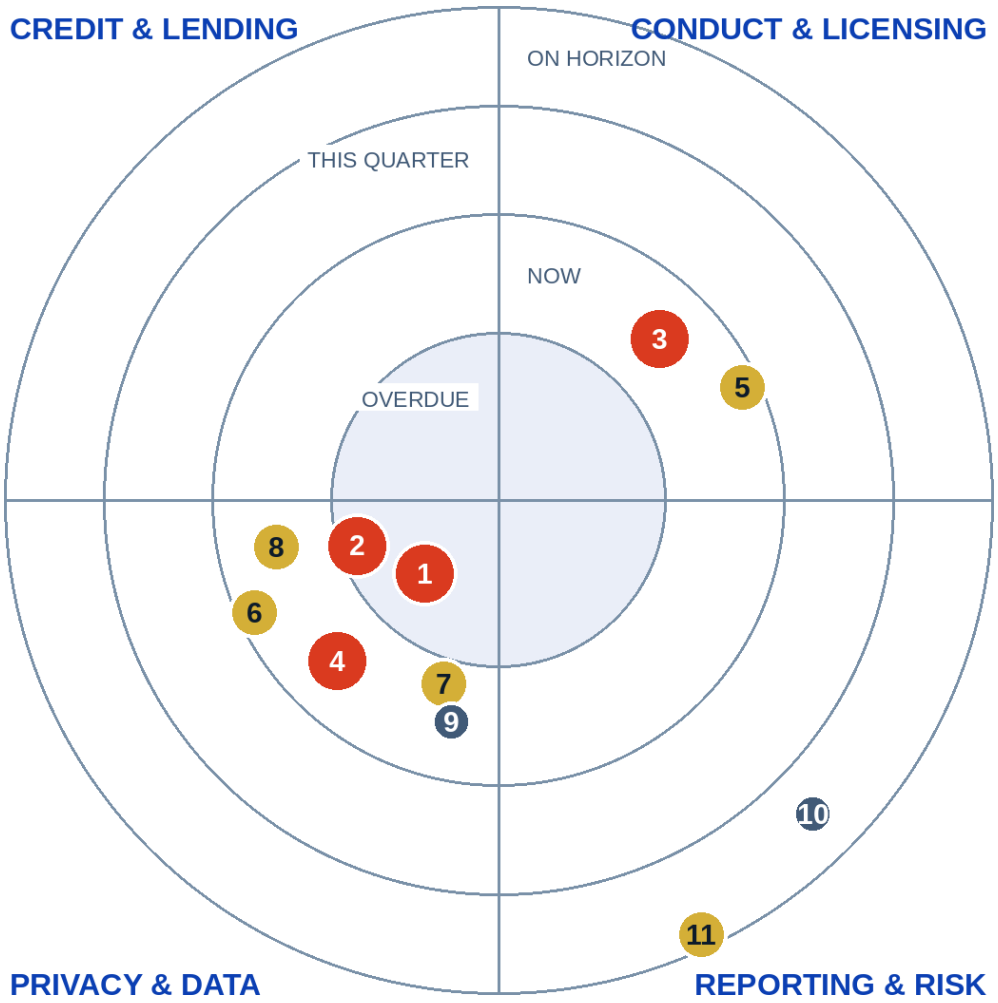
DARK ARTS
EVENT HORIZON

REGULATORY RADAR
NZ FUND MANAGERS & PLATFORMS
SEPTEMBER-OCTOBER 2026

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

LEAD SIGNALS

Climate reporting relief now hangs on the incoming government, while KiwiSaver balances above $40,000 bring closer scrutiny of fraud, fees and liquidity. Fee logic that drifts from the documents is the same exposure that cost a bank $1.73m.



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

1 PRIVACY & DATA · OVERDUE HIGH

Who counts as sanctioned has changed

WHO: fund managers and platforms onboarding investors and screening holdings and counterparties

WHAT: customer checks that only match names against the list, and miss someone acting for a sanctioned person

WHEN: Since 3 September, any dealing designed to get around sanctions is expressly banned, and relatives and associates count only if named on the register. More names were added on 7 August.

