

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 25 July 2018 that he has granted the following exemption from the Act:

Ministerial exemption: JPMorgan Chase Bank, N.A (New Zealand Branch)

Exempting JPMorgan Chase Bank, N.A (New Zealand Branch) (“JPMorgan”) from section 56(2) of the Act.

This exemption is made subject to the following conditions:

- a. The Australia-based AML/CFT compliance officer must administer and maintain the AML/CFT programmes of JPMorgan;
- b. the Australia-based AML/CFT compliance officer must report regularly and fully on all relevant AML/CFT compliance matters to JPMorgan’s senior management;
- c. the JPMorgan staff must have ready access to the Australia-based AML/CFT compliance officer in order to raise and discuss AML/CFT compliance-related matters;
- d. the Australia-based AML/CFT compliance officer must maintain appropriate qualifications and knowledge, have adequate resources to perform the role, and have full access to all information relevant to the AML/CFT compliance affairs of JPMorgan; and
- e. JPMorgan must inform the Ministry of Justice of any changes that may affect the exemption within 10 working days.

The exemption has been made for the following reasons:

- a. The risk of money laundering/terrorist financing involved in granting JPMorgan such a specific and narrow exemption is low;
- b. renewing this exemption would have little to no impact on the prevention, detection, investigation and prosecution of money laundering/terrorist financing offences;
- c. JPMorgan, in the absence of an exemption, would be subject to an undue regulatory burden;
- d. renewing this exemption is unlikely to affect third-party reporting entities; and
- e. but for a technical inconsistency, JPMorgan would be able to rely on a class exemption designed to allow reporting entities within the same designated business group to share a compliance officer.

This exemption comes into force on 23 July 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.