

AML/CFT

Anti-money laundering and countering financing of terrorism

User Guide: Annual AML/CFT Report

June 2021
Version 4



Version History

April 2014	Version 1
June 2015	Version 2
June 2016	Version 3
June 2021	Version 4 Version 4 reflects the 2018 amendments to Schedule 2 of the Anti-Money Laundering and Countering Financing of Terrorism (Requirements and Compliance) Regulations 2011 (the Regulations) and includes additional guidance texts to a few questions to improve clarity.

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Introduction

The annual report is required by section 60 of New Zealand's Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ('the Act').¹ The annual report applies to activities that are covered by the Act.

One annual report 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, each reporting entity must still complete other sections of the report separately.

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 platform provided by your supervisor to complete and submit your annual report. If, for whatever reason, you are unable to complete or upload your annual report, please contact your supervisor (the Department of Internal Affairs, Reserve Bank of New Zealand or Financial Markets Authority) well before the 31 August deadline. 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, whether the Act applies to your business, or who your organisation's Anti-Money Laundering and Countering Financing of Terrorism ('AML/CFT') supervisor is, please contact one of the AML/CFT supervisors.

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.**

- Please complete all relevant sections in the annual report
- 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')² to determine whether you, or your business, is a reporting entity under the Act.

¹ <https://www.legislation.govt.nz/act/public/2009/0035/latest/DLM2140720.html>

² <https://www.legislation.govt.nz/regulation/public/2011/0222/latest/whole.html#DLM3845846>

Part 1: Period of report, contact details and organisation structure

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

1 – Period of report

1.1	<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. Your report should cover the most recent 1 July to 30 June period.</p> <p><i>* The first report you complete may only cover a part year, depending on when your business began offering products and services regulated by the Act.</i></p>
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2 – Contact details

2.1	<p>Entity registration details</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 make sure you answer all parts of this question or write “N/A” if a question is not applicable.</p>
2.2	<p>Physical address</p> <p><i>Street name and number:</i></p> <p><i>Suburb/town:</i></p> <p><i>City:</i></p> <p><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><i>Please include information such as unit or floor number.</i></p>

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

2.3	<p>Postal address (if different from physical address)</p> <p><i>Street name and number or PO Box:</i></p> <p><i>Suburb/town:</i></p> <p><i>City:</i></p> <p><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>
2.4	<p>Other contact details</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:</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>(This is the person who administers and maintains the AML/CFT programme for your reporting entity).</p> <p>AML/CFT contact telephone number and email address can be those of the AML/CFT compliance officer for your entity.</p>
<h3>3 – Organisation structure</h3>		
3.1	<p><i>Is this reporting entity a branch or a subsidiary? Yes/No</i></p> <p><i>If yes, specify: [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. Your reporting entity is a subsidiary if another company controls your reporting entity's business or holds at least half of the shares.</p>
3.2	<p><i>In what country is your largest owner based? [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>
3.3	<p><i>Number of physical branch office locations in New Zealand (exclude agent’s office locations. If none, record nil): [number/nil]</i></p>	<p>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</p>

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

		<p>of additional physical places in New Zealand from which the reporting entity conducts relevant business to reflect the total number of physical locations.</p> <p>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.</p>
3.4	<p><i>Number of New Zealand subsidiaries (or nil): [number/nil]</i></p>	<p>‘Subsidiary’ means a company that is controlled by the reporting entity, as defined in section 5 of the Companies Act 1993.³ A company is a subsidiary of the reporting entity if the reporting entity controls the company's business or holds at least half of the shares.</p> <p>Only include subsidiaries conducting a relevant activity. A relevant activity is an activity that attracts obligations under the Act or regulations.</p>
3.5	<p><i>If known, number of physical branch office locations outside New Zealand (or nil): [number/nil/unknown]</i></p>	<p>In this question, ‘branch’ means an overseas business location of 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.</p>
3.6	<p><i>Number of subsidiaries outside New Zealand (or nil): [number/nil]</i></p>	<p>‘Subsidiary’ means a company that is controlled by another company, as defined in section 5 of the Companies Act 1993. A company is a subsidiary of the reporting entity if the reporting entity controls the company's business or holds at least half of the shares.</p>

³ <https://www.legislation.govt.nz/act/public/1993/0105/latest/DLM319999.html>

Part 2: AML/CFT risk assessment and AML/CFT programme

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

Answer **all relevant** questions.

