



# VeriEzi

## The AML/CTF Readiness Guide for Lawyers and Conveyancers

A practical checklist for Australian legal and conveyancing practices AML/VOI requirements from 1 July 2026.

Prepared by VeriEzi. Share this with your partners, practice manager and everyone who touches client intake.



## New AML rules for legal practices

Everything you need to know before 1 July

# The short version

From 1 July 2026, legal practitioners and conveyancers who assist with property transactions, entity structuring or trust account matters become reporting entities under the *Anti-Money Laundering and Counter-Terrorism Financing Amendment Act 2024* (Cth).

AUSTRAC has said it expects effort, not perfection, in the first year. But four things must exist inside your practice by 1 July:

1

## Enrol with AUSTRAC

Be enrolled with AUSTRAC, or enrolling, with the 29 July deadline in view.

2

## Program & Officer

Have an AML/CTF program in place and a designated compliance officer appointed.

3


## Train Your Staff

Ensure all relevant staff have received appropriate AML/CTF training before the deadline.

4

## Report Suspicious Matters

Have workflows ready to identify and report suspicious matters to AUSTRAC.

 Civil penalties run up to **\$33 million per contravention** for a body corporate. Failing to enrol is one of the two breaches AUSTRAC has flagged for early enforcement.

# Which services are captured

Obligations attach to designated services, not to the practice as a whole. For the legal profession the captured work clusters into four groups:

## Property Transactions

Assisting in the planning or execution of a transaction to sell, buy or transfer real estate. This is the core conveyancing trigger.

## Entities & Structuring

Assisting with the sale, transfer, creation or restructure of companies and trusts, selling shelf companies, organising equity or debt financing.

## Holding Client Property

Receiving, holding or managing a person's property to assist a transaction, including trust account funds held for settlement.

## Nominee & Address Services

Acting in positions in an entity, or providing a registered office address.

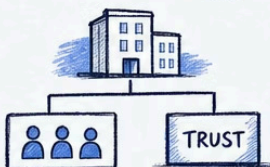
**i** Litigation, general legal advice and court-ordered transfers are **out of scope**. A litigation-only practice may have no obligations at all. A sole-practitioner conveyancer has the full set. **Map your service lines first.**

## What the new AML rules capture

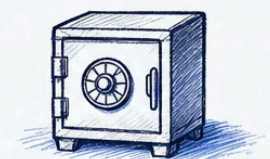
### ✓ Captured



Property deals



Companies and trusts



Trust account funds

### ⊗ Not captured



Litigation




General advice

# Your deadlines

The following obligations and their corresponding deadlines apply to all practices providing designated services. Note that 29 July is only the enrolment backstop — the program, the compliance officer and the due diligence workflow must be operating from 1 July if you are providing designated services.

Obligation	Deadline
Enrol the practice entity with AUSTRAC	By 29 July 2026 (sooner is safer)
AML/CTF program in place	Before 1 July 2026
Appoint a compliance officer	Within 28 days of providing designated services
Notify AUSTRAC of the compliance officer	Later of 29 July 2026 or 14 days after enrolling
Customer due diligence operating	From the first designated service
Record retention	7 years, ongoing

 **The trap:** 29 July is only the enrolment backstop. The program, the compliance officer and the due diligence workflow must be operating from 1 July if you are providing designated services.

# Step 1: Enrol and appoint

## Enrolment

Enrolment happens once per legal entity through AUSTRAC Online. An incorporated practice enrolls the company; a partnership enrolls the partnership.

## The Compliance Officer

The compliance officer must be at management level, an Australian resident, and assessed by the practice as fit and proper, with the assessment documented. In a small practice this is usually the principal or managing partner.

They do not need to be an AML expert. AUSTRAC's guidance explicitly contemplates a person who learns the role through training. Sole practitioners can hold the compliance officer, senior manager and governing body roles at the same time.

## Compliance Officer Requirements

- Management level seniority
- Australian resident
- Fit and proper assessment, documented
- AML expertise not required — training suffices

# Step 2: Build the program around a risk assessment

The AML/CTF program is one document set with two connected parts: a risk assessment of the money laundering and terrorism financing risk your practice actually faces, and the policies that respond to those risks.

## **AUSTRAC Starter Kits**

AUSTRAC published a legal profession program starter kit and a conveyancer starter kit in January 2026. They suit practices with 15 or fewer personnel, mostly Australian-resident individual clients, no regular high-risk clients and no overseas property work.

## **When the Kit Applies**

Where a practice matches the kit's profile and uses it as designed, AUSTRAC's engagement will focus on how the program is applied rather than re-litigating its design.

