

CODE OF CONDUCT

CODE DISCIPLINARY COMMITTEE



THE CODE OF CONDUCT

The Financial Services Council (FSC) developed a code of conduct to lift professionalism in the financial services industry. The Code was effective from 1 January 2019 and consists of nine Code Standards.



THE OBJECTIVES OF THE CODE ARE TO:

- Lift the professionalism of the financial services industry
- Help FSC members deliver good customer outcomes
- Increase trust and confidence in the financial services industry
- Enable more New Zealanders to build, manage and protect their wealth
- Build a sustainable financial services industry

When an FSC member may have materially breached a Code Standard, the FSC can commence disciplinary action through the independent Disciplinary Committee.

AN INDEPENDENT AND EXPERT VOICE

The Disciplinary Committee is made up of independent experts who have knowledge, skills and experience in relation to:

- The provision of financial services; or
- Dispute resolution; or
- Any other appropriate knowledge, skills and experience that will assist the Committee to perform its functions.

COMMITTEE'S ROLE

The role of the Independent Disciplinary Committee, following a reference under the Code, is to:

- Consider evidence about an alleged material breach of a Code Standard
- Determine if the Code Standard has been materially breached by an FSC member
- Consider any harm caused to consumers and/or potential damage to the reputation of the FSC or financial services industry
- Consider any remediation undertaken regarding the material breach
- Recommend any sanctions, with written reasons for the recommendation, to the FSC Board

CODE DISCIPLINARY ACTION

The purpose of FSC disciplinary action is to:

- Promote good conduct through a process that is fair to all FSC members
- Hold FSC members accountable for any harm done to customers or to the reputation of the financial services industry
- Promote a sense of responsibility and acknowledgement of harm done to customers
- Deter conduct that materially breaches the Code Standards

SANCTIONS

The sanctions that the FSC Board can impose on an FSC member following a recommendation by the Independent Disciplinary Committee who has materially breached a Code Standard are one or more of:

- A reprimand
- A reparation order
- A fine of up to NZ\$100,000
- A payment towards the FSC's costs of disciplinary action
- Suspension from membership of the FSC, subject to conditions
- Termination of membership of the FSC

Find out more about the FSC Code of Conduct:
<https://www.fsc.org.nz/Policy++Advocacy/Policy++Advocacy.html>

COMMITTEE MEMBERS 2019 – 2022

GEOFF CLEWS, CHAIR



Geoff Clews is a leading Auckland barrister, specialising in contentious tax and trusts issues. He is also a professional trustee, including for substantial charities, and has extensive commercial, arts and public governance experience, most recently as a director of

Auckland's billion dollar suite of sports, cultural and collection assets.

He has studied and written on the standards and processes to which professional investment stewards should aspire under New Zealand law and has contributed to five international texts on tax and other legal matters. Since 2011 he has been a ministerial appointee to the Financial Advisers Disciplinary Committee and a regular member of its hearing panels.

ALIESIA GARTRELL



Aliesia Gartrell is currently the Senior Corporate Counsel at Chorus. Aliesia is an experienced lawyer, having spent nearly a decade practising property finance and corporate law in London.

Following a return to New Zealand,

Aliesia joined the Financial Market's Authority in late 2011, successfully implementing the initial licensing and monitoring regime for supervisors, effecting cultural change and improving standards across that industry.

While at the FMA, Aliesia was responsible for review and resolution of all material breach notifications over a five and a half year period, and is one of the authors of the FMA's Conduct Guide. Aliesia was also a member of the KiwiSaver Default Member monitoring panel for 2 years.

PAUL HEATH



Hon Paul Heath QC is a former Judge of the High Court of New Zealand. Before his appointment he specialised in commercial advocacy, particularly insolvency.

During his time on the High Court, Paul sat on a number of

important commercial cases, both in a civil and criminal context. In particular, he conducted the Judge-alone criminal trials arising out of the collapses of Nathans Finance Ltd and South Canterbury Finance Ltd. Since leaving the Bench, he has joined Bankside Chambers in Auckland and specialises in strategic insolvency advice, arbitration and mediation.

ROB MERKIN



Professor Rob Merkin QC is Professor of Law at the University of Exeter, England, and Special Counsel to Duncan Cotterill. He is past President of the British Insurance Law Association and Honorary Life President of the International Association of

Insurance Law, to which NZILA is affiliated.

Rob has written a number of texts on insurance law, including Colinvau's Law of Insurance in New Zealand, and has assisted the UK and NZ Governments, and the Australian Royal Commission on Financial Services, in their insurance law reform programmes. He sits as an arbitrator.

VICTORIA WEROHIA



Victoria is the Head of Risk and Assurance at ACC and is a trustee on a significant kiwifruit ahuhenua trust in Tauranga Moana. Victoria has broad ranging experience in the insurance sector, was on the FSC code

development committee and is a former member of the IFSO governance committee.

She has a passion for Maori economic development and has spent her career working in risk, compliance, internal audit and business consultancy roles in financial services, the private and public sectors.

LINLEY WOOD



Linley Wood has 25 years' executive leadership experience and skills across a broad range of financial services disciplines including banking, wealth and insurance operations, legal services, people and culture,

process transformation and automation, corporate strategy, communications and sponsorship.

Linley also has considerable governance experience, having served as Company Secretary and Director on several boards, both in New Zealand and Fiji. Previous directorships include: ASB Group Investments Limited, ASB Securities Limited, Aegis Limited, Investment Custodial Services Limited, Sovereign Assurance Company Limited, Sovereign Superannuation Trustees Limited, Colonial Fiji and Counties Power Limited. Linley is currently a trustee and director of a number of not for profit organisations.

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Financial Services Council



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Growing and protecting the wealth of New Zealanders

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