Note: A member of a designated business group (DBG)⁴ 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 of your DBG to answer this part of the annual report on your behalf (questions 4-5). However, please note that you are responsible for the information provided.

Each member of a DBG must complete a separate annual report.

If you are eligible, please state this in the notes section in Part 6, 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 the annual report.

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 – AML/CFT risk assessment

4.1	<p><i>Does your risk assessment meet the requirements of section 58 of the Act?</i></p> <p><i>[Meets all/Meets some/Meets none*]</i></p> <p><i>*Select one.</i></p>	<p>Section 58 of the Act specifies what the risk assessment must cover.</p> <p>(1) The risk assessment must identify the ML/TF risks in your business, explain how you will ensure that the assessment remains current, and enable you to determine the level of risk involved in relation to the Act.</p> <p>(2) To “meet all” the requirements, your risk assessment must address the following areas:</p> <p>a) the nature, size, and complexity of your business; and</p>
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⁴ A DBG is a group of two or more related entities that have elected (in writing to the relevant AML/CFT supervisor) to form a group to delegate or share obligations under the AML/CFT Act. For information on DBGs, please refer to the DBG guideline available on the AML/CFT supervisors’ websites.

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

		<ul style="list-style-type: none"> b) the products and services offered; and c) the methods by which your business delivers products and services to your customers; and d) the types of customers your business deals with; and e) the countries your business deals with; and f) the institutions your business deals with; and g) any applicable guidance material produced by AML/CFT supervisors or the Commissioner relating to risk assessments; and h) any other factors that may be provided for in regulations. <p>(3) The risk assessment must be in writing and—</p> <ul style="list-style-type: none"> a) identify the risks faced by your business in the course of your business; and b) describe how the reporting entity will ensure that the assessment remains current; and c) enable your business to determine the level of risk involved in relation to relevant obligations under the Act and regulations. <p>*Please note: If your AML/CFT risk assessment does not address all these areas then it cannot “meet all” the requirements.</p>
4.2	<p><i>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 (e.g., sections 58(1), 58(2)(a)–(h), 58(3)(a)–(c) (use commas to separate each entry): [list]</i></p>	<p>If your risk assessment meets only some of the requirements of section 58 of the Act (as listed above in 4.1), please list all the parts it is not fully compliant with.</p>

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

4.3	<p><i>When was the most recent internal review of the risk assessment completed? [date]</i></p>	<p>'Review' 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	<p><i>Has the risk assessment been independently audited? [Yes/No*]</i></p> <p><i>*Select one.</i></p>	<p>'Audit' means a systematic check of your risk assessment by an independent and suitably qualified person, resulting in a written report.</p> <p>Section 59 of the Act specifies the requirements for review and audit of AML/CFT programmes and risk assessments. Further information is available in the <i>Guideline for Audits of Risk Assessments and AML/CFT Programmes</i>.</p>
4.5	<p><i>If yes to 4.4, when was the most recent audit of the risk assessment completed? [date]</i></p>	
4.6	<p><i>If yes to 4.4, did the most recent audit of the risk assessment highlight any deficiencies? [Yes/No*]</i></p> <p><i>*Select one.</i></p>	<p>Only answer this question if you answered "yes" to 4.4</p>
4.7	<p><i>If yes to 4.4 and 4.6, have you made the changes identified as being necessary in the most recent audit? [Yes complete/Not yet complete*]</i></p> <p><i>*Select one.</i></p>	

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

4.8	<p><i>During the year, did you make available a new activity regulated by the Act (e.g. a new product, service, or channel)? [Yes/No*]</i></p> <p><i>*Select one.</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>
4.9	<p><i>If yes to 4.8, before making this activity available, did you assess the ML/TF risk? [Yes/No*]</i></p> <p><i>*Select one.</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 by providing new methods in which you deliver products and services to your customers.</p>

5 – AML/CFT programme

5.1	<p><i>Does your AML/CFT programme meet the requirements of section 57 of the Act?</i></p> <p><i>[Meets all/Meets some/Meets none*]</i></p> <p><i>*Select one</i></p>	<p>Section 57 of the Act requires that your AML/CFT programme describe your policies, procedures and controls to detect money laundering and financing of terrorism, and to manage and reduce the risk of it happening.</p> <p>Your AML/CFT programme must be based on your risk assessment and include adequate and effective procedures, policies and controls for:</p> <ul style="list-style-type: none"> a) vetting of staff; and b) training on AML/CFT matters for senior managers, AML/CFT compliance officers and any other employee that is engaged in AML/CFT related duties; and c) complying with customer due diligence (CDD) requirements (including ongoing customer due diligence and account monitoring); and d) suspicious activity and prescribed transaction reporting; and e) record keeping; and
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Guidance and definitions for Part 2 (questions 4-5)

