AML/CTF Program

Harbourline Real Estate

Governance, customer due diligence, reporting, record keeping, review and independent evaluation (AUSTRAC Steps 1, 3, 4, 5)

02-AML-CTF-Program · version 1.0 · 3 September 2026 · Prepared for senior-manager approval

Item	Detail
Legal entity	Harbourline Property Group Pty Ltd (ABN 51 824 753 556)
Sector	Real estate agency (sales / buyer's agency)
Locations	Dee Why NSW 2099; Mona Vale NSW 2103
AML/CTF compliance officer	Danielle Okafor — Licensee in Charge
Senior manager (approver)	Danielle Okafor (Licensee in Charge / Director)
Governing body	Board of directors (2 directors)
Document	02-AML-CTF-Program — version 1.0 DRAFT — prepared 3 September 2026
Approval	Approved by: _______________________ Date: ____________ (senior manager)

Contents

Part 1 — Governance, personnel and training

Introduction and approval

This document is the AML/CTF Program of Harbourline Property Group Pty Ltd (ABN 51 824 753 556, ACN 824 753 556), trading as Harbourline Real Estate. Following AUSTRAC's model, the program is made up of an ML/TF risk assessment and a set of AML/CTF policies, sitting inside a governance framework, reviewed regularly, independently evaluated and supported by record keeping. Part 1 sets out governance, roles, personnel due diligence and training. Part 2 covers customer due diligence and Part 3 covers reporting, record keeping and review.

The program covers the whole company and both offices: the head office at Dee Why NSW 2099 and the branch office at Mona Vale NSW 2103. It applies to all directors, employees and contractors who take part in providing a designated service, including the sales team of five and the two buyer's agents.

Designated services covered (AUSTRAC real estate table, Item 1):

- Brokering the sale, purchase or transfer of real estate on behalf of a buyer, seller, transferee or transferor in the course of carrying on a business (vendor sales agency).
- Buyer's agency: brokering the purchase of real estate on behalf of a buyer, which AUSTRAC treats as covered by Item 1.

Services Harbourline Real Estate provides that are NOT designated services and are outside this program: residential property management, residential leasing, and market appraisals. Staff working only in these areas are still expected to escalate anything unusual to the AML/CTF compliance officer.

Note: Harbourline Real Estate began providing designated services on 1 July 2026 and was required to apply to enrol with AUSTRAC by 29 July 2026. Enrolment status at intake: not started. [CONFIRM: enrolment lodged via AUSTRAC Online and date of lodgement]

This program takes effect on 15 September 2026. It is proportionate to a business of 11 staff, two offices, around 140 sales transactions a year and no cash handling, and it draws on AUSTRAC's real estate program starter kit.

Version	Date	Approved by (senior manager)	Summary of change
1.0	15 September 2026	Danielle Okafor, Licensee in Charge / Director. Signature: _______________	Initial program

[TO COMPLETE] Senior manager to sign and date the version 1.0 row above before the program is used. Every later update is added as a new row.

Governance framework

AUSTRAC requires three roles: a governing body, a senior manager and an AML/CTF compliance officer. At Harbourline Real Estate these roles are held as follows. Danielle Okafor holds both the senior manager and compliance officer roles and is also a director, but the governing body is the two-director board, so the roles are not all held by one person and reporting to the board is required.

Role	Who	Key responsibilities	Reporting line / frequency
Governing body	Board of directors of Harbourline Property Group Pty Ltd (2 directors)	Responsible for the governance and executive decisions of the business. Keeps itself up to date on ML/TF risk, receives the risk assessment in writing, oversees the program and holds the compliance officer to account.	Receives compliance officer's report at least annually, plus written notice of program updates and the independent evaluation report.
Senior manager	Danielle Okafor, Licensee in Charge / Director	Approves the program, the risk assessment and every update. Ensures version number and approval date are recorded. Provides resources for the program.	Reports to the board; notifies the board in writing of approved updates as soon as practicable.
AML/CTF compliance officer	Danielle Okafor, Licensee in Charge	Day-to-day operation of the program (see section 3).	Reports to the board at least annually and whenever a significant matter arises.
Customer-facing staff	Sales team (5), buyer's agents (2)	Complete customer onboarding and CDD forms, apply this program, escalate unusual activity.	Report to the compliance officer.
Finance and administration staff	[CONFIRM: names of trust account and admin staff]	Trust account receipts, record keeping in Agentbox and Google Drive, control to detect any attempted cash payment.	Report to the compliance officer.

Governing body oversight duties. The board will:

- Receive the ML/TF risk assessment and any updates in writing as soon as practicable after approval.
- Receive and minute the compliance officer's annual report on how the business has met its obligations.
- Receive the written independent evaluation report and approve the response to its findings.
- Keep up to date with AUSTRAC communications relevant to real estate and consider whether they change the business's risk.
- Ensure the compliance officer has the authority, time and budget needed to run the program.

[TO COMPLETE] [CONFIRM: name of the second director and whether they hold any AML/CTF duties beyond board oversight]

AML/CTF compliance officer

Danielle Okafor, Licensee in Charge, is appointed AML/CTF compliance officer for Harbourline Real Estate. AUSTRAC notes that for a real estate agency the compliance officer will usually be the licensee in charge. Danielle Okafor is a director, is employed at management level, and is a resident of Australia, as required because the business operates through an Australian permanent establishment.

Fit and proper. The board has satisfied itself that the compliance officer has the competence, skills, knowledge, diligence, expertise and soundness of judgement to perform the role, and is of good character, honesty and integrity. This assessment is recorded on the personnel due diligence form (section 5) and repeated if circumstances change.

Authority and resources. The compliance officer has direct access to the board, may stop or delay a transaction pending customer due diligence, may lodge reports with AUSTRAC without prior board approval, and may engage external advisers within the budget the board sets. [CONFIRM: annual AML/CTF budget and approved hours]

Duties:

- Operate the program day to day across both offices and check that CDD is complete before a designated service is provided.
- Hold and manage the business's AUSTRAC Online access and keep enrolment details current.
- Decide on and lodge suspicious matter reports and any threshold transaction reports within AUSTRAC's timeframes (see Part 3).
- Deliver or arrange staff training and maintain the training register.
- Maintain the registers and forms listed in section 7, including the escalation register and AUSTRAC communications register.
- Act as the contact point for AUSTRAC and respond to its requests.
- Prepare the annual compliance report lodged with AUSTRAC and the annual report to the board.
- Recommend updates to the risk assessment and policies to the senior manager.