SOURCE: legislation.govt.nz

2 PRIVACY & DATA · OVERDUE HIGH

Indirect collection rules started in May

WHO: fund managers and platforms receiving investor data from advisers, employers and other platforms

WHAT: data feeds from third parties that never trigger a notice to the person they describe

WHEN: Applies to personal information collected since 1 May 2026. Everything collected indirectly since then is already in scope.

SOURCE: legislation.govt.nz

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3 **CONDUCT & LICENSING** · NOW **HIGH**

A 25 cent fee cost $1.73m

WHO: fund managers and platforms whose fee and unit-price calculations must match the offer documents

WHAT: fee tables that kept charging after the terms were reworded around them

WHEN: Public warning issued 21 September. The fee ran from November 2017 to November 2023 before it was caught.

SOURCE: fma.govt.nz

4 **PRIVACY & DATA** · NOW **HIGH**

Dormant accounts became a breach finding

WHO: fund managers and platforms holding closed and inactive investor accounts

WHAT: customer platforms with no process to check in on, close or purge accounts nobody uses

WHEN: Final report released 30 October. The Commissioner generally expects a check-in after 12 months of inactivity.

SOURCE: privacy.org.nz

5 **CONDUCT & LICENSING** · NOW **MEDIUM**

Bigger balances, closer scrutiny

WHO: KiwiSaver providers, scheme managers and their administrators

WHAT: fraud detection, complaints handling and fee disclosure that cannot show outcomes as balances grow

WHEN: Annual report published with average balances above $40,000. Private assets and liquidity remain under scrutiny.

SOURCE: fma.govt.nz

6 **PRIVACY & DATA** · NOW **MEDIUM**

Boards must know where AI runs

WHO: fund managers and KiwiSaver providers using AI in operations or member service

WHAT: AI use nobody has inventoried: vendor features, staff tools and code assistants outside the risk register

WHEN: Expectations already published. Boards and senior managers should know where AI is deployed and who owns the risk.

SOURCE: fma.govt.nz

7 **PRIVACY & DATA** · NOW **MEDIUM**

Breach notified six months late

WHO: fund managers whose administrators or IT providers handle security incidents

WHAT: incident response that treats cyber and privacy separately, so nobody asks whether to notify

WHEN: Decision published. The Commissioner expects notification within 72 hours of knowing a breach is notifiable.

SOURCE: privacy.org.nz

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8 **PRIVACY & DATA** · NOW **MEDIUM**

Overseas policy, New Zealand problem

WHO: fund managers and platforms using group or offshore privacy documents

WHAT: collection notices and privacy policies inherited from a parent company that cite foreign law

WHEN: Decision published. The Commissioner signals targeted adverse comment, including to parent companies, when firms do not engage.

SOURCE: privacy.org.nz

9 **PRIVACY & DATA** · NOW **LOW**

Personal emails on work systems count

WHO: fund managers handling access requests from current and former staff

WHAT: access-request processes that skip personal email held in company mailboxes

WHEN: Case note published. Personal emails held on work systems can fall inside an access request.

SOURCE: privacy.org.nz

10 **REPORTING & RISK** · ON HORIZON **LOW**

Climate reporting relief, for now

WHO: managed investment scheme managers and smaller listed issuers in the climate regime

WHAT: reporting plans that assume the exemption became law, when it has not

WHEN: No-action relief covers reporting periods starting up to 1 February 2027. Later periods depend on the incoming government.

SOURCE: fma.govt.nz

11 **REPORTING & RISK** · ON HORIZON **MEDIUM**

AML supervision now carries a levy

WHO: fund managers and platforms that are AML/CFT reporting entities

WHAT: budgets, payables and compliance calendars with no line for levy invoices, challenges or class changes

WHEN: Regulations in force since 8 October. Levies apply from the financial year starting 1 July 2027.

SOURCE: legislation.govt.nz

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