

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

Ministerial Exemption: Just Dollars Trust

Exempting Just Dollars Trust (JDT) from the following provisions of the Act:

- a. sections 10–71(inclusive).

This exemption is made subject to the following conditions:

- a. JDT must retain familiarity with its investors;
- b. JDT may only receive cash repayments in exceptional circumstances, for example if there are no other methods for a recipient to pay;
- c. JDT must not accept cash repayments of \$10,000 or more per annum;
- d. Investments, i.e. money that investors provide for JDT’s loan pool, must be made electronically;
- e. JDT must inform the Ministry of Justice of any changes that may affect the exemption within 10 working days from when the change affecting the exemption occurs.

For the avoidance of doubt, changes that may affect the exemption include, but are not limited to:

- a. substantial increase in JDT’s loan pool;
- b. providing financial returns to investors;
- c. further cash repayments; and
- d. material increase in the number of loans offered to investors.

The exemption has been granted for the following reasons:

- a. customers must satisfy a strict loan eligibility criteria and undergo an application process;
- b. JDT has a domestic customer base. All borrowers are New Zealand citizens or permanent residents based in Canterbury;
- c. low number and volume of loans;
- d. specific purpose (for providing loans). Finance must be for operating an income or employment generating venture or providing a community service;
- e. method of delivery, including identification of the customer’s financial circumstances, and payment directly to suppliers, not borrowers;

- f. social lender risk mitigation; and
- g. lack of key ML/TF vulnerabilities and high-risk factors.

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.