		<ul style="list-style-type: none">f) setting out how you will manage and mitigate the risks of money laundering and the financing of terrorism (ML/TF); andg) examining, and keeping written findings relating to: complex or unusually large transactions, unusual patterns of transactions, and any other activity that you regard as being particularly likely by its nature to be related to ML/TF; andh) monitoring, examining, and keeping written findings relating to business relationships and transactions from or in countries that do not have or have insufficient AML/CFT systems in place, and have additional measures for dealing with or restricting dealings with such countries; andi) preventing the use, for ML/TF, of products and services that might favour anonymity; andj) determining when enhanced customer due diligence is required and when simplified customer due diligence might be permitted; andk) providing when another person outside of your reporting entity may conduct relevant customer due diligence on behalf of your reporting entity, and setting out the procedures for the person to do so; andl) monitoring and managing compliance with, and the internal communication of and training in, those procedures, policies, and controls.
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Guidance and definitions for Part 2 (questions 4-5)

5.2	<p><i>If your AML/CFT programme meets only some of the requirements of section 57 of the Act, please list all paragraphs that it is not fully compliant with. Use commas to separate each entry: [list relevant paragraphs from section 57(a) to (l)]</i></p>	<p>Make sure you list all paragraphs in section 57 (listed in 5.1 above) that your AML/CFT programme is not fully compliant with.</p> <p>You may wish to add a brief explanation of how you intend to reach compliance with these sub-sections.</p>
5.3	<p><i>When was the most recent internal review of the programme completed? [date]</i></p>	<p>‘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.</p> <p>If you have not reviewed your AML/CFT programme since it was initially produced, insert the date it was first produced.</p>
5.4	<p><i>Has the programme been independently audited? [Yes/No*]</i></p> <p><i>*Select one</i></p>	<p>‘Audit’ means a systematic check of your AML/CFT programme by an independent and suitably qualified person resulting in a written report.</p> <p>Section 59 of the Act specifies the requirements for review and audit of AML/CFT programmes and risk assessments.</p> <p>Further information is available in the <i>Guideline for Audits of Risk Assessments and AML/CFT Programmes</i>.</p>
5.5	<p><i>If yes to 5.4, when was the most recent audit of the programme completed? [date]</i></p>	<p>Only answer this question if you answered “yes” to 5.4</p>
5.6	<p><i>If yes to 5.4, did the most recent audit of the programme highlight any deficiencies? [Yes/No*]</i></p> <p><i>*Select one</i></p>	<p>Only answer this question if you answered “yes” to 5.4</p>

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

<p>5.7</p>	<p><i>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*]</i></p> <p><i>*Select one</i></p>	
<p>5.8</p>	<p><i>Do you have procedures to identify and verify the identity of —</i></p> <p><i>(a) a new customer (including the customer's beneficial owners or any person acting on behalf of a customer)? [Yes/No*]</i></p> <p><i>*Select one.</i></p> <p><i>(b) a person seeking to conduct an occasional transaction through your reporting entity? [Yes/No*]</i></p> <p><i>*Select one.</i></p> <p><i>(c) an existing customer, according to the level of risk involved, if there 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*]</i></p> <p><i>*Select one.</i></p>	<p>'Beneficial owner' is someone who owns more than 25% of a customer that is a company, trust or other organisation, and/or someone who has effective control of a customer (e.g. board members and directors who control a company).</p> <p>An 'occasional transaction' means the transaction is one off and is above a certain threshold (as set out in the AML/CFT (Definitions) Regulations 2011).⁵</p> <p>'Existing customer' means someone who was in a business relationship with your business before the AML/CFT Act began applying to your business.</p> <p>'Material change' means an event, activity or situation that you identify that could change the level of ML/TF risk you may encounter.</p> <p>A '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>Definitions for all terms are in section 5 of the Act.</p>

⁵ Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011-
<https://www.legislation.govt.nz/regulation/public/2011/0222/latest/DLM3845896.html?src=qs>

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

		<p>'Insufficient information' means that customer due diligence (CDD) has not been conducted to the level required by the Act.⁶</p> <p>*For question 5.8(c), sufficient procedures mean you have clearly defined what a material change in the nature and purpose of the business relationship is in your policies, procedures and controls documents.</p>
5.9	<p><i>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)?</i> [Yes/No*] <i>*Select one</i></p>	<p>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).</p>
5.10	<p><i>Outside a DBG, do you outsource any CDD requirements to third parties (as set out in sections 32 to 34 of the Act)?</i> [Yes/No*] <i>*Select one</i></p>	<p>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.</p>

⁶ Please see Part 2 of the Act on CDD requirements and obligations.