Note: AUSTRAC must be told who the compliance officer is via the enrolment form by 29 July 2026 or within 14 days after enrolment, whichever is later. Any change of compliance officer must be notified to AUSTRAC within 14 days.

Absence arrangements. When the compliance officer is on leave or otherwise unavailable, a nominated deputy handles escalations and reporting deadlines and records what was done in the escalation register. [CONFIRM: nominate a backup, for example the second director or a senior salesperson, and record their name and training here]

Senior manager approval and program changes

The senior manager, Danielle Okafor, must approve the following before they take effect: this program, the ML/TF risk assessment, and every update to either, however small. Approval is shown by signing and dating the version table in section 1 and the equivalent table in the risk assessment.

Process for a change:

1. The compliance officer identifies the need for a change (a trigger listed in Part 3, an AUSTRAC communication, an evaluation finding, or a planned change to services, channels, customer types or countries, which must be reviewed before it happens).
2. The compliance officer drafts the change and records the reason in the program maintenance log.
3. The senior manager approves the change and a new version number and approval date are entered.
4. The change is documented within 14 days after the update occurs.
5. The board is notified in writing as soon as practicable, and the notice is filed in Google Drive with the board papers.
6. Affected staff are briefed and the training register is updated.

Versions use the format major.minor (for example 1.1 for a minor update, 2.0 for a full three-yearly review). The current approved version is stored in Google Drive under the AML/CTF folder, with earlier versions kept for 7 years from the date they stop being relevant.

Personnel due diligence

Harbourline Real Estate screens people before they are appointed to an AML/CTF role and again when their role changes, so that those handling customer identification, trust account receipts and reporting are suitable. Screening is proportionate to the role and is recorded on the AUSTRAC starter-kit personnel due diligence form for the compliance officer, the governing body and staff respectively.

Check	Applies to	When	Record
Identity (government photo ID)	All staff and directors	Before start date	Personnel due diligence form, Google Drive HR folder
Right to work in Australia	All staff	Before start date	Personnel due diligence

Check	Applies to	When	Record
			form
NSW real estate licence or certificate of registration check with NSW Fair Trading	Licensee in Charge, sales team, buyer's agents	Before start date and at each renewal	Copy of licence and check result in HR folder
Reference checks (two referees)	All customer-facing and finance staff	Before start date	Personnel due diligence form
Criminal history check, where lawful and relevant to the role	Compliance officer, directors, finance and trust account staff	Before appointment; refresh on trigger	Check result held securely by compliance officer
Bankruptcy search	Compliance officer and directors	Before appointment; refresh on trigger	Personnel due diligence form
Conflicts of interest declaration	All staff and directors	Before start date and annually	Signed declaration in HR folder
Fit and proper assessment (AUSTRAC attributes)	Compliance officer, directors	Before appointment; refresh on trigger	Board minute and personnel due diligence form

Refresh triggers include promotion into an AML/CTF role, a change of licence status, an adverse finding from a check, a conduct concern, or a request from the board. Results are kept for 7 years from when the person leaves or the record stops being relevant. [CONFIRM: which checks are already done through existing NSW Fair Trading licensing and recruitment processes, so they are not duplicated]

Training plan

No AML/CTF training had been delivered at intake. The compliance officer will deliver initial training to all staff before or as soon as possible after 15 September 2026, and no new staff member will handle a designated-service task until inducted. [CONFIRM: date of first all-staff session]

Topics:

- The business's obligations as a reporting entity and why real estate brokering is treated by AUSTRAC as a high-risk service.
- This program: the three roles, who to go to, and where documents live in Agentbox and Google Drive.
- Red flags for real estate sales and buyer's agency: buyers indifferent to price, requests to pay deposits from third parties or from overseas accounts not in the buyer's name, use of trusts or companies with unclear controllers, pressure to settle quickly, attempts to pay cash despite the no-cash rule, expat vendors whose instructions come through an unverified representative.

- How to complete the customer onboarding and initial CDD forms for individuals, companies and trusts, and when to escalate for enhanced CDD (Part 2).
- Escalation and unusual activity reporting using the unusual activity report form and escalation register.
- Tipping off: never tell a customer that a report has been or may be made.
- Record keeping: what to save, where, and for how long.

Audience	Content	Frequency	Delivered by	Record
Sales team and buyer's agents	Full topic list above with sector red flags and CDD forms	Induction, then annual refresher	Compliance officer, using AUSTRAC real estate guidance and free e-learning	Training register
Finance and administration staff	Obligations, trust account receipts, no-cash control, TTR awareness, record keeping	Induction, then annual refresher	Compliance officer	Training register
Property management and leasing staff	Awareness briefing: what is and is not covered, how to escalate	Induction, then annual refresher	Compliance officer	Training register
Board of directors	Governance duties, risk assessment findings, annual report	Annually and on program updates	Compliance officer	Board minutes and training register
All staff	Ad hoc briefing on AUSTRAC communications or program changes	As issued	Compliance officer	Training register and AUSTRAC communications register

Each session ends with a short quiz or signed attestation confirming the person understands the content. The training register records: name, role, office, date, topic, delivery method, assessment result, trainer, and next due date.

Registers and forms maintained

The program relies on the following registers and forms, adapted from the AUSTRAC real estate program starter kit. Customer-level forms are described in Part 2 and reporting effectiveness checks in Part 3.

