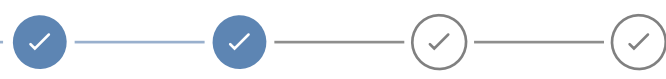




## Reporting Responsibilities Checklist for Australian FinTechs





According to the Anti-Money Laundering and Counter-Terrorism Financing (AML/CFT) Act, entities that provide designated services in Australia must enroll with AUSTRAC and comply with reporting obligations. To remain compliant and avoid financial penalties, FinTechs must know and understand the parameters of their reporting responsibilities and how to submit their reports to the satisfaction of AUSTRAC.

This infographic provides a checklist of the reporting obligations FinTechs must meet under Australian AML/CFT legislation and regulation. It also explores some “best practice” recommendations for before, during, and after report submission.

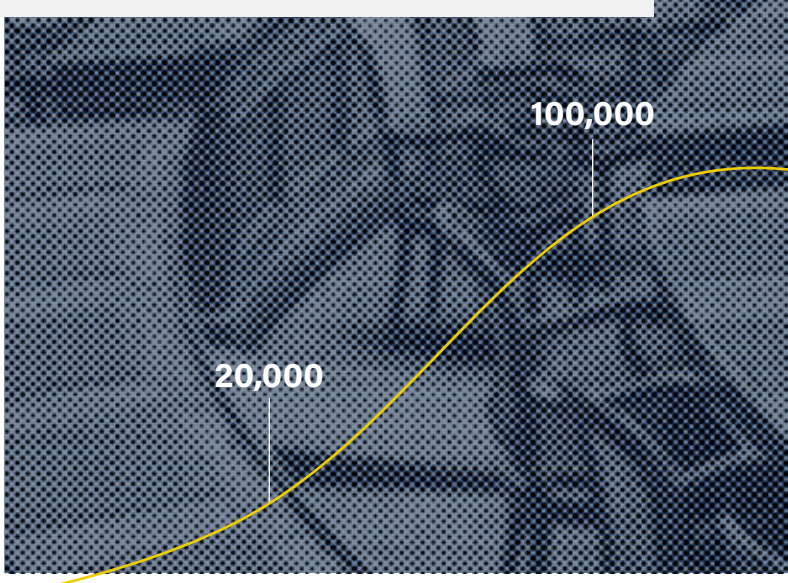


### Operational Obligations

FinTechs must submit the following reports online through the firm’s AUSTRAC account:

What	When
 <p>Threshold Transactions Reports (TTRs)</p>	Required within ten business days of a transaction when there have been fund transfers of AUD 10,000 or more in cash or a foreign currency equivalent.
 <p>International Funds Transfer Instruction reports (IFTIs)</p>	Required within ten business days of any transaction of any value, into or out of Australia, in whatever form.
 <p>Cross-Border Movements (CBM)</p>	Movements of monetary instruments in Australian or foreign currency must be reported to AUSTRAC if the combined value is AUD 10,000 or more.
 <p>Suspicious Matter Reports (SMRs)</p>	Required when suspicion has formed that a transaction is linked to criminal activity; this needs to be done within three business days for illegal activity and 24 hours for terrorist-linked concerns.

The penalties imposed on FinTechs for failing to meet these expectations can be significant. For example, failing to submit an appropriate SMR, or doing it late, can lead to a fine of 20,000 penalty units in a federal court for a single business and up to 100,000 for a corporate group. One unit is currently worth AUD 222, so fines can be substantial.

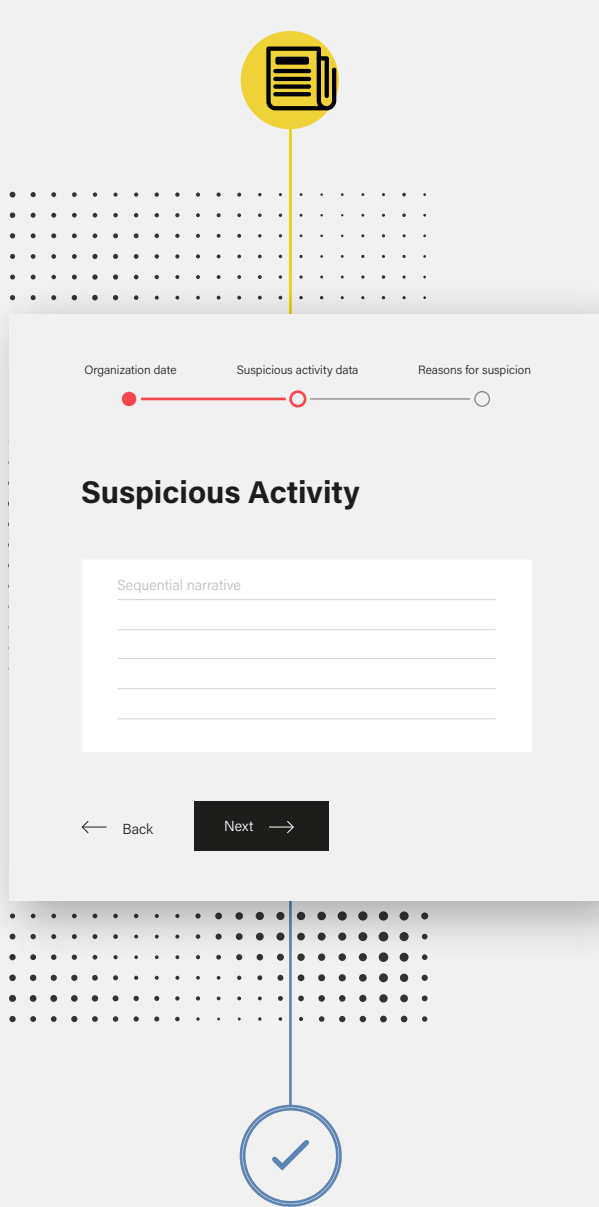


### Submission requirements

Although each of these reports is vital, the one that often proves the most taxing for FinTechs is SMRs, especially regarding the grounds on which to report. The report should be made only when the AML/CTF Compliance Officer is satisfied that the concerns are not spurious.

The report should detail:

- **Who or which organization(s) were involved** in the activity, with identifying data such as names, addresses, and contact details and further supporting material such as physical descriptions if an individual is unknown
- **The nature of the suspicious activity** in a sequential narrative, including transactional details
- **Why the activity aroused suspicion**, often best provided as a list of crucial reasons for suspicion



### Investigations and Follow-Up

Once an SMR is submitted, it will go through internal triaging at AUSTRAC, with an investigation following if it is a high-priority case.

**FinTechs should be aware that they will likely be asked for further information about a particular case. When this happens, firms are expected to respond swiftly.**

Uncover the Guide to AML for Australian FinTechs

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