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

5.11	<p><i>Are your reporting entity's AML/CFT transaction monitoring and account monitoring processes best described as electronic, manual, or a combination of both?</i></p> <p><i>[Electronic/Manual/Electronic and Manual*]</i></p> <p><i>*Select one.</i></p>	<p>'Electronic' is if you rely on electronic or automated systems to monitor transactions and/or accounts.</p>
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Part 3: Products and services, customers/members and channels

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.

6.1	<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>Only include transactions from relevant activities covered by the Act.⁷</p> <p>This section requests annual data – provide an estimate which includes all <i>relevant</i> 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.</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</p>
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⁷ Please refer to the Act - section 5(1) ‘Financial Institution’ for clarification on activities covered by the Act.

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

		<p>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>
6.2	<p><i>If your reporting entity offers the products and services listed in the table below, enter “Yes” and estimate the proportion of annual revenue of your business during the year:</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.</p> <p>Include fees or other revenue from any transaction that is covered by the Act but <i>exclude fees or other revenue from services not covered by the Act.</i></p> <p>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>

Products and services – *Please estimate percent of annual revenue from your business for the below products and services offered by your reporting entity (%).*

Your total should add to 100%

Domestic

‘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.

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

1	Domestic account and deposit-taking services	<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
2	Domestic lending (excluding residential mortgages and motor vehicle finance)	Include fees or other revenue associated with personal and commercial lending products.
3	Residential mortgage lending	Include fees or other revenue associated with residential mortgage lending.
4	Motor vehicle finance	Include fees or other revenue associated with private motor vehicle finance. (Exclude fleet finance. Refer to Finance and Leasing below).
5	Debt instrument/bonds	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).
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.

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

7	Government/ 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>

International

'International' refers to any transaction that is not domestic. This may include transactions where one or more parties to the relevant transaction is in New Zealand, provided that there is a party based overseas.

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

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	<p>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.</p>
11	Forex trading and multi-currency and foreign currency accounts	<p>Include fees or other revenue associated with multi-denomination accounts (such as a bank account holding balances in various different currencies).</p>
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 bureaus. 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>

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

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>'Bearer- negotiable instruments' 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	Include fees or other revenue associated with exchanging travellers cheques and bearer negotiable instruments for cash.
15	International correspondent banking relationships	Include fees or other revenue associated with correspondent banking relationships. ⁸
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>Service provision</u>		

⁸ Please see section 29 of the Act for further clarification on correspondent banking relationships.

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

17	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>
18	Factoring services	<p>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).</p>
19	Cash transport or courier services	<p>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 'revenue' for your business.</p>
20	Safe deposit boxes, cash storage	<p>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 'revenue' for your business.</p>
21	Payroll remittance services	<p>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 'revenue' for your business.</p>

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

22	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>		
23	Credit cards (as card 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.
24	Credit cards (all other roles)	Include fees or other revenue associated with acting as a processor of any card offering a line of credit and all other roles. Exclude debit cards, cash cards and pre-paid cards.
25	Card merchant facilities	Include fees or other revenue associated with offering card facilities, including mobile terminal facilities.
26	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>

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

27	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>		
28	Sharebroking	<p>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.</p>
29	Derivatives trading	<p>Include fees or revenue associated with trading derivatives contracts over-the-counter (OTC) or on an exchange (ETD/ exchange traded derivatives).</p>

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

30	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 foreign exchange contracts • swaps • contracts for difference (CFD) • 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>
31	Providing a brokers' cash management account	<p>Include fees or other revenue associated with any cash management accounts.</p>
32	Providing other brokering services ⁹ /A client money or property service	<p>Include client money or property service.</p> <p><i>Other Broker Services</i> is no longer a defined term due to the new financial advice regime (FSLAA) effective 15 March 2021. The terminology associated with this now is "client money or property service" (as defined in section 431W of the Financial Markets Conduct Act 2013).¹⁰ Include fees or other revenue associated with any client money or property service (as defined by section 431W1(a) of the Financial Markets Conduct Act 2013)¹¹, but do not include fees or revenue from custodial services.</p>

⁹ This term was defined by the repealed Financial Adviser Act 2008 and is not incorporated into the Financial Markets Conduct Act 2013 as part of the new Financial Advice Regime that took effect on 15 March 2021.

