



# **Anti-Money Laundering and Counter-Terrorism Financing Rules Amendment Instrument 2007 (No. 3)**

*Anti-Money Laundering and Counter-Terrorism Financing  
Act 2006*

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I, NEIL J JENSEN, Chief Executive Officer, Australian Transaction Reports and Analysis Centre, make this Instrument under section 229 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

Dated 24 October 2007

[Signed]  
NEIL J JENSEN  
Chief Executive Officer  
Australian Transaction Reports and Analysis Centre

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**1 Name of Instrument**

This Instrument is the *Anti-Money Laundering and Counter-Terrorism Financing Rules Amendment Instrument 2007 (No. 3)*.

**2 Commencement**

This Instrument commences on the day after it is registered.

**3 Amendment**

Schedule 1 amends the *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)*.

## **Schedule 1 Amendment**

**1 Schedule 2, after Chapter 13**

*insert*

## **Chapter 14 Thresholds for certain designated services**

- 14.1. These Anti-Money Laundering and Counter-Terrorism Financing Rules (Rules) are made under section 229 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act) for subsection 39(4) of that Act.
- 14.2. Subject to paragraph 14.5 below, Division 4 of Part 2 of the AML/CTF Act does not apply to a designated service that:
- (1) involves issuing a cheque that an ADI, bank or other institution draws on itself as described in the definition of 'bill of exchange' in section 5 of the Act as described in item 17 of table 1 in section 6; and
  - (2) meets either of the following requirements:
    - (a) the face value of the cheque is less than \$5,000 (Australian or the foreign equivalent) and the cheque is drawn from an account held at the issuing:

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- (i) ADI; or
  - (ii) building society; or
  - (iii) bank; or
  - (iv) credit union; or
  - (v) a representative office of a foreign bank; and

the cheque contains details of a payee; or

(b) where subparagraph 14.2(2)(a) does not apply:

- (i) the face value of the cheque is less than \$1,000(Australian or the foreign equivalent); and
- (ii) the cheque is funded by physical currency.

14.3. Subject to paragraph 14.5 below, Division 4 of Part 2 of the AML/CTF Act does not apply to a designated service that:

- (1) involves issuing, cashing or redeeming a traveller's cheque or traveller's cheques as described in items 25 or 26 of table 1 in section 6; and
- (2) the total sum of the face value of the traveller's cheques issued, cashed or redeemed in any one transaction is less than \$1,000 (Australian or the foreign equivalent).

14.4. Subject to paragraph 14.5 below, Division 4 of Part 2 of the AML/CTF Act does not apply to a designated service that:

- (1) is of a kind described in item 50 of table 1 or item 14 of table 3 in section 6; and
- (2) meets either of the following requirements:
  - (a) the value of the currency is less than \$1,000 (Australian or the foreign equivalent) into or out of an account, and the account provider is:
    - (i) an ADI; or
    - (ii) a building society; or
    - (iii) a bank; or
    - (iv) a credit union; or
    - (v) a representative office of a foreign bank; or

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- (b) where subparagraph 14.4(2)(a) does not apply:
- (i) the value of the currency is less than \$500 (Australian or the foreign equivalent); and
  - (ii) the proceeds and/or funding source of the service described in item 50 of table 1 or item 14 of table 3 are in the form of physical currency.

14.5. The exemptions in paragraphs 14.2 to 14.4 of these Rules do not apply where a reporting entity determines in accordance with its enhanced customer due diligence program that it should obtain and verify any KYC information about a customer in accordance with its customer identification program.

14.6. In these Rules:

- (1) ‘KYC information’ has the meaning given by Chapter 1 of *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)*; and
- (2) ‘representative office of a foreign bank’ is an office of the foreign bank in Australia in respect of which the foreign bank has obtained written consent to establish the representative office in Australia under section 67 of the *Banking Act 1959* from the Australian Prudential Regulation Authority.

*Reporting entities should note that in relation to activities they undertake to comply with the AML/CTF Act, they will have obligations under the Privacy Act 1988, including the requirement to comply with the National Privacy Principles, even if they would otherwise be exempt from the Privacy Act. For further information about these obligations, please go to <http://www.privacy.gov.au> or call 1300 363 992.*