

Finance Frank — AML/CTF Tranche 2 support summary

How Finance Frank features map to your practice's AML/CTF Act 2006 (Cth) obligations from 1 July 2026. Generated 09 June 2026. Treat as informational; verify against current AUSTRAC guidance.

Posture. Finance Frank Pty Ltd (ACN to be inserted, ABN 20 530 863 914) is not a 'reporting entity' under the AML/CTF Act 2006 (Cth) (as amended by the AML/CTF Amendment Act 2024 (Cth)) and does not provide any 'designated service' within the meaning of section 6 of that Act. Your practice retains all reporting-entity obligations: AUSTRAC enrolment, the AML/CTF Program, customer due diligence, ongoing monitoring, SMR / TTR lodgements, and the appointment of an AML/CTF Compliance Officer.

How Frank features support your obligations

Frank feature	Supports your AML/CTF Act obligation
Customer due diligence (CDD) KYC capture: government ID upload, address verification, source-of-funds declaration, occupation, FATCA/CRS questions	Part 2 (CDD obligations) — initial CDD on customers before providing a designated service. AUSTRAC Rules Chapter 4.
Beneficial ownership tracking Per-client identification of controllers and ≥ 25% beneficial owners for company / trust / SMSF / partnership clients	AUSTRAC Rules Chapter 4 (CDD on beneficial owners) and the Tranche 2 enhancements that take effect from 1 July 2026.
Per-client risk rating Practitioner sets low / medium / high; rating is timestamped and attributed to the practitioner who set it	Part 8 (AML/CTF Program — Part A risk-based systems and controls). Risk-based approach is the foundation of AUSTRAC's compliance expectations.
PEP & sanctions screening Names screened against DFAT Consolidated List, OFAC, and UN sanctions; commercial provider integration available	Part 2 (CDD on PEPs) and AUSTRAC Rules Chapter 5 (sanctions screening). Hits + dispositions retained for inspection.
Tamper-evident audit trail Every CDD update, screening run, risk-rating change, Evidence Pack generation, and TTR draft logged with actor + timestamp + change payload (append-only)	Part 10 (record-keeping) — 7-year retention of CDD records, transaction monitoring, and TTR working papers. SMR working papers reside with the practice (the Evidence Pack PDF you download), not in Frank.
Evidence Pack (for SMR support) & TTR draft generation Evidence Pack PDF — compiles CDD records, beneficial ownership, screening hits, risk-rating history and audit trail for one client; you write the SMR directly in AUSTRAC Online and attach the Pack as supporting file. TTR draft pre-populated for review before manual lodgement to AUSTRAC Online.	Part 3 (SMRs — s 41 and Part 11 reporting obligations) and Part 3A (TTRs ≥ AUD \$10,000 cash). Lodgement remains your obligation. Frank's Evidence Pack supports SMR work without storing suspicion narrative; Frank's TTR drafts are factual transaction reports.
Tipping-off-safe messaging <i>practitioner_only</i> flag on practice notes — flagged notes are never visible to or sent to the client	Section 123 (tipping-off prohibition). Frank's design supports s 123 compliance by not storing SMR text and by ensuring practitioner-only flagged content never reaches the client.
TTR threshold monitor Auto-flag of any single cash transaction at or above the threshold (currently AUD \$10,000) for TTR consideration by your Compliance Officer	Part 3A (Threshold Transaction Reports). Frank surfaces the trigger; you assess and lodge.
AML/CTF program template Customisable, board-approval-ready written program covering Part A (risk-based systems) and Part B (CDD and ongoing monitoring procedures)	Part 7 (AML/CTF Program). Frank provides the document scaffolding; your firm tailors and the board approves.

Where Frank stops — your responsibility starts

What Frank does NOT do	Whose responsibility
Lodgement to AUSTRAC — TTRs drafted in Frank are lodged manually via AUSTRAC Online; SMRs are drafted entirely in AUSTRAC Online (Frank does not store SMR text)	Your AML/CTF Compliance Officer.
Act as the AML/CTF Compliance Officer — Frank does not own your AML/CTF program or sign off on lodgements	A designated employee of your practice (Part 7 of the Act).
Behavioural transaction anomaly detection or ML-based risk scoring	Your firm — bring in a specialist provider if your risk profile warrants it.
Independent review of your AML/CTF Program — required by Part 7 every 2 years	An independent reviewer (not involved in day-to-day program operation).
Staff training under Part 9	Your firm; Frank may host training records but does not deliver training.

Suggested use

Attach this document to your written AML/CTF Program (Part 7) as evidence of the technology controls supporting your risk-based systems. Re-download annually so the date stamp on file is current.

This summary is informational and does not constitute legal advice. For binding terms see the Master Services Agreement and Data Processing Agreement at financefrank.ai/legal. For our broader regulatory positioning see the Practitioner Posture page at financefrank.ai/legal/practitioner-posture.