



To: Daniel White, Manager - Applications

ASSESSMENT REPORT: Partners Life Limited

Date	1 April 2022	Classification	IN CONFIDENCE: Commercially sensitive
OIO reference	202100786	Deadline	04 April 2022

Purpose

We seek your decision on an application for consent to acquire significant business assets under the Overseas Investment Act 2005 (the Act).

Action sought

1. Review this report.
2. Determine whether to grant consent and, if so, on what conditions.
3. Indicate your decision from page 3.

Assessment timeframe requirements

A decision is required by 04 April 2022 to enable the decision to be communicated to the applicant in compliance with the prescribed assessment timeframe.

Key information

4. For the reasons set out in this report, our recommendation is to **grant consent**.

Applicant	Partners Life Limited (Singapore 51.129%, New Zealand 40.433%, Bermuda 4.532%, UK 1.834%, Various regions 2.072%)
Vendors	National Wealth Management International Holdings Limited (Various regions 100%) ¹
Asset	Acquisition of 100% of National Wealth Management New Zealand Holdings Limited
Consideration	\$290,000,000
Relevant tests	Investor test: s18A National interest test: s18(b)

Timing

5. The Overseas Investment Regulations 2005 specify the total assessment timeframe for this application is 35 working days. This application is currently on 34 days which is within the prescribed statutory timeframe.

¹ The vendor is unable to readily determine beneficial ownership by country given it is unable to look through the nominee/holding companies

A. Decision

Core tests

6. I determine that:

6.1 The 'relevant overseas person' (ROP) is (collectively):

Relevant overseas person	Role
Partners Life Limited	Applicant
Partners Group Holdings Limited (PGHL)	Parent company of the applicant
Immortality Pte Limited / Blackstone Singapore	Upstream owner of the applicant
Immortality ESC Limited / Blackstone Cayman	Upstream owner of the applicant
Blackstone Tactical Opportunities Super Holding Co. I Pte. Limited (BTO SuperHoldCo)	Upstream owner of the applicant

6.2 The 'individuals with control (IWC) of the relevant overseas person' are:

Individuals with control	Role
Naomi Eunice Ballantyne*	Director of the applicant and PGHL
Timothy Oliver Bennett*	
Paul Chrystall*	
Julie Fahey	
James Raymond Minto*	
Menes Ong Chee	
Daniel Eamon Kearns	
Joanna Mary Gordon Perry*	
Shelley Maree Ruha*	
See Kwang Yew	Director of Blackstone Singapore and BTO SuperHoldCo
Chan Pey Yuan	
Kimmo Benjam Tammela	Director of BTO SuperHoldCo
Christopher Jamal James	Director of Blackstone Cayman
<i>*New Zealand citizens or ordinarily resident in New Zealand and not subject to the investor test</i>	

6.3 None of the relevant overseas persons and individuals with control of the relevant overseas person have established any of the factors contained in section 18A(4) of the Act.

7. I am satisfied that the investor test in section 18A, as outlined in paragraphs 28-29 below, has been met.

National interest assessment

8. I note that the overseas investment in significant business assets is not a transaction of national interest under section 20A of the Act and the Minister of Finance has not notified it is a transaction of national interest under section 20B of the Act.

Decision about whether to grant or decline consent

9. My ultimate decision is to grant consent subject to the conditions in the Proposed Decision in **Attachment 1**.



Daniel White

Manager Applications (Overseas Investment Office)

