

**Understanding
between
the Government of Jersey
and
the Government of New Zealand**

1. The Government of Jersey and the Government of New Zealand recognising the other's commitment to operate international standards of financial regulation in order to combat money laundering and terrorist financing and to participate in international efforts to tackle financial and other crimes, including fiscal crime, have today signed two agreements, which through co-operation in tax matters, seek to enhance their current economic and trading relationship.

2. The two agreements signed today, the Agreement for the Exchange of Information with respect to Taxes and the Agreement for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustment (collectively "the Agreements"), constitute a step forward in the global effort to establish an international financial system that is based on transparency and effective exchange of information in tax matters, and introduce measures to make the free movement of individuals and trade between both countries easier.

3. As part of its implementation of these Agreements, New Zealand will recognise Jersey by Order in Council as an approved territory for the purposes of designating Jersey entities as qualified equity investors and exempt under the venture capital regime.

4. The broadening of the political and economic relationship between Jersey and New Zealand, signalled by the signature of the Agreements, will be an ongoing process. It is intended that discussions will continue to examine what further measures could be adopted to further enhance the political and economic relationship between Jersey and New Zealand, including the examination of undesired tax barriers and the further extension of the arrangements for information exchange.

5. The Government of New Zealand welcomes Jersey as a member of the community of nations committed to international cooperation and information exchange on tax matters, and wishes to assure the Government of Jersey that Jersey will be fully and equally treated as such by the New Zealand authorities.

Signed in duplicate, this 27th day of July, 2009.

For the Government of Jersey:

For the Government of New Zealand:

Senator Terry Le Sueur
Chief Minister

Derek Leask
New Zealand High Commissioner to
the United Kingdom of Great Britain
and Northern Ireland