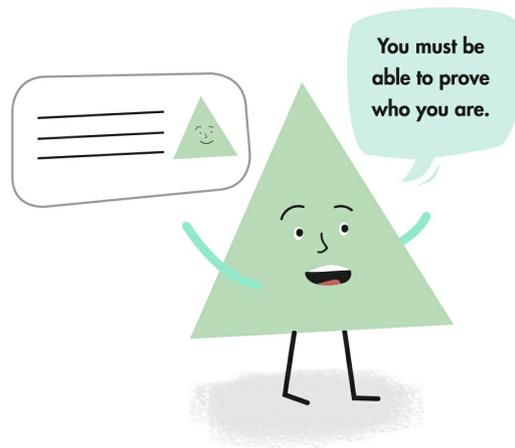


# Anti-money laundering - changes to banking

Banks' anti-money laundering obligations mean they may not process some of your transactions, and they may even decline to have you as a customer any more.



The Anti-Money Laundering and Countering the Financing of Terrorism Act 2009 obliges New Zealand's financial institutions and businesses to detect and deter money laundering and the financing of terrorism. The Act, which came into full force in 2013, also requires banks to gather more information about customers than previously. This can be inconvenient to some customers, but is a legal requirement for banks.

## Information banks must collect

Banks must be more stringent when verifying a customer's identity. They need information from independent and reliable sources to do this.

The Act requires banks to collect more information about their customers to:

- ensure their understanding of a customer's business with them is accurate
- help them assess the customer's risk profile
- help them identify transactions that may be suspicious.

## Consequences

You may have to provide more evidence of your identity and personal details than before. This can extend to all types of accounts, including personal, business and trust accounts. Similarly, your bank may ask for more information if you want to transfer money above a certain amount overseas.

A bank must report to police any transaction it reasonably believes is suspicious.

A bank must not do business with a customer if it is unable to comply with the Act in its dealings with that customer. This means:

- it may not process certain transactions
- it can withdraw its products and services
- it can choose not to accept someone as a customer.

## Information you may need to get

You may have to provide:

- your full name and date of birth
- your address
- your relationship to the customer (if you are not the customer)
- your company's identifier or registration number
- the source of your funds
- the names and dates of birth for beneficiaries of a trust
- the details of someone you are sending money to if you are making an international payment
- the nature and purpose of your business with the bank
- any other information prescribed by regulations.

## Examples

A bank may ask for the following to verify your identity:

- your passport, or
- your birth certificate and Kiwi Access Card/18+ card, or
- your driver's licence and EFTPOS card.

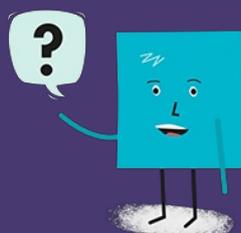
A bank may ask for the following to verify your address:

- recent utility bill, bank statement or insurance policy, or
- recent letter from the Electoral Office, a government agency, your employer or
- recent tenancy agreement.

Note: these are examples only. Your bank may want extra or different information.

## Where to take your concerns

Talk to your bank first if you have concerns about how the Act affects you. Banks are legally required to have policies and practices compliant with the Act. We do not have the power to compel banks to alter their practices or policies. However, we may be able to consider a complaint about a practice or policy that has breached an obligation or duty that the bank owes to the customer. You can also complain to us if you believe your bank has breached its statutory obligations.



Your bank may require you to provide more evidence of your identity and personal details than before due to legal obligations.