

Legal update on business law reform - November 2014

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In this last Business Law Reform legal update for 2014 we summarise the state of play as the long break approaches. Key highlights include:

- The Financial Markets Conduct Regulations 2014 have now been finalised, in time for full implementation of the Financial Markets Conduct Act 2013 on 1 December 2014
- The Financial Markets Authority has released a range of materials to assist marketplace participants with their transition to the new regime
- A draft of the Responsible Lending Code has been published as part of the process of implementing the amendments to the Credit Contracts and Consumer Finance Act 2003.

Securities law reform

What's it about?

The Financial Markets Conduct Act 2013 (FMC Act), and its associated regulations, will replace the Securities Act 1978, Securities Markets Act 1988, and other legislation relating to the financial markets.

What's next?

The first phase of the FMC Act came into force on 1 April 2014.

Almost all of the remaining provisions will come into force on 1 December 2014.

The exceptions are certain provisions relating to the requirement for financial product markets to be licensed. We understand that the implementation of these provisions has been delayed while the affected parties (Unlisted and Sharemart) make their arrangements under the new regime.

The Financial Markets Conduct Regulations 2014 (FMC Regs) were gazetted on 3 November 2014, and provide the necessary supporting provisions for the FMC Act regime to be brought into force.

The Financial Markets Authority (FMA) has published a range of materials relating to the new regime which will be of assistance to market participants.

For further information

- [FMC Act in final form](#)
- [FMC Regs](#)
- [Buddle Findlay's October legal update on the FMC Regulations](#)
- [Buddle Findlay's legal update on the FMC Regulations - Financial product markets](#)
- [Buddle Findlay's legal update on the FMC Regulations - Governance](#)
- [Buddle Findlay's legal update on the FMC Regulations - Licensing](#)
- [Buddle Findlay's legal update on the FMC Regulations - Disclosure](#)

Cartel criminalisation

What's it about?

The Government has proposed criminalising 'hard-core' cartel conduct in New Zealand.

What's next?

The Commerce (Cartels and Other Matters) Amendment Bill commenced its Second Reading on 24 June 2014.

When the old Parliament rose on 31 July 2014 all business before the House lapsed as a matter of Parliamentary procedure. On 21 October 2014, however, the new Parliament reinstated all business that had been on the Order Paper when Parliament rose, including the Bill. On this basis the Bill completed its Second Reading on 26 November 2014.

The Commerce Commission consulted the market during August on its revised draft *Competitor Collaboration Guidelines*, which the Commission is preparing in anticipation of the Bill becoming law.

For further information

- [MBIE's website](#)
 - [Commerce \(Cartels and Other Matters\) Amendment Bill](#)
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Credit laws

What's it about?

The Credit Contracts and Consumer Finance Amendment Act 2014 (CCCF Amendment Act) amends the Credit Contracts and Consumer Finance Act 2003 (CCCFA).

In particular, the CCCF Amendment Act introduces responsible lending requirements to the CCCFA, in addition to strengthening existing provisions so that borrowers are better informed and protected.

What's next?

The CCCF Amendment Act 2014 received the Royal Assent on 6 June 2014.

Before the operational amendments in the legislation come into effect officials will prepare a Responsible Lending Code, setting out requirements for lenders.

A draft of the Responsible Lending Code has been published for public comment, and interested parties have until 23 December 2014 to make a submission.

For further information

- [Credit Contracts and Consumer Finance Amendment Act 2014](#)
 - [Draft Responsible Lending Code](#)
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