

How to request a cancellation of your Financial Markets Conduct Act licence

Apply to the FMA and request cancellation of licence.

Section 408(a) of the Financial Markets Conduct Act provides FMA may cancel a licence on request in writing by the licensee. To do this send an email to licensing@fma.govt.nz requesting the FMA cancel the licence. You should include the licence holder's FSP number and confirm that you have the necessary authorisation to request the cancellation. Making this request does not mean that your licence is automatically cancelled. FMA will consider your request and the information you provide to understand the future plans you may have for your business and how they will impact your clients

The information we require will be dependent on the type of licence held. The following is a non-exhaustive list of the information that you will need to provide to us (where applicable):

- the reasons for licence cancellation
- confirmation the licence holder has stopped providing the licensed service or when it intends to
- if the business is being sold, confirm details of the purchaser and date of sale
- if you have ceased, or plan to cease business, the date the licensed service will cease
- confirmation all clients have been advised and given proper notice/explanation/support
- confirmation that all clients have been transferred to other providers
- confirmation that you have informed any outsourcing partners, related body corporates, other regulatory bodies, etc
- confirmation that you have or will file all regulatory returns due
- confirmation that you have or will lodge any financial statements due
- confirmation that you have completed all reporting obligations for the period and will continue to do so whilst your licence remains valid
- confirmation that you have satisfactorily resolved any client complaints
- details of any outstanding disputes or unresolved complaints
- confirmation that you have paid any fees due
- confirmation that you have/will deregister from the FSPR
- where a licensee holds client funds confirmation that all monies have been repaid. (Otherwise, once the licence is cancelled there is an immediate risk that client money obligations will be breached.)

Cancellation of a licence is not actioned automatically.

The FMA will assess that all obligations have been met before any licence is cancelled. We will provide written confirmation of licence cancellation, including the effective date, once we are satisfied that all obligations have been met and that there are no clients who will be adversely affected.

You must continue to meet all licence obligations and standard conditions until the FMA confirms that the licence has been cancelled.

Where FMA agrees to cancel a licence, we can still investigate non-compliance that took place prior to the licence being cancelled. Even after cancellation you will be required to keep records in accordance with the conditions of your licence.

When might the FMA refuse to cancel a licence?

If we believe that cancellation of the licence is not in the best interests of your clients, or if there are outstanding obligations or other unresolved matters linked to your licence, the FMA may decide not to cancel your licence and place restrictions on your licence.