

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 hereby gives notice that he has granted the following exemption from the Act:

Ministerial exemption: Spark Foundation in relation to their online platform Givealittle (CC46342)

1. As the Associate Minister of Justice, and pursuant to section 157 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("Act"), I exempt Spark Foundation in respect of the Account Donors and their Donor Accounts on the online Givealittle platform, from the following provisions of the Act:
 - a. Sections 10–31 inclusive; and
 - b. Section 37.
2. The exemption is made subject to the following conditions:
 - a. A monetary balance in a Donor Account can only be transferred to a Donee Account.
 - b. Any monetary balance in a Donor Account is not to be refunded to the Account Donor other than in exceptional circumstances.
 - c. The Donor Account can have a maximum value of \$5,000 at any one time.
 - d. The Donor Account must not be credited with \$10,000 or more in any consecutive 12-month period.
 - e. The Donor Account must not be loaded directly through transfer from an account held at a financial institution that is:
 - i. Unregulated for AML/CFT purposes; or
 - ii. Located in a country with insufficient money laundering and countering financing of terrorism systems and measures.
 - f. Spark Foundation must identify, monitor and report any accounts that exceed the above thresholds on the Givealittle platform.
 - g. Spark Foundation must notify the Ministry if there are any changes to their business model that may affect this exemption within 14 days of the change occurring.
3. The exemption has been made for the following reasons:
 - a. Spark Foundation's online platform Givealittle have in place internal mechanisms to flag transactions exceeding \$5,000 at any one time and \$10,000 in any consecutive 12-month period. Givealittle runs a daily query on the database to identify donor accounts that exceed the above requirements. An incident log is maintained for donations that exceed the thresholds, and this is reviewed by the AML Compliance Officer.
 - b. Furthermore, they have existing checks in place for suspicious activities across the site and donations. These flag individual transactions of \$1,000 or more for further investigation.
 - c. All pages are reviewed by a moderator before being operable. These checks include: verifiable data i.e. Donee tax status; Charities Register; Ministry of Education database; legal activity; intention for funds; real world identity; New Zealand affiliation; full compliance with Givealittle Terms and full compliance with the User Code of Conduct.
 - d. Stipulating a limit on donations from donor accounts is analogous to the existing Regulation 15 of the Exemptions Regulations.
4. This exemption came into force on **7 February 2018**.
5. This exemption will expire on **30 November 2022**.

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