



Australian Government

AUSTRAC

MEETING YOUR **ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING (AML/CTF) OBLIGATIONS**

GOVERNANCE CHECKLIST FOR SOLE TRADERS

Business owners need to maintain good governance in line with their AML/CTF obligations.

This includes the oversight, accountability and resourcing required for an effective AML/CTF program.

As a sole trader, you must engage, question, challenge and be accountable for the ML/TF risks your business faces.

AML/CTF PROGRAM

- ✓ Develop a written AML/CTF program that details the processes and procedures you have in place.
- ✓ Regularly review and update your program to ensure it is current.
- ✓ Conduct regular independent reviews of your program.
- ✓ Ensure your program is informed by a comprehensive ML/TF risk assessment.
- ✓ Allocate sufficient resources to ensure any issues can be addressed.

ML/TF RISK MANAGEMENT

- ✓ Conduct a comprehensive risk assessment of the ML/TF risks your business faces, including the following factors:
 - Who your customers are and where they are located
 - What products and services your business offers
 - How you deliver your services
- ✓ Apply risk-based systems and controls to manage risks.
- ✓ Identify emerging risks, and modify relevant systems and controls to minimise and manage these risks.

AML/CTF COMPLIANCE

As a sole trader you will need to take on the role and duties of the AML/CTF compliance officer as the person responsible for directing and controlling the AML/CTF compliance of your business.