



# Anti-Money Laundering & Counter Terrorism Financing

## Module Content

Unit No.	Unit Title	Overview	Suggested Study Time
	<b>Anti-Money Laundering and Counter-Terrorism Financing Act</b>	<p>This module introduces participants to the requirements imposed under the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (AML &amp; CTFA). The purpose of this module is to highlight the requirements participants need to be familiar with.</p> <p>The AML &amp; CFTA module also outlines requirements which deal with the identification process when funding a new loan or opening a new account.</p>	Approximate completion time 60 minutes.
1.	<b>Purpose of the Act</b>	<p>Reviews the purpose of the AML/CTFA and the industry sectors it covers including the financial sector, gambling sector, bullion dealers and other persons or businesses. It also provides an overview of the legislative framework and some of the of key implementation stages.</p> <p>The risk based approach is examined identifying the risk a reporting entity must consider.</p>	
2.	<b>What is Money Laundering</b>	<p>Introduces the participants to the ways criminals use the legitimate financial system to try and hide or disguise the proceeds of crimes.</p> <p>It then takes participants through:</p> <ul style="list-style-type: none"><li>- <b>Placement</b>, the initial stage the illegal funds are placed into the financial system.</li><li>- <b>Layering</b>, the breaking down of large amounts and moving through the financial system to create a complicated trail.</li><li>- <b>Integration</b>, final stage of anti - money laundering process, the money is integrated into the financial system without any appearance of being illegally sourced funds.</li></ul> <p>Unusual behaviour by a client/potential client is also covered to assist participants to identify anti - money laundering activity.</p>	
3.	<b>Reporting Obligations</b>	<p>Provides the participants with the reporting obligations and also covers what AUSTRAC does with the information collected, including the procedures to be followed.</p>	
4.	<b>New Customer Identification</b>	<p>New customer identification covers the rules issued by AUSTRAC as a minimum requirement for new customers who are seeking a product or service.</p> <p>It takes participants through:</p> <ul style="list-style-type: none"><li>- the <b>verification of identity of pre-commencement customers</b>, only required if the identity of an existing customer is suspected by the entity</li><li>- <b>Customer due diligence</b>, reporting of customer transactions on an ongoing basis</li><li>- <b>Employee due diligence program</b>, which must include appropriate risk based systems and controls</li></ul>	<p>*<b>Job aids</b> are also included in this session for individuals, partnerships, Australian companies, trusts and associations.</p>

