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***Financial Intelligence Centre Guidance Note 4 on Suspicious
Transaction Reporting***

PREFACE

Money laundering has been criminalised in section 4 of the Prevention of Organised Crime Act, 1998. A money laundering offence may be described as the performing of any act that may result in concealing the nature of the proceeds of crime or of enabling a person to avoid prosecution or in the diminishing of the proceeds of crime.

Apart from criminalising the activities constituting money laundering, South African law also contains a number of control measures aimed at facilitating the detection and investigation of money laundering. These control measures, as contained in the Financial Intelligence Centre Act, 38 of 2001, (“the FIC Act”) are based on three basic principles of money laundering detection and investigation, i.e. that:

- intermediaries in the financial system must know with whom they are doing business;

- the paper trail of transactions through the financial system must be preserved;
- possible money laundering transactions must be brought to the attention of the Financial Intelligence Centre (“the Centre”) and the investigating authorities.

The control measures introduced by the FIC Act include requirements for institutions to establish and verify the identities of their customers, to keep certain records, to report certain information and to implement measures that will assist them in complying with the Act.

The FIC Act also established the Financial Intelligence Centre which is South Africa’s financial intelligence unit, a government agency created to collect, analyse and interpret information disclosed to it and obtained by it. The Centre is an integral part of our country’s fight against the global crime of money laundering. In addition, section 4 (c) of the FIC Act empowers the Centre to provide guidance in relation to a number of matters concerning compliance with the obligations of the Act. This Guidance Note is published by the Centre in terms of section 4(c) of the FIC Act.

Application of this Guidance Note

The Centre has prepared this Guidance Note to assist accountable institutions, reporting institutions and any other person as described in section 29 of the FIC Act in meeting their reporting obligations under the Act. It provides general guidance on the nature of reporting under section 29 and explains reporting timelines, how reports have to be sent to the Centre, what information has to be included in these reports and how to use the electronic reporting mechanism.

Guidance provided by the Centre is the only form of guidance formally recognised in terms of the FIC Act and the Money Laundering and Terrorist Financing Control Regulations (“the Regulations”) issued under the FIC Act.

Guidance emanating from industry associations or other organisation, therefore, in the Centre's view, does not have a bearing on assessing compliance with the obligations imposed by the FIC Act or the interpretation of its provisions.

The guidance provided by the Centre in this Guidance Note, although authoritative, is provided as general information only. The Guidance Note does not provide legal advice and is not intended to replace the FIC Act or the Regulations issued under the FIC Act. However, failure to forward suspicious transaction reports through to the Centre is an offence in terms of section 52 of the FIC Act.

GLOSSARY

“**The Centre**” means the Financial Intelligence Centre established in terms of section 2 of the FIC Act.

“**FIC Act**” refers to the Financial Intelligence Centre Act, 2001 (Act No 38 of 2001), as amended.

“**POCA**” refers to the Prevention of Organised Crime Act, 1998 (Act No 121 of 1998), as amended.

“**Regulations**” refer to the Money Laundering and Terror Financing Control Regulations made in terms of section 77 of the FIC Act and promulgated in Government Notice 1595 of 20 December 2002 as amended by Government Notice R456 of 20 May 2005.

“**Reporter**” refers to the person or entity making the report.

“**STR**” refers to a suspicious or unusual transaction report submitted in terms of Section 29 of the FIC Act.

INTRODUCTION

The FIC Act provides for the reporting of suspicious and unusual transactions. The FIC Act repealed section 7 of the POCA and from 3 February 2003 the duty to report suspicious and unusual transactions is governed by section 29 of the FIC Act.

Accountable institutions, reporting institutions and any other person as described in section 29 of the FIC Act have a role to play in South Africa's efforts to prevent money laundering and terrorist financing. It is imperative that accountable institutions, reporting institutions and any other person that comes into contact with a financial transaction that is potentially linked to money laundering or terrorist financing, report his or her suspicion to the Centre.

