# AUSTRAC logoAUSTRAC Exemption Application Template

**APPLICATION FOR AN EXEMPTION UNDER SECTION 248 OF THE ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING ACT (AML/CTF Act)**

## Instructions

You are required to complete the form following the instructions below to give AUSTRAC information on the nature of your business, the money laundering and/or terrorism financing risks facing it and the controls in place to mitigate those risks.

1. ALL applicants must complete Part A.
2. Submit the completed application form to [the Exemptions mailbox](mailto:exemptions@austrac.gov.au).
3. Applicants who ARE REPORTING ENTITIES (that is, providing [designated services](https://www.austrac.gov.au/glossary/designated-service) in accordance with the AML/CTF Act) must also complete:
   * Part D – If this application relates to an exemption from, or modification of, an obligation in Part 11 (Secrecy and Access) of the AML/CTF Act.
   * Parts B.1, B.2 and C of this application form – If this application relates to an exemption from, or modification of, any other provision of the AML/CTF Act (other than within Part 11). There is no need to complete Part D of this application in this case.
   * Note: If the application seeks an exemption that relates to the provision of several designated services, then you do not necessarily need to complete Part C multiple times. Instead, you should give written reasons as to why the exemption applied for does not differ between the different designated services provided.
4. Applicants who are NOT REPORTING ENTITIES (that is, not providing ‘designated services’) must also complete:
   * Part D – If this application relates to an exemption from, or modification of, an obligation in Part 11 (Secrecy and Access) of the AML/CTF Act.
   * Parts B.1 and C.1 – If this application relates to an exemption from, or modification of, any other provision of the AML/CTF Act (other than within Part 11). There is no need to complete Parts B.2, C.2 or D of this application form in this case.

|  |  |  |
| --- | --- | --- |
| Complete these sections of the application form | | |
|  | **Application relates to an exemption from/modification of an obligation in the AML/CTF Act (other than a Part 11 provision)** | **Application relates to an exemption from/modification of an obligation in Part 11 (Secrecy and Access) of the AML/CTF Act** |
| **If you are a reporting entity** | Complete:   * Part A * Part B.1 * Part B.2 * Part C | Complete only:   * Part A * Part D |
| **If you are not a reporting entity** | Complete:   * Part A * Part B.1 * Part C.1 |

AUSTRAC reserves the right to ask follow-up questions based on the answers given and may request further information.

If you fail to complete the form or fully answer any question, AUSTRAC will treat the application as invalid.

## Part A: General

**NOTE: All Applicants must complete this part of the application form.**

|  |  |
| --- | --- |
| 1. Legal entity name of applicant: |  |
| 1. **Applicant’s ABN/ACN:** |  |
| 1. **Applicant’s AUSTRAC Reference Number (please state if not enrolled):** |  |
| 1. **Are you any of the following?** |  |
| 1. **Remittance Network provider?** | Yes |  No |
| 1. **Remittance Affiliate?** | Yes |  No |
| 1. **Independent Remitter** | Yes |  No |
| 1. **Digital Currency Exchange Service Provider?** | Yes |  No |
| **If yes to any of the above, please provide your AUSTRAC registration number(s):** |  |
| 1. **Designated services provided by the applicant**   *[Please specify the table and item numbers from sub-section 6(2) of the* [*AML/CTF Act*](https://www.legislation.gov.au/C2006A00169/latest/text)*]* |  |
| 1. **Is the applicant part of a group of entities providing the same, or various, designated services?** | Yes |  No |
| 1. **If yes, please list the other related entities and the designated services they provide:**  |  |  |  |  | | --- | --- | --- | --- | | *Legal name of entity* | *ABN/ACN* | *AUSTRAC Reference Number* | *Designated services provided (please specify the Table and relevant item number(s) from the tables in subsection 6(2) of the AML/CTF Act)* | | 1.  2. |  |  |  | | |
| 1. **Section(s) of the AML/CTF Act the applicant is seeking exemption(s) from:** |  |
| 1. **Which designated service(s) will the proposed exemption apply to?**   *[Please specify the Table and relevant item number(s) from the tables in subsection 6(2) of the AML/CTF Act:]* |  |
| 1. **Please give a detailed description of the particular circumstance(s) in which the relevant designated service(s) (listed in Question 8) is, or is to be, provided.**   *(If this is not applicable, the application must indicate that it is not applicable)* |  |
| 1. **Period of proposed exemption:**   *(Exemptions and modifications will generally be granted for a limited, and not indefinite, period.)* |  |
| 1. **Please explain why the exemption is sought, including (if appropriate) why it is not commercially feasible for the applicant or other entities who provide a particular designated service to comply with the relevant requirement(s) of the AML/CTF Act or any other reasons why, in the view of the applicant, it is not appropriate that the particular provision(s) of the AML/CTF Act apply:** |  |
| 1. **Please explain how the applicant will mitigate money laundering and terrorist financing risks in the absence of complying with the specified section(s) of the AML/CTF Act from which exemption(s) are being sought:** |  |
| 1. **Please provide details of any assessment that has been prepared of the level of money laundering and/or terrorism financing risk associated with the proposed exemption, taking into account any relevant AUSTRAC or Financial Action Task Force (FATF) publications or guidance. If no assessment has been prepared, the application must provide a detailed explanation as to why no assessment has been prepared:** |  |
| 1. **What are the estimated one-off costs and, if applicable, any ongoing costs of complying with the relevant section(s) of the AML/CTF Act from which the exemption is sought? Please also provide a detailed explanation for the estimate.** |  |
| 1. **Please provide an explanation of any issues of competitive neutrality. If not relevant, please indicate why.** |  |
| 1. **Please provide any other relevant supporting information**   *[Specify whether any additional information is set out in an annex]* |  |
| 1. **Authorised contact person for the applicant for queries in relation to this application:** | **Name**:  **Position**:  **Email**:  **Phone number**: |
| ***Declaration***  ***The applicant (or the authorised contact person for the applicant) confirms the information and documents provided in support of this application are complete and correct and that the authorised individual is authorised to submit the information in these documents on behalf of the applicant.*** | **Name, and role of authorised individual completing the application:**  **Signature of authorised individual:**  **Date:** |

