



REPORTING TO THE FINANCIAL INTELLIGENCE CENTRE

MOTOR VEHICLE DEALERS ARE DEEMED REPORTING INSTITUTIONS IN TERMS OF THE FIC ACT, AND AS SUCH ARE OBLIGATED TO BOTH REGISTER AND REPORT TO THE FIC.

The Financial Intelligence Centre Act, 2001 (Act 38 of 2001) (FIC Act) was enacted for the primary purpose of combating money laundering activities and the financing of terrorist and related activities. The FIC Act imposes certain compliance obligation on reporting institutions that might be vulnerable to money laundering and terrorist financing and related activities.

Any person who carries on the business of dealing in motor vehicle dealers (MVDs) is deemed to be a reporting institution in terms of the FIC Act. MVDs are obligated to register with and report to the FIC.



REGISTRATION WITH THE FIC

If you have not already registered with the FIC, you must do so by accessing the FIC's website www.fic.gov.za. MVDs that are not registered with the FIC will not be able to submit reports to the FIC.



REPORTING TO THE FIC

MVDs must report the following transactions and activities to the FIC:

- **Section 28** – reporting of cash transactions above prescribed limit – cash threshold reporting. All cash transactions above R24 999.99 i.e. cash amounts

paid by or received by the MVD, must be reported to the FIC within **two business days**.

MVDs must also report aggregates of smaller amounts which, when combined add up to R25 000 or more. This is done in instances where it appears to the reporting institution concerned that the transactions involving those smaller amounts are linked in such a way that they should be considered fractions of or part of one transaction.

Cash threshold reporting provides the FIC with a mechanism to proactively monitor and report on cash transactions which may be linked to money laundering activities so that potential proceeds of crime are timeously identified and investigated.

- **Section 29** – reporting of suspicious and unusual transactions and activities

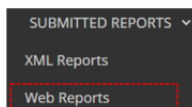
Section 29 of the FIC Act requires any business to report any transaction or activity that may be deemed suspicious and unusual, and possibly connected to money laundering or terror financing activities, to the FIC within **15 business days** after forming the suspicion.

An MVD's reporting obligation is only met once a report has been successfully received by the FIC. All MVDs are therefore required to monitor the "Message Board", accessible via the FICs online reporting platform, daily.

CORRECTING FAILED REPORTS

Should a report have failed for any reason, this failure, and reasons why it has failed, will be noted in the Message Board.

To correct a report that has failed, the compliance officer is required to login on to the reporting portal and "REVERT" the rejected report, make the required changes, and then **SUBMIT** the report again. To do this the compliance officer, after logging in, would select "Web Reports" from the "Submitted Reports" drop down tab that will be displayed on the landing page.



Fill in the relevant date range for the period of the rejected report.

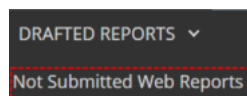
From here, all submitted reports will be listed. Identify the rejected report and click on the word "Rejected" (you will note that this is a hyperlink)

Org Name	Transactions	Status
FIC TEST BANK - AJ/110302/00392	1	Rejected

Once selected, a pop up screen will display, with a button noted as "Revert". Select this button.

Revert

This will then change the status of the report from rejected to "REVERTED NOT SUBMITTED". This report can now be accessed under the drafted reports tab on the landing page.



The report will now be in an editable format. Select the edit icon to make the required changes to the report, and then **SUBMIT**.

MVD AWARENESS SESSION

The FIC will be hosting an awareness session for MVDs in GAUTENG on the 16th of November 2017. The focus will be on the regulatory updates, reporting feedback and enforcement related issues. MVDs will be given the opportunity to ask questions to a panel of FIC representatives. Invitations will be sent out shortly. ■

For more information on registering your business with the Financial Intelligence Centre, contact +27 12 641 6000 or visit www.fic.gov.za