¹⁰ <https://www.legislation.govt.nz/act/public/2013/0069/latest/DLM4090578.html#DLM4090589>

¹¹ <https://www.legislation.govt.nz/act/public/2013/0069/latest/LMS465973.html>

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

33	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;</p> <p>(b) a workplace savings scheme (subject to the enactment and the regulations); or</p> <p>(c) a schedule 3 scheme (subject to the enactment and the regulations).</p>
34	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;</p> <p>(b) property investment schemes, land investment products, property syndicates, forestry syndicates, listed property trusts, unlisted property trusts, and real estate investment trusts;</p> <p>(c) venture capital and private equity funds;</p> <p>(d) exchange traded funds (ETFs);</p> <p>(e) all other funds (list these types in the notes section in Part 6).</p>
35	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>

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

36	Financial advice or financial planning/Financial Advice and Regulated Financial Advice	<p>Financial advice or financial planning are no longer a defined term due to the new financial advice regime (FSLAA) effective 15 March 2021.</p> <p>The terminology associated is "Financial Advice and Regulated Financial Advice" and is defined in section 431C of the Financial Markets Conduct Act 2013.¹² Please ensure you include fees or other revenue associated with "Financial Advice and Regulated Financial Advice".¹³</p>
37	Custodian services/Client Money and Property Services ¹⁴	<p>Custodian Services is no longer a defined term due to the new financial advice regime (FSLAA) effective 15 March 2021. The terminology associated with this now is "Client money or property services" and is defined in section 431W of the Financial Markets Conduct Act 2013.¹⁵ Please ensure you include fees or other revenue associated with "Client money or property services".</p> <p>We note there is a risk of possible duplication with 32 'other broking services' on the AML annual report now known as "Client money or property services" which also includes custodial services under the Financial Markets Conduct Act 2013. Do not double count. You should separate revenue earned from acting as a custodian from other revenue earned from broking services.</p>
38	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), capital guaranteed, and capital protected investments.</p>

¹² The Financial Adviser Act 2008 has been repealed and terminology has been replaced in the Financial Markets Conduct Act 2013 under section 431C.

¹³ <https://www.legislation.govt.nz/act/public/2013/0069/latest/LMS465785.html>

¹⁴ The Financial Adviser Act 2008 has been repealed and terminology has been replaced in the Financial Markets Conduct Act under section 431W.

¹⁵ <https://www.legislation.govt.nz/act/public/2013/0069/latest/LMS465973.html>

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

39	Issuing equity securities	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.
40	Supervisory activities	<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.
<p><i>A note for readers: please note that the numbering for questions 41 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 40 above).</i></p>		
41	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.
42	Operating a financial product market	Include fees or other revenue associated with operating a financial product market – such as NZX.
43	Peer-to-peer lending services	Include fees or other revenue associated with providing an intermediary facility to connect borrowers and lenders.
44	Crowd funding 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.
<p><u>Life insurance</u></p>		
45	Term life insurance	Include fees or other revenue associated with term life insurance.
46	Permanent (whole life, universal, limited-pay, endowment, accidental death)	Include fees or other revenue associated with whole life, universal, limited-pay, endowment and accidental death policies and products.

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

47	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.
48	Reinsurance associated with life insurance	Include fees or other revenue associated with life reinsurance.
<u>Casinos</u> - Products/services 49 to 68 are only relevant to casinos only.		
49	Conducting electronic international money transfers in	These are inward transactions that originate from outside New Zealand.
50	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).
51	Conducting electronic domestic money transfers in	All electronic transactions on behalf of customers that include payment instructions received from a New Zealand account.
52	Conducting electronic domestic money transfers out	All electronic transactions on behalf of customers that include payment instructions destined for a New Zealand account.
53	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).