## Part B: Applicant Questionnaire

### B.1 Inherent Risk (vulnerabilities)

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| --- | --- |
| Entity Characteristics | |
| 1. **Annual pre-tax revenue/annual turnover of the applicant:** | [In AUD] |
| 1. **Value of applicant’s transaction flow or value of customer assets:** | [In AUD]  [Date] |
| 1. **Does the applicant have foreign operations through branches, subsidiaries, or agents outside of Australia?** | Yes |  No |
| 1. **If yes, where these operations are located?** | [List all countries] |
| 1. **How many officers, employees and contractors does the applicant have?** |  |
| 1. **Please provide an explanation/chart setting any corporate or related entity structure to which the applicant belongs:** *[Can be provided as an annex]* | |
| Products and Services | |
| 1. **What percentage of the applicant’s overall business do each of the designated services listed in Question 4 of Section A represent?**   *[List each category and the percentage as detailed]* | **0% (none)**  **11-25%**  **26-50%**  **26-50%**  **51-75%**  **76-100%** |
| 1. **How many transactions, in total, were processed for each of the 3 years prior to this application being lodged?** |  |
| Nature of Customer Relationships | |
| 1. **What is the proportion of ongoing customer relationships vs one-off transactions?** |  |
| 1. **How many customers does the applicant have?** |  |
| 1. **How many new customers has the applicant provided designated services to in the 12 months prior to this application being lodged past year?** |  |
| 1. **How many existing customers has the applicant provided services to in the past year?** |  |
| 1. **How many high-risk customers does the applicant have?** |  |
| 1. **What criteria does the applicant use to determine the level of ML/TF risk?** | |
| 1. **How many medium-risk customers does the applicant have?** |  |
| 1. **What criteria does the applicant use to determine the level of ML/TF risk?** | |
| 1. **How many low ML/TF risk customers does the applicant have?** |  |
| 1. **What criteria does the applicant use to determine the level of ML/TF risk?** | |
| 1. **What percentage of the applicant’s customers are high ML/TF risk customers?** | **0% (none)**  **11-25%**  **26-50%**  **26-50%**  **51-75%**  **76-100%** |
| 1. **Which sorts of high ML/TF risk customers does the applicant provide services to?** *[Check all that apply]*   Domestic Politically Exposed Persons  Foreign Politically Exposed Persons  High Net Worth Individuals  Corporations with opaque or complex ownership  Trusts with opaque or complex ownership  Customers with negative media articles that give rise to concerns about potential ML/TF risk  A transaction involves a person or a company that has a presence or is incorporated in a prescribed foreign country  Other: *[Specify]* | |
| 1. **What percentage of the applicant’s customers are non-resident customers?** | **0% (none)**  **11-25%**  **26-50%**  **26-50%**  **51-75%**  **76-100%** |
| 1. **If the applicant has non-resident customers, in which countries are these customers located?** | *[List countries]* |
| 1. **Please give an overview of the applicant’s target customer market (e.g., corporate vs. personal; resident vs. non-resident; willing to service higher risk customers, etc.):** | |
| Geographic Reach | |
| 1. **Does the applicant have activities relating to prescribed foreign countries as defined by the *Anti‑Money Laundering and Counter‑Terrorism Financing* (Prescribed Foreign Countries) *Regulations 2018*?** | Yes |  No |
| 1. **If yes:** *[Check all that apply]* | Iran  DPRK |
| 1. **Does the applicant have activities in countries or areas of concern?** | Yes |  No |
| 1. **If yes:** *[Check all that apply]*   Countries [deemed by the FATF to be a high-risk jurisdiction](https://www.austrac.gov.au/business/core-guidance/amlctf-programs/money-launderingterrorism-financing-risk-assessment) or a jurisdiction with significant weaknesses in their AML/CTF regime  Prescribed foreign countries  Countries subject to sanctions  Known tax havens  Known to provide support to terrorist organisations  Myanmar  [See: [AUSTRAC Guidance on high-risk countries, regions and groups](https://www.austrac.gov.au/business/how-comply-and-report-guidance-and-resources/customer-identification-and-verification/high-risk-countries-regions-and-groups)] | |
| 1. **What percentage of the applicant’s activities (transactions) relate to the high-risk jurisdictions and areas or countries of concern outlined above?** | 0% (none)  11-25%  26-50%  26-50%  51-75%  76-100% |
| 1. **What is the nature of the activities that the applicant carries out in high-risk jurisdictions (e.g.: branches, correspondent relationships, customer residence, customer business interests, etc.):** | |
| Delivery Channels | |
| 1. **Does the applicant have a non-face-to-face business model, or onboard customers without face-to-face interaction?** | Yes |  No |
| 1. **Does the applicant use third party intermediaries or agents to onboard customers?** | Yes |  No |
| 1. **If yes:** *[Check all that apply]*   Domestic intermediaries/agents not regulated for AML/CTF compliance  Regulated domestic intermediaries/agents  Foreign intermediaries/agents   * If foreign intermediaries/agents: *[List countries]* | |
| 1. **If yes, how many agents or third-party intermediaries does the applicant use (in each relevant category listed in Question 23a.)?** |  |
| 1. **If yes, please describe what products or services do those agents or third-party intermediaries provide the applicant with (in each relevant category listed in Question 23a.)?** |  |
| 1. **Does the applicant accept any of the following types of payments?** | Yes |  No |
| 1. **If yes:** *[Check all that apply]*   Cash  Precious metals and stones  Digital currencies/assets  Other forms of stored value: *[Specify]* | |
| Vulnerability Trends | |
| 1. **Do you consider that the trend in inherent vulnerability to ML/TF (taking into account the above categories (e.g.: products or services, geography)) facing your entity has increased, decreased or remained stable over the 3 years prior to the application being lodged?** *[Please give reasons]* | |