The reporting of suspicious and unusual transactions is regarded as an essential element of the anti-money laundering programme for every country. The international standard on measures to combat money laundering and terrorist financing, in the form of the Forty Recommendations of the Financial Action Task Force ("the FATF") on Money Laundering, provides the following concerning the reporting of suspicious transactions:

"Recommendation 13"

"If financial institutions suspect that funds stem from criminal activity, they should be required to report promptly their suspicions to the competent authorities".

The FATF is an inter-governmental body that engages in the development and promotion of national and international policies and standards to combat money laundering and terrorist financing. It works to generate the necessary political will to bring about legislative and regulatory reforms in these areas. The FATF has developed internationally recognised standards for measures to combat money laundering and terror financing

in the form of the Forty Recommendations and the Nine Special Recommendations on Terrorist Financing. Further information concerning the FATF is available at www.fatf-gafi.org.

This Guidance Note is divided into seven parts:

- Part 1 provides information to help persons determine whether they fall within the category of persons for whom a reporting obligation under section 29 of the FIC Act could arise.
- Part 2 provides information to help persons determine when the obligation to report under section 29 of the FIC Act arises.
- Part 3 provides information to help persons understand the nature of a suspicion.
- Part 4 provides examples of indicators that may be taken into consideration to determine whether a transaction should give rise to a suspicion.
- Part 5 provides information on the implications of masking a report under section 29 of the FIC Act to the Centre.
- Part 6 provides the process for submitting suspicious and unusual transaction reports to the Centre.
- Part 7 provides guidelines that defines and outlines in detail the steps to be followed when submitting suspicious and unusual transaction reports electronically and manually to the Centre.

PART 1 - WHO MUST REPORT?

1.1 The obligation to report suspicious and unusual transactions under section 29 of the FIC Act applies to a very wide category of persons and institutions. The FIC Act imposes this obligation on any person who:

- carries on a business
- is in charge of a business
- manages a business or
- is employed by a business.

1.2 The term “business” is not defined in the FIC Act. The ordinary meaning of the term, within the context of the FIC Act, is that of a commercial activity or institution, as opposed to a charitable undertaking or public sector institution. This means that any person associated with a commercial undertaking as an owner, manager or employee of that undertaking, can become subject to the obligation to report suspicious or unusual transactions.

PART 2 - WHAT GIVES RISE TO THE OBLIGATION TO REPORT?

2.1 The obligation under section 29 of the FIC Act to report a transaction arises when a person knows of certain facts, on the one hand, or in circumstances in which a person ought reasonably to have known or suspected that certain facts exist, on the other. This means that a person associated with a business, as described above, must report his or her knowledge or suspicion to the Centre whenever:

- he or she becomes aware of something or
- circumstances arise in which a person can reasonably be expected to be aware of something or
- circumstances arise in which a person can reasonably be expected to suspect something.

2.2 Section 29(1) of the FIC Act describes the “something” referred to above. This can relate to situations concerning the business itself or concerning transactions to which the business is a party. Situations relating to the business itself are that the business:

- has received the proceeds of unlawful activities, or it is about to receive such proceeds
- has received property which is connected to an offence relating to the financing of terrorist activities, or it is about to receive such property
- has been used in some way for money laundering purposes, or it is about to be used for money laundering purposes or
- has been used in some way to facilitate an offence relating to the financing of terrorist activities, or it is about to be used for this purpose.

2.3 These do not have to relate to any particular transactions involving the business. Instead they relate more to the way in which the affairs of a business are conducted. These include, for example, instances where the business is used as a front to disguise the movement of proceeds of unlawful activities, or where the facilities of a business (such as its bank accounts) are being used to facilitate the transfer of proceeds of unlawful activities.

