

JEWELERS UPDATE

Volume 14 Issue 2

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*LOOK FOR NCJA'S NEW
LOGO IN THE NEXT
NEWSLETTER ISSUE!*

Suzi Bevacqua
Executive Director

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Jewelers Update
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THE IRS HAS STARTED TO EXAMINE JEWELERS' AML PROGRAMS

SEVERAL DEALERS ALREADY CONTACTED, JVC CAN HELP!

*By: Cecilia L. Gardner, Esq
JVC's President and CEO, General Counsel*

I have been contacted by jewelers informing me that the IRS has made appointments to examine their USA PATRIOT Act compliance programs. This is in keeping with information the IRS provided to JVC last fall. *Jewelers can rest assured that the IRS seeks compliance, not the levying of fines or penalties from these visits.*

In October 2009, I presented a seminar to the IRS examination team, to make sure that examiners understood the nature and complexities of our industry, and that their expectations not be based on previous business sectors that they examined. *It was important that the IRS examiners understand the requirements of the law and the nature of the industry before these examinations began.*

At the seminar, I learned that IRS examiners were aware of **JVC's PACK – USA PATRIOT Act Compliance Kit** – and the work JVC in doing to assist companies to come into full compliance, including performing periodic tests of the AML program that are required under the

(Continued on page 7)

2009/2010

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PRESIDENT'S MESSAGE

I start this message with a little mixed emotion. This will be my last message as President of your NCJA. I have enjoyed the privilege of serving this association that has helped jewelers in our great state for many years. I'm also am proud of the accomplishments we have achieved this year as well. None of these would have been possible without the support of many people especially our membership. I personally would like to extend a thank you to all of our Board members and Suzi Bevacqua, our Executive Director, without whom we could not function. I also feel very good about the direction our Association is headed in and the leadership we have behind it.



Tim Hiatt—Ellis Jewelers

I encourage you to continue to support this Association going forward so it can continue to serve a vital function for the Jewelers in our State. I also hope to see many of you at our Convention on April 23rd – 25th. There is still time to make your plans if you haven't already done so.

Again thank you for allowing me the privilege to serve as you President this past year.

Much Success,

Tim Hiatt

Tim Hiatt
NCJA President

Ellis Jewelers Lexington - Kernersville

North Carolina Jewelers Association

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Raleigh, NC 27608

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Raleigh, NC 27619
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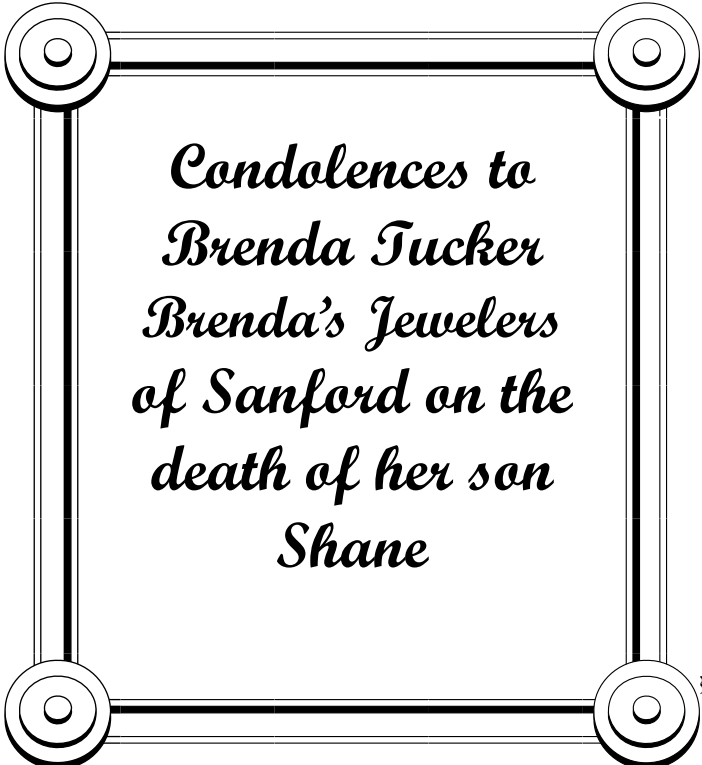
www.ncjewelers.org

Store Layaway Making a Comeback

Google Insights for Search saw in dramatic increase in searches for store layaways in October of 2009. Searches peaked in November 2009. The Southeast had the highest search volumes, with North Carolina rating the 7th highest volume (behind Georgia, Alabama, Kentucky, Texas, Tennessee and Mississippi-in that order). Projections forecast similar high volumes for 2010. Layaway allows shoppers to pay over time, interest-free, and pick up their merchandise when it is paid in full. With more shoppers being shut down from securing additional credit and home equity lines drying up with property values, layaway is seeing an upswing. Layaway had its roots in the Depression but lost its appeal with the increased use of credit cards.

