



**MAHBOBA'S  
PROMISE**

An Australian Aid Organisation

## Money Laundering Policy

## Anti-Money laundering Policy Draft

Mahboba's promise (MP) fully recognizes money laundering is an illegal act set out in section 5 of the Anti – Money Laundering and Counter- Terrorism Financing Act 2006 (AML/CTF Act). The Section also refers to Division 400 of the criminal code of conduct Act 1995. MP understand that in practical terms money laundering is the process of placing criminally earned money in noncriminal market to hide and layer illegal income through various channel ( Business, Service, charitable or non- charitable) and finally integrating the money into the market by disguising original source of money.

Mahboba's Promise is an Australian aid organization incorporated under the company act 2001 sub section 601 CU (1) abide by code of conduct of Australian council for International Development (ACFID). It is a secular, nonpolitical, nonreligious charitable organization based in Sydney, Australia for the welfare of needy women and children in Afghanistan. By all means at any time and cost it exclusively adheres with its scope of operation, mission, vision and principle and not support any operational, financial and management activity that is illegal or may lead to illegal activity specifically money laundering carried out by either MP member or nonmember related to MP .

Mahboba's Promise takes affirmative action in detecting and deterring suspect money laundering activities under its operation in Australia and Afghanistan by implementing anti-money laundering policies focused on Administration, Financial Transparency, Receipt and Source Verification and

### **1. Financial Transparency Policy**

1.1 MP shall always apply transparent financial management system in Australia and Afghanistan.

1.2 In Australia all fundraising activity shall be recorded and reported in according to the MP fiscal policy and procedure and internal control procedure. (Refer: MP Fiscal financial Policy and Procedure)

- 1.3 MP office in Australia shall demand recipient office for the full expenditure report weekly, monthly and yearly against the allocated budget for different project and function area.
- 1.4 In light of reflecting fair accounts MP shall invite independent audit.
- 1.5 Any possible or potential misuse of fund shall be brought to notice for board of directors and in case of establishment any misuse of fund corrective action could be taken or may lead to reporting the right government authority.
- 1.6 Money received through donation shall be deposited in formal bank accounts and transferred through formal channel of money transfer, especially overseas money transfer.
- 1.7 Any money received in Afghanistan for the project or function related to MP shall be deposited and operated through legitimate bank and bank accounts

## **2. Recipient/ Source Verification Policy**

- 2.1 MP office in Australia is obligated to verify the money spent as advertised and planned in both source and recipient country.
- 2.2 In case of insufficient financial documentation and failure to produce consistent report, field examination shall be conducted in frequent manner by the member of MP or the person elected by MP which may or may not be MP Representative.
- 2.3 In case of any substantiated finding that any recipient of the donation or fund from MP knowingly is involved in money laundering or illegal activities should be subject to termination from further grant or material receipt.

## **3. Administration Policy**

- 3.1 MP shall adhere and adapt with MP code of conduct to assure ethical and good practice is being followed across the organization.
- 3.2 Any paid staff shall pass their police check within 3 months of official engagement

- 3.3 In addition to responsibility of Board of directors described in companies constitution they shall act with “due diligence and a concern that the organization operates ethically”
- 3.4 The directors should adequately know and verify the partners, donors, and people who are using the name of MP.
- 3.5 Directors shall exercise due care and measures whenever feasible, to ensure their partner organizations and those to which they provide funding, services, or material support, are not being penetrated or manipulated by terrorists.
- 3.6 Any limited engagement other than stated in company constitution, directors or staff in control shall not absolve engagement of organization. Thus, it is the responsibility of staff and directors to maintain financial health and ethical practices.
- 3.7 Administration shall Investigate misuse of any tangible and intangible assets
- 3.8 Staff and members shall be keen to stop potential misuse of organization name other than stated in the company constitution.