2.4 The situations concerning transactions to which the business is a party relate to transactions between the business in question and its customers and the customers’ motives for engaging in those transactions. These can relate to a particular transaction or to a series of transactions. These are situations where a person is aware or suspects that a transaction or series of transactions with the business:

- facilitated the transfer of the proceeds of unlawful activity or is likely to do so
- facilitated the transfer of property which is connected to an offence relating to the financing of terrorist activities or is likely to do so
- does not appear to have a business purpose

- does not appear to have a lawful purpose
- may be relevant to the investigation of the evasion of any tax administered by the South African Revenue Service or
- somehow relates to an offence relating to the financing of terrorist activities.

2.5 The FIC Act defines “*proceeds of unlawful activity*” and “*unlawful activity*” by reference to the definitions of the same terms in the POCA. Thus the term “*proceeds of unlawful activity*” for the purposes of the FIC Act means:

- any property or any service, advantage, benefit or reward
- which was derived, received or retained:
 - directly or indirectly
 - in South Africa or elsewhere
 - at any time before or after the commencement of POCA
- in connection with or as a result of any unlawful activity carried on by any person.

2.6 The term “*unlawful activity*” means any conduct, which constitutes a crime or which contravenes any law whether such conduct occurred in the Republic or elsewhere.

2.7 It is important to note that Section 29 of the FIC Act refers to reports being made in connection with the ***proceeds*** of unlawful activities and ***money laundering*** or ***terror financing*** offences as opposed to criminal activity in general. The FIC Act therefore does not require reports to be made on suspected crimes or unlawful conduct by a person (apart from money laundering and terror financing activities).

This may best be explained by means of an example:
 A stolen or fraudulent cheque is presented for payment to a bank. This action constitutes an element of a fraud, namely a misrepresentation that the person presenting the cheque is the legitimate holder of the cheque and is entitled to

receive the amount reflected on the cheque. The presentation of the cheque is therefore part of an action to commit an offence, namely fraud. As a result this transaction should be reported to the appropriate investigating authorities as a fraud or attempted fraud. However, if the stolen or fraudulent cheque is honoured, the funds collected as a result would constitute the proceeds of the fraud. Any subsequent transaction involving those funds would be a transaction relating to the proceeds of unlawful activities and possibly a money laundering transaction which would fall within the scope of section 29 of the FIC Act.

PART 3 - WHAT IS THE NATURE OF A SUSPICION?

- 3.1 In addition to circumstances where a person has actual knowledge, the reporting obligation under section 29 of the FIC Act also applies in circumstances where a mere suspicion may exist. The FIC Act does not define what constitutes a suspicion. The ordinary meaning of this term includes state of mind of someone who has an impression of the existence or presence of something or who believes something without adequate proof, or the notion of a feeling that something is possible or probable. This implies an absence of proof that a fact exists.
- 3.2 This interpretation of the term "suspicion" was also applied in South African case law: In **Powell NO and others v Van der Merwe NO and Others** 2005 (5) South Africa 62 (SCA) the Supreme Court of Appeal confirmed that South African courts have endorsed the following interpretation of the term used by Lord Develin in the English case of **Shabaan Bin Hussein and Others v Chong Fook Kam and Another** [1970] AC 942 (PC) ([1969] 3 All ER 1627) at 948B:

Suspicion in its ordinary meaning is a state of conjecture or surmise where proof is lacking; "I suspect but I cannot prove".

- 3.3 With this in mind the starting point to considering whether circumstances give rise to a suspicion would be when those circumstances raise questions or gives rise to discomfort, apprehension or mistrust.
- 3.4 A suspicious state of mind is subjective, which means that a court would have to draw inferences concerning a person's state of mind in relation to a particular set of circumstances from the evidence at its disposal concerning those circumstances. However, the FIC Act adds an element of objectivity to this with the phrase "*ought reasonably to have known or suspected*" in section 29(1). The application of this phrase is explained in section 1(3) of the POCA Act. Section 1(3) of the POCA provides that a person ought reasonably to have known or suspected a fact if a reasonably diligent and vigilant person with the same knowledge, skill, training and experience, as well as the knowledge, skill, training and experience that may reasonably be expected of a person in the same position, would have known or suspected that fact. This expands the scope of the obligation to identify circumstances which may indicate that a set of circumstances concerning a business, or the transactions involving the business, is of a suspicious nature.
- 3.5 When considering whether there is reason to be suspicious of a particular situation one should assess all the known circumstances relating to that situation. This includes the normal business practices and systems within the industry where the situation arises.
- 3.6 A suspicious situation may involve several factors that may on their own seem insignificant, but, taken together, may raise suspicion concerning that situation. The context, in which a situation arises, therefore, is a significant factor in assessing suspicion. This will vary from business to business and from one customer to another.
- 3.7 A person to whom section 29 of the FIC Act applies, should evaluate matters concerning the business in question and transactions involving the business, in relation to what seems appropriate and is within normal practices in the

