# Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Automic Markets Pty Ltd) Instrument 2025 (No. 16)

I, Daniel Mossop, National Manager, Policy Rules and Guidance Branch of the Australian Transaction Reports and Analysis Centre (AUSTRAC), make the following exemption as a delegate of the AUSTRAC CEO.

Dated 16 July 2025

Daniel Mossop
National Manager, Policy Rules and Guidance Branch
AUSTRAC

# Contents

## 1 Name

This instrument is the *Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Automic Markets Pty Ltd) Instrument 2025 (No. 16)*.

## 2 Commencement

This instrument commences on the day after it is signed.

## 3 Cessation

This instrument ceases to have effect on 30 June 2028.

## 4 Authority

This instrument is:

(1) made under paragraph 248(1)(a) of the Act; and

(2) 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) company;
(b) designated service.

In this instrument:

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

***ASIC Regulatory Guide 49*** means ASIC Regulatory Guide 49 published by the Australian Securities and Investments Commission in November 2015 as at the date of this instrument.

***Automic Markets*** means Automic Markets Pty Ltd ABN 54 137 305 527.

***Employee Share Plan*** means a scheme administered in Australia with the same meaning given by subsection 83A-10(2) of the *Income Tax Assessment Act 1997* (Cth).

## 6 Application

This instrument applies to Automic Markets in respect of the provision of the designated services described in items 33, 46 and 54 of Table 1 in subsection 6(2) of the Act to Employee Share Plans administered by Automic Pty Ltd (ABN 27 152 260 814).

## 7 Exempt provisions

Automic Markets is exempt from Divisions 2 to 7 of Part 2 (excluding section 39) of the Act.

## 8 Conditions

This instrument is subject to the following conditions:

(1) The Employee Share Plan must:

(a) be offered by an Australian company listed on the Australian Securities Exchange;

(b) be offered to one or more current or former employees or contractors of the company referenced in (a);

(c) be one or more of the categories listed in Schedule 1 to this instrument; and

(d) operate in accordance with ASIC Regulatory Guide 49.

(2) Automic Markets must notify the AUSTRAC CEO in writing within 14 days of any event that may affect their compliance with this exemption.

## Schedule 1—Categories of Employee Share Plans

| Type of plan | Description | Trust or Name on Register | Vesting Conditions | Cash Movements |
|---|---|---|---|---|
| Gift – tax exempt plan. | Client will gift participant securities to the value of $1,000. | Either – name on register is more typical. | Shares are restricted for the earlier of 3 years from grant or when employee ceases employment. | None – shares issued as a gift. |
| Contribution plan (usually deferred plan, but can also be a tax exempt plan) | Client will allow employee to purchase securities - usually from pre-tax contributions for a deferred plan. Client may offer a matching component. There is usually a cap on employee contributions of between 30 - 50% - although some clients allow 100% salary deduction. | Either. | Vesting conditions apply to both the matching component (usually 2 or more years) and the contributed component (usually a minimum of 12 months but up to 15 years). The contributed component all vest earlier if the employee leaves, but the matching component will be forfeited. It does mean that unless the employee leaves, they are unable to sell securities received based on contributions until after 12 months after the date of contribution. | Contributions are made monthly out of salary. |
| Loan plans (not commonly used) | The client generally offers an interest free loan to the employee which is repaid through dividends. If the employee leaves the loan becomes repayable - it is either recourse or non-recourse beyond the | Either. | Minimum 3 years. If an employee leaves earlier the securities vest but the employee must pay out the loan. | Loans are repaid either through dividends being paid back against the loan, or from the sale of the securities. Net proceeds from the sale of securities after loan balance has been repaid are paid to the employee. An |

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| | proceeds of the sale of the securities. | | | employee can repay the outstanding loan balance with their own funds. |
| Performance Rights | These are zero priced options. Usually for relatively senior executives and potentially of high value but are becoming more common for broad based plans where rights are issued to wider employee population (at lower quantities/values than for the senior executive population). | Name on register and Trust. | Will have vesting conditions - often of 3 years or more (and with stringent performance hurdles determining the number of rights which may be exercised). Forfeited if leave earlier. | As they are zero priced options, no cash is payable. |
| Deferred share grants | Client makes grants of shares for nil payment. | Either. | Typically, time based hurdle, where employee must remain employed for a period of time (most commonly 1 to 2 years) before shares vest and become available to transact. | No cash is involved. |
| Options | Options issued with an exercise price, usually the market value of underlying ordinary shares at time of grant. Usually for relatively senior executives and potentially of high value. | Name on register and Trust. | Will always have an exercise period post vesting - at least 2 years and possibly up to 15 years. May have time-based or performance-based hurdles in addition to exercise price hurdle. Will generally lapse if employee leaves | Exercise price can be funded through a cashless exercise where the broker sells shares and remits proceeds net of exercise price to employee. Employees can also exercise by paying the exercise cost in full to retain all |

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| | | | before exercisable. | the underlying shares. |

**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.