Register or form	Purpose	Owner	Stored in
AML/CTF roles and responsibilities form	Records who holds each role and assigned duties	Senior manager	Google Drive, AML/CTF folder

Register or form	Purpose	Owner	Stored in
Personnel due diligence forms (compliance officer, governing body, staff)	Screening results and fit and proper assessment	Compliance officer	Google Drive, HR folder (restricted access)
Training register	Attendance, assessment and next due dates	Compliance officer	Google Drive, AML/CTF folder
AUSTRAC communications register	Date, relevance, changes made and by whom	Compliance officer	Google Drive, AML/CTF folder
Escalation register and escalation form	Unusual activity escalated, decisions and outcomes	Compliance officer	Google Drive (restricted); customer file note in Agentbox without report details
Program maintenance log	Every update, trigger, approval date and version	Compliance officer	Google Drive, AML/CTF folder
Independent evaluation response	Findings, agreed actions and completion	Senior manager	Google Drive, board papers
Annual report to the governing body	Annual compliance summary to the board	Compliance officer	Google Drive, board papers

Access to the AML/CTF folder is limited to the compliance officer, the directors and nominated finance staff. All records are kept in English, securely, for 7 years. [CONFIRM: Google Drive folder structure and access permissions set up]

Part 2 — Customer due diligence

Customer due diligence overview

Harbourline Property Group Pty Ltd (trading as Harbourline Real Estate) must complete initial customer due diligence (CDD) on every customer before providing a designated service. For this business the designated service is Real estate Item 1: brokering the sale, purchase or transfer of real estate on behalf of a buyer, seller, transferee or transferor. Property management, residential leasing and market appraisals are not designated services and do not trigger CDD.

Service	Who is the customer	CDD must be complete before
Sales agency (vendor side)	The vendor(s) we act for under the agency agreement	Signing the agency agreement. Do not list or market the property until CDD is done.
Buyer's agency	The buyer we are engaged by under a buyer's agency agreement	Signing the buyer's agency agreement, and in any case before submitting an offer or negotiating on the client's behalf.
Purchaser in a sale we broker (not our client)	Not our customer for CDD purposes; the purchaser's own conveyancer or lawyer conducts CDD on them. [CONFIRM: treatment of purchasers where no independent agent or conveyancer acts]	Not applicable, but purchaser red flags must still be escalated (see Red flags).

Note: No agency agreement, no offer and no exchange until the compliance officer, Danielle Okafor (Licensee in Charge), or a trained salesperson has completed and recorded initial CDD in Agentbox.

Delayed verification: AUSTRAC guidance allows verification of some identity information to be completed shortly after the relationship begins in limited circumstances, provided the ML/TF risk is managed. Harbourline does not use delayed verification by default. [CONFIRM: whether the business wants a delayed-verification exception, e.g. verifying a second joint vendor within 5 business days of signing, and the conditions the senior manager will approve]

If CDD cannot be completed because the customer will not provide information, documents cannot be verified, or a beneficial owner cannot be identified, Harbourline must not provide the service. The salesperson escalates to Danielle Okafor, who decides whether to decline or exit and whether a suspicious matter report (SMR) is required. The customer must not be told that an SMR was lodged or considered.

Initial CDD by customer type

Use the AUSTRAC starter-kit customer onboarding form and the initial CDD form for the relevant customer type (individual or sole trader; body corporate, partnership or association; trust; government body). Complete the form at the listing or engagement appointment, attach copies of documents, and file both in the customer record in Agentbox with a backup in the Google Drive compliance folder. Current practice of taking manual copies of identity documents is retained as the verification method. [CONFIRM: whether an electronic verification provider will be adopted for remote customers]

Customer type	Identify (information to collect)	Verify (documents or sources)	Beneficial owners and controllers	Additional checks
Individual or sole trader	Full name, date of birth, residential address; for sole traders also business name and ABN	Original or certified copy of a primary photo ID (Australian driver licence or passport) plus one secondary document (Medicare card, rates notice, utility bill). Overseas customers: passport plus proof of address; certification by a notary or Australian consular officer for remote verification [CONFIRM: accepted certifiers]	Not applicable unless another person controls the customer's decisions	PEP and sanctions screening; confirm the individual is the registered owner (title search) or the intended buyer; purpose of the sale or purchase
Australian company	Registered name, ACN, registered office and principal place of business, directors, whether listed or a subsidiary of a listed company	ASIC current company extract (dated within the last month); director verified as an individual	Identify each individual who ultimately owns or controls 25 per cent or more, or otherwise controls the company; verify each as an individual	PEP and sanctions screening of the company and each beneficial owner; letter of authority or board minute for the signatory
Foreign company	Registered name, country of formation, registration number, registered	Extract from the foreign company registry or certified constitution; certified translation	As for Australian company, with extra care if ownership runs through nominees or further	Country risk check (FATF lists, DFAT sanctions); Foreign Investment Review Board approval

Customer type	Identify (information to collect)	Verify (documents or sources)	Beneficial owners and controllers	Additional checks
	address, directors	into English if required	companies; obtain an ownership chart	evidence where relevant [CONFIRM]; treat as Medium minimum and High where formed in a higher-risk country
Trust including family trust and SMSF	Trust name, type, country of establishment, ABN if any, trustee details (individual or corporate)	Certified copy of the trust deed (or relevant extract showing trustee, settlor, appointor and beneficiaries); ATO Super Fund Lookup for SMSFs; trustee verified as an individual or company	Trustee(s), settlor, appointor or guardian, and each named beneficiary or class of beneficiary; any individual who otherwise controls the trust	PEP and sanctions screening of trustee, settlor, appointor and beneficiaries; for SMSFs confirm the fund is complying and the purchase is in the fund's name
Partnership	Partnership name, ABN, place of business, names of all partners	Partnership agreement or ABN Lookup; each partner verified as an individual	Each partner with 25 per cent or more, or who controls the partnership	Harbourline currently has no partnership customers; refer any partnership to Danielle Okafor before engagement
Association or co-operative	Registered name, incorporation number, registered office, office holders	Extract from the NSW Fair Trading register or co-operative registry; constitution	Office holders (chair, secretary, treasurer) and any member who controls the entity	Minute or resolution authorising the sale or purchase; PEP and sanctions screening of office holders
Government body	Name of the body, the legislation or instrument establishing it, and its principal address	Legislation, gazette notice or official website; the contact officer verified as an individual	Not required; identify the authorised officer instructing the agency	Harbourline currently has no government customers; refer to Danielle Okafor
Agent or representative acting for a customer (attorney, executor, family member, overseas	Representative's full name, date of birth, address and relationship to the customer	Verify the representative as an individual; sight the power of attorney, grant of probate, or written authority	Still identify and verify the underlying customer and any beneficial owners	Confirm the authority covers selling or buying real estate; screen the representative for PEP and

Customer type	Identify (information to collect)	Verify (documents or sources)	Beneficial owners and controllers	Additional checks
vendor's local contact)		signed by the customer		sanctions; treat unexplained use of a representative as a red flag

Note: A conveyancer's or land registry verification of identity (VOI) confirms who signed a transfer document. It is not full AML/CTF CDD. Harbourline must still screen for PEP and sanctions status, identify beneficial owners, record the purpose of the transaction and assign a risk rating.

