



Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Head Start Homes) Instrument 2024 (No. 11)

I, Daniel Mossop, National Manager, Reform Policy and Mutual Evaluation, and delegate of the AUSTRAC CEO, make the following exemption.

Dated 16 June 2024

Daniel Mossop

National Manager - Reform Policy and Mutual Evaluation
AUSTRAC

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<i>Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Head Start Homes)</i>	
<i>Instrument 2021 (No. 22)</i>	3

1 Name

This instrument is the *Anti-Money Laundering and Counter-Terrorism Financing (Exemption—Head Start Homes) Instrument 2024 (No. 11)*.

2 Commencement

This instrument commences on the day after it is signed.

3 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

4 Cessation

This instrument ceases to have effect on 31 December 2026.

5 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, under paragraph 248(2)(b) of the Act.

6 Definitions

Note: A number of expressions used in this instrument are defined in section 5 of the Act, including the following:

- (a) ADI;
- (b) customer;
- (c) designated service;
- (d) person.

In this instrument:

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

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 in the *Social Security Act 1991* (Cth).

LVR (short for Loan to Value Ratio) means 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 in the *Social Security Act 1991* (Cth).

Specified designated services means the designated services in items 48 and 49 of table 1 in subsection 6(2) of the Act.

7 Application

This instrument applies to HSH in relation to the provision of specified designated services.

8 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;
 - (b) Part 7.
- (2) The borrower:
 - (a) section 36;
 - (b) section 47;
 - (c) Part 7.

9 Conditions

This exemption is subject to the following conditions:

- (1) The specified designated services must be provided by HSH in providing the Head Start Guarantee.
- (2) The Head Start Guarantee must be limited to 20% LVR or \$130,000, whichever is less.
- (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 be low income consumers who are entitled to:
 - (a) hold a Health Care Card or Pensioner Concession Card; or
 - (b) receive 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.

Schedule 1—Repeals

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

1 The whole of the instrument

Repeal the 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 person 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.