



1. Policy Statement

OnCourse is committed to preventing its funds, assets and charitable activities from being misused for money laundering (ML), terrorism financing (TF), sanctions breaches, fraud, bribery, corruption or other financial crime.

OnCourse will take reasonable and proportionate steps to:

- protect its charitable funds and other assets from misuse;
- understand and manage its financial crime risks;
- conduct appropriate/proportionate due diligence on relevant people, organisations and third parties;
- ensure funds provided for charitable activities are used for their intended purposes;
- comply with applicable Australian laws and the laws applicable to its activities overseas; and
- maintain appropriate records demonstrating its governance, financial controls and risk management.

OnCourse will apply a risk-based and proportionate approach having regard to its nature, size and complexity.

2. Purpose

The purpose of this Policy is to establish a risk-based framework for managing OnCourse's financial crime risks, including ML/TF, sanctions, fraud, bribery and corruption.

3. Scope

This Policy applies to:

- OnCourse membership committee members;
- employees;
- volunteers where relevant to their activities;
- third parties involved in or supporting OnCourse's overseas activities, where relevant to their role or relationship with OnCourse.

The Policy applies to OnCourse's activities in Australia and overseas.



4. Regulatory, Legal and Relevant Guidance

OnCourse will comply with applicable Australian laws relating to ML/TF, sanctions, fraud, bribery and corruption, including, where applicable:

- *Criminal Code Act 1995 (Cth)*;
- *Charter of the United Nations Act 1945 (Cth)*;
- *Autonomous Sanctions Act 2011 (Cth)*; and
- applicable Australian sanctions regulations and legislative instruments.

OnCourse will also comply with applicable laws in jurisdictions in which it operates, including applicable laws relating to bribery and corruption.

In developing this Policy, OnCourse has had regard to relevant guidance issued by Australian Transaction Reports and Analysis Centre (AUSTRAC)¹, the Australian Charities Non-For-Profits Commission (ACNC), the Australian Sanctions Office and other relevant Australian Government agencies.

5. Key Definitions

5.1 Money laundering

Money laundering involves dealing with proceeds of crime in a way intended to conceal their criminal origin or make them appear legitimate.

5.2 Terrorism financing

Terrorism financing involves providing or collecting funds or other assets with the intention that they be used to support terrorism, terrorist organisations or terrorist acts.

Unlike money laundering, terrorism financing may involve legitimate funds, including charitable donations.

5.3 Sanctions

Australian sanctions laws impose restrictions on dealings with certain countries, regions, individuals and entities.

Targeted financial sanctions can prohibit making assets available directly or indirectly to a designated person or entity or dealing with assets owned or controlled by them. The Australian Sanctions Office maintains the Australian Consolidated List of designated individuals, entities and vessels.

¹ AUSTRAC is Australia's anti-money laundering and counter-terrorism financing regulator and specialist financial intelligence unit.



5.4 Fraud

Fraud occurs when someone acts in a dishonest or deceptive way to gain a benefit, or so that someone else experiences a loss.

5.5 Bribery

Bribery occurs when someone offers money or something of value to a public official to persuade them to do something in their official duties that they would not otherwise do for an advantage.

5.6 Corruption

An act or omission for an improper or unlawful purpose, which involves the abuse of a position of trust or power.

6. OnCourse's Risk Assessment

OnCourse operates in Nakura, Kenya, where it provides funding and other charitable support to schools, families and other beneficiaries. It also supports the Actions Not Words Foundation feeding program and employs a person in Kenya to execute its overseas activities.

Kenya presents a different ML/TF, bribery, corruption and financial crime risk environment from Australia. Bribery and corruption risks may arise in dealings involving government/public officials, permits, procurement and contractors. Kenya has established anti-bribery laws, however, recognised corruption risks remain relevant to OnCourse's activities and third party relationships.

Kenya has also experienced terrorism and terrorist activity, including attacks associated with Al-Shabaab and is subject to the Financial Action Task Force (FATF) increased monitoring for strategic deficiencies in its AML/CTF framework. Although Nakuru is not near the Kenya-Somalia border, these broader country risks remain relevant to OnCourse's operating environment.

OnCourse therefore considers the country and operating environment when assessing the risks associated with its overseas activities and applies proportionate controls.

6.1 Risk-based approach

OnCourse applies a risk-based approach, with controls proportionate to the nature, scale and risks of its activities.

6.2 Risk assessment

OnCourse's principal financial crime risks arise from its overseas activities, including:

- transferring charitable funds from Australia to Kenya including managing and overseeing those funds;
- supporting projects and activities involving schools, families and vulnerable beneficiaries;
- working with third parties to deliver capital projects;
- interacting with government or public officials, where relevant; and



- operating in a country with a different ML/TF and financial crime risk environment from Australia.

