

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 gave notice on 15 March 2021 that he has granted the following exemption from the Act:

Ministerial Exemption: Rātā Foundation

Exempting Rātā Foundation (“Rātā”) from the following provisions of the Act:

- a. sections 10–71 (inclusive).

For the avoidance of doubt, this exemption only applies to Rātā’s activity of providing concessionary community loans, and does not apply to any of the services provided by the following controlled entities (charities):

- a. Rātā Foundation Limited,
- b. the Canterbury Trust House Limited, and
- c. Canterbury Direct Investments Limited.

This exemption is made subject to the following conditions:

- a. Rātā must maintain a close relationship with its loan recipients;
- b. Rātā must continue to manually monitor the transactions to ensure that they are made in accordance with its loan policy, and that any suspicious activity can be readily identified; and
- c. Rātā must inform the Ministry of any changes that may affect the exemption within 10 working days of when the change occurs.

The exemption has been granted for the following reasons:

- a. has a low number of customers and grants a low number of loans;
- b. has a thorough customer identification process and maintain a close long-term relationship with customers. They meet face-to-face, or over the phone, with customers using solicitors which decreases anonymity;
- c. only provides loans to specific organisations, in specified geographic locations for identified purposes;
- d. has a source of funds that are internal and known. All transactions are to/from New Zealand registered banks through domestic wire transfers; and
- e. has various controls in place and monitors the loans to identify.

This exemption comes into force on 9 March 2021.

This exemption will expire on 9 March 2026

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