particular line of business of that person, and bring to bear on these factors such as the knowledge the person may have of the customer. This should involve an application of person's knowledge of the customer's business, financial history, background and behaviour.

3.8 A particular category of transactions that are reportable under section 29(1) of the FIC Act is transactions which a person knows or suspects to have no apparent business or lawful purpose. This refers to situations where customers enter into transactions that appear unusual in a business context or where it is not clear that purpose of the transaction(s) is lawful. In order to identify situations where customers wish to engage in these unusual transactions a person would have to have some background information as to the purpose of a transaction and evaluate this against several factors such as the size and complexity of the transaction as well as the person's knowledge of the customer's business, financial history, background and behaviour.

3.9 In Part 4 of this Guidance Note more information is given as to factors that may indicate that a transaction is suspicious in a money laundering and terrorist financing context, respectively. These are indicators as to circumstances that may give rise to a suspicious state of mind or may be indicative of the fact that a reasonably diligent and vigilant person may have become suspicious of a particular transaction or series of transactions.

PART 4 - INDICATORS OF SUSPICIOUS AND UNUSUAL TRANSACTIONS

4.1 The indicators discussed in this Part apply specifically to those situations where a suspicion may relate to a transaction between a business and its customer. These indicators are offered in order to assist persons involved in business to identify those situations where transactions should raise questions or give rise to the sense of discomfort, apprehension or mistrust which was referred to in the previous Part. These indicators are therefore merely **examples** of factors that may be helpful when evaluating transactions.

The list is not exhaustive and does not intend to cover every possible situation. The indicators suggested here should not to be viewed in isolation and should always be taken into consideration in conjunction with all other circumstances pertaining to a particular transaction.

Unusual business

- Deposits of funds with a request for their immediate transfer elsewhere
- Unwarranted and unexplained international transfers
- The payment of commissions or fees that appear excessive in relation to those normally payable
- Lack of concern about high commissions, fees, penalties etc. incurred as a result of a particular type of transaction or particular method of transacting
- Transactions do not appear to be in keeping with normal industry practices
- Purchase of commodities at prices significantly above or below market prices
- Unnecessarily complex transactions
- Unwarranted involvement of structures such as trusts and corporate vehicles in transactions
- A transaction seems to be unusually large or otherwise inconsistent with the customer's financial standing or usual pattern of activities
- Buying or selling securities with no apparent concern for making a profit or avoiding a loss
- Unwarranted desire to involve entities in foreign jurisdictions in transactions.

Knowledge of Reporting or Record Keeping Requirements

- A customer attempts to convince employee not to complete any documentation required for the transaction
- A customer makes inquiries that would indicate a desire to avoid reporting

- A customer has unusual knowledge of the law in relation to suspicious transaction reporting
- A customer seems very conversant with money laundering or terrorist activity financing issues
- A customer is quick to volunteer that funds are clean or not being laundered.

Identification

- The use of a seemingly false identity in connection with any transaction, including the use of aliases and a variety of similar but different addresses and, in particular, the opening or operating of a false name account
- Opening accounts using false or fictitious documents
- A customer provides doubtful or vague identification information
- A customer refuses to produce personal identification documents
- A customer changes a transaction after learning that he must provide a form of identification
- A customer only submits copies of personal identification documents;
- A customer wants to establish identity using something other than his or her personal identification documents
- A customer's supporting documentation lacks important details such as contact particulars
- A customer inordinately delays presenting corporate documents or
- All identification presented is foreign or cannot be checked for some reason.

