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**ENFORCEABLE UNDERTAKING TO THE CHIEF EXECUTIVE OFFICER OF THE  
AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE**

**FOR THE PURPOSES OF SECTION 197 OF THE**

***ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING ACT 2006***

**BY**

**Cash Converters Personal Finance Pty Ltd**

**ACN 110 275 762**

**and**

**Cash Converters (Cash Advance) Pty Ltd**

**ACN 127 866 308**

**and**

**Cash Converters (Stores) Pty Ltd**

**ACN 127 343 293**

**and**

**Green Light Auto Group Pty Limited**

**ACN 131 507 474**

**Definitions**

**AML/CTF Act** means the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (as amended).

**AML/CTF Program** means an anti-money laundering and counter-terrorism financing program and has the meaning given in section 83 of the AML/CTF Act.

**AML/CTF Regulations** means the *Anti-Money Laundering and Counter-Terrorism Financing Regulations 2008* (Cth) (as amended).

**AML/CTF Rules** means the *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)* (as amended) made under section 229 of the AML/CTF Act.

**AUSTRAC** means the Australian Transaction Reports and Analysis Centre continued in existence by section 209 of the AML/CTF Act.

**AUSTRAC CEO** means the Chief Executive Officer of AUSTRAC.

**AUSTRAC's Concerns** means the concerns referred to in paragraphs 5 to 8 of this Enforceable Undertaking.

**Cash Converters** means corporate subsidiaries of Cash Converters International Limited ACN 069 141 546.

**Cash Converters Designated Business Group** has the same meaning as provided by the modification granted 14 April 2021.

**DBG** means Designated Business Group.

**Designated Service** has the meaning given by section 6 of the AML/CTF Act.

**Enforceable Undertaking** means an undertaking accepted by the AUSTRAC CEO under subsection 197(1) of the AML/CTF Act.

**External Auditor** means an Authorised External Auditor appointed in accordance with paragraph 14 below.

**ML/TF Risk** means money-laundering/terrorism-financing risk.

**Remediation Acquittal Report** means an acquittal report that details the action taken to address the findings of the 2021 and 2022 independent auditor reports produced by Initialism that provides:

- a) A description of each of the findings made by Initialism;
- b) A description of the action taken, or proposed to be taken to address each of the findings, including the intended operation of any substantive change expected as a result of the action;
- c) A description of any enhancements made, or proposed to be made to systems and processes;
- d) A description of any enhancements made, or proposed to be made to controls or the control framework;
- e) For each action taken or proposed to be taken, a description of the ML/TF Risk addressed by that action;
- f) The date of completion or the anticipated date of completion for each action taken or proposed to be taken to address each of the findings.

## **Introduction**

- 1 Under section 3 of the AML/CTF Act, the objects of the AML/CTF Act include fulfilling Australia's international obligations designed to combat the laundering of money and the financing of terrorism. Under section 212 of the AML/CTF Act, the AUSTRAC CEO's functions include, amongst other matters, promoting compliance with the AML/CTF Act, AML/CTF Rules and AML/CTF Regulations.

## **Persons giving the Enforceable Undertaking**

- 2 This Enforceable Undertaking is given to the AUSTRAC CEO by Cash Converters Personal Finance Pty Ltd, Cash Converters (Cash Advance) Pty Ltd, Cash Converters (Stores) Pty Ltd and Green Light Auto Group Pty Limited as reporting entities in the Cash Converters DBG.

## **Background**

- 3 Cash Converters provide Designated Services of the kind set out in table 1 in subsection 6(2) of the AML/CTF Act and are reporting entities for the purposes of the AML/CTF Act.
- 4 The AML/CTF Act and the AML/CTF Rules impose obligations on reporting entities to, amongst other matters, implement appropriate risk-based systems and controls to identify, mitigate and manage the ML/TF risks that a reporting entity might reasonably face through its provision of Designated Services and to give certain reports to the AUSTRAC CEO.

