

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

In accordance with section 157(4) of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“Act”), the Associate Minister of Justice gave notice on 25 October 2022 that he has granted the following exemption from the Act:

Ministerial Exemption: Swiss Re Life & Health Australia Limited, New Zealand Branch

Exempting Swiss Re Life & Health Australia Limited, New Zealand Branch (Swiss Re) from:

- a. Sections 10–71 of the Act with respect to the provision of reinsurance under a closed treaty: Life Coinsurance Treaty (02) effective 1 January 1965.

The exemption is subject to this condition:

- a. Swiss Re must inform the Ministry of Justice of any changes that may affect the exemption within 10 working days from when the change affecting the exemption occurs.

The exemption reflects these points:

- a. Swiss Re’s statutory supervisor, the Reserve Bank of New Zealand (RBNZ) considers the money laundering and terrorism financing (ML/TF) risks associated with reinsurance under Swiss Re’s closed treaty, to be low.
- b. The services provided by Swiss Re are limited to a defined number of life insurance policies and are closed to new customers.
- c. The ability for premiums to change is limited to circumstances where an existing policyholder wishes to increase their cover by providing new medical evidence.
- d. Both Swiss Re and the counterparty to the treaty are licensed insurers under the Insurance (Prudential Supervision) Act 2010.
- e. The counterparty to the treaty (as a licensed insurer and reporting entity) is subject to the requirements of the Act and must comply, as applicable, with customer due diligence obligations under the Act with respect to customers with life insurance contracts.
- f. Benefits of requiring Swiss Re’s compliance with the Act is not justified by the associated costs: there are low ML/TF risks but significant compliance costs to Swiss Re if the exemption was not granted.

The exemption comes into force the day after publication.

The exemption will expire on **21 October 2027**.

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.