Date: 4 / 4 / 2022

Released under the Official Information Act 1982

B. Background and proposed transaction

10. The Applicant, Partners Life Limited, is seeking consent to acquire 100% of the shares in National Wealth Management New Zealand Holdings Limited (**NW NZ**).
11. The Applicant, a licensed insurer, is the operating entity through which the business of the Partners Life Group is conducted.² The Partners Life Group is a financial services group that specialises in providing life insurance and medical insurance.
12. NW NZ is indirectly wholly owned by National Australia Bank (**NAB**)³. NW NZ is the holding company of BNZ Life Insurance Limited (**BNZLI**) (a licensed insurer regulated by the Reserve Bank of New Zealand (**RBNZ**)) and BNZ Insurance Services Limited (a services company).
13. The purpose of the Transaction is to merge the two life insurance businesses under the ownership of Partners Life Group and diversify the distribution channels and customer demographic available to Partners Life Group. As a result of the transaction, the Applicant will acquire the insurance policies and other assets of BNZLI. It will also assume all claims liabilities under the insurance policies of BNZLI. This step is intended, among other things, to:
 - a) create a single entity regulated by the RBNZ pursuant to the Insurance Prudential Supervision Act 2010 (being the Applicant), rather than two such entities;
 - b) enable the Applicant to enter reinsurance arrangements in respect of the BNZLI policies and obtain the benefit of the reinsurance arrangements directly, which will be used to partly fund the Transaction.

C. Application of the Act

14. The Asset is sensitive because the value of the business is more than \$100 million⁴, so consent is required.⁵ The following criteria for an investment in significant business assets apply to this application:⁶
 - The investor test must be met.⁷
 - You must also note whether the investment is a transaction of national interest and, if so, whether the Minister of Finance has decided that the investment is contrary to New Zealand's national interest.⁸
15. We assess the investor test in Part D, and discuss national interest matters in Part E.

D. Applicant and investor test

16. This section describes the Applicant and assesses whether the investor test is met.

Business Activities

17. The Partners Life Group is a financial services group that specialises in providing life insurance and medical insurance. The Partners Life Group consists of Partners Group

² regulated by the RBNZ pursuant to the Insurance Prudential Supervision Act 2010.

³ Listed on the ASX

⁴ Section 13(1)(a)(ii) of the Act.

⁵ Under sections 10(1)(b) and 13(1)(a)(ii) of the Act.

⁶ Set out in section 18 of the Act.

⁷ Section 18A(4) of the Act

⁸ Section 20C(1) of the Act

Holdings Limited (**PGHL**) and its wholly owned subsidiaries including the Applicant. The Applicant is the operating entity through which the business of the Partners Life Group is conducted. The Applicant is a licensed insurer regulated by the RBNZ pursuant to IPSA.

Ownership

18. The Applicant is 100% owned by PGHL which is in turn owned:
 - a) 49.82% by Immortality Pte. Ltd (**Blackstone Singapore**);
 - b) 0.13% by Immortality ESC. Ltd (**Blackstone Cayman**); and
 - c) 50.05% by or on behalf of other investors (none holding more than 10%) and managers and employees of the Partners Life Group.
19. Blackstone Singapore is owned 89.44% by Blackstone Tactical Opportunities Super Holding Co Pte. Ltd. (**BTO SuperHoldCo**) and 10.56% by Prince Issuer Designated Activity Company (██████).
20. BT Super HoldCo is 100% owned by Blackstone Tactical Opportunities SG (Cayman) L.P. The ultimate owner of the structure is Blackstone Inc which is an American alternative investment management company based in New York City.
21. A diagram of the intended ownership structure is in **Attachment 2**.

Relevant overseas person

22. For these reasons, we recommend that the 'relevant overseas person' is collectively:

Relevant overseas person	Role
Partners Life Limited	The Applicant
Partners Group Holdings Limited	Parent company of the applicant
Immortality Pte Limited (Blackstone Singapore)	Upstream owner of the applicant (49.82%)
Immortality ESC Limited (Blackstone Cayman)	Upstream owner of the applicant (0.13%)
Blackstone Tactical Opportunities Super Holding Co. I Pte. Limited	Upstream owner of the applicant via an 89.44% ownership of Immortality Pte Limited

Control

23. The boards of directors of both the Applicant and PGHL approved the proposed acquisition of the shares in NW NZ. Those same boards would make the decision to divest the shares. The Blackstone group via Blackstone Cayman is entitled to appoint 2 directors to the board of PGHL.
24. BTO SuperHoldCo, is the entity with oversight of Blackstone Singapore and its investment in PGHL (and whose approval is needed by Blackstone Singapore with respect to major investment decisions relating to its investment in PGHL, including any divestment of that investment).

