

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

In accordance with section 157 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“Act”), the Associate Minister of Justice granted the following exemption from the Act:

Ministerial Exemption: Roman Catholic Diocese of Palmerston North

Exempting the Roman Catholic Diocese of Palmerston North (“RCDPN”) from:

- a. Sections 10–71 of the Act.

The exemption is subject to the following conditions:

- a. RCDPN must remain a registered charity pursuant to the Charities Act 2005;
- b. RCDPN must remain a corporation sole pursuant to section 5 of the Roman Catholic Bishops Empowering Act 1997;
- c. the exemption only applies where, via the Catholic Development Fund (“CDF”), RCDPN provides services to parishes, churches, schools, chaplaincies, religious orders, and other entities under the common control of RCDPN, as defined by clause 48 of Schedule 1 of the Financial Markets Conduct Act 2013, and within the Diocese of Palmerston North; and
- d. RCDPN must inform the Ministry of Justice of any changes that may affect the exemption and/or conditions imposed by this written instrument within 10 working days from which the change affecting the exemption occurs.

The exemption with these conditions was granted because, on balance, RCDPN presents a low risk of money laundering or terrorism financing (“ML/TF”) for the following reasons:

- a. RCDPN is a registered charity under the Charities Act 2005.
- b. The Diocese of Palmerston North, through the RCDPN, only conducts financial activities for the purpose of providing pastoral, charitable and religious education services to parishioners and school students.
- c. There are stringent controls governing the operation of RCDPN’s loan system. Loans are only advanced once a parish’s project and loan have been approved by the Diocesan Management Advisory Board.
- d. Loans for schools and to proprietors are only advanced once the loans have been approved to be repaid as part of the National Debt Servicing Scheme administered by the New Zealand Catholic Education Office.
- e. The CDF does not accept deposits from the public.
- f. The Diocese of Palmerston North, through the Authority, only generates income from the earnings on its reserves, any grants received and through donations and bequests. Donations and grants cannot be returned to their original donors unless they are subject to restrictions.

The exemption comes into force on 30 June 2023.

The exemption will expire on 30 June 2028.

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