

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

In accordance with section 157(6)(b) of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“Act”), the Associate Minister of Justice hereby gives notice that he has granted the following exemption from the Act:

Ministerial Exemption: Methodist Church of New Zealand - Te Haahi Weteriana Superannuation Trustee Limited, Presbyterian Beneficiary Fund Trustee Limited, and the New Zealand Anglican Church Pension Board

1. In my capacity as the Minister of Justice and pursuant to section 157 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, I exempt the Methodist Church of New Zealand - Te Haahi Weteriana Superannuation Trustee Limited, Presbyterian Beneficiary Fund Trustee Limited, and the New Zealand Anglican Church Pension Board (each a “Board” and together the “Boards”), from the following provisions of the Act:
 - A. Sections 10-71 inclusive.The exemption is in relation to services provided in respect of the following funds:
 - a. the Supernumerary Fund of the Methodist Church of New Zealand (“Methodist Fund”);
 - b. the Beneficiary Fund of the Presbyterian Church of Aotearoa New Zealand (“Presbyterian Fund”); and
 - c. the New Zealand Anglican Church Pension Fund (“Anglican Fund”) (together the “Funds”).In order to provide consistency and minimise risks of money-laundering, the specific provisions referred to below in paragraphs 2(c), 5 and 6 will still remain in force in relation to contributions and transfers to the Funds from international sources or withdrawals from the Funds in certain circumstances.
2. This exemption is subject to the following conditions:
 - a. Subject to paragraphs 3 and 4 below, the Boards are required to remove any mechanisms contained in the Trust Deed for each of the Funds that enable members to contribute to the Funds voluntarily other than through payroll.
 - b. The Funds must remain registered under the Financial Markets Conduct Act 2013.
 - c. With the exception of Australian superannuation transfers to the Funds (if applicable), Customer Due Diligence in accordance with sections 10-36 of the Act and suspicious transaction reports in accordance with sections 40-48 of the Act and, where the transaction is relevant to a suspicious transaction report, transaction records in accordance with section 49(1) and (2)(a)-(f) of the Act are required on all contributions and transfers to the Funds from international sources.
 - d. The Boards will inform the Ministry of Justice of any changes that may affect the exemption and/or conditions imposed by this written instrument within 14 days from when the change affecting the exemption occurs.
3. The Trust Deed may permit voluntary contributions made other than through payroll to those sections of the Funds which are subject to restrictions set out in the complying superannuation fund rules provided there is a cap on the amount of any non-payroll voluntary contribution. The cap should be set at the amount (after taking into account any contribution through payroll) required to enable a member to maximise those government contributions set out in section MK 4 of the Income Tax Act 2007.
4. The Trust Deed for each of the Funds may permit contributions to be made other than through payroll by a member or an employer to the relevant Fund during a permitted period of unpaid leave of absence (Regular Leave of Absence Contributions) where:
 - a. the employer or the Fund’s administrator collects those contributions; and
 - b. the contributions do not exceed (as to either amount or frequency) the contributions that were being paid by the relevant member in accordance with the trust deed for the Fund immediately prior to the member commencing leave of absence.
5. Where any Regular Leave of Absence Contributions are received from international sources during the

- permitted period of unpaid leave of absence, the following sections of the Act apply to such contributions:
- a. sections 10-18 of the Act (and for the purposes of section 14(d) of the Act a contribution from an international source is specified as a circumstance in which standard customer due diligence must be conducted);
 - b. sections 40-48 of the Act;
 - c. where the transaction is relevant to a suspicious transaction report, sections 49(1) and 2(a)-(f) of the Act; and
 - d. sections 92-100 of the Act.
6. Where any withdrawals are made by a member in addition to that member making Regular Leave of Absence Contributions during the permitted period of unpaid leave of absence the following sections of the Act apply to such withdrawals and contributions:
- a. sections 10-18 of the Act (and for the purposes of section 14(d) of the Act the first such withdrawal is specified as a circumstance in which standard customer due diligence must be conducted);
 - b. sections 40-48 of the Act;
 - c. where the transaction is relevant to a suspicious transaction report, section 49(1) and (2)(a)-(f) of the Act; and
 - d. sections 92-100 of the Act.
7. The exemption has been granted for the following reasons:
- a. The Funds pose a very low risk of money laundering or terrorism financing;
 - b. any risks posed by voluntary contributions outside of payroll have been addressed by the conditions;
 - c. due to the very low money laundering and terrorism financing risks raised by the Funds and the significant compliance costs that would arise from not granting this exemption, I consider that any benefits of requiring compliance with the Act are not justified by the associated costs; and
 - d. this exemption is consistent with (and has no effect on the purpose or intent of) the Act, the Financial Transactions Reporting Act 1996 and New Zealand's international obligations as a member of the Financial Action Taskforce and the Asia Pacific Group on Money Laundering.
8. This exemption notice replaces the existing notice dated 13 March 2014 (published in the [New Zealand Gazette, 20 March 2014, No. 32, page 916](#)), in respect of the Eligible Superannuation Schemes.
9. This exemption comes into force on the day after the date I grant this exemption.
10. This exemption will expire on 30 June 2020.

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