Customer risk rating

Every customer is rated Low, Medium or High on the initial CDD form at onboarding. The rating is recorded in the customer record in Agentbox using the AML risk field [CONFIRM: Agentbox custom field name] and on the paper or Drive copy of the form. Danielle Okafor reviews all Medium and High ratings before the agency agreement is signed.

Factor	Low	Medium	High
Customer type and structure	Australian resident individual, owner-occupier	Australian company with simple ownership; family trust or SMSF with identifiable controllers	Foreign company; trust with unnamed or discretionary beneficiaries or layered entities; ownership cannot be established
Residency and country	Resident in Australia, funds from an Australian bank	Expat vendor or buyer in the United Kingdom, Singapore or Hong Kong with a clear connection to the property	Any link to a FATF-listed or DFAT-sanctioned country; non-resident with no explained connection to the Northern Beaches
Politically exposed person	No PEP	Domestic PEP or family member or close associate of a domestic PEP	Foreign PEP or international-organisation PEP, or family member or close associate
Source of funds clarity	Sale proceeds, mortgage from an Australian lender, documented savings	Funds from overseas accounts in the customer's own name; gift from a close family member with documentation	Third-party payer, unexplained overseas funds, reluctance to explain, or cash offered
Delivery channel	Met face to face at the Dee Why or Mona Vale	Remote, staff-assisted (phone, email, video) with	Introduced by an unknown intermediary

Factor	Low	Medium	High
	office or at the property	certified documents	and never met; documents only via a third party
Transaction size and pattern	Consistent with the local market and the customer's stated situation	Well above the customer's apparent means but plausibly explained	Price well above or below market with no explanation; rapid resale; request to structure deposits
Sector red flags	None observed	One red flag, explained to the satisfaction of the salesperson and Danielle Okafor	Two or more red flags, or any red flag that cannot be resolved

Note: Any enhanced CDD trigger (see below) means the customer is rated High. The highest applicable rating across all factors is the customer's rating.

Politically exposed persons and targeted financial sanctions

Harbourline currently has no screening in place. From the program effective date of 15 September 2026, every customer, beneficial owner and representative is screened at onboarding and again on trigger events.

7. PEP status: the customer completes the self-declaration on the initial CDD form. The salesperson also performs a reasonable internet search of the name plus terms such as 'MP', 'minister', 'councillor', 'judge', 'ambassador' and 'board'. [CONFIRM: whether a commercial PEP and sanctions screening vendor will be engaged; name of vendor]
8. Targeted financial sanctions: search each name on the DFAT Consolidated Sanctions List and record the search date and result on the initial CDD form. Screen again before exchange of contracts if more than 30 days have passed. [CONFIRM: rescreening interval]
9. Record the outcome in the Agentbox customer record and attach a screenshot or export of the search to the Google Drive compliance folder.

Result	Action
Domestic PEP or family member or close associate	Rate at least Medium; confirm source of funds; Danielle Okafor approves the engagement and notes reasons
Foreign PEP or international-organisation PEP, or family member or close associate	Enhanced CDD is mandatory; obtain source of funds and source of wealth; Danielle Okafor as senior manager must approve in writing before the agency agreement is signed
Possible sanctions match	Do not proceed and do not accept any deposit. Hold the matter, escalate immediately to Danielle Okafor, who confirms whether the match is genuine. If genuine, do

Result	Action
	not deal with the person or their property, report to AUSTRAC via an SMR, notify the Australian Sanctions Office as required, and obtain legal advice. Do not tell the customer why the matter is on hold.

Enhanced customer due diligence

Enhanced CDD is completed on the AUSTRAC starter-kit enhanced CDD form and approved by Danielle Okafor before the designated service continues. It applies whenever any of the following occurs:

- The customer's ML/TF risk is rated High under this policy.
- Harbourline is required to submit an SMR in relation to the customer.
- The customer's transactions are unusually complex or large, have no apparent economic or legal purpose, or show an unusual pattern.
- The customer, a beneficial owner, beneficiary or representative is a foreign politically exposed person.
- The customer, a beneficial owner, beneficiary or representative is located in or formed in a jurisdiction identified by the FATF as high risk.
- Harbourline-specific triggers: cash is offered for any part of a deposit or price; a third party unrelated to the customer is funding the purchase; the purchase price is to be paid substantially from overseas without a clear explanation; the customer insists on an unusually short or long settlement combined with any other red flag; or a possible sanctions or PEP match has not been ruled out.

Enhanced measures, applied in proportion to the risk:

- Collect and verify additional KYC information, for example a second photo ID, an ownership chart for entities, or the full trust deed rather than an extract.
- Establish source of funds and source of wealth on reasonable grounds with documentary evidence (see next section).
- Obtain information on the purpose of the transaction and, for vendors, where the proceeds will be paid (bank account name and country).
- Senior-manager approval to proceed: Danielle Okafor signs the enhanced CDD form before the agency agreement is signed or the offer is made.
- Increase monitoring: the file is reviewed by Danielle Okafor at each key step (listing, offer, exchange, settlement) and at every periodic review.
- Apply limits or decline: for example require that all funds come from an account in the customer's own name, or decline the engagement.

Note: Enhanced CDD outcomes are recorded on the enhanced CDD form and in the Agentbox customer record, and the customer's rating is set to High.

Source of funds and source of wealth

Source of funds means where the money for this transaction is coming from. Source of wealth means how the customer built their overall assets. Harbourline asks about source of funds for every buyer's-agency client as part of understanding the purpose of the relationship, and asks for evidence of both source of funds and source of wealth when:

- The customer is rated High or is subject to enhanced CDD.
- The customer or a beneficial owner is a foreign PEP.
- Funding is unusual: sudden change of funding source, funds arriving from several accounts, or funds from a country other than Australia, the United Kingdom or Singapore.
- Any cash is offered. Harbourline accepts no cash and must decline it, but the offer itself triggers this enquiry.
- A third party is paying the deposit or price on the customer's behalf.
- The funds are a gift, inheritance or loan from a private individual.
- The deposit or price is coming from overseas.

