FLK IT OVER × LAB GROUP

Agent FAQ & Knowledge Base

AML/CTF Compliance Made Simple for Real Estate Agents

1 July 2026
AML/CTF obligations commence for real estate agents

< 5 minutes
Average client verification completion time — no app required

ABOUT THIS GUIDE

This FAQ answers the most common questions received from real estate agents about AML/CTF compliance under Tranche 2 and the FLK It Over × LAB Group integration. This document covers; timing, client experience, data privacy, pricing, high-risk clients, AUSTRAC reporting, and more.

CONTENTS

1. Timing: When Do I Verify?

PRE-LISTING	PRE-EXCHANGE	PRE-AUCTION	AT CONTRACT
Vendor Before or at agency agreement signing	**Buyer (Private Treaty)** During negotiations — before contracts exchange	**Bidders (Auction)** Pre-verify registered bidders before auction day	**Off-the-Plan Buyer** At contract execution — not at settlement

At what point does verification happen — listing, exchange, or settlement?

Verification must happen before you provide a designated service. For vendors: before or at signing the agency agreement. For buyers: before exchange of contracts. Do not wait until settlement.

Do I verify the vendor before or after signing the agency agreement?

Before, or at the time of signing. Once you sign and begin acting on the vendor's behalf, you are a reporting entity providing a designated service. Send the LAB verification link through FLK as part of your pre-listing workflow — before the agreement is executed.

When does the buyer become my customer?

Two trigger points: (1) Buyer's agent — buyer becomes your customer when you sign an agreement to find property for them. (2) Seller's agent — AUSTRAC's guidance states both the buyer and seller become your customers when a sales contract is signed. You have CDD obligations on both parties at exchange, not just the vendor.

Is timing different for private treaty vs. auction?

Private Treaty: Verify during negotiations, before exchange. Auction: Pre-verify registered bidders before auction day via FLK. If a bidder wins without pre-verification, AUSTRAC permits delayed CDD — complete it as soon as reasonably practicable after the hammer falls. Off-the-Plan: Verify at contract signing — not at settlement (which may be years away).

2. The Experience: What Does It Look Like?

HOW VERIFICATION WORKS — 3 STEPS

1	**You trigger verification in FLK It Over** Within the FLK platform, initiate a CDD workflow from the transaction or party record. LAB creates the engagement and sends the verification link to your client.
2	**Your client completes it on their phone** They receive a link via SMS or email, click it, and complete identity verification — no app download needed. Most clients finish in under 5 minutes.
3	**You track progress in real time** Monitor status from the LAB Portal or directly within FLK. Full audit trail maintained automatically — accessible any time.

Do my clients need to download anything?

No. The LAB CDD workflow is entirely browser-based. Clients complete everything on phone, tablet, or desktop — no app required.

How long does it take a client to complete?

Entity Type	Typical Completion Time
Individual	2–5 minutes
Joint purchasers	2–5 minutes per person
Company	10–15 minutes (directors + UBO details required)
Trust / SMSF	10–20 minutes (trustee, beneficiaries, settlor)

Can my admin person send the checks, or does the listing agent have to?

Any authorised user in your LAB Portal can send and manage CDD engagements — not just the listing agent. Your admin or operations team can handle the process, removing compliance administration from individual agents.

Does it work on a phone at an open home or auction?

Yes. The platform is fully mobile-responsive. You trigger the link from your phone; the client completes it on theirs. For auctions, pre-verification as part of bidder registration is the recommended approach.

3. Am I Compliant? Your Action Checklist

⚠ **Note:** LAB + FLK handles Step 4. Steps 1, 2, 3, and 5 are obligations your business holds directly.

YOUR PRE-1 JULY 2026 CHECKLIST

#	Action Required	Responsibility
1	Enrol with AUSTRAC as a reporting entity. Enrolment opened 31 March 2026; formal deadline 29 July 2026 — but must be enrolled before providing designated services from 1 July.	**Your Agency**
2	Develop and implement an AML/CTF program covering your risk assessment, policies, procedures, and CDD approach. Use the free wizard at wizard.labgroup.com.au.	**Your Agency**
3	Appoint an AML/CTF Compliance Officer. Notify AUSTRAC by 29 July 2026.	**Your Agency**
4	Sign up with LAB via the FLK It Over order form to activate CDD, identity verification, screening, beneficial ownership mapping, and audit trail.	**LAB + FLK**
5	Train all staff involved in providing designated services on your AML/CTF program and the verification process.	**Your Agency**

If I sign up with LAB, am I fully compliant?

