



Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Traditional Credit Union Limited) Instrument 2021 (No. 24)

I, Kathryn Miller, make the following instrument as a delegate of the AUSTRAC CEO.

Dated 19 November 2021

A handwritten signature in blue ink, appearing to read 'K. Miller', is positioned below the date.

Kathryn Miller
National Manager, Legal and Enforcement
AUSTRAC

Contents

1 Name.....	1
2 Commencement	1
3 Cessation.....	1
4 Authority.....	1
5 Definitions	1
6 Application	2
7 Exempt provisions	2
8 Conditions.....	2

1 Name

This instrument is the *Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Traditional Credit Union Limited) Instrument 2021 (No. 24)*.

2 Commencement

This instrument commences on the day after it is signed.

3 Cessation

This instrument ceases to have effect on 30 June 2023.

4 Authority

This instrument is:

- (a) made under paragraph 248(1)(a) of the Act; and
- (b) subject to conditions as authorised under paragraph 248(2)(b) of the Act.

5 Definitions

Note: A number of expressions used in this instrument are defined in section 5 of the Act, including the following:

- (a) AML/CTF Rules;
- (b) debit card;
- (c) debit card account;
- (d) designated service;
- (e) international funds transfer instruction.

In this instrument:

Act means the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

cashless debit card means a debit card and debit card account provided by TCU to a customer who is a participant.

cashless welfare arrangements means the scheme established under Part 3D of the *Social Security (Administration) Act 1999*.

KYC information has the meaning given by paragraph 1.2.1 of the AML/CTF Rules.

participant means a program participant or a voluntary participant.

program participant has the meaning given by section 124PD of the *Social Security (Administration) Act 1999*.

TCU means Traditional Credit Union Limited ABN 50 087 650 922.

transaction monitoring program means the requirements set out in paragraphs 15.4–15.7 of the AML/CTF Rules.

voluntary participant has the meaning given by section 124PD of the *Social Security (Administration) Act 1999*.

6 Application

This instrument applies to TCU in relation to the provision of the designated services described in items 1–3, 18, 18A, 29 and 30 of table 1 in subsection 6(2) of the Act, where the customer of the designated service is a participant.

7 Exempt provisions

TCU is exempt from sections 32 and 34 of the Act.

8 Conditions

- (1) This section specifies conditions that apply to the exemption.
- (2) TCU may only provide the designated services in connection with a cashless debit card that has been issued to a participant for the purpose of giving effect to cashless welfare arrangements.
- (3) Despite the exemption in section 7, TCU must obtain the following KYC information from Services Australia in relation to each participant:
 - (a) the participant's full name;
 - (b) the participant's date of birth;
 - (c) the participant's residential address.
- (4) TCU must not accept an international funds transfer instruction from a participant.
- (5) TCU must, in writing, notify the AUSTRAC CEO within 14 days of any event that may affect its ability to comply with this instrument.

Important Notice to the person named in this instrument

1. Under subsection 248(3) of the Act, a person granted an exemption subject to one or more conditions must comply with the conditions specified in the instrument. Failure to comply with subsection 248(3) is a civil penalty provision and may result in any or all of the following:
 - the exemption ceasing to apply to the person during any period in which the person does not comply with the relevant condition/s;
 - the exemption being revoked;
 - the AUSTRAC CEO applying to the Federal Court of Australia for a civil penalty order requiring the person to pay a pecuniary penalty in respect of the breach.
2. Under sections 136 and 137 of the Act, it is an offence to provide false or misleading information or documents. If any of the information submitted by the applicant or its representatives is found to be false or misleading, the exemption may be revoked and action initiated against the applicant.
3. The person granted the exemption may request the AUSTRAC CEO to revoke or vary the exemption at any time.
4. Any request to vary or extend this exemption must be submitted to the AUSTRAC CEO or an approved delegate no later than 90 days before the date the change is requested to commence.
5. This exemption does not preclude the person from making communications or disclosures that are otherwise permitted by law.