### B.2 Mitigating controls

|  |  |
| --- | --- |
| Risk Assessment: Reporting Entity Risk Assessment | |
| 1. **Does the applicant have a documented ML/TF risk assessment?** | Yes |  No |
| 1. **If yes, when was it last undertaken:** | [Start Date - End Date] |
| 1. **What factors has the ML/TF risk assessment considered?** *[Check all that apply]*   Customers  Countries/Jurisdictions  Products and Services  Business Practices/Delivery Channels  Other: [Specify] | |
| 1. **What is the process and the frequency for the ML/TF risk assessment to be reviewed and updated?** *[Please explain/provide further details]* | |
| Risk Assessment: Customer Risk Assessment | |
| 1. **Does the applicant assign documented risk ratings to its customers or categories of customers?** | Yes |  No |
| 1. **Has the risk assessment considered different drivers of customer risk?** | Yes |  No |
| 1. **If yes:** *[Check all that apply]*   Customer Transaction History  Geographic Nexus  Delivery Channels Used  Products/Services Used  Inherent Characteristics of the Customer that Represent Higher Risk | |
| 1. **What is the process and frequency for customer risk ratings to be reviewed and updated?** *[Please explain/provide further details]* | |
| Policies, Procedures and Systems: Programs | |
| 1. **Does the applicant have a documented AML/CTF program?** | Yes |  No |
| 1. **Is it a standard program, a joint program or a special program?** | [Please specify] |
| 1. **Was the AML/CTF program developed to mitigate risks identified in the risk assessment?** | Yes |  No |
| 1. **How many breaches of the AML/CTF program have been identified (in the 12 months prior to this application being lodged)?** |  |
| Policies, Procedures and Systems: Procedures and Systems | |
| 1. **What procedures or systems does the applicant have in place to carry out obligations under the AML/CTF program for:** *[Check all that apply]*   Customer Due Diligence  Beneficial ownership  PEPs  Ongoing monitoring  Unusual/suspicious transactions  [Please enclose the relevant sections of the applicant’s procedures] | |
| 1. **Are group-wide programs against ML/TF implemented and applicable to all branches and (majority-owned) subsidiaries of the group?** | Yes  No  Not applicable |
| 1. **How and with what frequency are the applicant’s AML/CTF procedures or systems updated?** | |
| CDD: Customer Identification | |
| 1. **Does the applicant identify and verify all its customers’ identities in the situations required by law and in accordance with its AML/CTF program?** | Yes |  No |
| 1. **Please describe the measures the applicant applies to identify and verify customers in accordance with its AML/CTF program and the specific information it requires:** | |
| 1. **Has the applicant rejected customers with incomplete customer identification and/or verification within the past 2 years?** | Yes |  No |
| 1. **If yes, on how many occasions?** |  |
| CDD: Legal Persons and Arrangements and Beneficial Ownership | |
| 1. **Does the applicant identify customers who are legal persons or legal arrangements in the situations required by law and in accordance with its AML/CTF program?** | Yes |  No |
| 1. **Does the applicant identify and verify the identity of the natural person(s) who ultimately owns or controls a legal person or legal arrangement?** | Yes |  No |
| 1. **Does the applicant make and keep records of customer identification of legal persons and legal arrangements?** | Yes |  No |
| 1. **If yes:** *[Check all that apply]*   Name (including trustees, appointors etc.)  Nature of Business  Business Address  Purpose of Account  Articles of Incorporation, Partnership Agreement, Trust Agreement, etc. | |
| CDD: Ongoing Due Diligence | |
| 1. **What steps are taken to ensure that customer identification and beneficial ownership files are kept up to date?** | |
| 1. **What steps are taken to ensure that there is ongoing due diligence to verify that transactions are consistent with the customer’s risk profile?** | |
| 1. **Please describe any systems used to assist with this process and the frequency of updates.** | |
| Enhanced Measures: Identifying High Risk Customers and Situations | |
