

Alumni Association of the University of Peradeniya – NZ Chapter

Anti-Money Laundering (AML) Policy (Draft)

1. Purpose

The purpose of this Anti-Money Laundering (AML) policy is to ensure our organisation complies with relevant AML regulations and protects the organisation from being used to facilitate money laundering or the financing of terrorism.

2. Scope

This policy applies to all committee members, volunteers, and associated stakeholders of the organisation, including but not limited to donors, vendors, and contractors.

3. Definition of Money Laundering

Money laundering is the process by which individuals or groups attempt to conceal the origins of illegally obtained money, making it appear legitimate. This process often involves multiple transactions and the use of complex financial systems to obscure the source of funds.

4. Key Principles

1. Legal Compliance:

The organisation will fully comply with all local, national, and international laws regarding AML regulations, including but not limited to Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act).

2. Risk-Based Approach:

Whilst recognising that our organisation has very low risk due to our annual turnover being less than \$20,000, we will adopt a risk-based approach to identify and assess risks of money laundering in its operations, particularly when dealing with donations, grants, or partnerships. Enhanced due diligence will be applied where necessary.

3. Transparency:

All financial transactions and relationships with donors, partners, and contractors will be conducted with the highest level of transparency. Records will be maintained to demonstrate that funds have been sourced legitimately and used for their intended purposes.

5. Responsibilities

The Executive Committee holds the overall responsibility in

1. Promoting awareness among all stakeholders of their obligations under this policy.
2. Verifying the legitimacy of all major donations and donors. This may include identity verification, review of the donor's financial history, and the purpose of the donation, paying particular attention to anonymous donations, cash donations exceeding NZD 1,000 or equivalent in any currency and / or donations from high-risk jurisdictions.
3. Performing due diligence on all vendors and partners to ensure they are reputable and free from connections to illegal activities.
4. Ensuring that all reports of suspicious activity will be treated confidentially and investigated promptly. Where required, such activity will be reported to Police Financial Intelligence unit
5. Retaining records of transactions, donor information, and due diligence for a minimum of seven years to ensure compliance with AML regulations.