

2004-06-22

TO ALL CHIEF EXECUTIVE OFFICERS OF BANKS, BRANCHES OF FOREIGN BANKS AND MUTUAL BANKS

BANKS ACT CIRCULAR 10/2004

EXEMPTION IN TERMS OF THE FINANCIAL INTELLIGENCE CENTRE ACT, 2001

Attached to this Circular is a copy of *Government Gazette* Number 26487 of 21 June 2004 (containing Government Notice No. R.749), signed by the Minister of Finance, in terms of the Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001 - "the FIC Act"). At the outset, this Office wishes to bring to the attention of all banks the national importance of the FIC Act, as well as the commitment required at the most senior level within all banks in order to ensure full compliance by banks with their responsibilities in terms of the FIC Act. Banks are thus requested to take cognisance of the contents of the exemption notice granted in the above-mentioned *Government Gazette* and to act accordingly.

All banks are required to advise to this Office, by 28 June 2004, whether or not they wish to avail themselves of the said exemption. Those banks that do not wish to avail themselves of the said exemption have to provide this Office with written confirmation, by 30 June 2004, that they are fully compliant with the provisions of the FIC Act. This aforementioned confirmation will have to be signed by both the Chairperson of the Board Risk Committee and the Chief Executive Officer.

In order for this Office to discharge its supervisory duties and responsibilities, as contained in the attached *Government Gazette*, Mr Wilfred Lautenberg of this Office will contact those banks that have indicated that they wish to avail themselves of the said exemption. He will arrange a meeting with each such bank, at which meeting each particular bank will have to submit the document referred to in the exemption notice. In addition, each bank will also be required to present the said document, at the said meeting, in the format of a Power Point presentation.

It should be borne in mind that both the document and the presentation will be used as a reference framework to monitor quarterly progress, as required in terms of the above-mentioned *Government Gazette*. Each bank has to be represented at the said meeting by the:

- Chairperson of the Board Risk Committee;
- Chief Executive Officer;
- Head of Compliance; and
- Money Laundering Control Officer.

Two additional copies of this circular are enclosed for the use of your institution's independent auditors. The attached acknowledgement of receipt, duly completed and signed by both the chief executive officer of the institution and the said auditors, should be returned to this Office at the earliest convenience of the aforementioned signatories.

E M Kruger
Registrar of Banks

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The previous circular issued was Banks Act Circular 9/2004 dated 27 May 2004.