing accounts, authenticating instructions, and providing payment or other clearing-related services, and provide the results in the following table.</i></p> <p>Include non-standard messaging systems and non-electronic methods, regardless of whether they are infrequently used.</p>
RB.1	<p>Correspondent banking relationships (cross border only).</p> <p>Link to Section 29 of the Act</p> <p><i>Please record only dual key exchanges in this question. If your firm has single key exchanges with entities operating outside New Zealand, please record these in RB.2 below.</i></p>
RB.2	<p>Other respondents (including partial-SWIFT key/RMA, telex and all alternative and non-electronic channels) (domestic and cross border).</p> <p>All types of account or messaging services that have been established to authenticate instructions from, transfer value on behalf of, or provide payment or other clearing-related services. Include both financial institutions and non-financial entities.</p>

9 – Questions from the Reserve Bank of New Zealand	
RB.3	<p>Relationships where there is a written agreement (i.e. lending syndication, card payment programme, mobile banking, etc.)</p> <p>Your written agreements/agency agreements with a third party/ parties (excluding DBG members).</p>
RB.4	<p>Other relationships relevant to the delivery of products and services.</p> <p>Include relationships for the delivery of products and services, where there may be no formal written agreement.</p>
9.3	<p>Use your answers to the question in 6.1 and 6.2, estimate the gross value and number of transactions settled during the year for the following:</p> <p><i>Estimate the value and number of all transactions settled by your reporting entity during the year. Add the number of receipts and payments together, record the total number, and repeat for value –</i></p> <p><i>Gross number of transactions [number]</i></p> <p><i>Gross value of transactions (NZD): \$[amount]</i></p>
RB.5	<p>Domestic (New Zealand) receipts and payments</p> <p>When the ordering institution, the intermediary institution, and the beneficiary institution are all in New Zealand.</p>
RB.6	<p>International receipts and payments</p> <p>Any cross-border fund transfers or movement of funds originating from <u>or</u> destined for New Zealand.</p>

10 - Questions from the Financial Markets Authority

10.1	Sub-sector	Comments
<p>Identify the sub-sector(s) that your reporting entity belongs to:</p> <p>[Select all that are relevant] select more than one sub-sector</p>	Issuer of securities	Section 130 of the Act sets out the reporting entities supervised by the FMA for AML/CFT purposes.
	Licensed supervisors	
	Fund managers	
	Brokers and custodians	
	Financial advisers	
	Derivative issuers	
	DIMS providers	
	Peer-to-peer lenders	
	Equity crowdfunding service providers	
	Other (specify in the notes section in part 6)*	

10.2
Refer to your previous answer to question 7.4 ('how many of your total customers are non-resident customers?'). List the top 5 countries (high to low in descending order) according to where the largest numbers of your non-resident customers are: [list]

This question refers to the total number of customers resident in any overseas country, **not** the total value of transactions from customers in any overseas country.

Only include customers to whom you are providing a product or service covered by the Act and (or) regulations.

1 (highest)	
2	
3	
4	
5 (lowest)	

11 - Questions from the Department of Internal Affairs

Money remittance and mobile phone remittance (include casino electronic money transfer/wire transfer)

