

The scoping memorandum

Chapter 2 and Appendix C, item 1. Entity by entity, written to be read by a supervisor in 2028. The out-of-scope rows matter more than the in-scope ones: they are the ones that get tested.

Entity or group		Prepared by	
Approved by		Date	

Legal entity; activities, and in which Member States (freedom to provide services included)	Article 3 head relied on, or why none applies	Threshold tested, and the data used	National exemption claimed; sector calibrations	Officer, risk assessment, reporting route today?	In, out, or assess; gap analysis or build

Newly or differently drawn heads considered	Done	Events that reopen the analysis	Rule written
Crypto-asset service providers		An acquisition or restructuring	
Crowdfunding providers and intermediaries		A new product	
Credit intermediaries, mortgage and consumer		A new Member State, or a new service passported in	
Investment migration operators		A letting or a sale crossing a threshold mid-year	
Non-financial mixed activity holding companies		A national exemption decision	
Traders in high-value goods, Annex IV		A change in the group's six-Member-State count	
Cultural goods from €10,000, free zones included			
Letting at €10,000 a month or more			
Football agents and clubs (from 10 July 2029)			

For every entity in scope, one more column turns the memorandum into the plan's input: how far it is from the standard. Minute the decision, name the paper by version and date, and record any entity on which the board reserved its position.

The gap analysis, part one: set-up

Appendix B. Against the Regulation, not the national rulebook. Fix three parameters on the first page, then run nine domains with fixed questions and named evidence.

Scope: entities, lines, jurisdictions		Assessment date	
Assessor (one person applies every rating)		Second run diarised for	

Domain	Principal provisions	Suggested owner	Named owner	C	P	G	B
1. Scope and entities	AMLR Articles 3, 4, 5	Legal counsel					
2. Governance and roles	AMLR Articles 11, 16	Company secretary					
3. Policies, controls, training	AMLR Articles 9, 12, 13, 14	Compliance officer					
4. Business-wide risk assessment	AMLR Article 10	Compliance officer					
5. Customer due diligence	AMLR Articles 19 to 34	Head of onboarding					
6. Beneficial ownership and registers	AMLR Articles 51 to 66	Compliance officer					
7. Reporting and records	AMLR Articles 69, 73, 74, 77	Reporting officer					
8. Outsourcing and groups	AMLR Articles 16, 17, 18	Procurement and legal					
9. Data and systems	AMLR Articles 22, 24, 26, 77	Systems owner					

Rating	Meaning	Consequence
Compliant	Requirement met and evidenced	Monitor only
Partial	Met in part, or met but unevidenced	Backlog item, dated
Gap	Requirement not met	Backlog item, prioritised
Build	No equivalent activity exists today	A project, not a remediation

C, P, G and B above: the count of register rows at each rating. No fifth rating for "almost compliant": if the evidence does not exist, the rating is Partial.

Question type	Evidence to collect	Collected, reference and date
Decision questions	Board minute, signed paper, terms of reference	
Policy questions	The document, with approver and approval date	
Process questions	Procedure text plus five sampled files	
System questions	Configuration screenshot, field mapping, test result	
Timing questions	Report showing the dates actually achieved	
Training questions	Curriculum, attendance record, assessment outcome	

Five files find a broken process. They rarely find a leaking one: at a 5 per cent defect rate a sample of five shows nothing three times in four. Size a second sample to the rate you could not live with (case three).

The gap analysis, part two: the register

Appendix B and Chapter 3. One row per obligation, the article first. If any column is blank across many rows, the analysis is not finished, whatever its completion percentage says.

Entity		Register version	
Assessor		Date	

[illegible]

Item	Done	Evidence, document and date
From findings to backlog, in the same session		
Every non-compliant finding has one named owner accountable for the fix, not for coordinating it		
Each item classified policy, process, system or data: different lead times, different approvers		
Effort estimated in a coarse band, with what the estimate assumes		
Each item assigned to a phase by its dependencies, not its severity; no phase overloaded		
Every draft-dependent item marked, with what the firm would do if the final text is stricter		

The board and governance pack

Appendix C. Six decisions, in this order, each with the record that must exist afterwards. The operative document goes with the paper, and the minute names it by version and date.