## **AUSTRAC's Concerns**

- 5 AUSTRAC has carried out an enforcement investigation in respect of Cash Converters. This investigation was initiated after a compliance assessment identified shortcomings in relation to its compliance with its AML/CTF obligations. AUSTRAC acknowledges that Cash Converters have co-operated fully with that investigation, including by responding to information requests and producing documents.
- 6 As a result of the investigation and information disclosed by Cash Converters with respect to that investigation and supervisory activities, AUSTRAC is concerned that Cash Converters need to take specified actions:
- (a) in order to fully comply with the AML/CTF Act and the AML/CTF Rules; and
  - (b) directed towards ensuring that Cash Converters do not contravene the AML/CTF Act or the AML/CTF Rules, or are unlikely to contravene the AML/CTF Act or the AML/CTF Rules, in the future.
- 7 AUSTRAC has Concerns with Cash Converters' compliance relating to the adoption and maintenance of an anti-money laundering and counter-terrorism financing program that meets the requirements under sections 81 and 85 of the AML/CTF Act.
- 8 While holding these concerns, AUSTRAC also acknowledges that, since 2021, Cash Converters have made improvements to their processes and procedures and have a current program of work to mature the financial crime risk capability of the Cash Converters DBG. The terms of this Enforceable Undertaking reflect and build on these steps.

## **Acknowledgments by Cash Converters of AUSTRAC's Concerns**

- 9 Cash Converters acknowledge AUSTRAC's Concerns and voluntarily offer an Enforceable Undertaking in the terms of paragraphs 12 to 22 below.
- 10 Cash Converters confirm that they have been offered the opportunity to seek their own legal advice in relation to their obligations under, and the effect of, this Enforceable Undertaking.

## **Undertakings**

- 11 The undertakings in paragraphs 12 to 22 are given pursuant to section 197 of the AML/CTF Act.

### *Remediation*

- 12 Cash Converters undertake to complete a Remediation Acquittal Report by 28 April 2023.
- 13 Cash Converters undertake to compile, by 28 April 2023 a full list of entities that form the Cash Converters DBG as at 31 December 2022 in a form approved by AUSTRAC which appears at Annexure A.

### *Authorised External Auditor*

- 14 Cash Converters undertake to appoint an individual who is:
- (a) authorised under section 164 the AML/CTF Act; and
  - (b) agreed to by the AUSTRAC CEO in writing,
- to act as an External Auditor for the purposes of this Enforceable Undertaking by 30

June 2023.

- 15 Cash Converters will brief the External Auditor to conduct an assessment of the implementation of the actions detailed in the Remediation Acquittal Report that provides:
- (a) Whether the actions taken or proposed to be taken address the associated finding;
  - (b) Where the action is identified in the Remediation Acquittal Report as having been completed, whether, in the External Auditor's opinion, the action is complete;
  - (c) Where the action has been identified in the Remediation Acquittal Report as not having been completed, whether the action has been completed by the date of the External Auditor's assessment;
  - (d) Where the action has been identified in the Remediation Acquittal Report as not having been completed:
    - i. Analysis of the root cause of any delay; or
    - ii. Analysis of the risks to any future dates being achievable and an opinion on the feasibility of the date.
  - (e) Any further remedial actions required to address AUSTRAC's Concerns and the findings addressed in the Remediation Acquittal Report.
- 16 Cash Converters will provide the External Auditor's terms of reference and engagement to AUSTRAC on or before 1 July 2023.
- 17 Cash Converters will provide the External Auditor's final report containing findings of their assessment and recommendations to Cash Converters (**the External Auditors Report**) to AUSTRAC, on or before 30 November 2023.
- 18 Cash Converters will provide a written report detailing their response to the findings and recommendations contained in the External Auditors Report, including any further changes proposed to be made to their systems, controls, processes and/or AML/CTF program, to AUSTRAC by 18 December 2023.
- 19 AUSTRAC will have access to the External Auditor at any time and in any manner which it requires.

*Costs*

- 20 Cash Converters undertake that they will pay their own costs of complying with this Enforceable Undertaking.

