

Version
as at 1 December 2025



Financial Markets Conduct (Restricted Schemes— Disclosure and Reporting) Exemption Notice 2022

(SL 2022/231)

Financial Markets Conduct (Restricted Schemes—Disclosure and Reporting) Exemption Notice 2022: revoked, on the close of 30 November 2025, by clause 3.

This exemption is granted by the Financial Markets Authority under section 556 of the Financial Markets Conduct Act 2013 after being satisfied of the matters set out in section 557 of that Act.

Contents

	Page
1 Title	2
2 Commencement	2
3 Revocation	2
4 Interpretation	2
5 Transitional, savings, and related provisions	2
<i>Exemption for fund updates</i>	
6 Exemption for fund updates	3
7 Conditions of exemption in clause 6	3
<i>Exemptions for quarterly reporting</i>	
8 Exemption for quarterly reporting of limit breaks	4
9 Conditions of exemption in clause 8	4
10 Exemption for quarterly reporting of related party transaction certificates	5
11 Conditions of exemption in clause 10	5
<i>Exemption for annual confirmation information</i>	
12 Exemption for annual confirmation information	5

Note

The Parliamentary Counsel Office has made editorial and format changes to this version using the powers under subpart 2 of Part 3 of the Legislation Act 2019.

Note 4 at the end of this version provides a list of the amendments included in it.

This notice is administered by the Financial Markets Authority.

13	Condition of exemption in clause 12	5
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Schedule 1

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Transitional, savings, and related provisions**Notice****1 Title**

This notice is the Financial Markets Conduct (Restricted Schemes—Disclosure and Reporting) Exemption Notice 2022.

2 Commencement

This notice comes into force on 31 August 2022.

3 Revocation

This notice is revoked on the close of 30 November 2025.

Clause 3: amended, on 12 June 2025, by clause 7 of the Financial Markets Conduct (Revocation of Exemptions) Notice 2025 (SL 2025/130).

4 Interpretation

(1) In this notice, unless the context otherwise requires,—

Act means the Financial Markets Conduct Act 2013

interest-based withdrawal benefit means an interest-based withdrawal benefit that a member receives on leaving the service of an employer before the member reaches the retirement benefit qualification age

limit break has the meaning set out in section 167 of the Act

Regulations means the Financial Markets Conduct Regulations 2014

retirement benefit qualification age means the age at which a member would ordinarily be entitled to receive a retirement benefit under a restricted scheme if they retired from service.

(2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

5 Transitional, savings, and related provisions

The transitional, savings, and related provisions set out in Schedule 1 have effect according to their terms.

Exemption for fund updates

6 Exemption for fund updates

- (1) The manager of a defined benefit scheme that is a restricted scheme is exempted from regulation 56(2) of the Regulations in respect of a period if—
 - (a) the scheme has, in addition to providing for a defined benefit in respect of each member, either or both of the following characteristics:
 - (i) it provides for members to receive an interest-based withdrawal benefit;
 - (ii) it provides for members to have voluntary contribution accounts; and
 - (b) at any time during the period, 1 or more members of the scheme are entitled to receive an interest-based withdrawal benefit or have a voluntary contribution account.
- (2) In this clause and clause 7, **period** means a 12-month period ending on the last day of a disclosure year, or the balance date of the scheme, as at which a fund update would otherwise be required to be prepared under regulation 56(2) of the Regulations.

7 Conditions of exemption in clause 6

- (1) This clause applies if, as at the end of the period, 1 or more members of the scheme are entitled to receive an interest-based withdrawal benefit or have a voluntary contribution account.
- (2) The exemption in clause 6 is subject to the conditions that—
 - (a) the manager includes a statement in or with the annual report to the effect that—
 - (i) the manager is relying on this notice to not provide a fund update under regulation 56(2) of the Regulations; and
 - (ii) the manager will instead supply alternative information to each member who is entitled to receive an interest-based withdrawal benefit or has a voluntary contribution account; and
 - (b) the manager includes the following additional information in or with the annual report that is sent to each of those members:
 - (i) the annual net return credited to the member's account for the accounting period to which the annual report relates; and
 - (ii) a pie graph or table showing, as at the balance date of that accounting period, the target asset mix of the scheme according to the asset categories specified in clause 1(4) of Schedule 4 of the Regulations.
- (3) In this clause,—

annual report means the annual report required by regulation 62 of the Regulations

fund charges has the same meaning as in clause 2 of Schedule 4 of the Regulations

net return means the rate of interest actually allocated to the member's account after deductions for fund charges, trading expenses, and accrued tax

trading expenses has the same meaning as in clause 2 of Schedule 4 of the Regulations.