Entity		Company secretary	
Board cycle		Date	

Item	Decision required	Record that must exist	Paper, version	Minute ref.	Done
1. The scoping decision	Approve the in-scope and out-of-scope lists; authorise the programme	Minute naming the lists and the paper; reasons for exclusions kept in the record; newly caught entities flagged for a build			
2. The two appointments	Appoint the compliance manager and the compliance officer; approve terms of reference and resourcing	Minute with names and effective dates; signed terms of reference; direct reporting line; removal protocol with supervisory notice and the right to make representations; reasons if the roles are combined; fit and proper done			
3. The business-wide risk assessment	Approve the assessment drawn up by the compliance officer, and the appetite that follows	Minute with the version, the next review date and the board's challenge; guidelines still in consultation named; the link to customer rating shown			
4. The internal policies	Approve the policies; note the procedures approved by the compliance manager	Policy schedule: owner, approver, approval date, next review; dated signature of the compliance manager for the lower tier			
5. The transition plan and its budget	Adopt the plan and budget, and accept the assumptions	Plan by version and date; budget; assumptions log, draft-dependent items flagged with the consequence if the final text is stricter			
6. The reporting rhythm	Approve the calendar and its standing content	Frequency to July 2027 and after; phase status, residual gaps, watch list, commercial challenges to compliance decisions; the officer's right to report outside the cycle; who prepares each report			

Resourcing, as a decision rather than an intention	Headcount	Budget	From
Compliance function			
Back-book remediation			
Monitoring and periodic updates			
Reporting function and deputies			

"The board supports appropriate resourcing" is not a decision. Any later reduction goes back to the board. For a group, the same six decisions are taken at subsidiary level; record which were local and which adopted from the parent.

The readiness assessment, part one

Appendix D. Score 0 where nothing exists, 1 where the requirement is partly met or cannot be evidenced, 2 only where a document, configuration or record proves it. No half marks, and nothing scored for next quarter.

Entity		Scorer (the same each time)	
Previous total		Date	

#	Question	0	1	2	Evidence
Scoping					
1	Every legal entity assessed individually against Article 3				
2	Head recorded for each in-scope entity; reason for each out-of-scope one				
3	New or redrawn heads considered explicitly				
4	Scoping conclusion approved by minuted decision				
	Domain score				
Governance and roles					
5	Compliance manager appointed from the management body in its management function				
6	Compliance officer of sufficiently high hierarchical standing, evidenced in the structure				
7	Removal protocol, supervisory notification and right to make representations documented				
8	Direct reporting line; resourcing recorded with headcount and budget				
9	Group-level compliance function under Article 16, where a group				
	Domain score				
Risk assessment					
10	Business-wide risk assessment covers the Article 10 content				
11	Non-implementation and evasion of targeted financial sanctions addressed				
12	Pre-launch assessment for new products, services and channels documented				
13	Drawn up by the compliance officer, approved by the management body				
	Domain score				
Customer due diligence (score from sampled files)					
14	Article 19 triggers at the correct thresholds, lower ones included				
15	Entity-creation trigger irrespective of value				
16	Both-parties rule applied to real estate and single-intermediary transactions				
17	All nine Article 20 measures performed and recorded				
18	Verification by document, or eID at substantial or high				
19	Simplified due diligence limited, and blocked on doubt or suspicion				
	Domain score				

Total	Position	Priority	This time
70 to 80	Substantially ready, evidence in place	Test and rehearse	
50 to 69	On track, evidence gaps remain	Convert the 1s into 2s	
30 to 49	Behind, design incomplete	Escalate resourcing	
Below 30	At risk of missing the date	A board decision on scope or resources	

The readiness assessment, part two

Appendix D, continued. Maximum 80. Read the domain scores before the total: a respectable total can hide beneficial ownership or data near zero, and those two carry the longest lead times.