Federal law requires a retailer to tell customers store layaway plan terms. The store must state the refund terms, any layaway fees for providing the plan and the payment due dates. State law, however, governs the amounts that can be retained by the store for breach of the agreement. Look to North Carolina General Statute 25-2-718 for further information.

Don't forget to post your layaway policy or provide the terms on the customer receipt. You should not vary from the stated policy. Once a policy is waived for one customer, it is deemed that you have waived it for all. This waiver, in turn, could subject your forfeited down payments to the State under the escheat statutes.



*Condolences to
Brenda Tucker
Brenda's Jewelers
of Sanford on the
death of her son
Shane*



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2010 NCJA-SCJA Convention

Friday, April 23 – Sunday, April 25

Marriott Grande Dunes Resort – Myrtle Beach, SC

Want to talk with fellow jewelers from two states about what worked for them this past year? Once again, South Carolina will join us for an exciting weekend at Myrtle Beach's only 4-Diamond Oceanfront Resort-the beautiful Marriott Grande Dunes Resort. Join us for one or both nights.

Do you remember what your customers bought from you but not their names? Join us for a Memory Seminar on Saturday morning. Afterwards, attend Jim Fiebig's Gem Lore session. Golf anyone? Play with avid golfers Saturday afternoon at the fabulous Grande Dunes course. Want to showcase your store's design acumen? Enter the Design Competition. Saturday night we'll host a Discovery Room, reception and dinner. Sunday various experts will facilitate Roundtable discussions with Mike Ponthieux-Jewelry Photography, Human Resources w/ HR Professional, & Jewelers Security Alliance-John Kennedy on Security/Fraud.

Complete the registration form below and mail back with your payment to:

NC Jewelers Association
 P. O. Box 17161 Raleigh, NC 27619
 (919)789-7979 (919)832-0417-FAX call first

Or email your information on this form to ncja@nc.rr.com

Registration Fees:

- () Full Registration \$150
 Includes:
 Friday night Hospitality, Saturday Breakfast, Seminars,
 Evening Reception, Dinner, Entertainment, Sunday Brunch
 and Roundtable Discussions, Hospitality Suite!!
- () Saturday Night Only \$75
- () Child Registration \$75
- () Bulova Golf Tournament – Saturday \$75 Handicap_____
 Grande Dunes Private Member Golf Course

Payment Method:
My check for \$_____ is enclosed (payable to NCJA)
() Am. Express () VISA () MasterCard
Card # _____
Billing address _____ _____
Expiration Date: _____ Sec Code _____

Store or Company Name: _____

First and Last Name(s) of attendees (s) (as you want it to appear on badge):

Child's Name(s) (if attending): _____

Address: _____

City, State Zip: _____

Phone: _____

Email: _____

Hotel:

() I have called the Marriott Grande Dunes Resort at (800) 644-2881 to reserve my room. NCJA group rates are available through March 30th for \$155 per night. Use Group Code is JWLJWLA for the discount.

North Carolina Jewelers Association Design Competition

Marriott Grande Dunes – Myrtle Beach
Saturday, April 24, 2010

*Independent Jewelers are distinguishing themselves with custom pieces.
Enter now and help enhance your brand.
(One form per piece - photocopies are fine.)*

Designers Name _____ Store Name _____

Store Address _____

Contact Phone _____ E-Mail _____

Please choose appropriate category:

	Level 1 _____	Level 2: _____	Level 3: _____
Cost of materials:	Up to \$1000	\$1001 - \$3000	\$3001 - and over

Description of jewelry piece

All pieces must be received no later than April 16, 2010 unless they are hand delivered to the convention.

Designer or store representative must be present to win.