<p>11.1 <i>Name the 3 countries your business receives the most transactions from, and the average monthly number of your inward transactions</i></p>	<p>Question 11.1 is required if any of the below products and services are selected in part 3 of the annual report:</p> <ul style="list-style-type: none"> • 9 international wire transfer /electronic funds transfer services • 10 international mobile telephone transfers • 51 conducting electronic international money transfers in. <p>Select the country from the list and enter the average monthly number of inward transactions in the space provided.</p> <p>Inward transactions are transactions originating from outside New Zealand.</p>
<p>11.2 <i>Name the 3 countries your business sends the most transactions to, and the average monthly number of your outward transactions</i></p>	<p>Question 11.2 is required if any of the below products and services are selected in part 3 of the annual report:</p> <ul style="list-style-type: none"> • 9 international wire transfer /electronic funds transfer services • 10 international mobile telephone transfers • 52 conducting electronic international money transfers out. <p>Select the country from the list and enter the average number of outward transactions in the space provided.</p> <p>Outward transactions are transactions going outside New Zealand.</p>
<p>11.3 <i>'Do you provide the following payment methods? If yes, estimate the average monthly value of all transactions settled during the year</i></p>	<p>Question 11.3 is required if you selected any of the below products and services in part 3 of the annual report:</p> <ul style="list-style-type: none"> • 8 domestic wire transfer /electronic funds transfer services • 9 international wire transfer /electronic funds transfer services • 10 international mobile telephone transfers • 51 conducting electronic international money transfers in • 52 conducting electronic international money transfers out • 53 conducting electronic domestic money transfers in • 54 conducting electronic domestic money transfers out.

11 - Questions from the Department of Internal Affairs

If you need more information, refer to the [Wire Transfers guideline](#).

Do you provide the following payment methods? If **yes**, estimate the average monthly value of all transactions settled during the year (enter nil or value):

	Total monthly average (NZD\$)	Monthly \$ average as an ordering institution	Monthly \$ average as a beneficiary institution	Monthly \$ average as an intermediary institution
Cash		n/a	n/a	n/a
Bearer-negotiable instruments		n/a	n/a	n/a
Domestic wire transfers/electronic funds transfers				
Foreign wire transfers/electronic funds transfers				

Trust and company service providers (TCSPs)

11.4
Estimate the total number of clients currently on your books:
[number]

Please contact the Department of Internal Affairs if you require further guidance on this question.

11.5
State the number of full-time-equivalent staff you employ:
[number]

Please contact the Department of Internal Affairs if you require further guidance on this question.

11 - Questions from the Department of Internal Affairs

<p>11.6 <i>Do you incorporate companies or form any type of entity/trust in overseas jurisdictions (outside New Zealand)?</i></p> <p>Yes/No* *Select one</p>	<p>Please contact the Department of Internal Affairs if you require further guidance on this question.</p>
<p>11.7 <i>Do you handle the receipt and transmission of client money?</i></p> <p>Yes/No* *Select one</p>	<p>Please contact the Department of Internal Affairs if you require further guidance on this question.</p>
<p>11.8 <i>Do you manage clients' bank accounts?</i></p> <p>Yes/No* *Select one</p>	<p>Please contact the Department of Internal Affairs if you require further guidance on this question.</p>
<p>11.9 <i>For your clients that are corporations with shares in bearer form, do your policies provide for maintaining the physical control of those bearer shares to ensure that ownership</i></p>	<p><i>'Bearer shares'</i> are shares owned by the person who holds the physical share certificate at any given time.</p> <p>Understanding how those clients maintain the physical control of bearer shares may include having a policy that</p> <ul style="list-style-type: none"> - tracks transfers of ownership - maintains a register of shareholders or - other policies and procedures to ensure that your records accurately reflect details of the current ownership of the corporate entity.

11 - Questions from the Department of Internal Affairs

of the corporate entity does not change without your knowledge?

*Yes/No**
**Select one*

Providers of safe deposit boxes

11.10
Estimate the total number of safe deposit boxes you currently have in use: [number]

Please contact the Department of Internal Affairs if you require further guidance on this question.

11.11
Estimate the average number of times these boxes are accessed each month: [number]

Please contact the Department of Internal Affairs if you require further guidance on this question.

Part 5 – Conditions of Ministerial exemption

The questions in part 5 relate to reporting entities that have been granted an [exemption from the Act by the Minister of Justice](#). If your Ministerial exemption exempts you from section 60 of the Act in relation to all relevant services, then you are not required to complete any parts of the annual report.

(Unless and until a Ministerial exemption is granted, reporting entities will be expected to comply with obligations under the Act)