General

- A customer provides insufficient vague or suspicious information concerning a transaction
- Accounts that show unexpectedly large cash deposits and immediate withdrawals
- A frequent exchange of small denomination notes for larger denomination notes

- Involvement of significant amounts of cash in circumstances that are difficult to explain.

Suspicious Transaction Reports - threshold

- 4.2 It is important to make it clear that there is no monetary threshold which applies to the reporting of suspicious or unusual transactions. Once the conclusion is reached that a situation exists which should give rise to a suspicion that a transaction relates to proceeds of unlawful activities, money laundering or terror financing, as explained above, the transaction must be reported irrespective of the amount involved.
- 4.3 This must not be confused with a situation where the amount involved in a transaction, or series of transactions, is the basis of a suspicion or forms part of the circumstances which gives rise to a suspicion pertaining to the transaction or series of transactions.

Should the closing of an account be regarded as suspicious?

- 4.4 The closing of an account with an institution is a transaction which forms part of the business relationship which will be terminated by the account closure. In these circumstances institutions should consider factors such as the history of the account, the circumstances that led to the customer's decision to close the account and the reasons given by the customer for the closure of the account. For example, where a customer's instruction to close an account was preceded by a request by the institution for additional or updated information pertaining to the customer, the decision to rather close the account than to provide the requested information may be regarded as suspicious.

PART 5 - WHAT ARE THE IMPLICATIONS OF MAKING A STR?

Can an institution continue transacting with a customer after a STR has been made?

- 5.1 Section 33 of the FIC Act provides that a reporter may continue with and carry out a transaction in respect of which a report is required to be made unless the Centre directs the reporter not to proceed with the transaction in terms of section 34.
- 5.2 The Centre may issue a directive (“an intervention order”) in writing not to proceed with a transaction after consultation with the institution or person concerned. The Centre must have reasonable grounds to suspect that a transaction may involve the proceeds of unlawful activities or property which is connected to an offence relating to terrorist financing, or may in some other way constitute money laundering terrorist financing. The intervention order may require the institution or person not to proceed with the transaction which gave rise to the Centre’s belief or any other transaction in respect of funds that are affected by the particular transaction. The intervention order is valid for a period not exceeding five days excluding weekends and public holidays.
- 5.3 One of the main purposes of an intervention order is to prevent the dissipation of funds or property which may be the proceeds of unlawful activity. A typical example of where this may be the case is where funds or assets are due to be transferred from one location to another or from one person to another, especially where the transfer will have the effect of moving the funds or assets out of South Africa. Reporters are encouraged to indicate to the Centre at the time of making a report under section 29 if they believe that the funds or assets involved in a transaction or series of transactions may be dissipated. The same also applies if a report has been filed with the Centre and the reporter subsequently becomes aware that the suspected proceeds may be dissipated. In such cases the reporter may contact the Centre quoting their reference number and informing the Centre of the activities within such account.

Confidentiality and Privilege

- 5.4 Section 37 (1) of the FIC Act overrides secrecy and confidentiality obligations in South African law. No duty of secrecy or confidentiality prevents any institution or person from complying with an obligation to file a report under the FIC Act.
- 5.5 Section 37(2) protects the common law right to legal professional privilege as between an attorney and an attorney's client in respect of communications made in confidence between:
- the attorney and the attorney's client for the purposes of legal advice or litigation which is pending or contemplated or which has commenced or
 - a third party and an attorney for the purposes of litigation which is pending or contemplated or has commenced.