*Provision of information and documents*

- 21 Cash Converters agree that AUSTRAC may, for the life of this Enforceable Undertaking, request any information or documents for the purpose of monitoring their compliance with this Enforceable Undertaking. Cash Converters' undertake to provide AUSTRAC any information or documents requested for this purpose, on a confidential basis, within 10 business days of the date on which AUSTRAC makes a written request. Cash Converters are not required to provide to AUSTRAC any documents subject to legal professional privilege.
- 22 Any documents or information required to be provided to the AUSTRAC CEO under this Enforceable Undertaking should be provided:
- (a) in electronic form by email to [Enforcement.Mailbox@austrac.gov.au](mailto:Enforcement.Mailbox@austrac.gov.au); or
  - (b) in electronic form by upload to a share folder that AUSTRAC can access, or otherwise agreed by AUSTRAC in writing.

## **Acknowledgements – Operation of Enforceable Undertaking**

- 23 Cash Converters acknowledge that:
- (a) the AUSTRAC CEO has accepted this Enforceable Undertaking based on (among other things) Cash Converters' disclosures to the AUSTRAC CEO of the material facts, matters and circumstances in relation to AUSTRAC's Concerns;
  - (b) AUSTRAC's acceptance of this Enforceable Undertaking does not affect AUSTRAC's right to take any action in relation to any contraventions of the AML/CTF Act, AML/CTF Rules and/or AML/CTF Regulations;
  - (c) this Enforceable Undertaking in no way derogates from the rights and remedies available to any other person or entity arising from any conduct described in AUSTRAC's Concerns or arising from future conduct;
  - (d) the AUSTRAC CEO may publish a copy of this Enforceable Undertaking on AUSTRAC's website in accordance with subsection 197(5) of the AML/CTF Act;
  - (e) AUSTRAC may from time to time publicly refer to this Enforceable Undertaking; and
  - (f) if any part of this Enforceable Undertaking is held invalid, that part shall be severed from this Enforceable Undertaking and the remainder of this Enforceable Undertaking will continue to be valid and enforceable.

## **Commencement and duration**

- 24 Cash Converters acknowledge that this Enforceable Undertaking has no operative force until accepted by the AUSTRAC CEO.
- 25 This Enforceable Undertaking ends on the date that the AUSTRAC CEO gives Cash Converters written notice cancelling the Enforceable Undertaking or the date on which the AUSTRAC CEO consents to Cash Converters withdrawing the Enforceable Undertaking, whichever is earlier.

EXECUTED BY (for reporting entity signature of Director)

EXECUTED by Cash Converters )  
Personal Finance Pty Ltd ACN 110 )  
275 762 in accordance with section )  
127(1) of the Corporations Act 2001 )  
(Cth) by authority of its directors: )

[Redacted Signature]

Signature of director

PETER CUMINS  
Name of director (block letters)

[Redacted Signature]

Signature of director

SAM BUDISELIK  
Name of director (block letters)

EXECUTED by Cash Converters )  
(Cash Advance) Pty Ltd ACN 127 866 )  
308 in accordance with section )  
127(1) of the Corporations Act 2001 )  
(Cth) by authority of its directors: )

[Redacted Signature]

Signature of director

PETER CUMINS  
Name of director (block letters)

[Redacted Signature]

Signature of director

SAM BUDISELIK  
Name of director (block letters)

EXECUTED by Cash Converters )  
(Stores) Pty Ltd ACN 127 343 293 in )  
accordance with section )  
127(1) of the Corporations Act 2001 )  
(Cth) by authority of its directors: )

[Redacted Signature]

Signature of director

PETER CUMINS  
Name of director (block letters)

[Redacted Signature]

Signature of director

SAM BUDISELIK  
Name of director (block letters)

EXECUTED by Green Light Auto )  
Group Pty Limited ACN 131 507 474 )  
in accordance with section )  
127(1) of the Corporations Act 2001 )  
(Cth) by authority of its directors: )

[Redacted Signature]

Signature of director

PETER CUMINS  
Name of director (block letters)

[Redacted Signature]

Signature of director

SAM BUOISELIK  
Name of director (block letters)

This 17 day of FEBRUARY 2023

ACCEPTED BY THE AUSTRAC ACTING CEO PETER SOROS PURSUANT TO SUBSECTION 197(1) OF THE AM/CTF ACT.

[Redacted Signature]

Signature  
Peter Soros  
Acting Chief Executive Officer, AUSTRAC

This 20 day of February 2023