

8th February 2017

Dear IAC Member,

RE: FICA proposal of Accountable Institutions to include Accountants

The above refers.

The IAC is aware of the recent uncertainty in the profession about the proposed extension of the definition of Accountable Institutions to include accountants.

Please note that under the (South African) Financial Intelligence Centre Act, 2001 (Act 38 of 2001), there is currently no legal obligation on accountants to register as accountable institutions. The Financial Intelligence Centre has officially confirmed they will be initiating a consultation process on the 8th March 2017 with the accounting industry to discuss this matter, taking into account the views of all parties affected by this.

The IAC is one of the stakeholders that FIC is in contact with, and our CEO, Mr Ehsaan Nagia, will be attending this consultation process on the 8th March 2017. Our members' interest will be clearly represented to ensure the final act does not compromise the standing of the Accountant.

Our members will be updated accordingly.

We hope this clarifies any misunderstanding in our Industry.

Regards



PRAKASH SINGH

General Manager