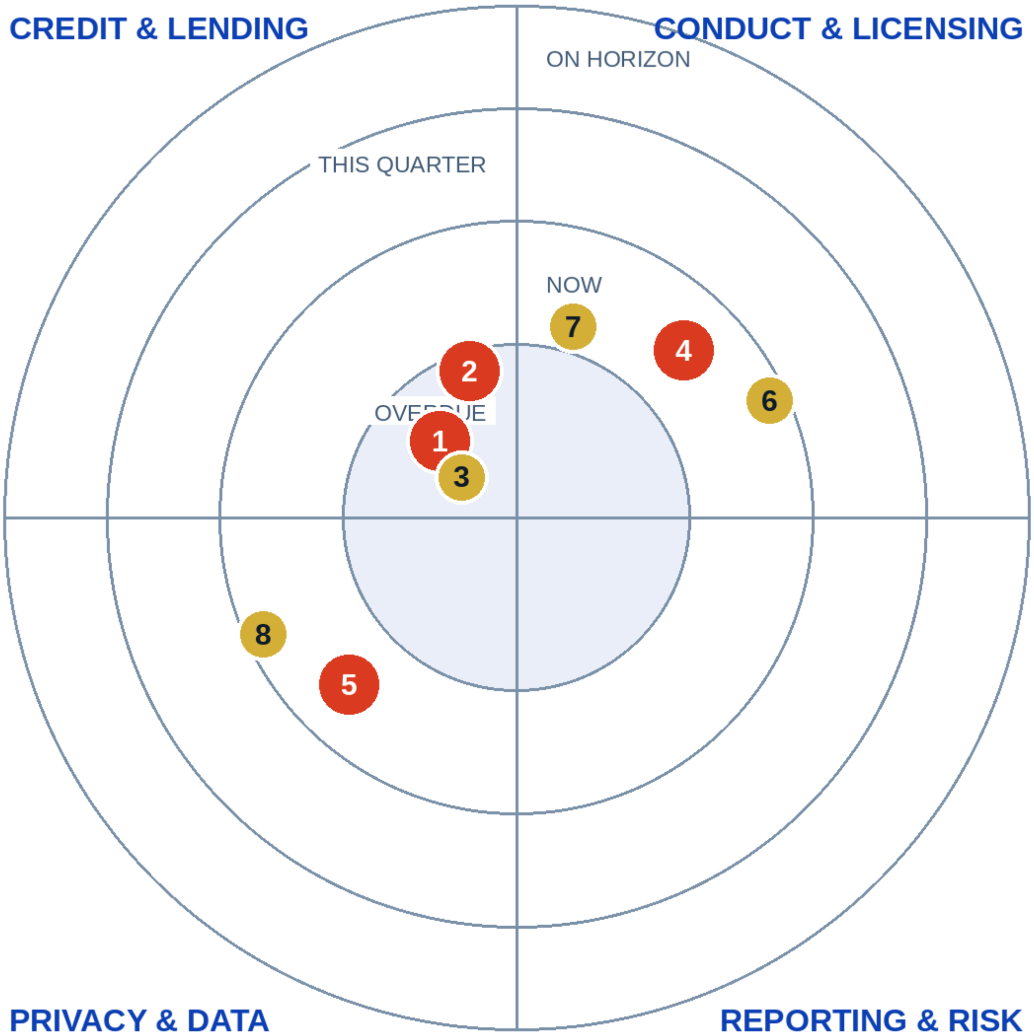
DARK ARTS
EVENT HORIZON

REGULATORY RADAR
NZ BANKS
JULY-AUGUST 2026

What's moving on the horizon for these firms and what it quietly breaks.

LEAD SIGNALS

BNZ's $2.6m undertaking and the FMA's 1 July takeover of consumer credit land the same message: the regulator now reads bank systems against bank paperwork, and a mismatch is misleading conduct, not an IT bug. CoFI incentive expectations and two named privacy decisions widen the same lens to sales and to customer data.



ANGLE = CATEGORY · DISTANCE FROM CENTRE = WHEN IT BITES · SIZE & COLOUR = SEVERITY

1 **CREDIT & LENDING** · OVERDUE **HIGH**

A new regulator polices lending

WHO: banks with consumer lending books now supervised by the FMA rather than the Commerce Commission
WHAT: affordability logic, remuneration controls and complaints workflows built for the old regulator's playbook
WHEN: the FMA took over consumer credit on 1 July. Its first supervisory themes are already published.
SOURCE: fma.govt.nz

2 **CREDIT & LENDING** · OVERDUE **HIGH**

Disclosure documents changed in July

WHO: banks writing consumer credit and generating CCCFA disclosure documents
WHAT: document generation systems still producing last year's disclosure statements on every new loan
WHEN: in force 1 July. A second template change lands 5 December 2026.
SOURCE: legislation.govt.nz

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3 **CREDIT & LENDING** · OVERDUE **MEDIUM**

Credit definitions changed in July

WHO: banks whose product and registration systems classify consumer credit contracts

WHAT: product classification logic, registration data and workflows built to the old definition

WHEN: amendment in force since 1 July. Live now, not pending

SOURCE: legislation.govt.nz

4 **CONDUCT & LICENSING** · NOW **HIGH**

$2.6m for a calculation mismatch

WHO: banks and deposit takers whose systems calculate interest, fees or product terms at scale

WHAT: calculation engines that drifted from the terms customers actually signed

WHEN: enforceable undertaking accepted after $5.39m in underpaid interest. Find the drift before the regulator does.

SOURCE: fma.govt.nz

5 **PRIVACY & DATA** · NOW **HIGH**

Health data breach findings landed

WHO: banks holding sensitive customer and health-adjacent data, including insurance and hardship records

WHAT: security safeguards that would not survive a post-breach inquiry into whether they were reasonable

WHEN: Phase 1 found Privacy Act breaches in May. Compliance notices are coming and Phase 2 is next.

SOURCE: privacy.org.nz

6 **CONDUCT & LICENSING** · NOW **MEDIUM**

Sales incentives under the microscope

WHO: banks running sales campaigns or paying incentives to staff, brokers and other intermediaries under CoFI

WHAT: governance, record keeping and outcomes monitoring around incentives that cannot show fair treatment

WHEN: findings published under the CoFI regime. Expectations are now on record.

SOURCE: fma.govt.nz

7 **CONDUCT & LICENSING** · NOW **MEDIUM**

The new regulator named its targets

WHO: banks writing consumer credit, now supervised by the FMA under the published themes

WHAT: remuneration conflicts, complaints handling and fraud detection that cannot stand a supervisory visit

WHEN: the 2026/27 supervisory year is underway. Themes are published, sweeps follow.

SOURCE: fma.govt.nz

8 **PRIVACY & DATA** · NOW **MEDIUM**

Outsourcing does not outsource accountability

WHO: banks whose customer data sits with outsourced processors, contact centres or cloud vendors

WHAT: vendor contracts and oversight that leave privacy obligations implied rather than enforced and monitored

WHEN: decision published and the stores named. The principle applies well beyond retail.

SOURCE: privacy.org.nz

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