Exemptions for quarterly reporting

8 Exemption for quarterly reporting of limit breaks

The manager of a restricted scheme is exempted from regulation 95 of the Regulations.

9 Conditions of exemption in clause 8

- (1) The exemption in clause 8 is subject to the conditions that,—
 - (a) if there has been any limit breaks in a quarter, the manager must provide to the FMA a report that contains the information set out in regulation 96(2) of the Regulations within 15 working days after the expiry of the quarter; and
 - (b) the manager must provide to the FMA a report (**report A**) within 15 working days after each balance date of the scheme that—
 - (i) states whether any limit breaks have occurred during the accounting period ending on that date; and
 - (ii) contains the information specified in regulation 96(2) of the Regulations if any limit breaks have occurred during that period; and
 - (c) if the manager relies on regulation 96(3)(a) of the Regulations (as applied under subclause (2)), the manager must comply with regulation 96(3)(b) of the Regulations.
- (2) Regulation 96(3)(a) of the Regulations applies with all necessary modifications to a report under subclause (1)(a) or (b).
- (3) Report A is not required to include any information referred to in regulation 96(2)(d) to (i) of the Regulations if—
 - (a) the information has previously been provided to the FMA in a report that the manager is required to provide to the FMA; and
 - (b) report A states the date of the report in which the information was previously provided; and
 - (c) as at the date of report A, the information remains correct.

10 Exemption for quarterly reporting of related party transaction certificates

The manager of a restricted scheme is exempted from regulation 100 of the Regulations.

11 Conditions of exemption in clause 10

- (1) The exemption in clause 10 is subject to the conditions that,—
 - (a) if a certificate is given under section 173(4) of the Act, the manager must, within 15 working days after the expiry of the quarter in which the certificate was given, provide to the FMA a report that—
 - (i) states that a certificate was given; and
 - (ii) includes a copy of the certificate; and
 - (b) the manager must provide to the FMA a report (**report A**) within 15 working days after each balance date of the scheme that—
 - (i) states whether any certificates have been given under section 173(4) of the Act during the accounting period ending on that date; and
 - (ii) includes a copy of those certificates (if any).
- (2) Report A is not required to include a copy of a certificate given under section 173(4) of the Act if—
 - (a) a copy of the certificate has previously been provided to the FMA in a report that the manager is required to provide to the FMA; and
 - (b) report A states the date of the report in which a copy of the certificate was previously provided; and
 - (c) as at the date of report A, the information in the certificate remains correct.

Exemption for annual confirmation information

12 Exemption for annual confirmation information

The manager of a defined benefit scheme that is a restricted scheme is exempted from regulation 70B of the Regulations.

13 Condition of exemption in clause 12

- (1) The exemption in clause 12 is subject to the condition that the manager complies with regulations 69 and 71 of the Regulations as if the confirmation information that must be provided were the information set out in subclause (2).
- (2) The information that must be provided is, in relation to the accounting period that has expired and a particular member (A), the following to the extent that it is applicable:

- (a) A's voluntary contribution account balance at the start and at the end of the period;
- (b) the amount of contributions credited to that account during the period;
- (c) if A has not yet reached the retirement benefit qualification age, A's interest-based withdrawal benefit as at the end of the period as calculated under the governing document for the scheme;
- (d) if A has reached the retirement benefit qualification age but is not receiving a retirement benefit, A's retirement benefit as at the end of the accounting period as calculated under the governing document for the scheme;
- (e) if A is receiving a retirement benefit,—
 - (i) the total retirement benefit payments made to A during the accounting period; and
 - (ii) A's retirement benefit entitlement for each payment period as at the end of the accounting period.

Schedule 1

Transitional, savings, and related provisions

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Part 1

Provisions relating to this exemption as made

1 Application of exemption for fund updates

Clause 6 applies in relation to a fund update if the last day of the disclosure year or the balance date of the scheme as at which the fund update would otherwise be required to be prepared occurs on or after 31 August 2022.

2 Application of exemptions for quarterly reporting

Clauses 8 and 10 apply to reporting in respect of quarters that end on or after 31 August 2022.