Source	Acceptable evidence
Savings and employment income	Recent bank statements showing balance history; payslips or ATO notice of assessment
Sale of another property	Contract for sale or settlement statement from the conveyancer
Mortgage or loan	Formal loan approval from an Australian lender; for private loans, a signed loan agreement and the lender's identity
Gift or inheritance	Signed gift letter with the giver's identity and bank statement; grant of probate or estate distribution statement
Business income or sale of a business	Financial statements, business sale contract, accountant's letter
Overseas funds	Foreign bank statement in the customer's own name, evidence of the origin of the funds, and confirmation the transfer will come from that account

Red flags: documents that do not match the customer's stated occupation or age; funds passing through several accounts shortly before the transaction; reluctance or vague answers; evidence provided by someone other than the customer; a gift from a person who cannot be identified. Any unresolved red flag is escalated to Danielle Okafor on the unusual activity report form.

Ongoing customer due diligence and monitoring

Real estate transactions are few and high value, so monitoring is a manual check at defined steps rather than automated transaction monitoring. The responsible salesperson or buyer's agent completes the check and notes it in the Agentbox activity log at each step:

10. Listing or engagement: confirm CDD is complete and the rating is recorded before the agency agreement is signed.
11. Offer and negotiation: does the buyer's identity, funding and behaviour match what was declared? Any request to change the purchaser name or add an entity?
12. Exchange: confirm the purchasing entity matches the CDD record; check that the deposit paid into the sales trust account came by EFT from an account in the customer's or their conveyancer's name. Any cash tendered is refused and reported to Danielle Okafor the same day.
13. Settlement: confirm the disbursement of trust money goes to the expected party; note any late change of payee or bank details.
14. Post-settlement: note any request to resell quickly or any contact suggesting the stated purpose was not genuine.

Rating	Periodic review frequency
High	Every 12 months while the relationship continues, and at every transaction
Medium	Every 2 years or at the next transaction
Low	Every 3 years or at the next transaction

[CONFIRM: review frequencies above.] Most Harbourline relationships end at settlement. A repeat customer returning for a new sale or purchase is treated as a trigger-event review: refresh identity information, rescreen for PEP and sanctions, and update the rating. Reviews are recorded on the starter-kit periodic review form or trigger-event review form.

Trigger events requiring a review: change of purchasing entity or beneficial owner; change of funding source or a third-party payer appearing; adverse media or criminal allegations; the customer moves to or receives funds from a higher-risk country; any red flag in the Red flags section; an AUSTRAC communication relevant to the customer type; or a request from a law enforcement agency.

Escalation: any staff member who notices unusual activity completes the starter-kit unusual activity report form the same day and sends it to Danielle Okafor, who logs it in the escalation register. Danielle Okafor assesses within 2 business days [CONFIRM] and records one of: no further action, enhanced CDD, decline or exit, or SMR. The SMR deadline runs from the moment suspicion is formed, not from the assessment: 24 hours for terrorism financing, 3 business days for other suspicions. Staff must not discuss the escalation with the customer.

Reliance on third parties and intermediaries

Harbourline uses a conveyancer for all contracts and receives introductions through mortgage brokers, accountants, lawyers and other agents. Harbourline may rely on CDD performed by another reporting entity only where all of the following are met:

- A written reliance arrangement exists between Harbourline and the other entity. [CONFIRM: name of conveyancer and whether a written arrangement will be put in place]
- Harbourline obtains the CDD information (identity, verification, beneficial owners, PEP and sanctions result, risk rating) before providing the designated service, and can obtain copies of the underlying documents on request.
- Danielle Okafor assesses the arrangement and the quality of the other entity's CDD, records the assessment on the starter-kit request to verify information form, and completes that record within 10 business days of the reliance.
- The assessment and CDD information are kept for 7 years.
- Harbourline still assigns its own risk rating and remains fully responsible for compliance.

Reliance is not permitted where: the other party is not an AUSTRAC reporting entity (for example an overseas agent or a private referrer); the customer is High risk or a foreign PEP; enhanced CDD applies; there is any suspicion; or the other party's CDD is more than 12 months old [CONFIRM]. In these cases Harbourline conducts its own CDD in full. Referrals from intermediaries are otherwise treated as a delivery-channel risk factor and rated Medium at minimum until the customer is met.

Pre-commencement (existing) customers

Customers with a current agency agreement or buyer's-agency agreement on 1 July 2026 are pre-commencement customers. Harbourline is not required to complete CDD on them immediately, but must apply CDD when a trigger event occurs or when the ML/TF risk warrants it.

15. By 30 September 2026 [CONFIRM], Danielle Okafor lists all open agency and buyer's-agency agreements from Agentbox and assigns a provisional rating using the criteria in this policy.
16. Any existing customer that is provisionally High (entity with unclear ownership, overseas vendor, third-party funding, or any red flag) receives full CDD before the next step in their transaction, and before exchange at the latest.
17. Medium and Low existing customers receive CDD at the next trigger event, and in any case at exchange of contracts if the sale is still in progress.
18. Property management and leasing clients are not designated-service customers and are excluded, but become customers if they engage Harbourline to sell.

[TO COMPLETE] Number of open agency agreements at 1 July 2026 and target completion date for the pre-commencement review.

Red flags for Real estate agency (sales / buyer's agency)

Any of these should be raised with Danielle Okafor on the unusual activity report form. One red flag is not proof of crime; it is a reason to ask more questions.

- The customer offers cash for the deposit or any part of the price, or asks whether cash can be accepted.
- The buyer does not care about the price, inspection or condition of the property and wants to exchange quickly.
- The purchase price is well above or below market value with no explanation, or the customer asks for the contract price to differ from the real price.
- The customer wants to buy in the name of a company or trust set up very recently, or changes the purchasing entity just before exchange.
- A third party unrelated to the customer pays the deposit or is to pay the price.
- The deposit arrives from several different accounts or from an account in a different name from the customer.
- Funds come from overseas without a clear reason, or from a country the customer has no obvious connection to.
- The customer is reluctant to provide identity documents, beneficial-owner details, or the trust deed, or provides documents that look altered.
- The customer is represented by an intermediary who will not let you deal directly with them, or the vendor overseas can never be reached.
- The customer asks to resell the property shortly after purchase, or a vendor bought the property only recently and is selling with no explanation.
- The customer's wealth or stated occupation does not match the value of the property.
- Vendor asks for sale proceeds to be paid to a third party or to an overseas account in another name.
- The customer shows unusual interest in AML/CTF, reporting or record-keeping, or asks staff not to record something.
- Adverse media, a criminal allegation, or a PEP or sanctions match arises for the customer or a related person.
- A buyer's-agency client wants to buy several properties quickly with no investment rationale.
- Requests to pay or receive the deposit outside the sales trust account.