✗ **Not quite —** LAB covers CDD verification, screening, beneficial ownership mapping, and your compliant audit trail. It does NOT write your AML/CTF program, enrol you with AUSTRAC, or appoint your compliance officer. Those obligations remain with you as the reporting entity.

When do I enrol with AUSTRAC and how?

AUSTRAC enrolment opened 31 March 2026. Your obligations must be operational from 1 July 2026; the formal enrolment deadline is 29 July 2026. Enrol directly at austrac.gov.au. LAB does not manage AUSTRAC enrolment on your behalf.

4. AML/CTF Programs

Do I need an AML/CTF program? Does LAB write it for me?

Yes, you need one. LAB does not write your program as part of the standard offering. Two options are available:

FREE: AML/CTF Program Wizard	PAID: LAB Service (KordaMentha)
5–10 minutes online. Generates a draft program tailored to your agency covering risk assessment, policies, and AUSTRAC form checklist. **wizard.labgroup.com.au**	Comprehensive program development and advisory support. Separate managed service engagement — contact LAB for details.

What must my AML/CTF program cover?

Your program must address:

- ML/TF risk assessment — your services, client types, risks, and how you document and manage them
- Policies and procedures — CDD, high-risk client handling, transaction monitoring, suspicious matter reporting, and program governance
- Staff training obligations and documented training records

Under the reformed AML/CTF Rules 2025, there is no mandatory Part A/Part B split. Organise your program in a way that suits your business, provided it meets the requirements of the Act. AUSTRAC publishes a starter program kit for small businesses.

Is there a template I can start from?

Yes. AUSTRAC provides a template AML/CTF program on its website. The LAB wizard at wizard.labgroup.com.au generates a tailored draft for your agency type. Both are starting points that need to be adapted to your specific practice.

5. Data Privacy & Storage

Question	Answer
Stored in Australia?	Yes — confirmed in the order form: 'Data is stored in Australia in accordance with AUSTRAC retention requirements.'
Who can access records?	Only authorised users within your agency's LAB organisation. LAB Group staff may access for platform support per Standard Terms at labgroup.com.au/terms-and-conditions.
How long are records kept?	7 years — as required by the AML/CTF Act. Records remain accessible via the LAB Portal throughout the retention period.
What is stored?	Every CDD engagement, verification result, identity documents, screening outcomes, risk assessment, and timestamps — complete audit trail.
If AUSTRAC asks for records?	Export directly from the LAB Portal at any time. This is a core reason why LAB carries far lower risk than manual, paper-based processes.
Does it cover document management?	Yes — the LAB Portal provides centralised storage, full audit trail visibility, and supports the 7-year retention requirement.

6. Complex Entities: POA, Companies & Trusts

The vendor is acting under Power of Attorney — who do I verify?

Verify the attorney (the person transacting on behalf of the donor). Obtain and retain a copy of the power of attorney document. Depending on your risk assessment, you may also need to verify the donor. Your AML/CTF program should set out your specific procedures.

What about deceased estates and executors?

Verify the executor as an individual — they are the person transacting on behalf of the estate. Retain a copy of the grant of probate or letters of administration.

The buyer is a company or trust — what does LAB collect?

	Company ($65/engagement)	Trust / SMSF ($65/engagement)
What LAB captures	ASIC company check, directors, shareholders, registered office	Trustee details (individual or corporate), beneficiaries, settlor, controlling parties
UBO Report	Full beneficial ownership mapping through all corporate/trustee layers	Trustee and controlling natural persons identified
All included in fee?	Yes — all individuals, directors, and beneficial owners	Yes — all trustee, beneficiary and settlor details included

What is beneficial ownership and how deep do I have to go?

Beneficial ownership refers to the natural persons who ultimately own or control an entity — generally those with 25% or more ownership. For layered structures (a company owned by a trust owned by another company), you look through each layer until you reach natural persons. LAB's UBO report automates this mapping regardless of complexity, and the per-entity fee covers the entire traversal.

7. Buyers & Purchaser Obligations

Do buyers need the same checks as vendors?

✓ Yes. Both buyers and sellers are customers under the Act when you broker the transaction on their behalf. Both require identity verification, entity checks (where applicable), beneficial ownership identification, and PEP/sanctions screening.

Do I verify every interested buyer or only the one who exchanges?

