CUSTOMER DUE DILIGENCE (CDD) LIFECYCLE MAP

Queensland Law Society®

(Based on AUSTRAC Legal Profession Program Starter Kit)

MATTER SCOPE

Does the engagement involve, or may it reasonably involve a designated service (DS)?

YES Document and retain ordinary client intake/conflict/cost/VOI processes, proceed to initial CDD workflow.

NO AML/CTF CDD not required, document and retain ordinary client intake/conflict/cost/VOI processes.

ONBOARDING A NEW CLIENT

1. Identify client type
2. Client completes Onboarding Form for applicable client type
3. Practice completes initial CDD Form for client type
4. Review, update or verify information

REVIEWING PRE-COMMENCEMENT CLIENT

(Commenced before 1 July 2026)

1. Only required if suspicion arises or changes in nature/purpose of client engagement causing AML risk to shift to Med/High
2. Identify client type
3. Complete Onboarding Form for client type based on client information already held
4. Review, update or verify information

Note: If pre-commencement client comes with a new transaction or matter, initial CDD is required.

CDD FORM

Initial CDD must be performed before a DS is provided. **Note:** delayed CDD for certain DS. Conduct customer risk assessment as per initial CDD Form by looking at your client risk factors/AUSTRAC Risk Guidance and ML typologies.

Note: Request to Verify Information Form for conveyances.

LOW RISK CLIENT

MEDIUM RISK CLIENT

HIGH RISK CLIENT

APPLY SIMPLIFIED/ INITIAL DUE DILIGENCE

APPLY INITIAL DUE DILIGENCE

1. Collect and verify the KYC information for client type and risk rating
2. Take reasonable measures to establish the required matters on reasonable grounds
3. Where information is incomplete or unclear, request further information before providing the DS.

APPLY ENHANCED DUE DILIGENCE

- Collect and verify additional information specified in ECDD Form to gain confidence in client's identity and risk factors and/or escalate to AML/CTF Compliance Officer within 24 hours using Escalation Form
- AML/CTF Compliance officer reviews and records actions in Escalation Register
- If decision made to provide DS, obtain written approval from Senior Manager.

LOW RISK CONFIRMED

MEDIUM RISK CONFIRMED

REASSESSED AS HIGH RISK

CLIENT MAINTAINED

CLIENT EXITED

IF BUSINESS RELATIONSHIP MAINTAINED

Monitor client throughout the relationship to identify any changes in the client's ML/TF risks including:

1. Risks and indicators and common ML typologies
2. Changes in client behaviour or information
3. Triggers listed in the Trigger Review Form

Review client file every 1-3 years (depending on risk rating of client), or if you become aware of any ML/TF risks, using the Periodic Review Form and the Trigger Event Review Form if applicable.

IF DECISION MADE TO EXIT CLIENT

Comply with prohibition on tipping off client. The prohibition covers:

1. Informing client of a suspicion, SMR submission or potential investigation
2. Any information or documents relating to suspicion or potential investigation
3. Informing or implying anything to a client if there is a risk of prejudicing a current or future investigation

Failure to do so may amount to an offence under s123 of the AML/CTF Act.

RECORD KEEPING REQUIREMENTS

Note: https://www.qls.com.au/resource-centre/anti-money-laundering-counter-terrorism-financing/maintain-accurate-records