Individuals with control

25. We recommend that the 'individuals with control of the relevant overseas person' (IWC)⁹ are:

Individuals with control	Role
Naomi Eunice Ballantyne	Director of the applicant and PGHL
Timothy Oliver Bennett	
Paul Chrystall	
Julie Fahey	
James Raymond Minto	
Menes Ong Chee	
Daniel Eamon Kearns	
Joanna Mary Gordon Perry	
Shelley Maree Ruha	
See Kwang Yew	Director of Blackstone Singapore and BTO SuperHoldCo
Chan Pey Yuan	
Kimmo Benjam Tammela	Director of BTO SuperHoldCo
Christopher Jamal James	Director of Blackstone Cayman

Summary of investor test

26. The relevant overseas persons and individuals with control established none of the factors contained in section 18A(4) of the Act.
27. For the reasons set out above, our conclusion is that the investor test has been met.

E. Not a transaction of national interest

28. The investment does not involve a transaction of national interest under the mandatory criteria of the Act.¹⁰ This is because the investment does not involve a non-New Zealand government investor, or an investment in a strategically important business (as defined in the Act).
29. We have not referred this transaction to the Minister of Finance for him to call it in for a national interest assessment on a discretionary basis.¹¹ He has therefore not declined consent to the transaction.
30. We are directed¹² that the starting point is the assumption that overseas investment is in New Zealand's national interest and that we should only seek the Minister of Finance to exercise his discretion for a national interest assessment if the proposed investment:
- Could pose risks to New Zealand's national security or public order;

⁹ Section 15

¹⁰ Under s 20A of the Act.

¹¹ Section 20B of the Act

¹² Supplementary Ministerial Directive Letter (8 June 2020).

- would grant an investor significant market power within an industry or result in vertical integration of a supply chain;
- has foreign government or associated involvement that was below the 10 per cent threshold for automatic application of the national interest test, but granted that government (and/or its associates) disproportionate levels of access to or control of sensitive New Zealand assets;
- would have outcomes that were significantly inconsistent with or would hinder the delivery of other Government objectives;
- raises significant Treaty of Waitangi issues; or
- relates to a site of national significance (e.g. significant historic heritage).

31. We do not consider that this investment engages any of these risk factors.

F. Conclusion

32. After considering the application, our view is that:

- the investor test has been met; and
- the transaction is not considered to be a transaction of national interest.

33. Therefore, we consider that the criteria for consent in section 18 have been met and our recommendation is to **grant consent**.



Kynsléy Nazareth

Advisor

Overseas Investment Office

Date: 01/04/2022

G. List of Attachments

1. Proposed Decision
2. Intended ownership structure

ATTACHMENT 1 PROPOSED DECISION

Consent for Overseas Person to Acquire Significant New Zealand Business Assets

Read this consent carefully - you must comply with all the conditions. If you do not, you may be subject to fines or other penalties.

Consent

Decision date: 04/04/2022

The following people have been given the following **consent**:

Case	202100786
Consent	The Consent Holder may acquire the Assets subject to the Conditions set out below.
Consent holder/s	Partners Life Limited (company number 3072505) We will also refer to each Consent holder and the Consent holders together as you .
Assets	Acquisition of 100% of National Wealth Management New Zealand Holdings Limited
Timeframe	You have until 30 April 2023 to acquire the Assets.

Conditions

Your Consent is subject to the conditions set out below. These apply to all overseas people who are given consent to acquire significant business assets, including you.

You must comply with them all. Be aware that if you do not comply with the conditions, you may be subject to fines or other penalties.

