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**Australian Government**

**Australian Transaction Reports  
and Analysis Centre**

## **Explanatory note for consultation purposes**

Sections 8 and 9 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act) provide for person-to-person electronic funds transfer instructions and same-person electronic funds transfer instructions involving an authorised deposit-taking institution (ADI), bank, building society or credit union as an ordering institution or beneficiary institution.

The intent and purpose of these draft AML/CTF Rules is to include other types of service providers in tables 1, 2 and 3 in section 6 of the AML/CTF Act as ordering institutions or beneficiary institutions for the purposes of these kinds of electronic funds transfer instructions.

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## **Draft Anti-Money Laundering and Counter-Terrorism Financing Rules for same-person and person-to-person electronic funds transfer instructions**

1. These Anti-Money Laundering and Counter-Terrorism Financing Rules (Rules) are made under section 229 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act) for subparagraphs 8(1)(c)(v), 8(1)(d)(v), 8(2)(c)(v), 9(1)(c)(v), 9(1)(d)(v) and 9(2)(c)(v) of that Act.

### *Ordering institutions*

2. The following persons are specified for subparagraphs 8(1)(c)(v), 8(2)(c)(v), 9(1)(c)(v) and 9(2)(c)(v) of the AML/CTF Act:
  - (a) a person who provides a designated service within the meaning of any of items 6, 7, 31, 33, 34, 35, 39, 41, 43, 49 or 50 of table 1 in section 6 of that Act;
  - (b) a person who provides a designated service within the meaning of any item of table 2 in section 6 of that Act;
  - (c) a person who provides a designated service within the meaning of any item of table 3 in section 6 of that Act;
  - (d) a person who offers an account of a type referred to in either paragraph (a), (b) or (c) of the definition of 'account' in section 5 of that Act;
  - (e) a person who is a registered entity under the *Financial Sector (Collection of Data) Act 2001* other than in the capacity of an intra-group financier;
  - (f) a person who carries on a business of a payment service where that person holds value on behalf of the account holder;
  - (g) a person who issues and/or facilitates a transfer of an electronic currency or e-currency where that person holds value on behalf of the account holder.

### *Beneficiary institutions*

3. The following persons are specified for subparagraphs 8(1)(d)(v) and 9(1)(d)(v) of the AML/CTF Act:

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- (a) a person who provides a designated service within the meaning of any of items 6, 7, 31, 32, 33, 34, 35, 38, 40, 42, 44, 48 or 49 of table 1 in section 6 of that Act;
- (b) a person who provides a designated service within the meaning of any item of table 2 in section 6 of that Act;
- (c) a person who provides a designated service within the meaning of any item of table 3 in section 6 of that Act;
- (d) a person who offers an account of a type referred to in either paragraph (a), (b) or (c) of the definition of ‘account’ in section 5 of that Act;
- (e) a person who is a registered entity under the *Financial Sector (Collection of Data) Act 2001* other than in the capacity of an intra-group financier;
- (f) a person who carries on a business of a payment service where that person holds value on behalf of the account holder;
- (g) a person who issues and/or facilitates a transfer of an electronic currency or e-currency where that person holds value on behalf of the account holder.

*Reporting entities should note that in relation to activities they undertake to comply with the AML/CTF Act, they will have obligations under the Privacy Act 1988, including the requirement to comply with the National Privacy Principles, even if they would otherwise be exempt from the Privacy Act. For further information about these obligations, please go to <http://www.privacy.gov.au> or call 1300 363 992.*