



The Charity and Security Network was launched in November 2008 to:

- educate decision makers and the public about security laws that create barriers for civil society
- develop solutions and advocate for them

The outlook for change is good



- President Obama's Cairo speech and commitment
- Follow up meetings with White House staff and Treasury
- Upcoming Congressional oversight hearing
- Favorable court decisions

U.S. Nonprofits Develop Model Standards and Policies

- Brainstorming sessions and consultations with experts
- Result: draft reform policies
- Working to convert proposals into new rules



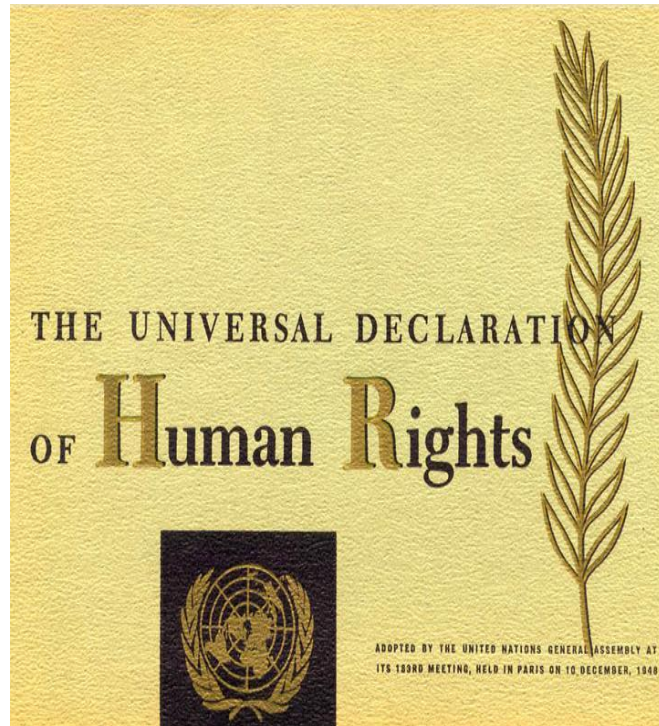
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Overview of Reform Goals

- Remove obstacles to aid, development and peacebuilding programs
- Clear and fair standards
- Fair opportunity for nonprofits to defend themselves
- Release of all frozen charitable funds for charitable purposes



Guiding Principles for Reform



- **The Geneva Conventions**
- **The Bill of Rights**
- **Human rights laws**

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Proposed Standards for Designation

- **Nonprofits organizations should only be listed as Specially Designated Global Terrorists (SDGT) or Foreign Terrorist Organizations (FTO) if they:**
- **Intentionally provide funds or material support to a listed terrorist group and do not meet the requirements of an adequate humanitarian exemption, or**
- **Are a branch or affiliate of a SDGT/FTO, or**
- **Fail to take reasonable steps to avoid exploitation and abuse by a listed terrorist group**

Humanitarian Exemption

- a. Care of the wounded and sick, including medicine, medical services and hospital stores,**
- b. Supplies essential to survival, such as foodstuffs, clothing, shelter and public utility services,**
- c. Objects necessary for religious worship,**
- d. Facilitation of communications between family members,**
- e. Orphanages and similar facilities and education for children under the age of 15**

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Humanitarian Exemption (Cont'd)

- f. Mediation and peacebuilding services and training, including conflict resolution programs,**
- g. Legal services and representation**
- h. Communications regarding security and logistics necessary to ensure safe convoy of a through g**

Permissible Activities and Due Diligence

When acting in good faith and adhering to widely accepted due diligence standards, nonprofit organizations should be allowed to provide aid and services to those in need.

Fair Process for Listing and Delisting

- Adequate notice
- Informal procedures to encourage compliance and minimize disruption of charitable programs
- Right of legal representation
- Redress procedures, including right to confront and present evidence

Continued...

Fair Process for Listing and Delisting (Cont'd)

- Creation of Ombudsman for administrative appeals
- Right to appeal to court
- Periodic review

Emergency Freezing of Funds

- **Limits freezing of charitable funds pending investigation by the USG to instances when a court finds funds are in danger of being transferred outside U.S.**
- **Requires courts to appoint conservators or receivers to protect the mission of a nonprofit, rather than allow indefinite freezing**
- **Establishes a process to dispose of current frozen funds in accordance with the intent of donors and stated charitable mission**

Conservators and Receivers

- *Conservators* with limited powers, pending government investigation or by agreement
- *Receivers* for designated/listed organizations to ensure assets disposed of in accordance with intent of the donors and stated charitable mission
- Qualification and procedures for appointment
- Powers and duties defined