| 1. **Does the applicant have an Enhanced Customer Due Diligence (“ECDD”) program?** | Yes |  No |
| 1. **What types of customers, designated services, channels, and jurisdictions does the applicant consider to be a high level of ML/TF risk? [Please describe]** | |
| 1. **What controls does the applicant have in place to ensure the consistency of ECDD operations, monitoring and internal reporting? [Please describe and append the relevant documentary proof]** | |
| 1. **How many customers have been identified as foreign politically exposed persons?** |  |
| 1. **How many customers have been identified as domestic politically exposed persons?** |  |
| 1. **During the 12 months prior to this application being lodged, how many transactions related to prescribed foreign countries or areas/countries of concern have taken place?** |  |
| 1. **What is the total value of those transactions?** | [In AUD] |
| 1. **What is the median value of those transactions?** | [In AUD] |
| 1. **During the 12 months prior to this application being lodged, has the applicant rejected potential customers or closed existing customer relationships due to high risk factors?** | Yes |  No |
| 1. **If yes, how many potential customers have been rejected?** |  |
| 1. **If yes, how many existing customer relationships have been closed?** |  |
| Enhanced Measures: Application | |
| 1. **Does the applicant apply enhanced mitigating controls to address high ML/TF risks?** | Yes |  No |
| 1. **If yes:** *[Check all that apply]*   Obtain more information (customer ID, beneficial ownership, transaction purpose)  Update customer information more frequently  Take reasonable measures to identify the customer’s source of wealth and funds  Increase the degree and level of transaction monitoring  Obtain senior management approval of the business relationship  Other: *[Specify]* | |
| 1. **Is the application of enhanced measures variable in relation to the identified risk of the customer or situation?** | Yes |  No |
| 1. **Does the applicant’s senior management have ongoing oversight in relation to high ML/TF risk customers and situations?** | Yes |  No |
| 1. **If yes, is the applicant’s senior management approval required prior to onboarding high ML/TF risk customers and transacting in high ML/TF risk situations?** | Yes |  No |
| Targeted Financial Sanctions | |
| 1. **Does the applicant screen customers against the UN targeted financial sanctions lists for terrorist financing (UNSCR 1267 and its successor resolutions)?** | Yes |  No |
| 1. **Does the applicant screen customers against national-level targeted financial sanctions lists for terrorist financing (UNSCR 1373 and its successor resolutions)?** | Yes |  No |
| 1. **If yes, which (supra) national-level lists are checked?** *[Check all that apply]*   Australian Consolidated List  United States (OFAC)  European Union  United Kingdom  Other: *[Specify]* | |
| 1. **Does the applicant screen customers against the UN targeted financial sanctions lists for proliferation financing (UNSCR 1718 and its successor resolutions, and UNSCR 2231)?** | Yes |  No |
| Suspicious Matters and TTRs: Transaction Monitoring | |
| 1. **Does the applicant monitor for potentially suspicious matters?** | Yes |  No |
| 1. **If yes:** *[Check one]*   Manually  Automatically  Both manually and automatically | |
| 1. **Does the applicant have expected turnaround times to analyse potential suspicious matters?** | Yes |  No |
| 1. **If yes, what is the expected turnaround time from the time the matter arose or transaction is processed?** | [Number of Days] |
| 1. **Does the applicant have a different expected turnaround time to analyse ML-related potentially suspicious matters from analysing TF-related potentially suspicious matters?** | Yes |  No |
| 1. **Does the applicant have a designated person responsible for filing suspicious matters?** | Yes |  No |
| Suspicious Matters and TTRs: Reports Filed | |
| 1. **Has the applicant reported suspicious matters to AUSTRAC?** | Yes |  No |
| 1. **If yes, how many SMRs have been filed in the 12 months prior to this application being lodged?** |  |
| 1. **Does the applicant file SMRs even when it does not suspect a specific crime that a transaction may be related to?** | Yes |  No |
