

The logo for the Act Law Society, featuring the word "act" in orange, "law" in white, and "society" in grey, all in a sans-serif font, set against a dark blue rounded rectangular background.

actlaw
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Essentials Series: Spring Edition

THURSDAY 25 SEPTEMBER 2025

ACT LAW SOCIETY



Navigating AML Obligations: A Practical Guide for Legal Professionals

ACT LAW SOCIETY

ESSENTIALS SERIES – SPRING, 25 SEPTEMBER 2025

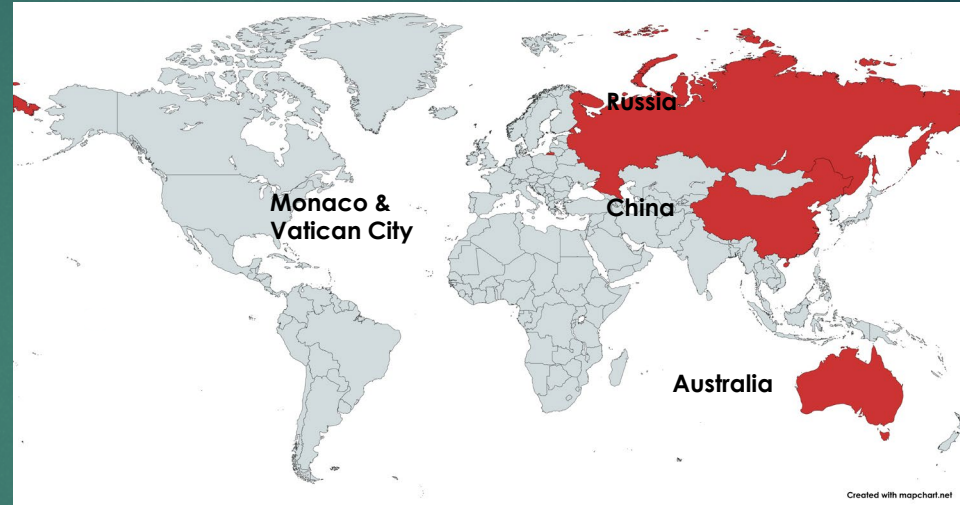
PRESENTED BY TIM BOURKE

WHY – expanding to tranche 2

3

ACT AML Pty Ltd

- Financial Action Task Force close the “gatekeeper loophole”
- Combat organised crime, corruption, and abuse
- Align with global partners
- Integrity and trust
- Protect clients, staff, and reputation



Tranche 2 AML/CTF Reforms: Key Dates



Key Dates

Designated Services

	Item	Designated Service
Real Estate Transaction	1	Assisting in buying/selling or transfer real estate (not court-ordered)
Legal Transaction Services	2	Assisting in sale or purchase of a company or trust
	3	Controlling money, accounts, assets, crypto
	4	Assisting with equity or debt financing
	5	Selling shelf companies
	6	Creating or restructuring a company/trust
Trust and Company Services	7	Acting as director, partner, trustee etc.
	8	Acting as nominee shareholder
	9	Providing a registered address

Schedule 6, Table 6

Program obligations

6

Organisational Governance

Appoint
1) AML
Compliance
Officer
2) Senior
Manager
3)
Governance
Body

Develop
Training /
Employee
Due Diligence

AML / CTF Program

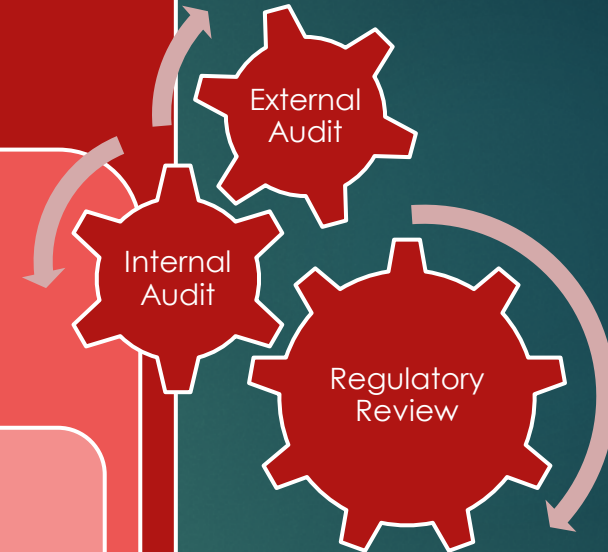
Internal
Policies,
Procedures,
Risk
assessments

Customer
onboarding
process and
Due Diligence

Customer risk Assessment

Monitoring and Suspicious
Matter Reporting
Enhanced Customer Due
Diligence

Other regulatory reporting
– Large Cash Transactions
International Value...



Program in More detail

7

Risk Assessments ML/TF/PF

- Product/Channel
- Customer
- Enterprise

- Risks, ratings & controls

Governance

- Governing Body
- Senior Manager
- Compliance Officer

- Policies and procedures
- Record keeping

AML Program

Know Your Customer

- Identify entities and beneficial owners
- Verification
- On behalf of & authorized people
- Risk based additional information

Monitoring & Reporting

- Screening
- Oversight types frequency of transactions
- Ongoing Customer Due Diligence
- Enhanced Customer Due Diligence
- Regulatory Reporting: Suspicious Matter, Large Cash.

