

Ministerial Exemptions Under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009

In accordance with section 159(3) of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("AML/CFT Act"), the Minister of Justice gave notice on 20 June 2013 that she has granted the following exemptions from the AML/CFT Act:

Ministerial Exemption: Government Superannuation Fund Authority

1. As the Minister of Justice and pursuant to section 157 of the AML/CFT Act, I partially exempt the Government Superannuation Fund Authority ("Authority") from Part 2 of the AML/CFT Act in relation to its role as administrator and manager of the Government Superannuation Fund ("Fund").
2. This exemption is made subject to the following conditions:
 - (a) The Authority is required to comply with subpart 2 of Part 2 of the AML/CFT Act in relation to suspicious transaction reports.
 - (b) The Authority must undertake enhanced customer due diligence on every member applying to purchase service.
 - (c) The Authority is required to comply with section 26 of the AML/CFT Act and take reasonable steps to determine whether any of its existing members are politically exposed persons (PEPs). Reasonable steps should be taken to trace the source of funds if any PEPs identified attempt to purchase service or introduce other funds separate from payroll.
 - (d) The Authority is required to prepare a risk assessment in line with the requirements of section 58 of the AML/CFT Act.
 - (e) The Authority is required to undertake a comprehensive review of its risk assessment if there is a material change to its business or the operation of any of the superannuation schemes which make up the Fund.
 - (f) If, following a review, the Authority considers that it faces a materially greater ML/FT risk as a result of that change, it is required to notify the Ministry and FMA and undertake to work with those bodies to agree how to manage that risk.
 - (g) The Authority must appoint an Anti-Money Laundering and Countering Financing of Terrorism compliance officer to oversee compliance with these conditions.

3. This exemption will come into force on 30 June 2013.

4. This exemption will expire on 30 June 2018.

Ministerial Exemption: Funeral Directors Association of New Zealand

1. As the Minister of Justice and pursuant to section 157 of the AML/CFT Act, I partially exempt the Funeral Directors Association of New Zealand (FDANZ) from Part 2 of the AML/CFT Act in relation to its role as trustee of the FDANZ Funeral Trust.

2. This exemption is made subject to the following conditions:

(a) Enhanced customer due diligence (CDD) in accordance with the AML/CFT Act is required on account balances that have accumulated an amount over the threshold value of \$29,999.99.

(b) Suspicious transaction reports are to be carried out in accordance with subpart 2 of Part 2 of the AML/CFT Act.

(c) Standard CDD in accordance with sections 14-17 of the AML/CFT Act is required on any refunds made during the "cooling off period" of over \$9,999.99.

(d) Standard CDD in accordance with sections 14-17 of the AML/CFT Act is required on all funds returned for the purposes of permanent emigration or due to hardship.

(e) Standard CDD in accordance with sections 14-17 of the AML/CFT Act be carried out on any amount returned to an estate over \$9,999.99 after a funeral has been paid for.

(f) When customers apply to have funds refunded due to permanent emigration from New Zealand or due to hardship, levels of proof of emigration or hardship consistent with the KiwiSaver regime are required.

3. This exemption will come into force on 30 June 2013.

4. This exemption will expire on 30 June 2018.

Ministerial Exemption: Mercer Investment Nominees (NZ) Limited

1. As the Minister of Justice, and pursuant to section 157 of the AML/CFT Act, I exempt Mercer Investment Nominees (NZ) Limited from all the provisions of the AML/CFT Act in relation to its role as trustee of the United Distillers (NZ) Limited Pension Fund.

2. This exemption is not subject to any conditions.

3. This exemption will come into force on 30 June 2013.

4. This exemption will expire on 30 June 2018.

Ministerial Exemption: Trustees of the New Zealand Steel Pension Fund

1. As the Minister of Justice, and pursuant to section 157 of the AML/CFT Act, I exempt the Trustees of the New Zealand Steel Pension Fund from all the provisions of the AML/CFT Act in relation to their role as trustees of the New Zealand Steel Pension Fund.

2. This exemption is not subject to any conditions.

3. This exemption will come into force on 30 June 2013.

4. This exemption will expire on 30 June 2018.

Ministerial Exemption: BP Pacific Investments Limited

1. As the Minister of Justice, and pursuant to section 157 of the AML/CFT Act, I exempt BP Pacific Investments Limited from all the provisions of the AML/CFT Act in relation to its role as trustee of the BP New Zealand Retirement Plan.
2. This exemption is not subject to any conditions.
3. This exemption will come into force on 30 June 2013.
4. This exemption will expire on 30 June 2018.

Ministerial Exemption: Shared Compliance Officers for Members of a Designated Business Group

1. As the Minister of Justice, and pursuant to section 157 of the AML/CFT Act, I exempt reporting entities that are members of the same designated business group, or in the process of electing to become members of the same designated business group, from sections 56(2) and 56(4) of the AML/CFT Act.
2. For the purposes of this Ministerial exemption, the process of electing to become members of the same designated business group means that the reporting entities are eligible to be members of the same designated business group and have provided a form in writing to the Anti-Money Laundering and Countering Financing of Terrorism supervisor in accordance with Regulation 6 of the Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011.
3. This exemption is made subject to the following conditions:
 - (a) The relevant reporting entities are members of the same designated business group, or in the process of electing to become members of the same designated business group;
 - (b) the relevant reporting entities that are members of the same designated business group, or in the process of electing to become members of the same designated business group, must appoint the same person to act as their Anti-Money Laundering and Countering Financing of Terrorism compliance officer ("shared compliance officer");
 - (c) the shared compliance officer must administer and maintain the programmes of each member of the designated business group who has appointed that person;
 - (d) the shared compliance officer must be an employee of at least one of the reporting entities that has appointed the shared compliance officer; and
 - (e) the shared compliance officer must report to a senior manager of each of the reporting entities who have appointed the shared compliance officer.

4. This exemption will come into force on 30 June 2013.

5. This exemption will expire on 30 June 2018.

Any person wishing to provide comment on this notice should contact the Terrorism and Law Enforcement Stewardship Team at the Ministry of Justice by emailing amlcft.exemptions@justice.govt.nz.