

New regulation for nominee directors and nominee general partners

The Anti-Money Laundering and Countering Financing of Terrorism (Requirements and Compliance) Amendment Regulations 2021 introduce a new obligation to conduct customer due diligence for nominee directors and nominee general partners ('the new regulations'). The new regulations will come into force on 9 July 2021.

Reporting entities will be expected to comply with the new regulations as soon as possible from 9 July 2021. However, in recognition that reporting entities will need to amend their processes and procedures (and potentially systems) a transitional compliance period will apply until **29 April 2022**.

The Reserve Bank of New Zealand - Te Pūtea Matua, Financial Markets Authority and Te Tari Taiwhenua - Department of Internal Affairs will focus our efforts during the transitional compliance period on assisting compliance, raising awareness and understanding of the new regulations.

The transitional compliance period is supported by the Ministry of Justice, Reserve Bank of New Zealand - Te Pūtea Matua, Financial Markets Authority and Te Tari Taiwhenua - Department of Internal Affairs.

Non-compliance beyond 30 April 2022 will be considered a breach of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