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

54	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).
55	Cash take from table games (including chip purchase vouchers)	
56	Cash take from electronic gaming machines (including tickets/tokens)	
<p>Please note: The answers to questions 57 to 64 do not require you to estimate the percentage of annual revenue of your business derived from these particular activities.</p>		
57	Do you have foreign holding accounts?	
58	If yes , specify number [<i>number</i>]	
59	Do you have domestic casino operating accounts?	
60	If yes , specify number and locations [<i>number, locations</i>]	
61	Do you have cheque cashing facilities?	This refers to a facility for exchanging cheques for cash or cash equivalents.
62	If yes , specify number during the year and average value [<i>number, average value</i>]	
63	Do you offer stored value instruments? (Do not include casino chips)	
64	If yes , what sort of stored value instrument is it? [<i>describe</i>]	

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

65	What estimated percentage of your gambling activity utilises stored value instruments?	
66	Debit/credit card facilities out (exclude food and beverage purchases)	This refers to 'cash out' facilities.
67	Cheque in	This refers to cheques being processed into a customer or casino deposit account.
68	Cheque out	This refers to cheques being issued from a casino account (excluding cheques issues for banking purposes).
<u>Other</u>		
69	Loyalty schemes provided, e-cash and virtual credit provided	<p>This applies to gaming loyalty schemes. A gaming loyalty scheme is a scheme that:</p> <p>(a) generates points or credit exclusively through:</p> <ul style="list-style-type: none"> i. gambling; or ii. gambling and purchasing of food and beverages; or iii. gambling and purchase of hotel accommodation; or iv. gambling and purchase of food and beverages and hotel accommodation. <p>Please note: Casinos currently have a class exemption. Details can be found on the AML/CFT (Class Exemptions) Notice 2018.¹⁶</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/from a bill/account, whether or not they ultimately are made to an account/facility at a financial institution.</p>

¹⁶ <https://www.legislation.govt.nz/regulation/public/2018/0101/latest/whole.html>

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

70	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>
71	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>
72	Other relevant products/services (and list these in the notes in Part 6, together with estimates).	<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>

Total = 100%

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

7 – Customers/members

7.1	<p><i>Estimate the number of customers your reporting entity had a business relationship with during the year: [number]</i></p>	<p>Include active, inactive and dormant customers.</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>Only include customers to whom you are providing a product or service covered by the Act and/or regulations.</p> <p>You are not required to provide information on 'occasional transactions' here.</p>
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Guidance and definitions for Part 3 (questions 6-8)

		<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.¹⁷</p>
7.2	<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.¹⁸ The New Zealand legislation currently limits this concept to foreign PEPs.</p>
7.3	<p><i>How many customers (question 7.1 above) are a trust or another vehicle for holding personal assets? [number]</i></p>	<p>'Trusts' means a legally binding arrangement where a group of assets are held together.</p> <p>'Vehicle for holding personal assets' are entities such as shell companies or personal investment companies that hold personal assets.</p>
7.4	<p><i>How many customers (refer question 7.1 above) are non-residents? [number]</i></p>	<p>'Non-resident' 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>
7.5	<p><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>

¹⁷ Defined under section 5 of the Act

¹⁸ For further clarification, please refer to the Act, section 5 'politically exposed person'

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

		<i>*Please note that the residency (citizenship) status of customers is not relevant in this question.</i>
Types of customer		Estimate percentages as at end of the year for: (%) <i>Total sum of estimate should be 100%</i>
Type 1: <i>NZ resident individuals</i>	<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>	
Type 2: <i>Non-resident individuals</i>	Individuals (natural persons) who are not ordinarily resident in New Zealand.	
Type 3: <i>NZ-resident entities</i>	<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 unincorporated/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; Partnerships; New Zealand government bodies/agencies. <p>Excludes:</p> <ul style="list-style-type: none"> Individuals Overseas entities (refer to type 4 below). 	
Type 4: <i>Non-resident entities</i>	<p>Includes:</p> <ul style="list-style-type: none"> Any type of entity or organisation (whether or not it is unincorporated/incorporated/registered/etc. in New Zealand) that does not have its principal place of business in New Zealand; Companies; Partnerships; Trusts; Charities. 	

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

	Excludes 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, please list these types in the notes section in Part 6.	
Total = 100%		

8 – Channels.

Please note: This is 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 onboarding 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>
Methods of acceptance		%
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, direct marketing and all other types of remote access. Include any other method except/excluding interaction with customers via/involving an intermediary (refer to channel 3 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-party 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: Questions from Reserve Bank of New Zealand, question from Financial Markets Authority and questions from Department of Internal Affairs

The following questions are sector specific. Please answer **all** questions from your relevant AML/CFT supervisor, which is —

- The Reserve Bank of New Zealand; or
- The Financial Markets Authority; or
- The Department of Internal Affairs.