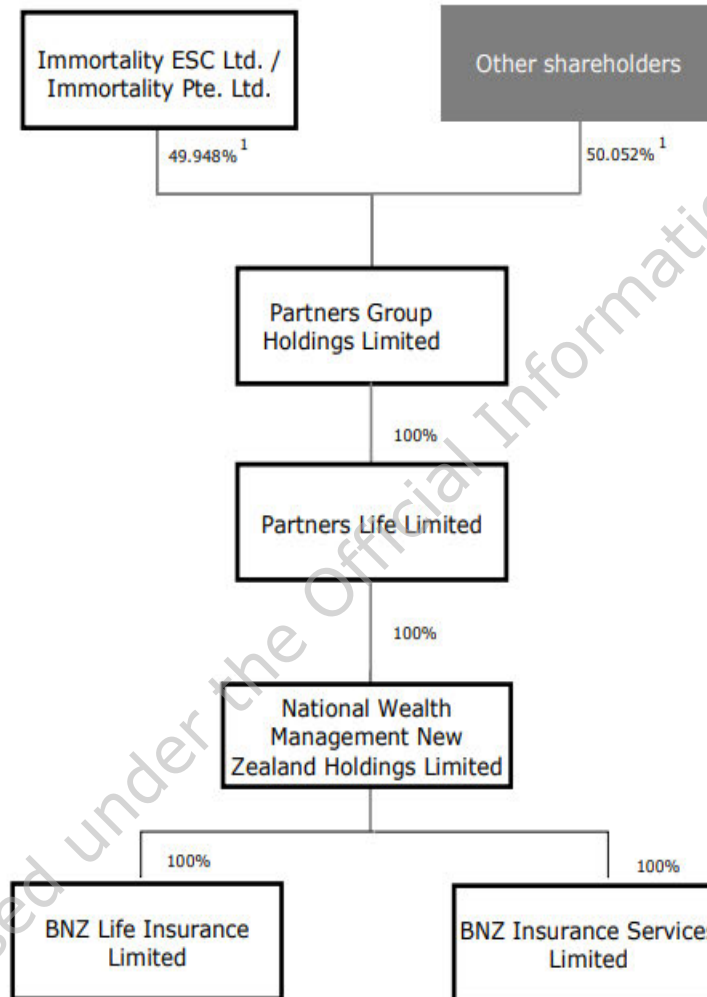
In the Consent and the Conditions, we refer to the Overseas Investment Office as **OIO, us or we**.

Act means the Overseas Investment Act 2005.

Details	Required date
Standard condition 1: acquire the Assets	
<p>You must acquire the Assets</p> <ol style="list-style-type: none">by the date stated in the Consent. If you do not, your Consent will lapse and you must not acquire the Assets, andUsing the acquisition, ownership, and control structure you described in your application. Note, only you – the named Consent holder – may acquire the Assets, not your subsidiary, trust, or other entity.	As stated in the Consent
Standard condition 2: tell us when you acquire the Assets	
<p>You must tell us in writing when you have acquired the Assets.</p> <p>Include details of:</p> <ol style="list-style-type: none">the date you acquired the Assets (settlement),consideration paid (plus GST if any),the structure by which the acquisition was made and who acquired the Assets, andcopies of any transfer documents and settlement statements.	As soon as you can, and no later than two months after settlement
Standard condition 3: remain not unsuitable to invest in New Zealand	
<p>You, and to the extent that you are not an individual, the Individuals Who Control You must remain not unsuitable to own or control the Assets in accordance with section 18A(1) of the Act.</p> <p>The Individuals Who Control You are individuals who:</p> <ol style="list-style-type: none">are members of your governing body	At all times

<p>(b) directly or indirectly, own or control more than 25% of you or of a person who itself owns or controls more than 25% of you, and</p> <p>(c) are members of the governing body of the people referred to in paragraph (b) above. To avoid doubt, this includes the members of your governing body.</p>	
Standard condition 4: tell us about changes that affect you, the people who control you, or people you control	
<p>You must tell us in writing if any of the following events happens to any of the Consent holders:</p> <ol style="list-style-type: none"> 1. You become aware that you and/or any Individual Who Controls you establishes any of the investor test factors listed in section 18A(4) of the Act. 2. You cease to be an overseas person or dispose of all or any part of the Asset. 3. Your New Zealand Service Address changes. This is the address you provided us in your application as the address which we will send any legal document we need to serve on you. 	<p>Within 20 working days after the change</p>

ATTACHMENT 2 – INTENDED OWNERSHIP STRUCTURE



1. We note that these are the current shareholdings in PGHL. Pursuant to Part 5 of the Application, once RBNZ approval is received for the Additional Blackstone Subscription, PGHL will issue additional shares to Blackstone Cayman and Blackstone Singapore, increasing their ownership interest in PGHL to approximately 52.7% (in aggregate), with the other current shareholders of PGHL having their holdings diluted accordingly.

Released under the Official Information Act 1982