

File Number 2014/05

24 January 2014

Draft Amendments to the AML/CTF Rules relating to Customer Due Diligence

ASFA provided feedback on specific issues or concerns we have identified with respect to the draft amendments to the AML/CTF Rules, particularly around:

- (i) Issues with various aspects of the proposed definition of 'politically exposed person';
- (ii) The proposed requirements around identifying and verifying politically exposed persons;
- (iii) Additional factors that trustees would need to consider (eg. the member's occupation, the source of their wealth etc) as part of their AML/CTF Program;
- (iv) Additional measures proposed in respect of members who are foreign politically exposed persons;
- (v) The enhanced customer due diligence (ECDD) program to be applied when the member is a foreign politically exposed person;
- (vi) Minor drafting errors requiring correction; and
- (vii) Comments on the implementation arrangements in relation to the proposed changes, including a recommendation that any significant amendments that would impact on superannuation trustees' systems and/or processes should not be implemented before 1 July 2016.