Please answer **ONLY** the questions relevant to the products and services provided and selected in Part 3. If none of these are applicable to your business, please move onto Part 5.

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; and</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; and</i></p> <p><i>(c) record the version and date of your country risk assessment in the notes in 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><i>*Include non-standard messaging systems and non-electronic methods, regardless of whether they are infrequently used.</i></p>			
RB.1	<p>Correspondent banking relationships (cross-border only).¹⁹</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>	<p>Lower-risk or medium- risk countries</p>	<p>Higher-risk countries</p>	<p>Other/ unknown-risk countries</p>

¹⁹ Please see section 29 of the Act for further clarification on correspondent banking relationships.

<p>RB.2 Other respondents (including partial-SWIFT key/RMA, telex and all alternative and non-electronic channels - domestic and cross border).</p> <p><i>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.</i></p>			
<p>RB.3 Relationships where there is a written agreement (i.e. lending syndication, card payment programme, mobile banking, etc.)</p> <p><i>Your written agreements/agency agreements with a third party/parties (excluding DBG members).</i></p>			
<p>RB.4 Other relationships relevant to the delivery of products and services.</p> <p><i>Include relationships for the delivery of products and services where there may be no formal written agreement.</i></p>			
<p>Transactions</p>			
<p>9.3</p>	<p>Using your answers to the question in 6, estimate the gross value and number of transactions settled during the year for the following (add all receipts and record the total):</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>–</p> <p><i>Gross number of transactions [number]</i></p> <p><i>Gross value of transactions (NZD): \$[amount]</i></p>		
<p>RB.5 Domestic (New Zealand) receipts and payments. <i>(When the ordering institution, the intermediary institution, and the beneficiary institution are all in New Zealand.)</i></p>	<p>Number:</p>	<p>Value (\$):</p>	
<p>RB.6 International receipts and payments. <i>(Any cross-border fund transfers or movement of funds originating from <u>or</u> destined for New Zealand.)</i></p>	<p>Number:</p>	<p>Value (\$):</p>	

10 - Questions from the Financial Markets Authority

10.1	<p><i>Identify the sub-sector(s) that your reporting entity belongs to: [Select all that are relevant*]</i></p>	<table border="1"> <thead> <tr> <th data-bbox="511 174 747 220">Sub-sector</th> <th data-bbox="747 174 1448 220">Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="511 220 747 310">Issuer of securities</td> <td data-bbox="747 220 1448 1123" rowspan="10"> Section 130 of the Act sets out the reporting entities supervised by the FMA for AML/CFT purposes. </td> </tr> <tr> <td data-bbox="511 310 747 401">Licensed supervisors</td> </tr> <tr> <td data-bbox="511 401 747 457">Fund managers</td> </tr> <tr> <td data-bbox="511 457 747 548">Brokers and custodians</td> </tr> <tr> <td data-bbox="511 548 747 638">Financial advisers</td> </tr> <tr> <td data-bbox="511 638 747 728">Derivative issuers</td> </tr> <tr> <td data-bbox="511 728 747 785">DIMS providers</td> </tr> <tr> <td data-bbox="511 785 747 875">Peer-to-peer lenders</td> </tr> <tr> <td data-bbox="511 875 747 1003">Equity crowdfunding service providers</td> </tr> <tr> <td data-bbox="511 1003 747 1123">Other (specify in the notes section in Part 6)*</td> </tr> </tbody> </table>	Sub-sector	Comments	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)*	
Sub-sector	Comments															
Issuer of securities	Section 130 of the Act sets out the reporting entities supervised by the FMA for AML/CFT purposes.															
Licensed supervisors																
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DIMS providers																
Peer-to-peer lenders																
Equity crowdfunding service providers																
Other (specify in the notes section in Part 6)*																
10.2	<p><i>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]</i></p>	<p>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.</p> <p>Only include customers to whom you are providing a product or service covered by the Act and/or regulations.</p> <table border="1" data-bbox="527 1396 1388 1585"> <tbody> <tr> <td data-bbox="527 1396 714 1438">1 (highest)</td> <td data-bbox="714 1396 1388 1438"></td> </tr> <tr> <td data-bbox="527 1438 714 1480">2</td> <td data-bbox="714 1438 1388 1480"></td> </tr> <tr> <td data-bbox="527 1480 714 1522">3</td> <td data-bbox="714 1480 1388 1522"></td> </tr> <tr> <td data-bbox="527 1522 714 1564">4</td> <td data-bbox="714 1522 1388 1564"></td> </tr> <tr> <td data-bbox="527 1564 714 1585">5 (lowest)</td> <td data-bbox="714 1564 1388 1585"></td> </tr> </tbody> </table>	1 (highest)		2		3		4		5 (lowest)					
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)

Answer **ONLY** questions relevant to the products and services provided and selected in Part 3. If none of these are applicable to your reporting entity, please move onto Part 5.