Entity		Scorer	
Total this time		Date	

#	Question	0	1	2	Evidence
Beneficial ownership					
20	25 per cent applied by multiplying along chains and summing across them				
21	Control by other means assessed independently and in parallel				
22	Formal and informal nominee arrangements captured, nominator included				
23	Reasoned statement with senior managing officials where no owner found				
	Domain score				
Reporting and records					
24	Attempted transactions and failed due diligence reportable				
25	Assessment record kept whether or not a report followed				
26	FIU requests answered in five working days, 24 hours if urgent				
27	Unredacted five-year retention, scheduled deletion, extension route				
	Domain score				
Outsourcing and groups					
28	Complete inventory of outsourced AML tasks, intra-group included				
29	Tested against the non-outsourcable list; prior notification planned				
30	Contracts reflect retained liability; provider treated as part of the entity				
	Domain score				
Data and systems (score from configuration and tests)					
31	Every Article 22 field sourced, nominee status and LEI included				
32	Ownership and control structure descriptions reproducible on request				
33	Screening extended to control and to holdings above 50 per cent				
34	One-year and five-year update intervals enforced by the system				
35	Discrepancy workflow to registers, with a record of each report				
	Domain score				
Transition management					
36	Dated plan with phases, checkpoints, owners, adopted by the board				
37	Assumptions log naming every item resting on a draft standard				
38	Back-book plan sequenced by risk, draft and stricter outcomes held				
39	Watch list maintained, owned and reported				
40	Training role-specific and documented; integrity assessed before activity				
	Domain score				

The eleven-month plan

Chapter 19. Sequenced by dependency: scope, then gaps, then design, then build, then approval. Approval is the step no resourcing compresses; fix the board dates first, working back from 10 July 2027.

Entity or group		Programme owner	
Plan version		Date adopted	

Phase	Deliverables	Owner	Closing checkpoint	Closed on
1. Scope and diagnose, Aug to Oct 2026	Scoping decision entity by entity; gap analysis in four blocks against the Regulation (newly caught entities: a build instead)	Compliance officer designate and legal counsel; management body approves	Minuted scoping decision and a rated gap register	
2. Govern and decide, Nov 2026 to Jan 2027	The two appointments and their protocol; the business-wide risk assessment; the policy map and approval calendar; the outsourcing inventory	Chair of the management body; compliance officer drafts the assessment	Appointments, approved risk assessment, policy map	
3. Build and remediate, Feb to Apr 2027	Data and systems release (two to three releases); training, integrity assessments, whistleblowing; the back-book plan, sequenced by risk	Systems or change function; compliance officer owns the requirements	Passed test pack and back-book plan	
4. Approve and cut over, May to Jul 2027	Policies to the board, procedures to the compliance manager; audit function scoped; outsourcing notified; dry runs on live processes; day-one instructions	Compliance manager	Dated approvals and a signed readiness statement	

Board meeting (date)	Items for approval	Papers circulated by	Written procedure fallback?

Assumption	Draft instrument it rests on	What we would do if the final version were stricter	Review date

A readiness statement with no residual gaps in it is usually one nobody tested. List the residual gaps, their owners and the date each closes.

The beneficial ownership worksheet

Chapter 9. Multiply along every chain, sum across chains, count every level. Assess control separately and in parallel. Store the structure and the percentages as data; the conclusion is generated from them.

Customer		Analyst	
Register extract dates		Date	

Natural person	Route: each entity in the chain	Holding at each level	Product along the chain	Sum across chains	25% or more?

Control by other means	Document read	Found?	Who
Majority of voting rights			
Right to appoint or remove a majority of the board			
Veto rights			
Rights over the distribution of profits			
Control through ownership: 50 per cent plus one			

The file	Answer
Nominee question asked, answer recorded; Article 22 fields populated	
Register value captured and compared; discrepancy reported (date, reference)	
Beneficial owners, and the limb under which each qualifies	
Prominent persons assessed who did not qualify, and why	
Reasoned statement and senior managing officials, if every means was exhausted	
Refresh trigger tied to the monitoring timer; threshold held as a parameter	

Test yourself on Chapter 9's Harbournline Logistics: Piotr 36 per cent, Elena 32 per cent, Marta 20 per cent, Tomas 12 per cent. Two beneficial owners, and the one the largest-chain method drops has none of her three routes above 25 per cent.

