

The Financial Intelligence Centre Act, 38 of 2001

Legislation has been introduced in South Africa, in the form of the Prevention of Organized Crime Act, the Protection of Constitutional Democracy Against Terrorist and Related Activities Act, the Prevention and Combating of Corrupt Activities Act and the Financial Intelligence Centre Act (FICA), to criminalise and combat money laundering and other organised crime activities.

The purpose of FICA is as follows:

"To establish a Financial Intelligence Centre and a Money Laundering Advisory Council in order to combat money laundering activities and the financing of terrorist and related activities; to impose certain duties on institutions and other persons who might be used for money laundering purposes and the financing of terrorist and related activities; to amend the Prevention of Organised Crime Act, 1998, and the Promotion of Access to Information Act, 2000; and to provide for matters connected therewith."

Together with all other firms of attorneys in South Africa, Matthews Enslin Incorporated is an "accountable institution" in terms of FICA and the Act contains stringent requirements with which we are obliged to comply. We adhere to all the obligations imposed by FICA and its regulations.

Our obligations in terms of FICA include the following:

1. To establish and verify the identity of our clients;
2. To keep records of business relations and transactions;
3. To report receipts of cash above a prescribed amount to the Financial Intelligence Centre;
4. To report suspicious transactions to the Financial Intelligence Centre;
5. To implement internal rules consistent with our obligations under FICA;
6. To offer compulsory FICA training to all our employees; and
7. To appoint a compliance officer.

We request your assistance in complying with our obligations. Whilst we appreciate that the client identification and verification process may not always be convenient, we are not permitted to establish a business relationship or conclude a single transaction with a client (ie act on behalf of a client) unless the prescribed steps have been taken to identify and verify the identity of that client.

We may refuse to accept an instruction from a client until such time as the prescribed information and documents have been provided to us.

Please contact our FICA administrators on the email address below should you have any questions with regard to our client identification and verification process or your obligations in terms of FICA: reception@legalonline.co.za