

## **FIC ISSUES ADMINISTRATIVE SANCTIONS AGAINST MOTOR VEHICLE DEALERSHIPS**

**TUESDAY, 29 MARCH 2022:** The Financial Intelligence Centre (FIC) has penalised two motor vehicle dealerships for not meeting their Financial Intelligence Centre Act, 2001 (Act 38 of 2001). (FIC Act) compliance obligations.

Administrative sanctions were imposed against the dealerships for failing to comply with registration and reporting obligations in terms of the FIC Act. The dealerships and the administrative sanctions issued appear below.

1. ACS Pre-Owned (Pty) Ltd
  - A reprimand for failing to register timeously
  - A financial penalty of R255 575 for failing to report 21 transactions exceeding the threshold of R24 999.99
  - A directive to remediate the outstanding unreported transactions
  - A caution not to repeat the non-compliant conduct.
  
2. Atlantis Motors (Pty) Ltd
  - A reprimand for failing to register timeously
  - A financial penalty of R672 526 for failing to report 57 transactions exceeding the threshold of R24 999.99
  - A directive to remediate the outstanding unreported transactions
  - A caution not to repeat the non-compliant conduct.

Administrative sanctions imposed by the FIC can include:

- A caution not to repeat the conduct that resulted in non-compliance
- A reprimand
- A directive to take remedial action

- A restriction or suspension of certain business activities
- A financial penalty of up to R10 million in the case of a natural person and R50 million in the case of a legal person.

As South Africa's national financial intelligence unit, the FIC has a mandate to identify the proceeds of crime, and assist in combating money laundering, terrorist financing and proliferation financing. The administrative sanctions imposed on non-compliant institutions does not imply that they facilitated money laundering or terrorism funding transactions.

During the 2020/21 financial year, the FIC imposed administrative sanctions on 24 non-compliant motor vehicle dealers, two of which appealed their sanctions. The 22 sanctions imposed amounted to more than R28.5 million.

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Issued by:

### **The Financial Intelligence Centre**

For more information, please contact [communications@fic.gov.za](mailto:communications@fic.gov.za) or visit [www.fic.gov.za](http://www.fic.gov.za).

#### **Note to editors:**

As South Africa's national centre for the gathering and analysis of financial data, the Financial Intelligence Centre's (FIC's) role is to safeguard the integrity of the country's financial system and its institutions. In pursuit of this, the Financial Intelligence Centre Act, 2001 (Act 38 of 2001), mandates the FIC to identify the proceeds of crime, and assist in combating money laundering, terrorist financing and proliferation financing, and to facilitate the effective supervision and enforcement of the FIC Act.

Under this legislation, the FIC makes information available to a wide range of law enforcement agencies and other government institutions to facilitate the administration and enforcement of the laws of the Republic. The FIC also provides information and guidance to financial and non-financial institutions on their compliance obligations. It also outlines the enforcement and penalty regime for those who do not comply.

The FIC ensures South Africa's legislation and standards for combating money laundering and terrorist financing are met and up-to-date across government and the private sector.

Item	2020/21
Institutions registered with FIC as at 31 March 2021	44 499
Regulatory reports received	5.2 million
Cash threshold reports received	4.8 million
Suspicious and unusual transaction reports received	394 709
Inspection reports issued by FIC and supervisory bodies	749
Total number financial intelligence reports disseminated	3 206
Responses to requests for financial intelligence	2 080
Financial intelligence reports referred	1 126
Value of suspected criminal proceeds frozen	R613.2 million
Value of criminal proceeds recovered where FIC financial intelligence was used	R3 398.71 million

For more about the FIC visit [www.fic.gov.za](http://www.fic.gov.za)