



Australian Government  
 Australian Transaction Reports  
 and Analysis Centre

## Exemption

### Section 248 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*

I, Neil James Jensen PSM, AUSTRAC CEO, pursuant to paragraph 248(1)(a) of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)*, hereby exempt CPU Share Plans Pty Limited (Computershare) ABN 20 081 600 875 of Level 3, 60 Carrington Street, Sydney, NSW, 2000, in respect of Computershare's provision of designated services described in Items 46 and 54 of Table 1, subsection 6(2) of the AML/CTF Act, from the following specified provisions of the AML/CTF Act:

- (a) sections 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37 and 38.

### Conditions

Pursuant to paragraph 248(2)(b) of the AML/CTF Act, the exemption is subject to the following conditions:

1. Computershare must inform the AUSTRAC CEO or delegate of any changes that may affect the exemption and/or conditions imposed by this written instrument within 14 days from when the change affecting the exemption occurs.
2. This exemption only applies in the following circumstances:
  - a. In the operation of employee equity plans so as to provide designated services described in Item 46, Table 1, subsection 6(2) of the AML/CTF Act.
  - b. In the provision of share sale facilities with respect to employee share plans so as to provide designated services described in Item 54, Table 1, subsection 6(2) of the AML/CTF Act, and
    - (i) The share sale facility is of the type listed in Appendix A and currently offered to customers by Computershare,
    - (ii) The share sale facility only applies to plans for publicly listed companies, and
    - (iii) The share sale facility only applies to plans which operate in accordance with ASIC Regulatory Guide 49.

Neil J Jensen PSM, AUSTRAC CEO

16 June 2008

## Appendix A – categories of employee share plans

Type of plan	Description	Trust or Name on register	Vesting conditions	Cash movements
Gift	Client will gift participant securities to the value of \$1,000	Either – trust is more typical	3 years. Employee can receive earlier if leaves employment (although then no longer has capacity to enjoy further benefits)	None – as gift
Contribution plan (usually deferred plan)	Client will allow employee to purchase securities – usually from pre tax contributions for a deferred plan. Client may offer a matching component (eg Computershare matches up to \$3000). There is usually a cap on employee contributions of between 30-50% - although some clients allow 100% salary deduction.	Will be Trust if contributions are more than \$1000	Vesting conditions apply to both the matching component (usually 2 or more years) and the contributed component (usually 12 months). The contributed component will vest earlier if the employee leaves, but the matched 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. There is one client which does allow an employee to access earlier but their contributions are capped at US\$5,000 and if they do access within 12 months of purchase then they forfeit their matching component of US\$5,000.	Contributions are made monthly out of salary.
Loan Plans	These are very rare now (only 6 clients still have these plans on foot and are in a run down). 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 proceeds of the sale of the securities.	Either	3 years. If an employee leaves earlier, the securities vest but the employee must pay out the loan.	Loans are repaid either from the sale of the securities and proceeds are paid to the employee net of the loan balance. An employee can pay through own funds but funds must be through bank cheque in AU dollars. No personal cheques, cash or EFT is permitted.
Partly paid shares	Only 1 client still has this form of plan and it has less than 300 participants with more than 10 years of tenure each.  The employee has a window twice a year to make a call and pay all or part of the balance remaining on the shares. If they leave a call is placed automatically on the balance.	N/A	All outstanding entitlements have vested.	Calls are paid by bank cheque
Performance rights	These are zero priced options. Usually for relatively senior executives and potentially of high value.	Name on register	Will have vesting conditions – often of 3 years or more (Computershare has a 5 year vesting conditions) and also 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 consideration. Usually as a long term incentive to more senior management. The distinction with a performance right is that the employee has immediate entitlement to dividends	Trust	Will have vesting conditions – at least 2 years. Forfeited if leave earlier.	No cash is involved.
Options	Less common now due to accounting treatment	Name on register	Will always have an exercise period – at least 2 years and possibly longer. May have performance hurdles also. Will generally lapse if employee leaves before exercisable.	Exercise price can be funded through a cashless exercise where the broker sells shares and remits proceeds net of exercise price to employee. If the employee pays the funds then it must do so through a bank cheque in AU dollars or through a 'broker' cheque. No personal cheques, cash or EFT is permitted.

### **Important Notice to person named in this instrument**

1. Any request for a change to this instrument must be submitted to the AUSTRAC CEO or approved delegate within 14 days from when the change is sought.
2. Pursuant to subsection 248(3), the person granted the exemption must comply with the conditions set out in the instrument. Failure to comply with those conditions may result in the revocation of the exemption and action against the person may be commenced under subsection 248(3) of the AML/CTF Act.
3. It is an offence under sections 136, 137 and 138 of the AML/CTF Act to provide false and misleading information or false documents. If any of the information submitted by the applicant or its representatives is found to be false and misleading, the exemption may be revoked, and action may be initiated against the applicant.
4. The person granted the exemption may request the AUSTRAC CEO at any time to change the exemption.





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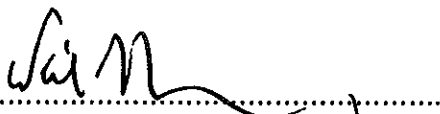
I, Neil James Jensen PSM, AUSTRAC CEO, pursuant to paragraph 248(1)(a) of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)*, hereby exempt Computershare Plan Managers Pty Ltd (Computershare) ABN 56 084 591 131 of Level 3, 60 Carrington Street, Sydney, NSW, 2000, in respect of Computershare's provision of designated services described in Items 46 and 54 of Table 1, subsection 6(2) of the AML/CTF Act, from the following specified provisions of the AML/CTF Act:

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