

## 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 she has granted the following exemption from the Act:

### Ministerial Exemption: Toha Foundry Limited

1. As the Associate Minister of Justice, and pursuant to section 157 of the Act, I exempt Toha Foundry Limited from the following provisions of the Act:

- a. Sections 10–19, 31 and 37 of the Act in respect of donation to Contributors and Participants where:
  - i. The total value of money paid in any consecutive 12-month period is less than \$10,000 and the Contributor or Participant is a school administered by the Ministry of Education or a registered charity with a tax donee status,
  - ii. In respect of other Contributors and Participants, where the total value of money paid to the Contributor or Participant in any consecutive 12-month period is less than \$1,000.

2. This exemption is made subject to the following conditions:

- a. Toha must identify, monitor, and conduct customer due diligence in accordance with the Act on any ECX Contributor or NZCIM Participant that does not meet the criteria of the exemption,
- b. All sections under the Act other than sections 10–29, 31 and 37 apply to Contributors participating in the ECX, and Participants participating in Claim Sales in the NZCIM,
- c. An exemption from sections 10–29, 31 and 37 inclusive in respect of donations to Contributors and Participants where:
  - i. the total value of money paid in any consecutive 12-month period is less than \$10,000 and the Contributor or Participant is a school administered by the Ministry of Education or a registered charity with a tax donee status,
  - ii. in respect of other Contributors and Participants, where the total value of money paid to the Contributor or Participant in any consecutive 12-month period is less than \$1,000.
- d. ECX payments to Contributors, and NZCIM Claim payments to Participants, must be paid into an account held at a New Zealand financial institution,
- e. Toha must inform the Ministry of Justice of any changes that may affect the exemption and/or conditions imposed by this written instrument within 10 working days from which the change affecting the exemption occurs.

3. This exemption has been made for the following reasons:

- a. Toha is a NBDNTL and the inherent risk for NBDNTLs according to the Sector Risk Assessment 2019 (SRA) is medium. However, the risks noted in the SRA have limited applicability to Toha as its domestic and geographically limited customer base, relatively low transactions and no international exposure all decrease the risk. These factors result in Toha’s ML/TF risk being lower than most of the sector.
- b. Further, this exemption only applies to obligations relating to customer due diligence, this means that other provisions in the Act including those relating to suspicious activity reports and record keeping will continue to apply to ECX and NZCIM funds.
- c. Lastly, the risk posed by Toha is further mitigated by the conditions imposed on this exemption.

4. This exemption comes into force on the **18 December 2024**.

5. This exemption will expire on **18 December 2029**.

Any person wishing to provide comment on this notice should contact the Terrorism and Law Enforcement Stewardship at the Ministry of Justice by emailing [amlcft.exemptions@justice.govt.nz](mailto:amlcft.exemptions@justice.govt.nz).