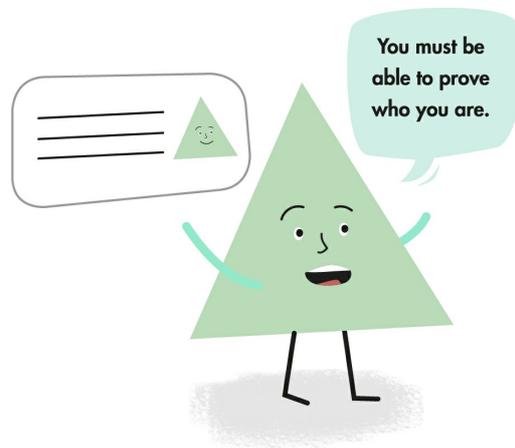


Anti-money laundering

Banks' anti-money laundering obligations mean they may not process some of your transactions, and they may even decline to have you as a customer anymore.



The basics

The Anti-Money Laundering and Countering the Financing of Terrorism Act 2009 obliges New Zealand's financial institutions and businesses to detect and deter money laundering and the financing of terrorism. This Act (sometimes referred to as the AML Act) also requires banks to gather certain information about customers. This can be inconvenient to some customers, but is a legal requirement for banks.

Information banks must collect

Banks must obtain information from independent and reliable sources to verify a customer's identity.

The Act requires banks to collect information about their customers to:

- ensure their understanding of a customer's business with them is accurate
- help them assess the customer's risk profile
- help them identify transactions that may be suspicious.

The Act doesn't specify what information banks should collect so it is up to banks to determine what is sufficient to comply with these requirements. Banks also have an ongoing obligation to regularly review information about customers and customers' account activity.

Consequences

You may have to provide evidence of your identity and personal details even if you have been a customer for a long time. This can extend to all types of accounts, including personal, business and trust accounts. Similarly, your bank may ask for more information if you want to transfer money above a certain amount overseas.

A bank must report to police any transaction it reasonably believes is suspicious.

A bank must not do business with a customer if it is unable to comply with the Act in its dealings with that customer. This means:

- it may not process certain transactions
- it can withdraw its products and services (see our guide on [Closing accounts](#))
- it can choose not to accept someone as a customer.

Information you may need to provide

You may have to provide:

- your full name and date of birth
- your address
- the source of your funds
- the details of someone you are sending money to if you are making an international payment
- the reason for payments or withdrawals
- the nature and purpose of your business with the bank
- any other information prescribed by regulations.

Certain types of customers may also have to provide other information. For example, businesses may need to provide a company identifier or registration number, while trusts may be required to provide the names and dates of birth of beneficiaries, even if those beneficiaries do not have access to the trust account.

A bank may ask for proof of identification and to verify your address. This may include:

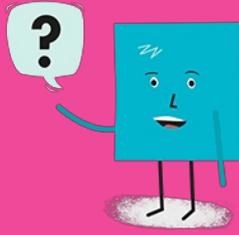
- passport, or
- driver licence or birth certificate and another identification document, and
- bank statement or power bill.

Note: these are examples only. Your bank may want extra or different information.

Where to take your concerns

Talk to your bank first if you have concerns about how the Act affects you. Banks are legally required to have policies and practices compliant with the Act. We do not have the power to compel banks to alter their practices

or policies. However, we may be able to consider a complaint about a practice or policy that has breached an obligation or duty that the bank owes to the customer. You can also complain to us if you believe your bank has breached its statutory obligations.



Banks must collect certain information from customers to comply with anti-money laundering laws.