



Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Amendment Regulations 2017

Patsy Reddy, Governor-General

Order in Council

At Wellington this 18th day of December 2017

Present:

The Right Hon Jacinda Ardern presiding in Council

These regulations are made under sections 153 and 154 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009—

- (a) on the advice and with the consent of the Executive Council; and
- (b) in relation to regulations made under section 154 of that Act, on the recommendation of the Minister (as defined by section 5(1) of that Act) made in accordance with section 154(2) and (3) of that Act.

Contents

	Page
1 Title	2
2 Commencement	2
3 Principal regulations	2
4 Regulation 3 replaced (Expiry)	2
3 Expiry	2
5 Regulation 6A amended (Certain entities exempt from reporting under section 48A of Act)	2
6 Regulation 9 amended (Certain currency exchange transactions in hotels, etc)	2
7 Regulation 10 amended (Relevant services provided in respect of certain remittance card facilities)	3

8	Regulation 19 amended (Relevant services provided in respect of certain low-value life insurance policies)	3
9	Regulation 20 amended (Relevant services provided in respect of certain superannuation schemes)	3
10	Regulation 21 amended (Securities registry services)	3
11	Regulation 22 amended (Debt collection services)	3
12	New regulation 24A and cross-heading inserted	3
<i>Classes of activities not occasional activities</i>		
24A	Certain activities not occasional activities	3

Regulations

1 Title

These regulations are the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Amendment Regulations 2017.

2 Commencement

- (1) These regulations (except regulations 6, 7, 10, and 11) come into force on the 28th day after the date of their notification in the *Gazette*.
- (2) Regulations 6, 7, 10, and 11 come into force on 1 July 2018.

3 Principal regulations

These regulations amend the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011 (the **principal regulations**).

4 Regulation 3 replaced (Expiry)

Replace regulation 3 with:

3 Expiry

These regulations expire at the close of 30 June 2020.

5 Regulation 6A amended (Certain entities exempt from reporting under section 48A of Act)

In regulation 6A, replace “reporting agency” with “reporting entity”.

6 Regulation 9 amended (Certain currency exchange transactions in hotels, etc)

In regulation 9(2)(b), replace “suspicious transaction report” with “suspicious activity report”.

- 7 Regulation 10 amended (Relevant services provided in respect of certain remittance card facilities)**
In regulation 10(2)(b), replace “suspicious transaction report” with “suspicious activity report”.
- 8 Regulation 19 amended (Relevant services provided in respect of certain low-value life insurance policies)**
In regulation 19(3), replace “14(d)” with “14(1)(d)”.
- 9 Regulation 20 amended (Relevant services provided in respect of certain superannuation schemes)**
In regulation 20(3), replace “14(d)” with “14(1)(d)”.
- 10 Regulation 21 amended (Securities registry services)**
In regulation 21(2)(b), replace “suspicious transaction report” with “suspicious activity report”.
- 11 Regulation 22 amended (Debt collection services)**
In regulation 22(1)(b), replace “suspicious transaction report” with “suspicious activity report”.
- 12 New regulation 24A and cross-heading inserted**
Before the cross-heading above regulation 25, insert:

Classes of activities not occasional activities

24A Certain activities not occasional activities

- (1) A financial activity described in subclause (2) that is carried out by a person in the ordinary course of business is not an occasional activity for the purposes of the Act.
- (2) The financial activities referred to in subclause (1) are—
- (a) accepting deposits or other repayable funds from the public;
 - (b) lending to or for a customer, including consumer credit, mortgage credit, factoring (with or without recourse), and financing of commercial transactions (including forfeiting);
 - (c) financial leasing (excluding financial leasing arrangements in relation to consumer products);
 - (d) transferring money or value for, or on behalf of, a customer;
 - (e) issuing or managing the means of payment (for example, credit or debit cards, cheques, travellers cheques, money orders, bank drafts, or electronic money);
 - (f) undertaking financial guarantees and commitments:

- (g) trading for, or on behalf of, a customer in any of the following by using the person's account or the customer's account:
 - (i) money market instruments (for example, cheques, bills, certificates of deposit, or derivatives):
 - (ii) foreign exchange:
 - (iii) exchange, interest rate, or index instruments:
 - (iv) transferable securities:
 - (v) commodity futures trading:
- (h) participating in securities issues and the provision of financial services related to those issues:
 - (i) managing individual or collective portfolios:
 - (j) safe keeping or administering of cash or liquid securities on behalf of other persons:
 - (k) investing, administering, or managing funds or money on behalf of other persons:
 - (l) issuing, or undertaking liability under, life insurance policies as an insurer:
 - (m) money or currency changing.
- (3) Anything done by a casino or the New Zealand Racing Board is not an occasional activity for the purposes of the Act.

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations (except *regulations 6, 7, 10, and 11*) come into force on the 28th day after the date of their notification in the *Gazette*. *Regulations 6, 7, 10, and 11* come into force on 1 July 2018. Most of these regulations make changes consequential on changes made to the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 by the Anti-Money Laundering and Countering Financing of Terrorism Amendment Act 2017.

Regulation 4 extends the expiry date of the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011 (the **principal regulations**) to 30 June 2020.

Regulation 12 inserts a *new regulation 24A* into the principal regulations. *New regulation 24A* declares a number of financial activities not to be occasional activities for

the purposes of the principal Act. It also declares that activities carried out by casinos or the New Zealand Racing Board are not occasional activities.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 21 December 2017.

These regulations are administered by the Ministry of Justice.