These risks include:

- diversion, fraud, or misuse of charitable funds;
- bribery or corruption involving OnCourse membership committee members, employees, volunteers or third parties;
- funds or other assets being made available to a designated person or entity;
- unusual donations or payments being used to facilitate inappropriate activity; and
- legitimate charitable activities being exploited or diverted for inappropriate purposes.

These risks are mitigated by OnCourse's:

- simple organisational structure and ACNC registration;
- membership committee member oversight;
- appropriate recruitment and background checks including good standing prior to onboarding;
- use of formal banking channels where reasonably practicable;
- financial controls, transfer approvals, record keeping and regular audits;
- proportionate due diligence on third parties;
- monitoring of overseas projects and activities, including regular visits to Kenya; and
- annual reports to donors and sponsors with breakdown of operational and administrative spending.

OnCourse considers its financial crime risks to be appropriately managed through the controls described in this Policy, with particular attention given to its overseas activities, international funds transfers, cash handling and relationships with overseas third parties.

The risk assessment will be reviewed at least every three years and following a material change to:

- OnCourse's activities or risk profile;
- countries of operation;
- overseas third party arrangements
- fundraising model;
- material financial arrangements; or
- relevant legislation or regulatory guidance.



7. Governance and Responsibilities

The OnCourse membership committee members are responsible for oversight of OnCourse's financial crime risk management framework, including approval of this Policy, oversight of the risk assessment and consideration of material financial crime risks.

Employees and volunteers are expected to comply with this Policy and promptly raise concerns regarding suspected ML/TF, sanctions breaches, fraud, bribery or corruption with the membership committee members.

OnCourse will communicate relevant financial crime, bribery, corruption and sanctions requirements to third parties where appropriate to the nature and risk of the relationship. Third parties undertaking activities on behalf of, or funded by, OnCourse are expected to comply with applicable requirements communicated to them by OnCourse.

Concerns relating to a third party must be escalated to the membership committee members.

8. Bribery and Corruption

OnCourse has zero tolerance for bribery or corruption in connection with its activities.

OnCourse will take reasonable and proportionate steps to minimise the risk of bribery, corruption and other financial impropriety in its overseas activities, including by:

- ensuring relevant employees understand and comply with this Policy;
- maintaining appropriate financial controls and approval processes;
- conducting appropriate due diligence on relevant overseas third parties;
- monitoring overseas projects, expenditure and use of funds;
- maintaining appropriate financial records;
- providing a mechanism for reporting suspected wrongdoing; and
- escalating suspected bribery, corruption or other financial impropriety to the membership committee members.

OnCourse employees must not make, offer, promise or authorise an improper payment or other benefit to a public official or any other person to obtain an improper advantage.

OnCourse prohibits facilitation payments, unofficial payments and other improper payments. Any request for such a payment must be refused where reasonably practicable and promptly reported to the membership committee members.

9. Fundraising and Donations

9.1 Fundraising channels



OnCourse primarily receives funds through:

- sponsorships by EFT;
- donations by EFT; and
- fundraising activities such as trivia events, which may generate a small volume of cash.

OnCourse uses formal banking channels wherever reasonably practicable.

9.2 Donor due diligence

OnCourse does not routinely conduct enhanced due diligence or sanctions screening on ordinary donors.

Where a donation is unusual or otherwise presents elevated risk, OnCourse may undertake proportionate enhanced due diligence, which may include:

- verifying the donor's identity;
- confirming the source or nature of the donation where appropriate;
- sanctions screening; and
- adverse news screening.

9.3. Cash Fundraising

Where OnCourse receives cash through fundraising activities:

- cash should be counted and recorded by two people;
- cash should be deposited into an OnCourse bank account as soon as reasonably practicable; and
- the amount deposited should be reconciled to fundraising records.

10. Third Party Due Diligence

OnCourse currently provides funding to Actions Not Words Foundation for its feeding program.

OnCourse may also work directly with schools, contractors and other individuals or organisations in connection with particular charitable projects.

Before engaging or providing funding or resources to a third party outside Australia, OnCourse will undertake proportionate due diligence having regard to the nature and risk of the relationship.

This may include:

- confirming the third party's identity and legal/registration status;
- identifying and confirming the good standing of key individuals;



- considering relevant regulatory, criminal, bribery, corruption or reputational concerns
- checking applicable sanctions and terrorist organisation lists;
- understanding how OnCourse funds will be used;
- assessing relevant financial controls; and
- considering whether the third party has appropriate policies, procedures or controls for the nature and risk of the relationship.

10.1. Written Agreements

Where reasonably practicable and proportionate to the nature and risk of the relationship, OnCourse will document relevant third party relationships in writing.