The reporter enjoys legal protection concerning a report submitted to the Centre

- 5.6 Section 38 of the FIC Act protects persons who participate in making reports to the Centre. No legal action, whether criminal or civil, can be instituted against any natural or legal person who complies in good faith with the reporting obligations of the FIC Act.
- 5.7 In addition to protection against legal liability, the FIC Act also protects the identities of those involved in making a report to the Centre. A person involved in the making of a report cannot be forced to give evidence in criminal proceedings concerning such a report. However, such a person may choose to do so voluntarily. If a person elects not to testify, no evidence regarding that person's identity is admissible as evidence in criminal proceedings.

Tipping off

- 5.8 A person involved in the making of a report may not inform anyone, including the customer or any other person associated with a reported transaction, of

the contents of a suspicious transaction report or even the fact that such a report has been made.

5.9 Section 29 of the FIC Act prohibits any reporter as well as any other person who knows or suspects that a report has been made from disclosing any information regarding that report except for information disclosed:

- within the scope of the powers and duties of that person in terms of any legislation
- for the purpose of carrying out the provisions of this Act
- for the purpose of legal proceedings, including any proceedings before a judge in chambers or
- in terms of an order of court.

5.10 Contravening these prohibitions constitutes offences in terms of the FIC Act that carry maximum penalties of imprisonment for a period up to 15 years or a fine up to R10 million.

Are there any defences associated with the reporting obligation?

5.11 In terms of Section 69 of the FIC Act if a person who is an employee, director or trustee of, or a partner in, an accountable institution, is charged with not reporting suspicious or unusual transactions, that person may raise as a defence that he reported the matter internally to the person responsible for ensuring compliance by the accountable institution with its duties.

5.12 In certain cases an employee may simply report the matter to a superior and, if that can be proved, the person will have a valid defence if he or she is charged with not reporting the transaction to the Centre directly.

5.13 In many situations the fact that a suspicion is formed and a report made to the Centre implies that a business could possibly be dealing with the proceeds of unlawful activities in a way that would fall within the scope of the money laundering offences of section 4, 5 and 6 of the POCA. In order to allow

persons to report their suspicions freely while carrying on their business without exposing them to criminal liability for their involvement in the reported transaction a defence is provided in section 7A of the POCA against racketeering charges under section 2(1)(a) or (b) of the POCA and money laundering charges under sections 4, 5 and 6 of that Act. This defence applies both where a person has made a report to the Centre and has made a report in terms of the internal rules or arrangements of the institutions by which the person is employed.

Reactive reporting

5.14 Reactive reporting refers to the submitting of a STR to the Centre following an external prompt without a prior suspicion having been formed on the basis of the circumstances in which a particular transaction or series of transactions have been conducted. Examples of the prompts that may give rise to reactive reporting are:

- receiving a subpoena in terms of section 205 of the Criminal Procedure Act , 1997 (Act No 51 of 1997) or a similar process to provide evidence concerning matters relating its business dealings with a particular customer
- receiving a request to confirm whether a person is a customer of an institution in terms of section 27 of the FIC Act in respect of a particular customer
- receiving an intervention order in terms of section 34 of the FIC Act in connection with a transaction involving a particular customer
- receiving a monitoring order in terms of section 35 of the FIC Act concerning the transactions of a particular customer
- receiving other types of enquiries from government agencies such as investigating authorities or the South African Revenue Service about a particular customer
- seeing information in the media that may adversely affect a particular customer.

- 5.15 With regard to these external factors it is important to bear in mind that the obligation to file a STR with the Centre arises where a person becomes aware of certain facts or in situations which should give rise to a suspicion, as discussed in Part 2, above. External factors such as those referred to here, may contribute to the forming of a suspicion, but in all cases these factors should be considered in conjunction with all other factors pertaining to a particular transaction or series of transactions. These factors should, not in and of themselves, form the reason for submitting a report to the Centre in absence of any suspicion formed.

PART 6 - PROCESS FOR SUBMITTING STRS TO THE CENTRE

What is the time period for reporting a suspicious transaction?