The assessment record, and the FIU log

Chapter 13. Article 69(2): the record of the assessment, kept whether or not a report followed. Four or five sentences written at the time are worth more than any reconstruction.

Entity		Compliance officer	
Deputy		Month	

Assessment record	Entry
Alert or referral: reference, source, date received	
What was observed	
What was checked	
What explanation was obtained, and from whom	
Conclusion, and why	
Report made? Reference and date transmitted by the compliance officer	
Attempted transaction, or failed due diligence?	
Approved by, and when	
Retention clock: termination, transaction or refusal, and its date	
Any tipping-off derogation used: which, to whom, logged	

FIU request: reference	Received: date, time	Urgent?	Due: five working days, or 24 hours	Answered	By

Ageing, for the management body	Under 10 days	10 to 30	30 to 90	Over 90	Oldest item
Alerts open					
Referrals open					
Reports awaiting decision					

If the alert population exceeds what the team can assess within its own service levels, the shortfall is a control failure: report it as one, with this table attached.

The back-book plan on one page

Chapter 16 and Appendix F. A fixed denominator, four tranches with the rule-change tranche explicit, a burn-down and an exceptions register from month one. The draft standard named as an assumption, every time.

Entity		Remediation owner	
Denominator fixed on		Date	

Tranche	Customers	Route	Analyst-days	Window assumed
1. Enhanced due diligence (Article 34)		contact, enhanced		
2. Captured by a rule change		contact, standard		
3. Structural data gaps		no contact: registers, group data, identifiers		
4. Everyone else		contact, or re-rating only		
Total, reconciled to the customer master				

Month	1	2	3	4	5	6	7	8	9	10	11	12
Tranche 1 done												
Tranche 2 done												
Tranche 3 done												
Tranche 4 done												
Exceptions register												

Decision	Taken by	Date
Non-response policy: restrict, escalate or exit, approved in advance		
Dated review, no later than month 7 or 8: the absence of news is itself the signal		
Capacity: scalable by what factor, within how many weeks		
The assumption about the draft standard restated in this month's board report		

On Appendix F's firm: 82,062 analyst-days, a year-one team of 120.1 in the five-year plan, 148,750 customers to contact and 52,155 who never answer. With a 14-week lead time no headcount recovers a one-year window after month 8. Remediation also sets the next cycle's due dates: a book cleared in one year falls due again, all together, in year six (case two).

Controls that prove the build, and the watch list

Chapters 15, 19 and 20. Four controls that survive the project, the test pack that closes phase 3, and ten open points reviewed monthly and reported to the board quarterly.

Entity		Systems owner	
Watch list owner		Month	

Control	What it reports	Owner	Last run	Exceptions
Completeness	Records missing any mandatory Article 22 attribute, by segment, monthly			
Timeliness	Updates overdue against the one-year and five-year caps; due in the next 90 days			
Coverage	Parties who should be screened (control, over 50 per cent) and are not			
Lifecycle	Records reaching retention expiry and deleted; extensions listed separately			

Test pack	Passed	Evidence
A customer onboarded end to end through the new flow		
A discrepancy report raised and closed		
A monitoring timer fired on schedule		
A retention record deleted at expiry		
A screening alert generated by a controlling interest, not a direct shareholding		

Item	Owner	Last reviewed	What would change if it moved	Decision it forces
Level 2 adoption: an adopted act touching any assumption				
The back-book transition: adopted text, not the consultation				
Transposition in the markets where you operate				
Register access in practice: turnaround, fees, refusals				
The first selection list (six Member States, residual risk)				
Supervision of the non-financial sectors				
The ownership threshold review, by 10 July 2029				
Football: national exemption decisions, 2029				
Bearer shares: 10 July 2029 and 2030				
Simplification pressure: an amending instrument, if any				