The agreement may address:

- the nature and purpose of the relationship;
- the activities or projects to be supported;
- each party's responsibilities;
- permitted use of OnCourse funds;
- reporting and monitoring expectations;
- compliance with applicable laws and OnCourse policies, including requirements relating to bribery, corruption and other financial impropriety;
- record keeping; and
- circumstances in which OnCourse may suspend or withhold further funding.

11. Sanctions Screening

OnCourse will undertake risk-based sanctions screening using the Australian Government's Consolidated List maintained by the Australian Sanctions Office as its primary source for Australian targeted financial sanctions.

OnCourse will undertake sanctions screening when a new membership committee member or employee is appointed.

In relation to third parties, OnCourse will undertake sanctions screening where the nature of the relationship or other risk factors indicate an elevated sanctions or financial crime risk, including where a third party receives or controls significant OnCourse funds, acts on behalf of OnCourse, has relevant links to government or public officials, or where adverse information or other risk triggers arise.



12. Expenditure Requirements

OnCourse will use formal banking channels for overseas and Kenyan domestic transfers wherever reasonably practicable. In some cases, cash payments in Kenya are necessary.

All expenditure must:

- have a legitimate charitable purpose;
- be authorised in accordance with OnCourse's financial controls;
- in the case of funds transfers, be made to an appropriate recipient to an account held in the name of the intended recipient;
- be recorded in OnCourse's financial records;
- be supported by appropriate documentation.

12.1 Changes to Payment Details

Changes to a recipient's bank account or payment instructions should be independently verified before funds are transferred. This is particularly important where a request is received by email or other electronic communication.

12.2 Monitoring Use of Overseas Funds

OnCourse will take reasonable steps to confirm that funds provided for overseas charitable activities are used for their intended purpose.

Monitoring may include:

- project updates;
- expenditure information;
- receipts or other supporting documentation where appropriate;
- communication with the third party;
- visits to Kenya and site visits to schools, homes or observation of the activities being supported;

13. Red Flags and Escalation

The following may indicate elevated financial crime risk:

- requests to transfer funds to an unexpected or unrelated person or account;
- use of a personal account where this is inconsistent with normal arrangements;
- unexplained changes to bank account details;



- requests for unusually large sums of cash;
- unexplained or unusual donations, payments or expenditure;
- requests for unofficial payments, "facilitation" payments or other unusual payments to public officials, suppliers or contractors;
- reluctance to provide reasonable information about the source or intended use of funds;
- inability to account for funds provided to an overseas third party;
- adverse information about a third party or relevant individual;
- information suggesting an association with a terrorist organisation or a potential sanctions match;
- payments that are not supported by legitimate invoices or documentation;
- requests for personal benefits, gifts or other advantages in connection with OnCourse activities;
- material conflicts of interest involving employees and third parties; or
- activity inconsistent with OnCourse's charitable purpose or normal operations.

A red flag does not by itself mean that ML/TF or another offence has occurred. The circumstances must be assessed holistically and escalated where appropriate.

14. Potential Sanctions Match, ML/TF or Financial Crime Concerns

Where OnCourse identifies a potential sanctions match or other serious ML/TF or financial crime concern, the matter must be promptly escalated to the CEO or membership committee members. Where appropriate, the relevant transaction or provision of funds or assets should be paused while the matter is assessed.

The membership committee members will determine appropriate action, which may include further investigation, suspending a payment or relationship, obtaining professional advice or contacting a relevant authority. OnCourse will comply with applicable legal reporting obligations.

15. Record Keeping

OnCourse will maintain records sufficient to demonstrate the operation of its financial crime controls.

Relevant records may include:

- risk assessments;
- third party due diligence;



- sanctions screening results;
- material donor due diligence;
- investigations or escalations;
- a record of overseas third parties with whom OnCourse work with;
- records of overseas activities and expenditure by country;
- records of material conflicts of interest and how they were managed;

16. Training and Awareness

The CEO will ensure that the membership committee members, employees, volunteers and relevant third parties are provided with this Policy and understand the responsibilities relevant to their roles.

17. Policy Governance and Review

Document Owner: Chief Executive Officer

Approved By: OnCourse Membership committee members

Version: 2.0

Effective Date: September 2026

Next Review Date: September 2029

18. Version Control

Version No.	Effective Date	Approved By	Description of Change
1.0	September 2017	Jack Mannix	Implementation
2.0	September 2026	OnCourse Membership committee members	Material update following review of the “AUSTRAC 2026 Terrorism Financing Risk Assessment for the NPO Sector” and the ACNC External Conduct Standards. Policy expanded to capture fraud, bribery, corruption and conflicts of interest risks. Additional detail regarding controls and Third Party arrangements incorporated.