The obligation applies to parties in connection with whom you're providing a designated service. For private treaty: this is the buyer engaged in serious negotiations before exchange — not every person at an open home. For auctions: pre-verifying registered bidders before auction day is recommended.

The buyer has their own buyer's agent — whose obligation is it?

Each reporting entity has its own CDD obligation. The buyer's agent has the primary CDD obligation for the buyer. As the seller's agent, your obligation is for the vendor. If you're acting for both parties, you have obligations in relation to both. Confirm your specific position with your compliance officer or legal advisor.

8. Auctions

AUCTION VERIFICATION APPROACH

BEST PRACTICE	PERMITTED (where needed)
Send the LAB verification link via FLK as part of bidder registration communications. All bidders pre-verified before auction day — clean process, no post-auction scramble.	If a bidder wins without prior verification, AUSTRAC explicitly permits delayed CDD — this is written into the Act. Complete CDD on the successful bidder as soon as reasonably practicable after the hammer falls.

Can I make verification part of bidder registration?

Yes — and this is the recommended approach. Send the LAB verification link via FLK as part of your bidder registration communications. Bidders complete it digitally before the auction. Pre-verification is far cleaner and avoids any post-auction risk.

9. High Risk & Suspicious Matters

What automatically triggers a High-risk rating in LAB?

LAB's risk assessment uses a high-water mark — if any single indicator is High, the overall result is High:

🚩	Sanctions match (individual on a sanctions list)	🚩	Adverse media match
🚩	Sanctioned country association	🚩	High-risk country association
🚩	PEP match (Politically Exposed Person)	🚩	Occupation risk category

What is Enhanced Due Diligence (EDD) and when does it trigger?

EDD triggers automatically in the LAB workflow whenever the overall risk assessment result is High — no manual setup required. The EDD workflow captures: source of funds, source of wealth, and additional clarifications on transaction details, ownership, control, governance, and any regulatory or legal matters.

What do I do if a client comes back high risk?

A High-risk result does not mean you must stop. EDD triggers automatically. After EDD, you decide whether to proceed based on your AML/CTF program's escalation procedures. Some results will be false positives — the LAB Portal provides exception management tools to review and document your conclusions.

Can I refuse to act? Can I tell the client why?

⚠ You can — and in some cases must — decline the service if you cannot complete satisfactory CDD or if risk is beyond your appetite. IMPORTANT: The AML/CTF Act includes tipping-off provisions. You cannot disclose that you have filed or are considering filing a Suspicious Matter Report. Decline without giving a specific reason.

What if a screening hit is a false positive?

False positives occur, particularly with common names. The LAB Portal includes exception management workflows — review the result, assess whether it's a genuine match, document your conclusion, and proceed or escalate. A false positive should not indefinitely delay a transaction if resolved promptly. LAB uses full name and date of birth matching to reduce false positive rates.

10. AUSTRAC Reporting

YOUR REPORTING OBLIGATIONS AT A GLANCE

Report	When Required	Timeframe
Suspicious Matter Report (SMR)	When you suspect a transaction is linked to money laundering, terrorism financing, tax evasion, proceeds of crime — or a client refuses CDD	24 hrs (terrorism) / 3 business days (all others)

Threshold Transaction Report (TTR)	When you receive or transfer cash of $10,000 or more in connection with a designated service	Within 10 business days
Annual Compliance Report	Filed annually covering your compliance program effectiveness	Per AUSTRAC schedule

Do I report every property transaction to AUSTRAC?

No. Reporting is event-triggered: a suspicious matter, or a cash transaction at or above the $10,000 threshold. Most residential property transactions settle electronically and do not trigger a TTR.

Does LAB report my customers to AUSTRAC automatically?

✗ No. LAB does not file reports to AUSTRAC on your behalf. LAB provides risk assessment, screening, and case management tools to help you identify when a report may be required. The decision to file — and the actual filing — remains your obligation as the reporting entity.

What if a client refuses to provide their details?

You cannot proceed with the designated service. Assess whether the refusal itself is suspicious — if so, consider whether an SMR is required (24 hours for terrorism-related matters; 3 business days for all others). Do not tip off the client that an SMR is involved. Note: AUSTRAC's 'deemed CDD' provision applies only to counterparties where you've made genuine attempts but been unsuccessful — not to your own client's refusal.

11. Pricing

All fees in AUD, GST exclusive. Source: LAB × FLK Order Form (28 May 2026).

