

# LEXPRO

## GAZETTE

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### Screening of prospective and current employees now compulsory for accountable institutions

In a concerted effort to combat money laundering, terrorist financing, and proliferation financing, the Financial Intelligence Centre (FIC) has issued Directive 8, published in Government Gazette No. 48357 on 31 March 2023. This directive mandates all accountable institutions, like law firms and estate agents to implement screening measures for prospective and current employees. The purpose of this directive is to identify, mitigate, and manage the risks associated with financial crimes. Failure to comply with this directive may result in the imposition of administrative sanctions, as outlined in the Financial Intelligence Centre Act of 2001.

The primary objective of Directive 8 is to ensure that accountable institutions proactively screen prospective and current employees for competence and integrity. Furthermore, it emphasizes the need to determine if an employee or potential employee is subject to targeted financial sanctions (TFS). By cross-referencing employee information against targeted financial sanctions lists, institutions can detect potential connections to sanctioned entities or individuals.

For more information on targeted financial sanctions see the FIC website at: <https://www.fic.gov.za/International/sanctions/SitePages/Home.aspx>

While it's not possible to determine someone's integrity with absolute certainty, there are some approaches to consider:

- Conduct background checks like the verification of employment history, qualifications and criminal record
- Ask behavioural questions like: 'Describe a situation where you faced a moral dilemma and how did you resolve it?'
- Review current employees' work. Look for indications of integrity such as instances where honesty or ethical decision-making was demonstrated
- Check online presence and social media

To ensure transparency and accountability, accountable institutions must establish and maintain records detailing the screening process for competence and integrity, as well as the scrutiny of employee information against targeted financial sanctions lists. These records must include information about the methods employed for screening and scrutiny, as well as the outcomes. When requested, the Financial Intelligence Centre or relevant supervisory bodies responsible for regulatory or supervisory functions must have access to these records.

Directive 8 is effective as of the date of publication in the Government Gazette, namely 31 March 2023. All accountable institutions must adhere to this directive to fulfil their obligations in the fight against financial crimes. Failure to comply with the directive may result in the imposition of administrative sanctions, including a fine of up to R 50 mil, as specified under section 45C of the Financial Intelligence Centre Act.



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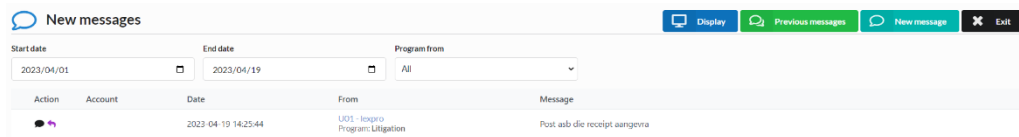
## Messages between users and programs

We have expanded the messaging function to encompass all programs, allowing you to effortlessly communicate with any user across any online Lexpro program.

To streamline this feature, we have incorporated a new messaging function icon in the Bookkeeping program. This addition ensures seamless accessibility and enhances the overall user experience.



New messages will be indicated with a red badge and counter.



Messages to users can be sent by clicking on the **New Message** icon.



More information about new developments is available through the **New Developments / New Functions** menu items located under the **Help (?)** section.



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## Default Court Per File

We are delighted to announce the introduction of a new feature in the online Litigation & Debt Collection program that enables you to save the default court for each matter in your files. This convenient option can be found under the "Add / Edit File" section, allowing you to easily manage and update the court information associated with your cases.

The screenshot shows a software interface with two main sections. The top section is titled "INSTRUCTION FEE" and contains a checkbox labeled "Debit Instruction Costs" which is unchecked, and a text input field containing the value "0.00". The bottom section is titled "DEFAULT COURTS" and features a horizontal row of six dropdown menus. The first dropdown is labeled "Magistrate Court" and shows "CAPE TOWN xxxxxxxxxxxx - M". The second is "Regional Court" showing "Addo - Regional Court (62)". The third is "High Court" showing "Gqeberha - High Court (24)". The fourth is "Landdroshof" showing "Alexandra (Dropdown tests 1)". The fifth is "Distrikhof" showing "Addo - Streekhof - Streekhof (7)". The sixth is "Hoe Hof" showing "Kaapstad - Hoe Hof (7)". A green "Save" button is located at the bottom right of the dropdown menu area.

With this enhancement, you can now enjoy a streamlined document merging process. When merging documents, the program will automatically utilize the saved court district for the matter. In instances where no court district has been saved, the program will revert to the default court district set up in the user's profile, maintaining continuity and familiarity with the previous functionality. This improvement aims to enhance efficiency and ensure a seamless user experience within the Litigation & Debt Collection program.



More information about new developments is available through the **New Developments / New Functions** menu items located under the **Help (?)** section.



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## FREE Payroll Training Session

There will be another free Payroll training session on 17 July 2023. Please contact Alicia at [alicia@lexpro.co.za](mailto:alicia@lexpro.co.za) to book your space.