

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 gave notice on 24 October 2018 that he has granted the following exemption from the Act:

Ministerial exemption: Trustees of the Glaxo New Zealand Pension Plan

Exempting the Trustees of the Glaxo New Zealand Pension Plan (“Trustees”) from the following provisions of the Act in relation to its administration and management of the Glaxo New Zealand Pension Plan (“Plan”):

- a. Sections 10–71.

This exemption is made subject to the following conditions:

- a. The Plan must remain a registered scheme under the Financial Markets Conduct Act 2013;
- b. The payment arrangement, where the Plan receives payments from the participating company, Lifetime Retirement Income, and makes payments of the same amount to certain pensioners and Southern Cross, can only be provided to the Plan’s current 16 members;
- c. If any transfers are made to the Plan from international sources, with the exception of Australian superannuation transfers, the following sections of the Act apply to such transfers;
 - i. Sections 10–36;
 - ii. Sections 39A–48;
 - iii. Section 48A–48C; and
 - iv. Section 49.
- d. The Trustees must inform the Ministry of Justice of any changes that may affect the exemption and/or conditions within 10 working days from when the change affecting the exemption occurs.

The exemption has been made for the following reasons:

- a. The Plan poses a low risk of money laundering and/or terrorist financing;
- b. The payments made under the payment arrangement that are not provided in the trust deed of the Plan are small in quantum, historical in nature and the amounts payable are non-discretionary;
- c. The Plan has not admitted new members since 1996 and only has 16 members, all of whom are retired and in receipt of a pension from the Plan; and
- d. Due to the low money laundering and terrorist financing risk raised by the Plan, and the significant compliance costs that would arise from not granting this exemption, Ministry officials consider that any benefits of requiring compliance with the Act are not justified by the associated costs.

This exemption comes into force on 27 September 2018.

This exemption will expire on 30 June 2023.

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.