| 1. **How many TTRs has the applicant filed with AUSTRAC in the 12 months prior to this application being lodged?** |  |
| Internal Controls: AML/CTF Compliance Officer | |
| 1. **Has the applicant appointed an AML/CTF compliance officer with responsibility for the implementation of the AML/CTF program** | Yes |  No |
| 1. **Is the AML/CTF compliance officer at a management level?** | Yes |  No |
| 1. **Does the AML/CTF compliance officer have access to all customer and business files and records?** | Yes |  No |
| 1. **Does the AML/CTF compliance officer have access to all transaction systems, files, and records?** | Yes |  No |
| Internal Controls: Employee Screening | |
| 1. **Does the applicant have an employee due diligence program to screen employees to ensure high standards of integrity?** | Yes |  No |
| 1. **Are employees screened on integrity pre-employment?** | Yes |  No |
| 1. **Are employees screened on integrity in-employment?** | Yes |  No |
| Internal Controls: Training | |
| 1. **Does the applicant have an AML/CTF risk awareness training program?** | Yes |  No |
| 1. **What does the training program cover?** *[Specify]* | |
| 1. **How many employees have AML/CTF responsibilities?**   **(full-time equivalent positions):** |  |
| 1. **Which employees with AML/CTF responsibilities receive training?** *[Specify]* | |
| Internal Controls: Audit/Independent Reviews | |
| 1. **Does the applicant have a process for independently reviewing the AML/CTF compliance program?** | Yes |  No |
| 1. **What is the frequency of the independent review?**   Every year  Every two years  Other:*[Specify]* | |
| 1. **Who conducts the independent review?** |  |
| 1. **What elements of the AML/CTF program does the independent review examine?** *[Specify]* | |
| 1. **Does the independent review examine the integrity and accuracy of information management and information technology systems used in the AML/CTF compliance program (including transaction monitoring systems, if applicable)?** | Yes |  No |
| Internal Controls: Group-Wide Programs | |
| 1. **Is the applicant part of a group that maintains a group-wide AML/CTF program?** | Yes |  No1 |
| *If not applicable because the applicant is not part of a group, please continue with question 88. If applicable: please answer questions 84-87.* | |
| 1. **Does the group the applicant is part of implement group-wide AML/CTF programs applicable and appropriate to all branches and majority-owned subsidiaries of the group?** | Yes |  No |
| 1. **Do these group-wide AML/CTF programs include measures on:**   *[Check all that apply]*  Compliance management arrangements  Employee screening procedures  An ongoing employee training program  An independent audit function to test the system | |
| 1. **Do the group-wide AML/CTF programs include measures on policies and procedures for sharing information required for the purposes of:** 2. **CDD** 3. **ML/TF risk management** | Yes |  No  Yes |  No |
| 1. **Do the group-wide AML/CTF programs include measures on the provision, at group-level compliance, audit, and/or AML/CTF functions, of customer, account, and transaction information from branches and subsidiaries when necessary for AML/CTF purposes?** | Yes |  No |
| 1. **If yes, do these measures include information and analysis of transactions or activities which appear unusual (if such analysis was done), including: an SMR, its underlying information, or the fact that an SMR has been submitted?** | Yes |  No |
| 1. **Do the group-wide AML/CTF programs include measures on adequate safeguards on the confidentiality and use of information exchanged, including safeguards to prevent tipping-off?** | Yes |  No |
| Internal Controls: Foreign Branches and Majority-Owned Subsidiaries | |
| 1. **Does the applicant have foreign branches and majority-owned subsidiaries?** | Yes |  No2 |
| *2 If not applicable, you have completed this portion of the application and may proceed to Part C. If applicable, please answer question 89.* | |
| 1. **Does the applicant ensure its foreign branches and majority-owned subsidiaries apply AML/CTF measures consistent with the home-country requirements of the entity to the extent permitted?** | Yes |  No |

