

## **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: Moray Foundation Trust**

1. In my capacity as the Associate Minister of Justice, and pursuant to section 157 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, I exempt the Moray Foundation Trust (“Moray”) from all provisions of the Act in relation to the interest free loans provided by Moray.
2. The exemption is made subject to the following condition:
  - a. Moray will inform the Ministry of Justice of any changes that may affect the exemption and/or conditions imposed by this written instrument within 14 days from when the change affecting the exemption occurs.
3. The exemption has been granted for the following reasons:
  - a. There is a low risk of money laundering and terrorist financing through Moray because Moray uses its funds for the limited purpose of providing interest free loans to assist low income individuals and families;
  - b. the loans provided are low value and low volume;
  - c. the money laundering/terrorism financing risk is limited by the restricted pool of potential beneficiaries of the financial service. Clients are selected from a restricted pool of individuals based on need;
  - d. the application process involves Moray obtaining a detailed understanding of the client’s circumstances. The relationship between the client and Moray, along with the budget advisory agency, continues throughout the duration of the loan. This ensures visibility over transactions and the ability to identify suspicious activity;
  - e. the funds are handled restrictively, as funds are paid by Moray to the Budget Advisory Service who then pays the creditors on the client’s behalf; and
  - f. due to the very low money laundering and terrorism financing risk associated with Moray and the significant compliance costs to Moray that would arise from not granting this exemption, I consider that any benefits of requiring compliance with the Act are not justified by the associated costs.
4. This exemption comes into force on the day after the date I grant this exemption.
5. This exemption will expire on 30 June 2020.

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](mailto:international.crime@justice.govt.nz).