

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 7 September 2022 that he has granted the following exemptions from the Act:

Ministerial Exemption: Scentre Group

Granting each member of the Scentre Group an exemption from sections 10–71 of the Act in relation to relevant services provided to any other member of the Scentre Group.

Relevant services are:

- i. The lending of money to other members of the Scentre Group or to joint venture investments undertaken by other members of the Scentre Group.
- ii. The provision of guarantees in support of borrowing and other obligations of other members of the Scentre Group or of joint venture investments undertaken by other members of the Scentre Group.
- iii. All services captured under the Act relating to the proper and efficient leasing, management, operation, promotion, maintenance, and administration of a Scentre Group shopping centre including but not limited to the negotiation, entering into and administration of leases, collection of rent, rent and fee reviews, and legal action relating to the enforcement of any lease, license, contract or arrangement.

The Scentre Group comprises:

- Scentre Group Limited.
- Scentre Management Limited as trustee and responsible entity of Scentre Group Trust 1.
- RE1 Limited as trustee and responsible entity of Scentre Group Trust 2.
- RE2 Limited as trustee and responsible entity of Scentre Group Trust 3.
- Each person (body corporate, company or subsidiary) that is ‘related’ (within the meaning of section 12(2) of the Financial Market Conducts Act 2013) to an entity specified above.

The exemption is subject to the following conditions:

- a. SCG’s securities (involving one ordinary share in Scentre Group Limited, one unit in Scentre Group Trust 1, one unit in Scentre Group Trust 2, and one unit in Scentre Group Trust 3) must be stapled such that the shares and units can only be issued, transferred, or otherwise dealt with together.
- b. SCG 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 money laundering and terrorism financing (ML/TF) risks associated with the exemption for SCG are considered to be low, subject to the prescribed conditions, because:

- a. Of the narrow scope of the captured activities. SCG's captured activities are related to real estate management, lending, and undertaking financial guarantees – all of which are only provided to companies within the Scentre Group's economic unit.
- b. Of the nature of SCG's intra-Group relationships. These are substantively similar to those covered by Regulation 16 of the Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011.
- c. SCG does not:
 - i. Provide captured services to third-party owners outside of the Group's economic unit.
 - ii. Provide services to anonymous parties.
 - iii. Undertake prescribed transactions in New Zealand.
 - iv. Receive or order international wire transfers to the value of \$1,000 or more.
 - v. Deal with domestic cash transactions of \$10,000 or more.
 - vi. Deal with parties outside of New Zealand or (in relation to its parent company) Australia.

The exemption comes into force the day after publication.

The exemption will expire on **5 September 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.