Record of CDD

Harbourline keeps a CDD record for every customer, comprising the onboarding form, initial CDD form, copies of identity and entity documents, PEP and sanctions search results, risk rating and reasons, enhanced CDD form, source of funds and wealth evidence, periodic and trigger-event review forms, unusual activity report forms, escalation register entries and any third-party reliance assessment.

Record	Where kept	Retention
CDD forms and identity documents	Customer record in Agentbox with scanned copies in the Google Drive compliance folder, sub-folder per customer	7 years from the end of the business relationship (normally settlement or expiry of the agency agreement)
Trust account deposit and disbursement records	Trust accounting records [CONFIRM: trust accounting system] and Agentbox	7 years from the date the record was created or received
Third-party reliance assessments	Google Drive compliance folder, reliance sub-folder	7 years
Escalation register and unusual activity report forms	Google Drive compliance folder, restricted to Danielle Okafor	7 years from when no longer relevant to demonstrating compliance

Access: the Google Drive compliance folder is restricted to Danielle Okafor and the two directors. Salespeople and buyer's agents can view CDD status in Agentbox but not the identity documents of customers they do not manage. [CONFIRM: Agentbox permission settings.] Paper copies are scanned within 2 business days and the originals shredded or locked in the Dee Why office. Records are kept in English and remain retrievable if a customer's record is archived.

Privacy: collect only the information needed to meet AML/CTF obligations. The initial CDD form includes a Privacy Act collection notice stating that identity information is collected under the AML/CTF Act, may be disclosed to AUSTRAC, and is retained for 7 years. Do not use CDD information for marketing.

Part 3 — Reporting, records, review and independent evaluation

Reporting to AUSTRAC — overview

Harbourline Property Group Pty Ltd (trading as Harbourline Real Estate) lodges all AUSTRAC reports through AUSTRAC Online. Danielle Okafor, Licensee in Charge and AML/CTF compliance officer, is the only person authorised to lodge reports. Staff never lodge reports directly and never discuss them with customers.

Report	When required	Deadline	Who lodges	Where recorded
Suspicious matter report (SMR)	Suspicion on reasonable grounds formed about a customer, transaction or person (see section 2)	24 hours if related to terrorism financing; 3 business days after the day the suspicion was formed for other suspicions	Danielle Okafor via AUSTRAC Online	Escalation register and restricted AML/CTF folder on Google Drive (not the customer file in Agentbox)
Threshold transaction report (TTR)	Physical currency of A$10,000 or more received or paid. Harbourline does not accept cash, so this should not arise	Within 10 business days after the day the transaction takes place	Danielle Okafor via AUSTRAC Online	Maintenance log and restricted AML/CTF folder
International funds transfer instruction (IFTI)	Generally not applicable. Only required if Harbourline itself sends or receives international transfer instructions as a financial institution or remitter. Harbourline transacts through its bank. [CONFIRM: no IFTI obligation applies]	Not applicable unless confirmed otherwise	Not applicable	Note in maintenance log that IFTI was assessed as not applicable

Report	When required	Deadline	Who lodges	Where recorded
Annual compliance report	Each year, questions on how the business has met its AML/CTF obligations	AUSTRAC-specified window each year. [CONFIRM: dates on AUSTRAC Online]	Danielle Okafor prepares and lodges; reviewed by the senior manager	Copy and supporting evidence in restricted AML/CTF folder
Cross-border movement (CBM) report	Physical currency or bearer negotiable instruments of A$10,000 or more carried across the Australian border. Unlikely for this business	Before or at the time of movement, per AUSTRAC guidance	Danielle Okafor (if ever required)	Maintenance log
Change of enrolment details	Any change to enrolment details, including a change of AML/CTF compliance officer, directors, addresses or designated services	Within 14 days of the change	Danielle Okafor via AUSTRAC Online	Maintenance log with date notified

Note: Enrolment is not yet started. Harbourline must apply to enrol with AUSTRAC no later than 29 July 2026 and notify its AML/CTF compliance officer within the same enrolment form. [CONFIRM: enrolment lodged and AUSTRAC reference recorded in the maintenance log]

Suspicious matter reports

A suspicion on reasonable grounds is more than a hunch but less than proof. It is the point where a reasonable person in the agent's position, knowing what they know, would think something is not right. Harbourline does not need to investigate or confirm a crime before reporting.

AUSTRAC's grounds for an SMR include suspicion that:

- information Harbourline holds may be relevant to a crime (including tax evasion, fraud or proceeds of crime);
- a customer, or a person acting for them, is not who they claim to be;
- a person is planning a money laundering or terrorism financing offence using a designated service.

Examples in a Northern Beaches sales context: a buyer who will not explain where a large deposit came from; a third party paying the deposit with no clear link to the buyer; pressure to settle unusually fast with no reason; a vendor or buyer using a trust or company with an unclear controller; requests to route funds through unrelated accounts.

Internal flow:

19. Any staff member who notices unusual activity completes the unusual activity report form the same day and sends it to Danielle Okafor only. They do not raise it with the customer or with colleagues who do not need to know.
20. Danielle Okafor assesses the form, checks the customer record in Agentbox and any CDD material, and decides whether a suspicion on reasonable grounds exists. She may ask the staff member for more detail.
21. The decision, reasons and date are recorded in the escalation register, whether or not an SMR is lodged.
22. If an SMR is required, Danielle Okafor lodges it via AUSTRAC Online within the deadline and records the lodgement date and AUSTRAC receipt in the escalation register.

Note: Deadlines run from the moment the suspicion is formed, not from when the sale settles or the file is reviewed: 24 hours for terrorism financing, 3 business days after the day of forming the suspicion for other matters.