3 Application of exemption for annual confirmation information

Clause 12 applies to confirmation information in relation to accounting periods that end on or after 31 August 2022.

Dated at Wellington this 9th day of August 2022.

Liam Mason,
General Counsel,
Financial Markets Authority.

Statement of reasons

Note: The following statement of reasons should be read in conjunction with the statement(s) of reasons appended to the:

- Financial Markets Conduct (Revocation of Exemptions) Notice 2025**

This notice, which comes into force on 31 August 2022 and is revoked on 30 August 2027, provides exemptions for restricted schemes from certain disclosure and reporting obligations under the Financial Markets Conduct Regulations 2014 (the **Regulations**). The current regulatory settings require some restricted schemes to disclose information to members and to give reports to the Financial Markets Authority (the **FMA**). Given the nature of these schemes, these requirements do not always provide useful information and impose unnecessary compliance costs.

The notice provides relief for certain defined benefit restricted schemes in respect of annual fund updates and confirmation information, and for all restricted schemes in respect of certain quarterly reporting requirements. The notice includes conditions requiring alternative disclosure and reporting.

The Financial Markets Authority (the **FMA**), after satisfying itself as to the matters set out in section 557 of the Financial Markets Conduct Act 2013 (the **Act**), considers it appropriate to grant the exemptions because—

- restricted schemes have different characteristics and risks than standard managed investment schemes, including that they have restricted membership or are closed to new members, and are generally smaller in asset size. Furthermore, restricted schemes are legacy schemes and can no longer be established under the **Act**:
- restricted schemes have different governance and reporting requirements under the **Act** and the **Regulations** because many of them are workplace savings schemes and are generally considered not-for-profit given that they are designed to be run solely for the benefit of members, and also because they are legacy schemes with decreasing and easily identified membership:
- given the different nature and characteristics of restricted schemes, some of the disclosure and reporting required under the **Regulations** is less relevant to members of these schemes. These requirements also impose unnecessary compliance costs on restricted schemes given that the information is not useful to members and that these costs are higher relative to the size of the schemes. The alternative requirements set out in conditions to this notice ensure more appropriate and meaningful information is provided to restricted scheme members:
- for these reasons, the **FMA** is satisfied that granting the exemptions is desirable in order to promote the purposes of the **Act**, specifically to avoid unnecessary compliance costs, to promote flexibility in the financial markets, and to ensure that timely, accurate, and understandable information is provided to persons to assist those persons to make decisions relating to financial products (requiring appropriate alternative disclosure and reporting):
- the **FMA** is also satisfied that the exemptions are not broader than reasonably necessary to address the matters that gave rise to them, given that the exemptions are limited to restricted schemes and impose alternative disclosure and reporting obligations. Furthermore, the exemption relating to annual fund updates is limited to defined benefit restricted schemes that have members who are entitled to receive an interest-based withdrawal benefit or who have a voluntary contribution account, but where the primary benefit applying on retirement is defined.

Note: The preceding statement of reasons should be read in conjunction with the statement(s) of reasons appended to the:

- **Financial Markets Conduct (Revocation of Exemptions) Notice 2025**

Version as at
1 December 2025

**Financial Markets Conduct (Restricted Schemes—
Disclosure and Reporting) Exemption Notice 2022**

Statement of reasons

Issued under the authority of the Legislation Act 2019.
Date of notification in *Gazette*: 12 August 2022.

Notes**1 General**

This is a consolidation of the Financial Markets Conduct (Restricted Schemes—Disclosure and Reporting) Exemption Notice 2022 that incorporates the amendments made to the legislation so that it shows the law as at its stated date.

2 Legal status

A consolidation is taken to correctly state, as at its stated date, the law enacted or made by the legislation consolidated and by the amendments. This presumption applies unless the contrary is shown.

Section 78 of the Legislation Act 2019 provides that this consolidation, published as an electronic version, is an official version. A printed version of legislation that is produced directly from this official electronic version is also an official version.

3 Editorial and format changes

The Parliamentary Counsel Office makes editorial and format changes to consolidations using the powers under subpart 2 of Part 3 of the Legislation Act 2019. See also PCO editorial conventions for consolidations.

4 Amendments incorporated in this consolidation

Financial Markets Conduct (Restricted Schemes—Disclosure and Reporting) Exemption Notice 2022 (SL 2022/231): clause 3

Financial Markets Conduct (Revocation of Exemptions) Notice 2025 (SL 2025/130): clause 7