Individual	Corporate Entity	Trust / SMSF
$35	**$65**	**$65**
per engagement	*per engagement*	*per engagement*
Identity + biometrics + PEP/sanctions screening	ASIC check + directors + full UBO report + all individuals	Trustee + beneficiaries + settlor + controlling parties

★ **Important:** Activation Fee: $300 one-off — WAIVED for agents who sign the order form before 1 July 2026. No monthly subscription fee. You pay per engagement only. Billing managed through FLK for agents on the FLK integration.

How is billing managed through FLK?

Where the FLK integration is active, billing is managed by FLK It Over under your existing FLK arrangement — you don't receive a separate LAB invoice. If your FLK arrangement ends while amounts remain payable, LAB Group will invoice you directly (Net 14 days, EFT).

Does pricing scale with office size or volume?

Pricing is per engagement regardless of office size. High-volume agencies may be able to discuss account-level pricing — speak to the LAB sales team.

12. Other Common Questions

Is LAB Group AUSTRAC-approved or endorsed?

LAB Group is not itself AUSTRAC-approved or endorsed. LAB is a technology platform that helps reporting entities meet their obligations under the AML/CTF Act. AUSTRAC does not certify or endorse specific compliance technology vendors.

Do I need to re-verify clients I have already dealt with?

This depends on your AML/CTF program and the nature of any prior verification. From 1 July 2026, CDD for all active clients must meet the required standard. If prior verification is informal or does not meet that standard, re-verification is likely necessary. Your program should set out your approach to existing client re-verification.

Can international buyers be verified through LAB?

Yes. LAB's verification capabilities extend to international clients, including document verification across a wide range of foreign identity documents. Global PEP and sanctions screening covers 100+ jurisdictions. Speak to the LAB implementation team about specific jurisdictions or document types.

What training do my staff need?

All staff involved in providing designated services need training on your AML/CTF program, the verification process, how to identify suspicious behaviour, and how to escalate internally. Training must be documented and kept current. The LAB order form includes an optional 30-minute virtual LAB Portal overview for a nominated staff member.

What support does LAB provide if something goes wrong?

Email (include Application ID + description)	Phone (urgent issues)
support@labgroup.com.au	+61 (3) 9917 4132

How do I get started if I haven't signed up yet?

Contact the LAB sales team or your FLK It Over representative to complete the LAB × FLK Order Form. Once signed, LAB creates your organisation and provides the identifier to FLK for the integration. The $300 activation fee is waived for agents who sign before 1 July 2026.

Glossary

Plain English definitions of key AML/CTF terms.

Term	Definition
AML/CTF	Anti-Money Laundering and Counter-Terrorism Financing. The regulatory framework governing how reporting entities must identify and manage financial crime risk.
CDD	Customer Due Diligence — verifying who your customer is, understanding the relationship, and assessing ML/TF risk. Includes identity verification, entity checks, and beneficial ownership mapping.
Designated Service	A service listed in the AML/CTF Act that triggers compliance obligations. For real estate agents: acting as buyer's or seller's agent in property transactions.
DVS	Document Verification Service — the Australian Government database for checking the validity of identity documents (passports, driver's licences, Medicare cards) in real time.
EDD / ECDD	Enhanced Due Diligence — a more thorough level of CDD applied to higher-risk customers. Triggers automatically in LAB when overall risk assessment is High.
eIDV	Electronic Identity Verification — verifying identity electronically using government and commercial data sources rather than physical document inspection.
KYC	Know Your Customer — commonly used term for the identity verification and customer understanding process. Equivalent to CDD in practical usage.
ML/TF	Money Laundering / Terrorism Financing — the two primary risk categories the AML/CTF framework is designed to prevent.
PEP	Politically Exposed Person — an individual who holds or has held a prominent public position, or a close family member/associate. A PEP match triggers automatic High-risk rating in LAB.
Reporting Entity	A business required to comply with AML/CTF obligations. From 1 July 2026, real estate agencies brokering property transactions are reporting entities.
SMR	Suspicious Matter Report — filed with AUSTRAC when you have reasonable grounds to suspect a transaction is linked to serious financial crime. Filed through AUSTRAC Online.
Tranche 2	The extension of Australia's AML/CTF regime to professional services including real estate agents, lawyers, and accountants. Obligations commence 1 July 2026.
TTR	Threshold Transaction Report — filed when you receive or transfer cash of $10,000 or more in connection with a designated service. Due within 10 business days.
UBO	Ultimate Beneficial Owner — natural person(s) who ultimately own or control an entity (generally 25%+ ownership). LAB produces a UBO report for every company engagement.