

## Superannuation funds' support to bushfire and flood victims

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13 February 2009

The Australian Transaction Reports and Analysis Centre (AUSTRAC) has given guidance to superannuation funds that may not be able to comply with section 32 of the *Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act 2006* (the 'carrying out the applicable customer identification' procedure before the commencement of the provision of a designated service' requirement).

This guidance only applies if the superannuation fund makes a payment to a member on compassionate grounds or severe financial hardship grounds (under the *Superannuation Industry (Supervision) Regulations 1994* (SIS) Regulations) as a result of Victorian bushfires or north Queensland floods.

AUSTRAC has indicated that it will adopt a supervisory approach and will not commence enforcement action against a superannuation fund for breaching section 32 of the AML/CTF Act. This will apply only where the fund provides an item 43 designated service\* by making a payment to a member who was adversely affected by the Victorian bushfires or Queensland floods in the following circumstances:

- the Australian Prudential Regulation Authority has determined an amount of preserved benefits or restricted non-preserved benefits is to be released on compassionate grounds pursuant to regulation 6.19A of the SIS Regulations;
- the trustee of the superannuation fund approves the early release of superannuation benefits pursuant to regulation 6.01(5) of the SIS Regulations.

\*Item 43 designated service includes a service provided in the capacity of a trustee of a superannuation fund (other than a self managed superannuation fund).

*Source*

The Australian Transaction Reports and Analysis Centre, Superannuation funds, 12 February 2009.  
[http://www.austrac.gov.au/superannuation\\_funds.html](http://www.austrac.gov.au/superannuation_funds.html)

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