- 6.1 In terms of regulation 24 of the Regulations a report under section 29 of the FIC Act must be sent to the Centre ***as soon as possible***. In terms of the regulation this period must not be longer than 15 (fifteen) days, excluding Saturdays, Sundays and Public Holidays, after a person became aware of the facts which give rise to a suspicion.
- 6.2 It is important to note that, in terms of regulation 24, the period for the filing of a STR does start from the point where a person forms a suspicion. The fifteen-day period starts when a person becomes aware of the facts which will eventually give rise to a suspicion. This may be, and in the majority of cases will be, before a suspicion is formed.
- 6.3 The 15 (fifteen) day period is to be used to consider other information at the reporter's disposal and to evaluate the circumstances to determine whether a transaction, or series of transactions, is suspicious or not. In order to comply with regulation 24, as explained in paragraph 5.1 above, this should be done as quickly as possible and once a suspicion is formed, the relevant transaction or transactions must be reported without delay. This means that reporters should not take the view that they, as a matter of routine, have a fifteen-day period for the filing of reports under section 29 of the FIC Act.

Reporters will be in breach of regulation 24 if they delay the reporting of a transaction or series of transactions once a suspicion is formed, and reporters should therefore avoid routinely reporting transactions 15 (fifteen) days after a transaction takes place.

- 6.4 It is only in exceptional cases that the Centre may consider condoning a STR being sent after the expiry of the fifteen-day period. If a reporter believes that they will not be able to report within the fifteen-day period, the reporter may apply for condonation for the late filing of the STR from the Centre. Application for an extension must be made **before** the expiry of the fifteen-day period and must be in writing. In the application for an extension the reporter must provide reasons as to why the period will not be met. Furthermore, details as to when the STR will be submitted must be provided. This application can be faxed to the Centre's Manager: Monitoring and Analysis at +27 12 641 5828.

How should a STR be submitted?

- 6.5 A report under section 29 of the FIC Act must be made by means of **internet based reporting** provided by the Centre at: www.fic.gov.za. **A STR may not be posted.** Only in exceptional cases may a STR be sent by fax or delivered by hand to the Centre at the address provided. The reporting form is available from the Centre or its website.

{Outdated contact details removed, refer to website}

Batch reporting

Reporters also have the option of submitting STRs via batch reporting. Batch reporting is used in instances where high volumes of STRs are submitted to the Centre on a regular basis. *{further details removed, refer to goAML reporting material}*

Information to be provided in a STR

6.6 Regulation 23 of the Regulations sets out the prescribed particulars that should be contained in a STR. A copy of the reporting form can be accessed via the Centre's website or in the Regulations. The following is the basic information that should be contained in the STR:

- The person or entity making the report
- The transaction that is reported
- Any account involved in the transaction
- The person conducting the transaction or the entity on whose behalf it is conducted
- The representative, if any who is conducting the transaction on behalf of another
- General information concerning the transaction.

What happens to a STR after being submitted to the Centre?

6.7 Once the Centre receives the STR, further analytical work will be conducted on the information provided in the report. If the information provided in the report, together with the additional analysis, indicates a reasonable believe that the information may be required to investigate suspected unlawful activity, the information will be referred to the appropriate authority to carry out further investigation. In accordance with section 38(3) of the FIC Act the Centre is required to ensure that personal information of those involved in the making of an STR is protected from unauthorised disclosure.

PART 7 – COMPLETION OF THE STR FORM

The Centre has issued the following guidelines for the electronic and manual reporting of suspicious and unusual transactions. These guidelines are attached as annexures to this guidance note:

- **“Annexure A”** – Guideline on the electronic reporting of suspicious and unusual transaction reports to the Centre. The objective of this

guideline is to define and outline in detail the steps to be followed for the submission of suspicious and unusual transaction reports electronically on the Centres website.

- **“Annexure B”** – Guideline on the manual reporting of suspicious and unusual transaction reports to the Centre. The objective of this guideline is to define and outline in detail the steps to be followed for the manual submission of suspicious and unusual transaction reports to the Centre.

{Note: these guidelines can be accessed via the Centre’s website, www.fic.gov.zal}