



Anti-Money Laundering and Counter-Terrorism Financing (Exemption) Instrument 2019 (No. 8)

I, Alexander Meyer, Acting National Manager, Legal and Policy Branch, of the Australian Transaction Reports and Analysis Centre (AUSTRAC), make the following exemption instrument as an authorised delegate of the AUSTRAC CEO.

Dated *2 August 2019*

A handwritten signature in blue ink, appearing to read 'Alexander Meyer', is written over a horizontal line.

Alexander Meyer

Acting National Manager, Legal and Policy
AUSTRAC

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1 Commencement

This instrument commences on the day after it is signed.

2 Authority

This instrument is made under paragraph 248(1)(a) of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)*.

3 Definitions

Note: A number of expressions used in this instrument are defined in definitions section of the AML/CTF Act, including the following:

- (a) designated service

In this instrument:

Afterpay means Afterpay Pty Ltd ACN 169 342 947

Initialism means Initialism Pty Ltd ACN 610 692 647

Initialism Staff means any of the six identified individuals, as notified to AUSTRAC on 31 July 2019, employed or engaged by Initialism to undertake the audit of Afterpay covering the matters specified in the Notice to Appoint an External Auditor issued under subsection 162(2) of the AML/CTF Act on 12 June 2019.

Suspicious Matter Material refers to any information, the disclosure of which would engage section 123 of the AML/CTF Act, and includes information and documents requested by authorised persons under section 49 of the AML/CTF Act in relation to a report submitted to the AUSTRAC CEO in accordance with section 41 of the AML/CTF Act.

4 Application

This instrument applies to Afterpay in respect of the provision of designated services described in items 6, 7 and 8 of table 1 in subsection 6(2) of the AML/CTF Act.

5 Scope of exemption

Afterpay is exempted from the following specified provisions of the AML/CTF Act:

- (1) subsection 123(1); and
- (2) subsection 123(2); and
- (3) subsection 123(3).

6 Conditions

This instrument is subject to the following conditions, as authorised by paragraph 248(2)(b) of the AML/CTF Act:

- (1) This exemption only applies in relation to communications about, and disclosures of, Suspicious Matter Material made by Afterpay to Initialism Staff for the purposes of complying with the requirements of the Notice to Appoint an External Auditor issued under subsection 162(2) of the AML/CTF Act on 12 June 2019.
- (2) Afterpay must notify the AUSTRAC CEO, in writing, within 14 days of any event that may affect its compliance with this exemption.

7 Cessation

This instrument ceases to have effect on 23 November 2019.

Important Notice to the person named in this instrument

- (1) Under subsection 248(3) of the AML/CTF 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:
 - (a) the exemption ceasing to apply to the person during any period in which the person does not comply with the relevant condition/s;
 - (b) the exemption being revoked;
 - (c) 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 AML/CTF 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 this exemption must be submitted to the AUSTRAC CEO or an approved delegate no later than 28 days before the date the change is requested to commence.