## Part C: Designated service questionnaire

You are required to fill in the following questionnaire to give AUSTRAC information on the nature of the money laundering/terrorist financing risks and the controls your business has in place to mitigate those risks in relation to the designated service for which you are seeking an exemption. If your application relates to multiple designated services, you must complete this section for each designated service, or give written reasons as to why the exemption applied for does not differ between the different designated services provided.

### C.1 Inherent risk (vulnerabilities)

|  |  |
| --- | --- |
| Customer Base and Transparency | |
| 1. **Are high-risk customers able to use the designated service to execute transactions or invest value?** | Yes |  No |
| 1. **Do any of the following types of high-risk customers use the designated service?** *[Check all that apply]*   Domestic Politically Exposed Persons  Foreign Politically Exposed Persons  High Net Worth Individuals  Corporations with opaque or complex ownership  Trusts with opaque or complex ownership  Customers with negative media articles  A person or company that has a presence or is incorporated in a prescribed foreign country  Other: *[Specify]* | |
| 1. **What percentage of customers of the designated service are high ML/TF risk customers?** | 0% (none)  11-25%  26-50%  26-50%  51-75%  76-100% |
| 1. **Does the designated service allow anonymous use by the customer?** | Yes |  No |
| 1. **Does the designated service allow the customer to execute transactions or invest value on behalf of others?** | Yes |  No |
| 1. **If yes, are the other parties subject to customer due diligence by the reporting entity?** | Yes |  No |
| 1. **Can the designated service be accessed by customers through a correspondent banking or other similar cross-border relationship?** | Yes |  No |
| 1. **If yes, explain the nature of the relationship, the location of the respondent/ equivalent, and the types of customers that may access the designated service through such relationships:** | |
| 1. **Does the designated service require verification of customer eligibility by the Government of Australia?** | Yes |  No |
| Value | |
| 1. **What is the total value of transactions flowing through or investments placed through the designated service over the most recent twelve-month period available?** | [In AUD]  [Period Covered] |
| 1. **What percentage of the applicant’s total transaction flow or investment value placed did the designated service represent during the twelve-month period?** | 0% (none)  11-25%  26-50%  26-50%  51-75%  76-100% |
| 1. **What is the median value of transactions flowing through or investments placed through the designated service over the most recent twelve-month period available?** | *[In AUD]*  *[Period Covered]* |
| 1. **What percentage of the total transaction flow or investment value placed through the designated service involve the receipt or payment of cash?** | 0% (none)  11-25%  26-50%  26-50%  51-75%  76-100% |
| 1. **To what extent can the designated service be used to store and move funds easily and quickly:** *[Check one]*   None  To a limited extent  To a moderate extent  To a great extent | |
| 1. **Please explain what specific characteristics or features of the designated service facilitate or preclude storing and moving funds quickly and with ease:** | |
| Complexity | |
| 1. **Does the designated service allow customers to move funds to/from or place investments in foreign jurisdictions?** | Yes |  No |
| 1. **If yes, what percentage of the transaction flow or investment value placed through the designated service involved a foreign jurisdiction during the most recent twelve-month period available?** | 0% (none)  11-25%  26-50%  26-50%  51-75%  76-100% |
| 1. **To what extent is delivery of the designated service outsourced to another party:** *[Check one]*   None  To a limited extent  To a moderate extent  To a great extent | |
| 1. **Please explain what specific characteristics or features contribute to the complexity of the designated service and how these may contribute to ML/TF risk (e.g., does the designated service allow payments from third parties and is the identity of the third party known):** | |

