

Ministerial Exemptions Under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009

In accordance with section 157 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“Act”), the Associate Minister of Justice granted the following exemption from the Act:

Ministerial Exemption: Goldman Sachs New Zealand Limited

Exempting Goldman Sachs New Zealand Limited (“GSNZ”) from:

- a. Section 56(2) of the Act.

The exemption is subject to the following conditions:

- a. The Australia-based AML/CFT compliance officer must administer and maintain the AML/CFT programme of GSNZ;
- b. The Australia-based AML/CFT compliance officer must report regularly and fully on all relevant AML/CFT compliance matters to the senior management of GSNZ;
- c. The staff of GSNZ 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 GSNZ; and
- e. GSNZ 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 exemption is granted with these conditions because, on balance, the exemption for GSNZ with the attached conditions presents a low risk of money laundering or terrorism financing (“ML/TF”), as set out below:

- a. The nature of this exemption is very limited. The exemption allows GSNZ to have their AML/CFT compliance officer based in Australia instead of New Zealand. GSNZ will have to comply with all substantive obligations under the Act.
- b. GSNZ provides only corporate advisory services to wholesale clients through its Investment Banking unit. Their investment banking clients are largely domestic corporate clients.
- c. Institutional clients of GSNZ do not generally open client money accounts or have monetary transactional relationships with the investment banking business.
- d. For equity capital raising transactions where the issuer client is raising funds, the issuer client will open a client fund account with GSNZ from which monies raised are paid out to the issuer on settlement of the capital raising and this is only done a couple of times a year.
- e. GSNZ’s investment banking client base is largely domestic and GSNZ does not lend money.

- f. GSNZ's current AML/CFT compliance officer who is based in Australia is very experienced in both AML/CFT as well as Goldman Sachs Group's business.
- g. The conditions to the exemption further mitigate any residual ML/TF risk.

The exemption comes into force on 30 June 2023.

The exemption will expire on 30 June 2028.

Any person wishing to provide comment on this notice should contact the Criminal Law Team at the Ministry of Justice by emailing exemptions@justice.govt.nz.