



Fair Trading (Uninvited Direct Sales—Financial Products) Amendment Regulations 2020

Patsy Reddy, Governor-General

Order in Council

At Wellington this 14th day of December 2020

Present:

The Right Hon Jacinda Ardern presiding in Council

These regulations are made under section 36S of the Fair Trading Act 1986—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister of Commerce and Consumer Affairs made in accordance with section 36S(2) of that Act.

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Regulations

1 Title

These regulations are the Fair Trading (Uninvited Direct Sales—Financial Products) Amendment Regulations 2020.

2 Commencement

These regulations come into force on 15 March 2021.

3 Principal regulations

These regulations amend the Fair Trading (Uninvited Direct Sales—Financial Products) Regulations 2014.

4 Regulation 4 amended (Exempting agreements for issue or sale of financial product from uninvited direct sale provisions)

- (1) In regulation 4(a)(vi), replace “category 2” with “certain financial”.
- (2) Replace regulation 4(b) and (c) with:
 - (b) an offer that is through a financial advice provider that is acting in the ordinary course of business as a financial advice provider.
- (3) In regulation 4, insert as subclause (2):
- (2) In this clause, **financial advice provider** means a person that acts as a provider of a financial advice service under a licence under Part 6 of the FMC Act.

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 15 March 2021, amend the Fair Trading (Uninvited Direct Sales—Financial Products) Regulations 2014 (the **2014 regulations**). The 2014 regulations exempt certain classes of agreements for the issue or sale of financial products from the uninvited direct sales provisions in subpart 2 of Part 4A of the Fair Trading Act 1986.

These regulations make changes to the exemptions as a consequence of the Financial Services Legislation Amendment Act 2019. That Act, among other things, introduces a new regime for financial advice services under the Financial Markets Conduct Act 2013.

These regulations include an amendment to the exemption relating to financial advice. That exemption now relates to agreements for the issue or sale of financial products that result from offers through financial advice providers that are acting in the ordinary course of business.

2020/321

**Fair Trading (Uninvited Direct Sales—Financial
Products) Amendment Regulations 2020**

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 17 December 2020.

These regulations are administered by the Ministry of Business, Innovation, and Employment.

Wellington, New Zealand:

Published under the authority of the New Zealand Government—2020