### C.2 Mitigating controls

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| --- | --- |
| Service-Specific Mitigating Controls | |
| 1. **(a) Have additional specific controls been applied to mitigate the particular inherent ML/TF vulnerabilities of the designated service beyond the general controls outlined in Part B above?**   **(b) Alternatively, will additional specific controls be put in place if the exemption is granted?** | Yes |  No  Yes |  No |
| **If yes to either (a) or (b) above:** *[Check all that apply]*  Enhanced risk-based customer identification  Enhanced risk-based ongoing monitoring  Enhanced controls to ensure no dealings with high-risk jurisdictions  Additional training for staff on red flag indicators relevant to the service  Additional internal controls: *[Specify]*  Any other additional service-specific controls: *[Specify]* | |
| 1. **Have transaction value limits or caps been applied to the designated service?** | Yes |  No |
| 1. **If yes, describe the nature and value of the limits or caps applied:** | |

## Part D: Part 11 applications

Please complete this Part if your application seeks an exemption from, or modification to, any provision in Part 11 of the AML/CTF Act.

|  |  |
| --- | --- |
| Reason(s) for Exemption/Modification Application | |
| 1. **Please specify the provision (s) in Part 11 of the AML/CTF Act which is relevant to this application:** | |
| 1. **What is the reason(s) for your exemption/modification application?**   *[Check all that apply]*  Merger and acquisition  Disclosure between the parties for the purposes of a transitional services arrangement  Disclosure to legal adviser (s)  Disclosure in connection with court or tribunal proceedings  Outsourcing of transaction monitoring or other services to meet AML/CTF obligations  Independent review beyond the scope provided in the AML/CTF Act and Rules  Disclosure to an individual appointed by a government authority to monitor remediation measures  Sharing between entities of a corporate group where one or more is not an enrolled or registered AUSTRAC reporting entity, or regulated by laws of a foreign country that give effect to some or all of the FATF Recommendations  Other reason(s) not listed above: *[Specify]* | |
| Suspicious Matter Material Disclosure | |
| ***[Note: Suspicious Matter Material refers to any information, the disclosure of which would engage subsections 123(1) and/or (2) of the Act.]***   1. **What Suspicious Matter Material (or other material) will be disclosed if your exemption/modification application is approved?** *[Check all that apply]*   Transaction data leading up to the formation of suspicion.  Suspicious Matter Report (SMR) required to be submitted to AUSTRAC.  SMR previously submitted to AUSTRAC.  Anything from which it could be reasonably inferred that the reporting entity has submitted or is required to submit an SMR.  A section 49(1) notice.  Anything that indicates that information has been produced in response to a section 49(1) notice.  Anything from which it could be inferred that a section 49(1) notice has been received and/or information or documents have been produced under such a notice.  The disclosure includes information on one or more of the following:  *[Check all that apply]*  Money laundering  Terrorist financing  Offence against the Commonwealth, State or Territory  Tax evasion  Proceeds of crime  Proliferation financing  National security  Countering foreign interference  Organised crime  Drug trafficking  Child exploitation  Fraud and scams  Bribery and corruption  Any other information: *[Please specify]* | |
| Parties to the Disclosure | |
| Disclosing Entity details | |
| 1. **Will the applicant be disclosing the Suspicious Matter Material (or any other information)?** | Yes |  No  *[If ‘Yes’, please proceed to Q6. If ‘No’, please answer Q5]* |
| 1. **If the answer to Q4 is “No”, please specify the following details for the entity disclosing the Suspicious Matter Material (or other information) (Disclosing Entity):** |  |
| 1. **What is the legal entity name of the Disclosing Entity?** |  |
| 1. **Is the Disclosing Entity enrolled or registered with AUSTRAC?** | Yes |  No |
| 1. **What is the Disclosing Entity’s AUSTRAC Reference Number?** |  |
| Recipient Entity details | |
| 1. **How many non-individual entities will the Suspicious Matter Material (or other information) be disclosed to?** |  |
| 1. **Please list the other non-individual entities to whom disclosure will be made in the table below:**  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | Legal entity name | ACN/ ABN | Relation- ship to Applicant | Enrolled/ Registered with AUSTRAC?  Y/N | AUSTRAC Reference Number | Based overseas?  Y/N | Country of domicile | Is this entity a ‘reporting entity’ under that country’s AML/CTF legislation?  Y/N | |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  | | |
