



Australian Government

AUSTRAC

Attachment A

Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)

# Compliance report 2016

## Introduction

Reporting entities are required to periodically report on their AML/CTF compliance to AUSTRAC. It is a requirement under subsection 47(2) of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act).

The compliance report sets out a reporting entity's compliance with the AML/CTF Act, regulations and Anti-Money Laundering and Counter-Terrorism Financing Rules (AML/CTF Rules).

AML/CTF compliance reports contribute to AUSTRAC's statutory requirement to monitor ongoing industry compliance with the AML/CTF Act, regulations and Rules.

## Reporting period: 2016

The responses you provide in your compliance report are for your activities during the reporting period:  
**1 January 2016 – 31 December 2016.**

## Lodgement period

The compliance report for 2016 is to be completed and submitted to AUSTRAC during the lodgement period:  
**3 January 2017 – 31 March 2017.**

You are asked to please complete the 2016 AML/CTF compliance report online. However, provisions have been made for the completion and submission of paper-based compliance reports if you are unable to use the online facility.

## Lodgement by paper

Please complete this form in black ink and print in CAPITAL LETTERS. Return completed forms to:

AUSTRAC  
Enrolment and Operations Support  
PO Box 5516  
West Chatswood NSW 1515

## Key terms

For the purposes of this compliance report:

Terms and expressions used in the compliance report will have the meanings given to them in the AML/CTF Act or Rules unless indicated otherwise.

A *reporting entity* is a person that provides a designated service.

A *designated service* is a service that is listed in section 6 of the AML/CTF Act.

The term *customer* is defined in section 5 of the AML/CTF Act and includes a prospective customer.

*Politically exposed persons* are individuals who occupy a prominent public position or functions in a government body or international organisation, both within and outside Australia. This definition also extends to their immediate family members and close associates.

The AML/CTF Rules define three categories of PEPs:

- Domestic PEPs are individuals who hold a prominent public position or function in an Australian government body
- Foreign PEPs are individuals who hold a prominent public position or function in a government body of a foreign country.
- International organisation PEPs are individuals who hold a prominent public position or function in an international organisation.

## Designated business groups

Subsections 47(6) and 47(7) of the AML/CTF Act allow a member of a *designated business group (DBG)* to lodge group compliance reports. The term *designated business group* is defined in section 5 of the AML/CTF Act.

## Help

Help is provided for each question in the AML/CTF compliance report.

### Online:

If you are completing your compliance report in AUSTRAC Online, help is available by selecting the help icon for each question. An Instruction Guide is also available on the AUSTRAC website ([www.austrac.gov.au](http://www.austrac.gov.au)).

### Paper form:

If you need assistance with a paper compliance report, please contact our Contact Centre.

### For further information, please contact the AUSTRAC Contact Centre:

- Telephone (within Australia): 1300 021 037
- Telephone (international): +61 2 9950 0055
- Email: [contact@austrac.gov.au](mailto:contact@austrac.gov.au).
- TTY access (within Australia): National Relay Service
  - TTY/voice: 133 677 and ask for 1300 021 037
  - Speak & listen (SSR): 1300 555 727 and ask for 1300 021 037



# AML/CTF programs – Part A (General)

### 1. Did you have a written AML/CTF program on 31 December 2016?

- Yes                       No

### 2. For each component of your AML/CTF program, indicate your status on 31 December 2016.

#### (a) AML/CTF risk awareness training for employees:

*If you do not have any employees, select the third response option (not applicable).*

- Not fully implemented     Implemented                       Not applicable

#### (b) Employee due diligence program:

*If you do not have any employees, select the third response option (not applicable).*

- Not fully implemented     Implemented                       Not applicable

#### (c) Oversight by boards and senior management (or equivalent):

*If you operate a single-person business, you may select the third response option (not applicable).*

- Not fully implemented     Implemented                       Not applicable

#### (d) AML/CTF compliance officer appointed:

- Yes                       No

#### (e) Procedures for independent review of your AML/CTF program:

- Not fully implemented     Implemented

#### (f) Procedures to respond to AUSTRAC feedback:

- Not fully implemented     Implemented

#### (g) Enhanced customer due diligence program:

- Not fully implemented     Implemented

#### (h) Transaction monitoring program to identify suspicious customer activity:

- Not fully implemented     Implemented

3. (a) From the following list, please select the customer types to which you provided a designated service:		3. (b) Did you assess the money laundering/terrorism financing risks posed by these customer types: Responses for question 3(b) are only required for each customer type selected in 3(a).	
Individuals	<input type="checkbox"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Companies	<input type="checkbox"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Trustees	<input type="checkbox"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Partnerships	<input type="checkbox"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Incorporated and unincorporated associations	<input type="checkbox"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Registered co-operatives	<input type="checkbox"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Government bodies	<input type="checkbox"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

### 3 (c) Did you assess the money laundering/terrorism financing risk posed by changes arising in the nature of the business relationship, control structure or beneficial ownership of your customers?