All pieces must be properly insured. While NCJA will handle all entries with care, neither NCJA, nor its officers, employees or representatives will be responsible for the loss, theft or damage of property submitted for judging. Each design entrant agrees to hold harmless NCJA against any and all actions and damages that may arise from the theft, damage or destruction of competition pieces submitted for judging.

Signature: _____ **Date:** _____

Mail to
Suzi Bevacqua
NC Jewelers Association
1605 Pineview Street
Raleigh, NC 27608

Friday:

3:00-6:00 Registration
7:00-9:00 Reception/Hospitality

A

Saturday:

7:00-9:00 Registration
8:00-9:00 Breakfast
Annual Meeting
Installation of Officers
9:15-10:30 Gem Lore- Jim Fiebig
10:30-12:00 Faces and Names Memory Workshop-
Scott Hagwood
12:30 Bulova Golf Tournament
Grande Dunes Private Member Course

G

Lunch on your own

E

1:30-3:30 Pearl Seminar-Hospitality Room
3:30-4:30 Design Competition Judging
6:30-8:00 Discovery Room & Reception
8:00-9:30 President's Banquet
8:30 Fundraising Victory Junction
9:30 Entertainment

N

Sunday:

9:00-10:30 Breakfast and
10:00-12:00 Roundtable Discussions
1-Jewelry Photography-Mike Ponthieux
2-Security/Fraud-JSA John Kennedy
3-Employee Issues
4-Patriot Act Compliance
12:15 NCJA Board Meeting

D

*Hospitality Suite Open Throughout the Weekend
And so are the Beaches!*

A

Former members Amalia and Roberto Restucha of Roberto's Jewelers in Raleigh have retired and closed their doors. They have store fixtures and equipment for sale, including cases, security equipment, displays and more.

If you have an interest in these items, email Amalia at amalia_restucha@yahoo.com for photos and a listing of available fixtures.
Best Wishes in Your Retirement!

(Continued from page 1)

law. In the past year, JVC has performed many such tests in jewelry companies to assist dealers to improve their AML programs and complete their compliance requirements.

While performing these tests, I have compiled a list of top “red flags” that companies should look out for in connection with their customer and supplier identification programs, and their transaction monitoring.

The identification of all customers and suppliers is part of five basic elements required by the USA PATRIOT Act law, as is a robust program to monitor all financial transactions pertaining to the purchase and sale of precious metals, stones and jewels.

The identification program consists of getting full identification information from customers and suppliers – whether they are in the US or abroad. The red flags in this area are often the failure to obtain full identification information – such as a missing form of government-issued identification from a foreign source of supply. Another top red flag is an internal inconsistency within the identification information provided. Transaction monitoring requires a constant review of transactions for the purchase and sale of precious metal, stones and jewels. The top red flag in this area relate to third party payments or deliveries, made or received.

JVC provides services to companies required to comply with the USA PATRIOT Act. **JVC’s USA PATRIOT Act Compliance Kit** is a do it yourself product. Visit <http://www.jvclegal.org/index.php?categoryid=243>

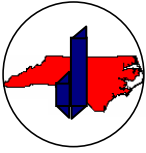
JVC can implement the program for you, train your employees (another required element) and provide a “quick check-up” of your program to ensure that it meets the necessary elements. JVC can also perform your period testing (this must be done independently from your compliance officer) to ensure that your program is fully compliant and includes each required element. <http://www.jvclegal.org/index.php?categoryid=146>

Contact JVC for further information – www.jvclegal.org or dedicated e-mail askamlexpert@aol.com. Also - please contact us if you are contacted by the IRS, we would like to keep up to date on the IRS’ activities in this area.

Watch for upcoming JVC educational seminars to help you comply with the USA PATRIOT Act! JVC is available to assist with your AML obligations!



Many thanks to the JVC for contributing this article after NCJA called to get information about Patriot Act Compliance.



North Carolina Jewelers Association
 PO Box 17161
 Raleigh, NC 27619
 (919) 789-7979

The Winner of the Logo Design Contest and the new
 NCJA Logo will be announced at the Convention.
 Look for the announcements in your next issue.

SAVE THE DATE Family and Friends NCJA-SCJA Convention .
 Golf Ideas Exchange April 23-25th 2010

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