| 1. **How many individuals will be Suspicious Matter Material (or other information) be disclosed to?** | 2-5  6-10  11-15  16-20  More than 20 |
| 1. **Are the individuals (from Q8) officers or employees of the applicant, or any of the non-individual entities listed in Q7?** | Yes |  No |
| Existing Control Measures | |
| 1. **Identify the current control measures of the applicant (or the provider of Suspicious Matter Material) and the proposed Recipient(s):** *[Check all that apply]* 2. **Applicant**   **Data Protection:** Have internal procedures, systems and safeguards to keep Suspicious Matter Material confidential (e.g., access subject to approval, limiting access, electronic log of users’ access, criteria for terminating access).  **Data Protection and Privacy:** Have procedures and systems to ensure data encryption, secure communication channels and secure storing of any record of Suspicious Matter Material.  **Regulatory Violations:** No regulatory violations or warnings from AML/CTF or Privacy regulators in the last five years.  **Staff vetting:** Complete probity checks on staff prior to them dealing with Suspicious Matter Material.  **Training:** Staff complete specialised training prior to the handling of Suspicious Matter Material.  **Audit:** Completed audits of AML/CTF including on SMR processes and data protection.  **Privacy Impact Assessment:** Completed an assessment of the proposed disclosure.  **Due Diligence on Recipient Data Protection:** Completed due diligence on the Recipient’s data security and compliance practices, including any warnings or sanctions from the Privacy Regulator.  **Recipient AML/CTF Controls:** Assessed the Recipient’s AML/CTF controls.   1. **Recipient(s)**   **Suspicious Matters Material Processes:** Has existing secure processes (e.g., data storage and access control and record, encryption communications) for handling Suspicious Matters Material or equivalent, including Suspicious Transactions Reporting if not based in Australia.  **Staff vetting:** Complete probity checks on staff prior to them dealing with Suspicious Matter Material.  **Training:** Staff complete specialised training before handling Suspicious Matter Material.  **Contractors:** Complete screening and training before handing Suspicious Matter Material and appropriate oversight arrangements are in place  **Regulatory Record:** No warning or violations for AML/CTF or the country’s data protection and privacy laws. | |
| Risk Assessment of Tipping Off | |
| 1. **Has an assessment of the risk of tipping off through the proposed disclosure of Suspicious Matter Material been undertaken?** | Yes |  No |
| 1. **If no, please describe the risk of tipping off through the proposed disclosure:** *[Explain]* | |
| Additional Control Measures (if exemption/modification is approved) | |
| 1. **Please identify the proposed additional mitigation measures that will be implemented:** *[Check all that apply]*   **Formal Agreement:** Sign a confidentiality agreement with the Recipient of the disclosure capable of enforcement by injunction or damages.  **Purpose of Disclosure:** Have agreement and procedures to ensure the Recipient uses the disclosed Suspicious Matter Material as intended.  **Secure Data Destruction:** Delete or return all disclosed Suspicious Matter Material immediately upon request.  **Training:** Deliver training for staff on complying with the specific exemption conditions.  **Monitoring:** Undertake ongoing monitoring of compliance with the conditions of the exemption and the formal Agreement between the parties.  **Senior Management Reporting:** File reports to senior management of violations of the exemption conditions and corrected actions, including sanctions against staff.  **AUSTRAC Notification:** Notify AUSTRAC within 14 days if unable to maintain confidentiality.  **Independent Audit:** Complete an annual independent audit of the specified exemption conditions, access controls and data sharing processes to identify and address potential vulnerabilities, either as part of any ongoing AML/CTF audit, or as a standalone audit.  **Contingency Plan:** Adopt contingency plans if the relationship with the Recipient needs to be terminated.  **Other Measures:** Implement other planned mitigation measures to reduce the risk of tipping off for the requested exemption: *[Specify]* | |
| Expected Benefits of Exemption | |
| 1. **Please identify the expected benefits should your application be granted:**   *[Check all that apply]*  Transaction monitoring  Suspicious matter reporting  CDD  Overall AML/CTF compliance  Other: *[Specify]* | |