



PUBLIC NOTICE

FIC DISCLAIMER AGAINST FRAUDULENT SCHEMES

FIC strongly cautions the public to be aware of fraudulent schemes

The Financial Intelligence Centre (FIC) is a government agency receiving financial information from “accountable institutions” – a range of mainly financial institutions that have a responsibility to report to the FIC in terms of the Financial Intelligence Centre Act, 2001.

Kindly note that while accountable, financial and other institutions may be reporting stakeholders, the FIC does **not** accept deposits from, or provide financial services to private individuals or corporate entities.

The FIC name, logo and address are being used in attempts to defraud the public, through false financial transactions, lotteries, demands for the payment of non-existent levies and other scams.

In some cases, the FIC is named as the institution through which payments must be made or which must approve a certain deal or transaction. This type of fraud may be perpetrated via letter or e-mail, or by using a website purporting to be that of the FIC.

The FIC therefore strongly advises caution against **fraudulent schemes - such as the '419 scam'**. Please read the attachment for further information on 419 scams.

The FIC cautions the public against providing personal information, sending money or disclosing bank or credit card details to any person who claims to represent the FIC or to have a relationship with the FIC.

The FIC is not legally empowered to, and does not, contact any client of any financial institution, accountable institution or any other institution, and demand any particulars from that person concerning his or her relationship with a particular institution.

Kindly note that the FIC is not involved in any schemes to pay out the proceeds of apparent competitions (especially international lotteries), financial services or the provision of settlement services – such as the clearing of cheques or financial instruments.

The FIC does not issue any clearance certificates of any nature whatsoever in respect of any type of business arrangement or transaction.

The FIC is not responsible for the approval of any type of business arrangement or transaction.

In addition, the FIC does not levy any charge, tax, duty or tariff of any nature in respect of any type of business arrangement or transaction.

If you are advised by a person or institution that funds have been seized or frozen by the FIC, please contact the FIC immediately on fic_feedback@treasury.gov.za or phone 012-309 9200

The public is advised to be suspicious of all websites purporting to be that of the FIC except <http://www.fic.gov.za>, which is the official website of the FIC.

More information in relations to scams can be found on the SAPS website:

http://www.saps.gov.za/crime_prevention/commercial_crime/419_scams/419_index.htm

**The Director,
Financial Intelligence Centre
9 September 2005**

Attachment

What is a 419 Scam? How does the scam operate?

It is also referred to as "Advance Fee Fraud", "419 Fraud" (Four-One-Nine after the relevant section of the Criminal Code of Nigeria). The scam operates as follows: the target receives an unsolicited fax, email, or letter containing a dubious proposal, often to assist the sender in obtaining or transferring a large sum of money, for which the target is promised a lucrative share of money as a reward. In some instances the target may receive an apparently legal and legitimate business proposal by normal means.

The variations of pretexts used in Advance Fee Fraud (the typical 419 scams) are very creative and virtually endless. Common variations on the 419 scam include:

- "over invoiced" or "double invoiced" oil or other supply and service contracts; crude oil and other commodity deals (a form of goods and services 419 scam);
- a "bequest" left you in a will (a 419 will scam);
- "money cleaning" where the perpetrator has a lot of currency that needs to be concealed;
- "spooft banks" where there is supposedly money in your name already on deposit;
- "paying" for a purchase with a larger amount than the amount required and asking for the difference to be advanced before the cheque is honoured (cashier's cheque and money order 419);
- a fake lottery 419 scam; and
- ordering items and commodities off "trading" and "auction" sites on the web and then cheating the seller with regard to the payment.

How will the victim be defrauded?

At some point in the negotiation, the victim is asked to pay up front an Advance Fee of some sort (be it an "advance fee", "transfer tax", "performance bond" etc.), or to extend credit, grant Cash On Delivery (COD) privileges, or send back a "difference" on an overage cashier's cheque or money order. If the victim pays the fee, there are often many "complications" which require still more advance payments until the victim either quits or runs out of money.