AUSTRAC

- Infringement notices
- Enforceable undertaking
- Remedial Directions
- Civil penalty



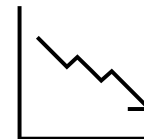
Reputational

- Adverse Media
- Loss of client trust
- Difficulty attracting/retaining talent

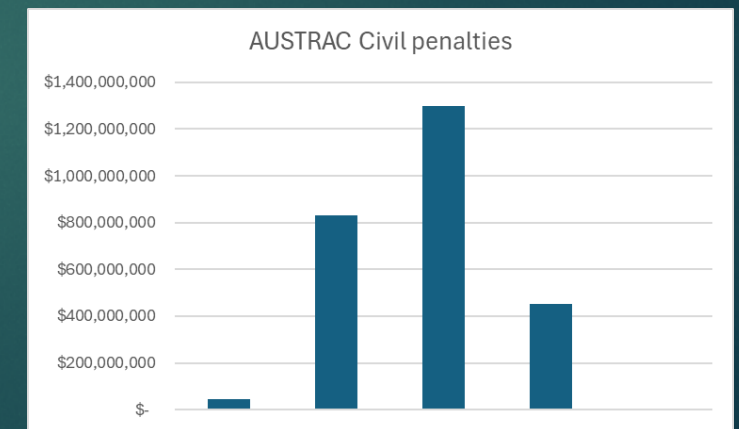


Network effect

- Other reporting entities assess as higher risk



Risk of non-compliance



- **Privacy Act**
- **LPP**
- **Reliance frameworks with other reporting entities**
- **Pro bono vs Court ordered services**

Legal
industry
specific
focus areas

Legislation Passed

- **29 November 2024:** The Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024 was passed by Parliament.
- **10 December 2024:** The Bill received Royal Assent, formally enacting the legislation.

Guidance and Rule Development

- **May–July 2025:** Targeted consultation on draft core guidance with industry associations and peak bodies.
- **August 2025:** Finalisation of AML/CTF Rules.
- **October 2025:** Finalisation of core guidance.
- **October–November 2025:** Targeted consultation on Tranche 2 sector-specific guidance.
- **December 2025:** Finalisation of sector-specific guidance.

Compliance Deadlines

- **31 March 2026:**
 - Changes to obligations for current reporting entities and virtual asset service providers take effect.
 - Commencement of Tranche 2 entities able to enrol with AUSTRAC.
- **1 July 2026:** AML/CTF obligations commence for Tranche 2 entities, including lawyers, accountants, real estate professionals, and others

Key Dates in detail

Before the end of the year:

1) Appoint and identify roles

Compliance Manager

Senior Manager

Governance Committee

Appropriate skills and training requirements?

2) Consider processes that may be impacted:

What your business did over the last year

Politically Exposed People

Dealings with foreign entities

Whole business impact or part?

3) Review systems and capability gaps:

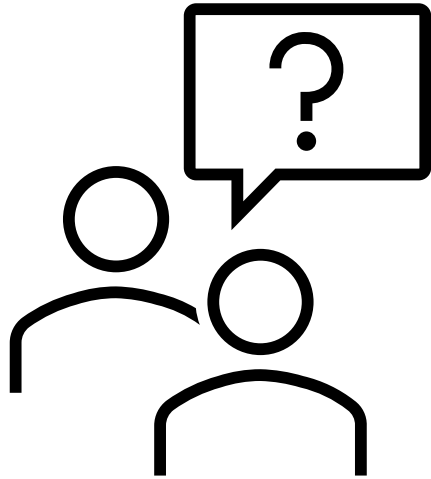
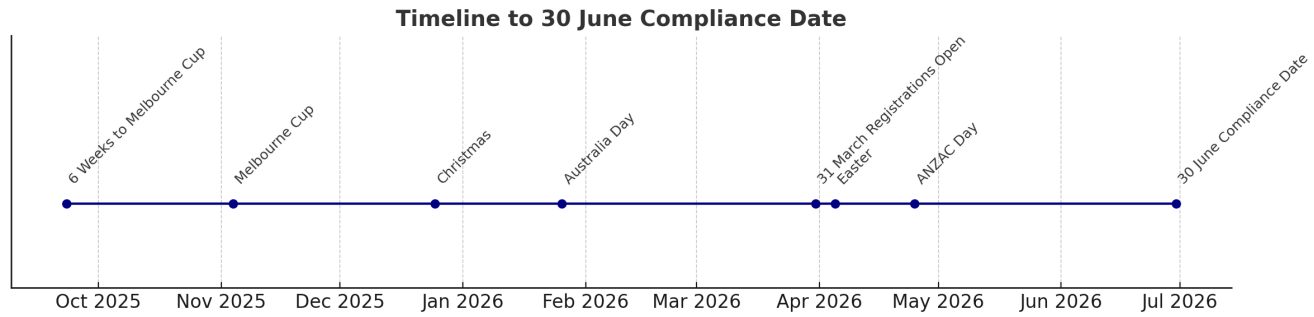
Onboarding, screening, risk governance, change management

4) Sign up to AUSTRAC updates & Review starter packs when released

5) Coordinate with other reporting entities in your ecosystem, such as banks and accountants. Remember: both directions

Practical steps for readiness





Q&A

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