11.1	<p><i>Name the 3 countries your business receives the most transactions from, and estimate the average monthly number of 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 transfer services • 49 conducting electronic international money transfers in. <p>Name the 3 countries your business receives the most transactions from, and estimate the average monthly number of inward transactions:</p> <p>'Inward transactions' are transactions originating from outside New Zealand.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="width: 30%; text-align: center;">Average monthly number of transactions (\$)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td></td> </tr> <tr> <td style="text-align: center;">2</td> <td></td> </tr> <tr> <td style="text-align: center;">3</td> <td></td> </tr> </tbody> </table>		Average monthly number of transactions (\$)	1		2		3	
	Average monthly number of transactions (\$)									
1										
2										
3										
11.2	<p><i>Name the 3 countries your business sends the most transactions to, and estimate the average monthly number of 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 transfer services • 50 conducting electronic international money transfers out. <p>Name the 3 countries your business sends the most transactions to, and estimate the average monthly number of outward transactions:</p> <p>'Outward transactions' are transactions going outside New Zealand.</p>								

11 - Questions from the Department of Internal Affairs

		Name of Country	Average monthly number of transactions (\$)																									
		1																										
		2																										
		3																										
11.3	<p><i>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]</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 transfer services • 49 conducting electronic international money transfers in • 50 conducting electronic international money transfers out • 51 conducting electronic domestic money transfers in • 52 conducting electronic domestic money transfers out. <p>If you need more information, refer to the Wire Transfers guideline.²⁰</p> <p><i>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):</i></p> <table border="1"> <thead> <tr> <th></th> <th>Total monthly average (NZD\$)</th> <th>Monthly \$ average as an ordering institution</th> <th>Monthly \$ average as a beneficiary institution</th> <th>Monthly \$ average as an intermediary institution</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td></td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Bearer-negotiable instruments</td> <td></td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Domestic wire transfers/ electronic funds transfers</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Foreign wire transfers/ electronic funds transfers</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		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					
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Domestic wire transfers/ electronic funds transfers																												
Foreign wire transfers/ electronic funds transfers																												
Providers of safe deposit boxes																												
11.4	<i>Estimate the total number of safe deposit boxes you</i>																											

²⁰ Please refer to the supervisors' websites for the Wire Transfer guideline

11 - Questions from the Department of Internal Affairs

	<i>currently have in use: [number]</i>	
11.5	<i>Estimate the average number of times these boxes are accessed each month: [number]</i>	.

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.²¹ 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)²²

12 – Conditions of ministerial exemption		
12.1	Have you been granted any Ministerial exemption that is subject to conditions? [Yes/No*] *Select one.	
12.2	Please provide a description of your compliance with all conditions on any such exemption.	

²¹ <https://www.justice.govt.nz/justice-sector-policy/key-initiatives/aml-cft/info-for-businesses/ministerial-exemptions/>

²² Please visit the Ministry of Justice website for a list of expired and current ministerial exemptions.
<https://www.justice.govt.nz/justice-sector-policy/key-initiatives/aml-cft/info-for-businesses/ministerial-exemptions/decisions/>

Part 6: Notes

If a member of your DBG completed Part 2 of this report on your behalf, please note down the legal and registered number of the member that completed Part 2 on your behalf.

Your notes here:

Declaration and signature

I confirm that I have the authority to submit this report on behalf of the reporting entity. I have reviewed the answers and information and I confirm that I am satisfied that, to the best of my knowledge, after undertaking all reasonable inquiries, all answers are true and correct.

***A reminder:** a person commits an offence if, without reasonable excuse, the person provides information to an AML/CFT supervisor knowing that information to be false or misleading in any material respect.²³

Date signed:

Signature:

Full name:

Position/Job title:

²³ See section 103 of the Act.