

# Implementation of Public Compliance Communication (PCC 31)

The objective of PCC31 is to provide the Financial Intelligence Centre's view on the acceptance of funds from a prospective investor before conducting the investor identification and verification requirements as required by the FIC Act and the Regulations.

The Centre strongly recommended that accountable institutions not make their bank account details public, e.g. by including the bank details on application forms or by placing them on websites or in advertising material, so as to minimise the possibility that prospective investors may take the initiative to deposit funds into their respective accounts prior to the identification and verification process being completed.

Instead it is recommended that the institution's bank account details be communicated to the client in the acceptance letter sent to the client.

## How does this affect you and your clients?

Existing investors will not be affected by this change as we would have implemented the identification and verification checks previously. We will remove our banking details from new investment application forms across all our products (currently general unit trust and tax free saving products). This will therefore only affect new investors who wish to process investments and who would want to make an electronic funds transfer (EFT) prior to the identification and verification process being completed by us.

## Effective date of the implementation?

Effective from 31 August 2017 and we will clearly state this process on our new investment application forms. The pre-existing investment application forms will be accepted for a period of 3 months to facilitate the implementation process and to accommodate any pending new investments applications

## What will be the new process?

The investor must complete new investment application form and submit said completed form and supporting documents. We will perform the required identification and verification process and thereafter will provide you with our banking details for you to perform the necessary EFT payment. We will require proof of the payment once the monies are deposited.

This process change will not affect once off debit order instructions nor additional investment instruction by existing investors – we will maintain our current process.