## **Law Society of NSW Guide**

The Law Society of NSW also publishes a free implementation guide for sole practitioners and small practices, providing additional practical support for program development.

# Step 3: Extend VOI into full customer due diligence

**⚠️ A dangerous assumption circulates:** that an ARNECC-compliant verification of identity process already does the job. It does not.

## VOI vs. CDD

VOI is a point-in-time identity check for land registry purposes. Customer Due Diligence (CDD) must be completed **before the designated service starts**, and requires you to establish on reasonable grounds:

- The identity of the client and anyone acting on their behalf
- Beneficial owners, where the client is a company or trust
- Whether any of those people are politically exposed persons or subject to targeted financial sanctions
- The nature and purpose of the business relationship
- Source of funds and wealth, where the risk requires it

## The Practical Approach

If those matters cannot be established, you must not provide the service.

Build on your VOI workflow rather than duplicating it: the VOI step can sit inside a broader CDD process that adds screening, beneficial ownership and risk rating.

### VOI

Point-in-time identity check for land registry.



### CDD

Comprehensive checks completed before service starts.

# Step 4: Reporting, with privilege handled properly

## Suspicious Matter Reports (SMRs)

Due within **24 hours** for terrorism financing suspicions, **3 business days** for everything else.

## Legal Professional Privilege

Where all the information grounding a suspicion is privileged, no SMR is required. Where it is partly privileged, you report what is not privileged and lodge an LPP form for the rest. Privilege is narrower than your general duty of confidentiality.

## Tipping Off

Now a harm-based test. Disclosing SMR-related information is an offence where it could reasonably be expected to prejudice an investigation. Telling a client an SMR has been lodged remains the textbook breach.

## Threshold Transaction Reports (TTRs)

Receiving **\$10,000 or more in physical cash**, including a cash deposit into your trust account, triggers a TTR within 10 business days. Electronic transfers do not.

# The readiness checklist

Use this checklist to track your practice's progress toward full AML/CTF compliance before 1 July 2026.

- Map which service lines are designated services
- Enrol the practice entity on AUSTRAC Online, by 1 July if possible
- Designate a fit-and-proper compliance officer and notify AUSTRAC
- Complete a risk assessment specific to your client base and services
- Adopt and customise the AUSTRAC starter kit if your practice fits the criteria
- Extend VOI into full initial CDD: beneficial ownership, PEP and sanctions screening, source of funds where required
- Set up SMR and TTR workflows, including the privilege assessment step
- Brief every fee earner and client-facing staff member before 1 July
- Confirm 7-year record retention
- Book the team into AUSTRAC's free induction webinars and your law society's CPD sessions

☞ Six obligations. One date: 1 July 2026 ☞



Enrol



Compliance officer



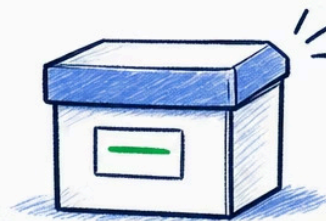
Program



Client checks



Reports



Records

# Where VeriEzi fits

VeriEzi runs verification of identity and AML customer due diligence in one flow. Your client receives a link, completes a short questionnaire, and verifies their identity in 5 languages, with no app to download.



## 5-Language Verification

Clients complete identity verification in their preferred language. No app download required — just a simple link.



## 300+ Global Databases

Screening runs across 300+ global databases covering sanctions, politically exposed persons and adverse media.



## Auto Risk Calculation

Matters auto-calculate a risk level. High-risk matters escalate automatically to your compliance officer.



## 7-Year Audit Trail

Every action lands in an exportable audit trail aligned to the 7-year retention requirement.

**No platform fee. No subscription. You pay per verification.**

Get 5 free verifications at [veriezi.com.au](https://veriezi.com.au), or book your free demo and see the full workflow before 1 July.

[Get 5 free verifications](#)

[Book a free demo](#)

# Important information

- ❏ VeriEzi provides identity-verification software to support firms preparing for AUSTRAC Tranche 2 reporting obligations. The information in this guide is general in nature and does not constitute legal or compliance advice.

Firms remain responsible for their own AML/CTF Program and reporting-entity obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth). For advice specific to your firm's obligations, consult AUSTRAC guidance materials or a qualified compliance adviser.

**Sources:** AUSTRAC published guidance (verified June 2026), AML/CTF Amendment Act 2024 (Cth), AUSTRAC updated regulator statement of expectations (21 May 2026).

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## About VeriEzi

VeriEzi is an Australian identity verification and AML customer due diligence platform built for legal and conveyancing practices. One flow. No app. No subscription.

## Get started

Visit [veriezi.com.au](https://veriezi.com.au) to access 5 free verifications or book a demonstration of the full workflow.