- An SMR may still be required even if the sale falls over, the customer withdraws, or Harbourline declines to act.
- The SMR, the unusual activity report form and all working papers are kept in the restricted AML/CTF folder on Google Drive, separate from the customer file in Agentbox, with access limited to Danielle Okafor and [CONFIRM: any second authorised person].
- Never lodge, prepare or discuss an SMR with the customer's knowledge.
- Once an SMR is required for a customer, enhanced customer due diligence is triggered under Part 2. Danielle Okafor decides whether to continue the relationship, apply restrictions, or withdraw, and records this in the escalation register.

Threshold transaction reports

A TTR is required when Harbourline receives or pays A$10,000 or more in physical currency (cash, including foreign currency equivalent) in one transaction. It must be lodged within 10 business days after the day the transaction takes place.

Note: Harbourline does not accept cash. Deposits are paid into the sales trust account by EFT only. This policy applies at both the Dee Why and Mona Vale offices.

How staff apply the no-cash policy:

- Sales agents and buyer's agents tell buyers at the offer stage that deposits are by EFT or bank cheque only, and confirm this in the deposit instructions issued from Agentbox. [CONFIRM: bank cheques accepted or EFT only]
- If a customer offers cash, staff politely decline, explain it is company policy, and provide the trust account details for EFT. Staff do not accept partial cash, and do not accept cash on behalf of the conveyancer or any third party.
- If cash is offered in an amount just under A$10,000, or in several parcels, staff complete an unusual activity report form. Splitting amounts to avoid a report (structuring) is itself a reason for an SMR.

- If cash is received anyway (for example left at reception), the staff member does not bank it without telling Danielle Okafor the same day. She decides on return or banking to the trust account in line with trust account rules, lodges a TTR if the amount is A$10,000 or more, and considers whether an SMR is also needed.
- Danielle Okafor checks the trust account receipts in Agentbox at least [CONFIRM: monthly] to confirm no cash receipts exist, and records the check in the maintenance log.

Annual compliance report

Each year AUSTRAC requires an annual report answering questions about how Harbourline has met its AML/CTF obligations. It is lodged via AUSTRAC Online in the window AUSTRAC specifies. [CONFIRM: reporting window dates and whether a report is due for the 2026 part-year]

- Danielle Okafor, as compliance officer, prepares the answers using the maintenance log, escalation register, training records and effectiveness check results.
- In her senior manager role, she reviews the completed draft before lodging. Because the same person holds both roles, the second director on the board reviews the answers as an additional check. [CONFIRM: name of second director]
- Evidence supporting each answer is saved in the restricted AML/CTF folder with the lodged copy and AUSTRAC receipt.
- The annual compliance report is prepared at the same time as the annual report to the governing body (section 9) so the two are consistent.

Tipping off

Tipping off means telling a customer, or anyone else who does not need to know, that Harbourline has lodged an SMR, is required to lodge one, or has ended a relationship because of suspicious activity. It is prohibited and can lead to civil penalties and enforcement action. It also alerts the person and may put staff at risk.

Staff may not:

- tell a customer that an unusual activity report, escalation or SMR has been made or is being considered;
- say that AUSTRAC, the police or the compliance officer is looking at their matter;
- explain a delay or refusal by referring to suspicion, money laundering or reporting;
- hint at any of the above to the customer's conveyancer, solicitor, relative, or the other party to the sale.

Staff may:

- ask ordinary CDD questions and request documents, because these are standard requirements applied to every customer;
- say: "We can't proceed until our identification and verification requirements are complete";
- say: "Under our compliance policy this file needs sign-off from our Licensee in Charge before we go further";

- say, if Harbourline withdraws: "We have decided we are unable to act on this matter. I'm not able to go into the reasons, and we'd suggest you seek other representation."

Internally, SMR matters are on a need-to-know basis: Danielle Okafor and the reporting staff member only, plus anyone she must involve to manage the file. Permitted disclosures are limited to AUSTRAC, to a lawyer for the purpose of obtaining legal advice, and, where the AML/CTF Act permits, to another reporting entity such as the conveyancer for the purpose of managing the risk. [CONFIRM: scope of any disclosure to the conveyancer or other reporting entity with legal advice before relying on it]

Record keeping

Harbourline keeps records in Agentbox (customer and transaction records) and Google Drive (program, personnel and AML/CTF records). All records are retained for 7 years from the point set out below.

Record	Examples	Retention	Kept where	Owner
Program records	Risk assessment, policies, process document, approvals with version and date, maintenance log	7 years from when no longer relevant to demonstrating compliance	Google Drive AML/CTF folder	Danielle Okafor
Customer due diligence records	ID copies, verification notes, beneficial owner details, PEP and sanctions check results, risk rating, periodic and trigger reviews	7 years from the end of the business relationship or completion of the occasional transaction	Agentbox customer record, with copies in Google Drive if not attachable	Danielle Okafor; sales and buyer's agents create
Transaction records	Sales agency agreements, contracts exchanged, deposit receipts, trust account records, settlement statements	7 years from creation or receipt	Agentbox and trust account system	Danielle Okafor; office administrator maintains [CONFIRM: name]
Third-party reliance assessments	Written reliance arrangement with the conveyancer, assessment of their CDD, requests to verify information	7 years	Google Drive AML/CTF folder	Danielle Okafor

Record	Examples	Retention	Kept where	Owner
SMR and TTR copies and working papers	Unusual activity report forms, escalation register, lodged reports, AUSTRAC receipts	7 years from lodgement	Restricted AML/CTF folder, access limited	Danielle Okafor
Training records	Induction and annual training attendance, content, assessments	7 years	Google Drive personnel folder	Danielle Okafor
Personnel due diligence	Checks on compliance officer, directors and staff, fit and proper assessments	7 years from end of engagement	Google Drive personnel folder, restricted	Danielle Okafor
AUSTRAC communications register	Date, communication, relevance, changes made, by whom	7 years	Google Drive AML/CTF folder	Danielle Okafor
Independent evaluation reports and responses	Evaluator report, response form, actions taken	7 years	Google Drive AML/CTF folder	Danielle Okafor
Governing body reports	Annual report to the board, board minutes noting receipt	7 years	Google Drive AML/CTF folder and board records	Danielle Okafor

- Records may be hard copy or electronic, original or in the usual business format. Paper documents are scanned to the relevant system within [CONFIRM: 5 business days] and originals stored securely or destroyed once scanned.
- Access to Agentbox and Google Drive is by individual login. The AML/CTF and personnel folders are restricted to Danielle Okafor and [CONFIRM: second authorised person]. Access is reviewed when staff leave.
- Records are in English. Any foreign-language document (for example an expat vendor's overseas ID) is kept with a translation or a note of how it can be easily translated.
- If AUSTRAC requests records, Danielle Okafor coordinates retrieval and aims to respond within the timeframe AUSTRAC sets. Records are indexed by customer and property address in Agentbox so they can be found quickly.

