

27 October 2025

Our ref: [WD: MC]

Dr James Popple
Chief Executive Officer
Law Council of Australia
Level 1, MODE 3
24 Lonsdale Street
Braddon ACT 2612

By email: [REDACTED]

Dear Dr Popple

AUSTRAC AML/CTF Core Guidance—Professional Services

Thank you for the opportunity to provide feedback on the Core Guidance issued by. The Queensland Law Society (QLS) appreciates being consulted on this important step in developing the AML/CTF regulatory regime.

We appreciate AUSTRAC is understandably reluctant to make significant changes to the Core Guidance at this stage. However, we recommend AUSTRAC be encouraged to expand their guidance with further examples and clarifications, as stakeholders and peak bodies identify gaps in the guidance published to date. Supplementing the Core Guidance with further detail will ultimately benefit both regulator and regulated.

We provide the comments below received from a member.

Incidental Trusts in Legal Documents

QLS notes trusts are sometimes expressly created within documents that serve other primary legal purposes, such as deeds of release or settlement agreements. In such cases, a party may hold a benefit “on trust” for a related party. These types of trusts are not the types of legal arrangements AUSTRAC appears to be targeting under the AML/CTF regime. However, their presence across various areas of legal practice means that unless expressly excluded, legal practitioners may be required to identify and assess such arrangements unnecessarily.

We recommend AUSTRAC consider clarifying or excluding these types of trusts from the scope of designated services to avoid undue compliance burdens.

Scope of Due Diligence as a Designated Service

The current guidance suggests due diligence services may constitute designated services when they relate to asset valuations or financial assessments. However, legal practitioners frequently undertake broader due diligence activities, such as reviewing intellectual property holdings,

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whether the intellectual property is registered, and contractual obligations under customer agreements. These activities, particularly when conducted in the context of a corporate transaction (e.g. sale of a business), may fall within the scope of designated services under the current Guidance.

QLS recommends AUSTRAC provide clearer parameters around what due diligence activities would be considered designated services, to ensure legal practitioners can identify those activities triggering compliance obligations.

Secondments and Labour-Hire Arrangements

QLS seeks clarification on whether solicitors engaged under labour-hire or secondment arrangements, particularly those placed in-house with clients, would be considered to be providing designated services. For example, some law firms primarily operate by seconding lawyers to client organisations and may have secondees performing a wide range of legal tasks, including real estate transactions and corporate advisory work. In these scenarios, the lawyer is not an employee of the client or an external lawyer. The lawyer may also undertake a broader range of work on secondment than their usual scope of work within a firm.

We recommend AUSTRAC provide guidance on how such arrangements are to be treated under the regime.

If you have any queries regarding the contents of this letter, please do not hesitate to contact our Legal Policy team via policy@qls.com.au or by phone on [REDACTED] [REDACTED]

Yours faithfully



Genevieve Dee
President