



საქართველოს ეროვნული ბანკი
National Bank of Georgia

ON THE IMPOSITION OF THE MONETARY FINE ON THE MICROFINANCE ORGANIZATION LTD “CROSS CREDIT ” (I.N 405185375)

As a result of the inspection, a violation of the requirements provided for in Article 6, Paragraph One, Sub-Clause "A" of the "Rules for Accounting, Storage and Submission of Information on Transactions by an Accountable Person to the Financial Monitoring Service of Georgia" approved by Order №1 of the Head of the Financial Monitoring Service of Georgia dated June 5, 2020, In particular, there are 2 (two) cases of non-submission of reports above the limit for the Financial Monitoring Service of Georgia, which is a violation of the rule approved by the order of the President of the National Bank of Georgia No. 16/04 of February 5, 2020 "On the determination of the amount of monetary fines, imposition and enforcement" (hereinafter - "penalty rule"), which in accordance to Article 3, Paragraph 3, subparagraph "m" of the mentioned rule, considers the fine with 2,000 (two thousand) GEL for each violation fact. In sum, 4,000 (four thousand) GEL for the 2 (two) violation cases mentioned in this paragraph.

As a result of the inspection, a violation of the requirements stipulated in Article 9, Clause 2 of the "Rules for accounting, storage and submission of information on transactions by an accountable person to the Financial Monitoring Service of Georgia" approved by Order №1 of the Head of the Financial Monitoring Service of Georgia on June 5, 2020, In particular, for the Financial Monitoring Service of Georgia, 3 (three) cases of late submission of reports without meeting the established deadline (for a delay of up to five working days), which is provided for in accordance with the fine rule - Article 3, Clause 4, Sub-Clause "A", Sub-Clause "AA" to be fined - in the amount of 100 (one hundred) GEL for each violation. A total of 300 (three hundred) GEL for 3 (three) violation cases mentioned in this paragraph.

As a result of the inspection, a violation of the requirements stipulated in Article 9, Clause 2 of the "Rules for accounting, storage and submission of information on transactions by an accountable person to the Financial Monitoring Service of Georgia" approved by Order №1 of the Head of the Financial Monitoring Service of Georgia on June 5, 2020, In particular, for the Financial Monitoring Service of Georgia, 1 (one) case of late submission of reports without meeting the established deadline (five or more working days late), which is in accordance with Article 3, Clause 4, Sub-Clause "A", Sub-Clause "A.B" of the Penalty Rule provides for a fine of 300 (three hundred) GEL for each violation. A total of 300 (three hundred) GEL for the above-mentioned violation.

As a result of the inspection, a violation of the requirements stipulated in Article 18 of the Law of Georgia on „Facilitating the Suppression of Money Laundering and Terrorism Financing“ was revealed, In particular, in relation to the client, the microfinance organization does not carry out the study of the origin of the transaction and/or property (funds) in accordance with the legislation, which provides for a fine in the amount of 3,000 (three thousand) GEL for each violation on the fact. A total of 3,000 (three thousand) GEL for the above-mentioned violation.

As a result of the inspection, a violation of the requirements stipulated in Article 10 of the Law of Georgia on „Facilitating the Suppression of Money Laundering and Terrorism Financing“ and Violation of the requirements set forth in Articles 6 and 7 of the "Rule of Client Identification and Verification by an Accountable Person" approved by Order No. 2 of the Head of the Financial Monitoring Service of Georgia dated June 5, 2020, In particular, in relation to the client, the microfinance organization provides services to a person (including a person acting on behalf of the client) without identification and/or verification, which in accordance with Article 3, Clause 3, Sub-Clause "b" of the Penalty Rule provides for a fine - in the amount of 1,000 (thousand) GEL, for each violation. Total - 1,000 (thousand) GEL for the above-mentioned violation.

Microfinance Organization was fined with total amount of 8,600 (eight thousand six hundred) GEL.



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THE MONETARY FINE WAS IMPOSED ON COMMERCIAL BANK JSC "BASIS BANK" (I.N. 203841833)

The monetary fine of 32 800 (thirty-two thousand eight hundred) GEL was imposed on commercial bank JSC "BASIS BANK" (I.N. 203841833):

1. For 2 (two) cases for misrepresentation of submitting information/documentation to the National Bank of Georgia in the process of inspection;
2. For 1 (one) case for breach of requirements set by the subparagraph "e", Paragraph 1, Article 18, law of Georgia „On Facilitating the Suppression of Money Laundering and Terrorism Financing” (reasonable measures has not been taken to determine the source of wealth and the source of funds towards 1 customer);
3. For 2 (two) cases for failure (submitting incorrect information to the National Bank of Georgia) of the rule approved by “the order N162/04, December 4, 2017 of the President of the National Bank of Georgia on Rules on Compiling Reports and Submitting Information on the Supervision of Terrorism Financing and Money Laundering Risks by Commercial Banks”;
4. For 2 (two) case for failure to comply with the requirements regarding reporting suspicious transaction to the Financial Monitoring Service of Georgia, set by the Paragraph 2, Article 9, law of Georgia „On Facilitating the Suppression of Money Laundering and Terrorism Financing”;
5. For 1 (one) case for failure to comply with the requirements regarding reporting suspicious transaction to the Financial Monitoring Service of Georgia, set by the Paragraph 1, Article 25, law of Georgia „On Facilitating the Suppression of Money Laundering and Terrorism Financing”.