Program review and maintenance

This program is effective 15 September 2026. Danielle Okafor conducts a light-touch review each year and a full review of the risk assessment and policies at least once every 3 years, with the next full review due no later than 15 September 2029.

A review is also triggered by:

- significant changes within Harbourline's control, such as new services (for example commercial sales or auctions), new delivery channels, new technology, new customer types, or new countries. These changes are reviewed before the change is made;
- changes outside Harbourline's control, such as country risk changes or targeted financial sanctions updates;
- an AUSTRAC communication identifying a risk relevant to real estate agents;
- an adverse finding from an independent evaluation.

Note: Any update must be approved by the senior manager, notified to the board of directors in writing as soon as practicable, and documented within 14 days after the update occurs, with the version number and approval date shown in the policy.

Effectiveness checks, using the AUSTRAC starter-kit forms:

Check	What is tested	Suggested cadence
Onboarding and initial CDD	Sample of new vendor and buyer files for complete ID, beneficial owner, PEP and sanctions checks, risk rating	Quarterly, 5 files per office
Enhanced CDD	All high-risk files for source of funds and wealth evidence and senior manager sign-off	Half-yearly
SMR	Unusual activity forms raised, timeliness of assessment and lodgement, tipping-off compliance	Half-yearly
TTR	Trust account receipts checked for any cash; no-cash policy applied	Half-yearly
Compliance officer and senior manager	Roles performed, reporting to the board, approvals recorded	Annually, by the second director

- Findings are recorded on the periodic effectiveness testing summary and in the maintenance log, with the action, owner and due date.
- Danielle Okafor, as senior manager, approves any resulting change. Where the change relates to her own role, the second director approves. [CONFIRM: name]
- The maintain program log records every change, check, AUSTRAC communication and approval with the date and version.

Independent evaluation

Harbourline must have its AML/CTF program independently evaluated at least once every 3 years. The frequency must suit the nature, size and complexity of the business, and the reason for the chosen frequency is documented in the maintenance log. The deadline for the first evaluation is set by the AML/CTF Transitional Rules 2026. [CONFIRM: first evaluation deadline for a real estate business enrolled in 2026]

The evaluator must be independent. They must not have designed or operated the program. Given Harbourline's size (11 staff), suitable options are:

- an external AML/CTF consultant or accounting firm with AML/CTF experience;
- the compliance officer of another agency under a reciprocal arrangement, provided neither has been involved in the other's program;
- a service offered by a real estate professional body. [CONFIRM: preferred evaluator option and quote]

Scope: the risk assessment process, the design of the policies, whether Harbourline is complying with them, and whether they are effective. The evaluator provides a written report covering the process followed, findings and testing done, to the board of directors and to Danielle Okafor as senior manager as soon as reasonably practicable.

Response: Danielle Okafor completes the independent evaluation response form for each finding, with the action, owner and date. Program updates arising from the evaluation are approved by the senior manager, notified to the board and documented within 14 days.

[TO COMPLETE] Budget and timing for first independent evaluation: A$[CONFIRM] budgeted; target completion by [CONFIRM: date within Transitional Rules deadline]; evaluator engaged by [CONFIRM: date].

Annual report to the governing body

Danielle Okafor reports to the board of directors in writing at least once a year on the operation of the AML/CTF program. Because Harbourline has two directors and Danielle Okafor is one of them, the report is formally tabled and minuted at a board meeting so the second director receives it independently. The sole-trader simplification, where one person holds all three roles and need not report to themselves, does not apply.

Contents checklist:

- Risk assessment status: last review date, any changes, next review due.
- CDD statistics: new customers onboarded, risk rating breakdown, periodic and trigger reviews completed, overdue items.
- Reporting: number of unusual activity reports, escalations, SMRs and TTRs lodged, with no customer names or details in the report.
- Training: staff inducted and annually trained, outstanding staff.
- Breaches and incidents: control failures, remediation and status.

- AUSTRAC communications considered and changes made.
- Effectiveness check results and open actions from the maintenance log.
- Independent evaluation status and outstanding evaluator findings.
- Enrolment details up to date and annual compliance report lodged.

Timing: within [CONFIRM: 2 months] after 30 June each year, aligned with the annual compliance report. Format: the AUSTRAC starter-kit annual report to the governing body form, saved in the AML/CTF folder with the board minute.

Breaches, incidents and self-reporting

A breach or incident is any failure to follow this program: for example a contract exchanged before CDD was complete, a missed SMR deadline, a tipping-off disclosure, or cash accepted at reception.

23. The staff member who becomes aware of it tells Danielle Okafor the same day.
24. Danielle Okafor records it in the maintenance log with the date, what happened, the cause and the customer file affected.
25. She assesses the impact, completes any late CDD or reporting immediately, and decides whether an SMR is now required.
26. She fixes the root cause, for example a process change, extra training or an Agentbox checklist change, and approves the update as senior manager within 14 days.
27. Serious or repeated breaches are reported to the board in writing as soon as practicable, not held for the annual report.

Where a breach is significant, such as a missed report or a systemic CDD failure, Danielle Okafor contacts AUSTRAC through AUSTRAC Online to disclose it and the remediation taken, after seeking legal advice if needed. AUSTRAC views voluntary disclosure and prompt remediation favourably in deciding on enforcement action. [CONFIRM: threshold at which the board wants to be consulted before contacting AUSTRAC]

Version history and approval

This document takes effect once the senior manager named below has reviewed, adapted where needed, and signed the approval line for the current version.

Version	Date	Approved by	Signature
1.0	3 September 2026	Danielle Okafor (Licensee in Charge / Director)	