- Yes                       No



**4. Did you assess the money laundering/terrorism financing risk of each of your designated services?**

Yes  No

**5. Did you have a procedure to assess the money laundering/terrorism financing risk of any new designated services before making them available to customers?**

Yes  No

**6. (a) Did you provide designated services from a permanent establishment in a foreign country?**

Yes  No

**(b) Did you assess the money laundering/terrorism financing risk posed by the provision of designated services in that country?**

*A response for question 6(b) is only required if you responded 'Yes' to question 6(a).*

Yes  No

**7. Did you assess the money laundering/terrorism financing risk posed by the methods used to deliver your designated services? Some examples of delivery methods are:**

- face-to-face
- internet, telephone, mail, facsimile, or email
- via a third party such as an agent, broker or intermediary.

Yes  No

**8. Did you have a procedure to assess the money laundering/terrorism financing risk posed by:**

(a) all new methods of designated service delivery prior to adopting them?

Yes  No

(b) all new or developing technologies used for the provision of a designated service prior to adopting them?

Yes  No

**9. Have all members of your designated business group adopted a joint AML/CTF program?**

*A response for question 9 is only required if you belong to a designated business group.*

Yes  No

**10. (a) Did you screen:**

(i) all prospective employees that may be in a position to facilitate money laundering/terrorism financing?

Yes  No

(ii) all employees who were transferred or promoted and are in a position to facilitate money laundering/ terrorism financing?

Yes  No

**(b) Did you have a procedure in place to manage employee non-compliance with your AML/CTF program?**

Yes  No

**11. Was an independent review of your AML/CTF program conducted by:**

**(a) an internal party?**

Yes  No

**(b) an external party?**

Yes  No



# AML/CTF programs – Part B (Customer identification)

## 12. For each of your customer types, indicate if you had procedures to:

Responses to question 12 are only required for each customer type that was selected in question 3(a).

Customer type	Collect the minimum know your customer (KYC) information?		Verify the minimum KYC information?		Identify if additional KYC information needed to be collected?		Identify if additional KYC information needed to be verified?	
	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Individual	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Company	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Trustees	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Partnerships	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Incorporated and unincorporated associations	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Registered co-operatives	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Government bodies	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

## 13. Did you have procedures in place to respond to discrepancies that arose in the course of verifying KYC information?

Yes  No

## 14. Did you have procedures in place to identify agents of customers?

Yes  No  Not applicable

## 15. Did you have any high-risk customers or groups of customers (including politically exposed persons)?

Yes  No

## 16. Did you outsource any of your customer identification or verification procedures?

Yes  No

## 17. Did members of your designated business group rely on the customer identification and verification procedures carried out by another member?

A response for question 17 is only required if you belong to a designated business group.

Yes  No

## 18. Did you make and retain records of all customer identification information?

The third response option for question 18 (Done by another DBG member) is only applicable if you belong to a designated business group.

Yes  No  Done by another DBG member



**Reporting of international funds transfer instructions, threshold transactions, suspicious matters**

**19. Indicate whether you have procedures in place to report the following to AUSTRAC, as at 31 December 2016.**

**(a) International funds transfer instructions:**

*The third response option (not applicable) is only required if you are not an authorised deposit-taking institution, a bank, a building society, or a credit union; or you are one of these institutions but do not accept and process electronic funds transfer instructions.*

- Not fully implemented     Implemented     Not applicable

**(b) Threshold transactions:**

*The third response option (not applicable) is only required if you do not allow transactions involving the transfer of physical currency or e-currency of AUD\$10,000 or more.*

- Not fully implemented     Implemented     Not applicable

**(c) Suspicious matters:**

- Not fully implemented     Implemented

SAMPLE ONLY - NOT FOR USE



## Correspondent banking relationships Electronic funds transfer instructions and Customer Due Diligence

### Correspondent banking relationships

**20. How many correspondent banking relationships did you have with overseas financial institutions on 31 December 2016?**

- 0       1–49       50–499       >500

*Note: A response for question 20 is only required if you are an authorised deposit-taking institution, a bank, a building society, or a credit union.*

**21. (a) Did you conduct preliminary risk assessments of all correspondent banking relationships?**

*Responses for question 21(a), (b), and (c) are not required if you responded '0' to question 20.*

- Yes       No

**(b) Did you conduct due diligence assessments of all correspondent banking relationships?**

- Yes       No

**(c) Did you have a procedure to terminate a correspondent banking relationship?**

- Yes       No

### Electronic funds transfer instructions

**22. Did you keep records of the required payer information for all electronic funds transfer instructions?**

- Yes       No

*Note: A response for question 22 is only required if you are an authorised deposit-taking institution, a bank, a building society, or a credit union and you accept and process electronic funds transfer instructions.*

### Customer due diligence requirements

**23. Have you amended your AML/CTF program to meet the customer due diligence requirements that came into effect on 1 June 2014?**

- Yes       No

