



## **Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Head Start Homes) Instrument 2021 (No. 22)**

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

Dated 4 November 2021

A handwritten signature in blue ink that reads 'K. Miller'.

Kathryn Miller  
National Manager, Legal and Enforcement  
AUSTRAC

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## 1 Name

This instrument is the *Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Head Start Homes) Instrument 2021 (No. 22)*.

## 2 Commencement

This instrument commences on the day after it is signed.

## 3 Cessation

This instrument ceases to have effect on 31 December 2024.

## 4 Authority

This instrument is:

- (a) made under paragraph 248(1)(a) of the Act; and
- (b) subject to the conditions in section 8 of this instrument, 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) ADI;
- (b) anti-money laundering and counter-terrorism financing program;
- (c) customer;
- (d) designated service;
- (e) person;
- (f) reporting entity.

In this instrument:

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

**Community housing** has the same meaning as defined from time to time in subsection 4(1) of the Appendix Community Housing Providers National Law to the *Community Housing Providers (Adoption of National Law) Act 2012* (NSW).

**Family Tax Benefit Part A** has the same meaning as in the *A New Tax System (Family Assistance) Act 1999* (Cth).

**HSH** means Head Start Homes Ltd ACN 620 944 532.

**Head Start Guarantee** means guarantee provided by HSH to an ADI.

**Health Care Card** has the same meaning as defined in the *Social Security Act 1991* (Cth).

**LVR** means Loan to Value Ratio and is the amount of the loan compared to the value of the property or asset purchased with the loan funds, expressed as a percentage.

**Pensioner Concession Card** has the same meaning as defined in the *Social Security Act 1991* (Cth).

**Public Housing Provider** means housing owned and managed by Commonwealth, State, Territory and Local Government agencies or departments in Australia.

**Specified designated services** means the designated services specified in section 6 of this Instrument.

## 6 Application

This instrument applies to HSH in relation to the provision of designated services covered by items 48 and 49 of table 1 in subsection 6(2) of the Act.

## 7 Exempt provisions

HSH is exempt from the following provisions of the Act where the customer of the specified designated services is:

- (1) The lender:
  - (a) section 47; and
  - (b) Part 7.
- (2) The borrower:
  - (a) Section 36;
  - (b) Section 47; and
  - (c) Part 7.

## 8 Conditions

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

- (1) The exemption only applies when the specified designated services are provided by HSH in providing the Head Start Guarantee.
- (2) The Head Start Guarantee is limited to the lesser of 20% LVR or \$110,000.
- (3) The lender, as a customer of the specified designated services, must be an ADI regulated by the Australian Prudential Regulation Authority under the *Banking Act 1959* (Cth).
- (4) Prospective borrowers must:
  - (a) be referred by:
    - (i) a Community Housing Provider; or
    - (ii) a Public Housing Provider; and
  - (b) be eligible for a Health Care Card, Pensioner Concession Card, or Family Tax Benefit Part A.
- (5) HSH 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. This exemption is specific to, or is based on an assessment of the:
  - information or documents provided by, or on behalf of, the person to AUSTRAC in support of the application made under subsection 248(1) of the Act; and
  - facts and circumstances relevant to the application, including the nature and type of business activities the person undertakes at the time of the application.
3. Under sections 136 and 137 of the Act, it is an offence to provide false or misleading information or documents to the AUSTRAC CEO. 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.
4. The person granted the exemption may request the AUSTRAC CEO to revoke or vary the exemption at any time.
5. 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.
6. This exemption does not preclude the person from making communications or disclosures that are otherwise permitted by law.