Release of Frozen Charitable Funds

- Requires courts to appoint conservators or receivers to protect mission of charity, rather than allow indefinite freezing
- Limits freezing charitable funds pending investigation to when court finds funds in danger of transfer outside U.S.
- Establishes process to dispose of current frozen funds in accordance with the intent of donors and stated charitable mission

Donor Bill of Rights

- Prohibits investigation, harassment or invasions of privacy for legal donations
- Prohibits ex post facto criminalization of legal donations

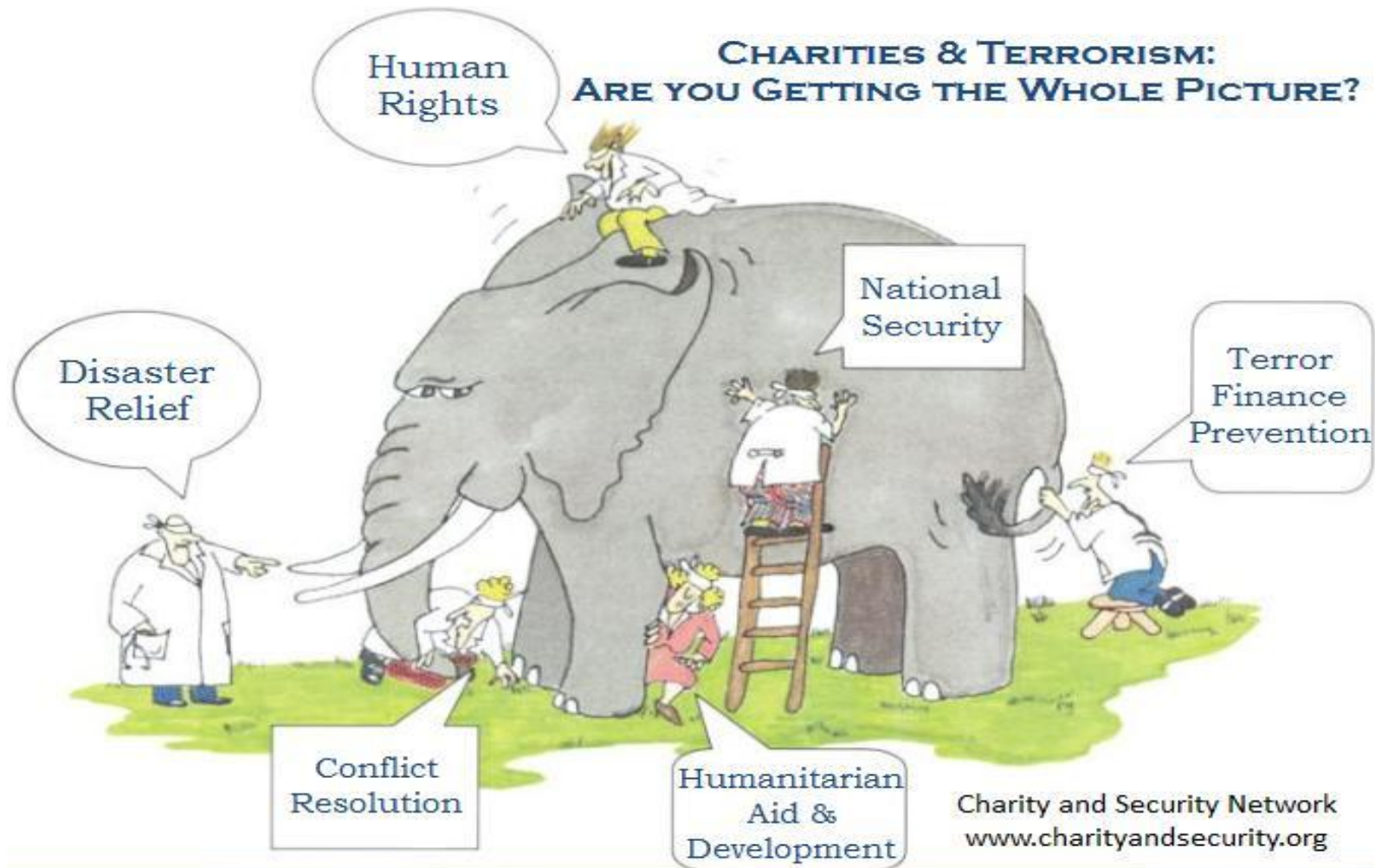
What's not included

- Anti-terrorism certifications in grant agreements, etc.
- List checking as a primary tool
 - Lists used to limit government from sanctioning activity with groups not on a list
 - Suggests use of lists consider whether government has adequate redress and/or uses lists to suppress dissent

More of what is not included

- Use of OFAC licensing process
- OFAC as primary enforcement agency

Success depends on your input!



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