
ADMINISTRATIVE SANCTION
LUXURY TECH CC t/a RIGHT CARS

HAVING CONSIDERED ALL AVAILABLE FACTS, INFORMATION, FACTORS AND REPRESENTATIONS, THE FINANCIAL INTELLIGENCE CENTRE HEREBY IMPOSES THE FOLLOWING ADMINISTRATIVE SANCTION AND RECOMMENDATION:

1. In terms of section 45C(3)(b) of the Financial Intelligence Centre Act 38 of 2001 (the **FIC Act**), the Financial Intelligence Centre (the **Centre**) hereby reprimands Luxury Tech CC t/a Right Cars (**Right Cars**) for failing to comply with section 43B(1) of the FIC Act, read with Regulation 27A(1) of the Money Laundering and Terrorist Financing Control Regulations (the **Regulations**).
2. In terms of section 45C(3)(e) of the FIC Act, the Centre hereby imposes a financial penalty on **Right Cars** in the amount of R3, 658, 686.00 for failing to report 373 cash threshold transactions in terms of section 28 of the FIC Act, read with Regulations 22B and 24(4) of the Regulations.
3. **Right Cars** is directed to pay the financial penalty of R900, 000.00 on or before 20 December 2018
4. The payment of the remaining R2, 758, 686.00 of the total financial penalty is hereby suspended for a period of 3 years from the date of this Administrative Sanction, on condition that **Right Cars** remains fully compliant with its reporting obligations in terms of section 28 of the FIC Act.
5. In terms of section 45C(3)(a) of the FIC Act, **Right Cars** is cautioned not to repeat the conduct that led to its non-compliance with section 28 of the FIC Act and should the institution be found to be non-compliant therewith within the 3 year suspension period, the suspended penalty of R2, 758, 686.00 becomes immediately payable.

6. The financial penalty is payable via electronic fund transfer to:

Account Name : NRF – FIC Act Sanctions
Account Holder : National Treasury
Account Number : 80552749
Bank : South African Reserve Bank
Code : 910145
Reference : FIC Sanction – Right Cars/2018

7. Proof of payment must be submitted to the Centre at enforcement@fic.gov.za.

8. In addition, the Centre recommends that Right Cars:

8.1 Acquaint itself and comply with the Centre's new registration and reporting system, *goAML*, all Directives, Guidance Notes and Public Compliance Communications, all of which are available on the Centre's website at www.fic.gov.za

8.2 Acquaint itself with the specific provisions of section 28 of the FIC Act and implement proper procedures to facilitate compliance with **section 28** of the FIC Act, **conduct** a daily reconciliation of all its transactions and banks statements so as to timeously identify and report cash transactions in excess of the prescribed threshold when applicable.

8.3 Acquaint itself with the specific provisions of section 29 of the FIC Act and implement proper internal procedures to facilitate compliance with section 29 of FIC Act so as to timeously **identify** and report suspicious and unusual transactions when applicable.

Signed at Centurion on this **the 23** day of November 2018.



ADV XOLISILE KHANYILE
DIRECTOR

PUBLICATION OF THE ADMINISTRATIVE SANCTION

15. In terms of section 45C(11) of the FIC Act, the Centre is obliged to make public **the decision and the nature of the Sanction** unless there are **exceptional circumstances** justifying the preservation of the confidentiality thereof.
16. Variety Motors has not disclosed any exceptional circumstances justifying the preservation of the confidentiality of **the Sanction** nor am I aware of any such circumstances.
17. Consequently, the Sanction as set out in Annexure A hereto, will be published on the Centre's website at www.fic.gov.za after the 30 day period allowed to Variety Motors to lodge an appeal.

CONCLUSION

18. In light of the nature and consequences of the intended administrative sanction, it is strongly recommended that Variety Motors ensure that it fully understands the contents of this Notice and acquaints itself with the relevant provisions of the FIC Act, in particular sections 45C and 45D thereof and Regulation 27C.
19. Kindly acknowledge receipt of this Notice in writing and via e-mail to the Centre at enforcement@fic.gov.za

Signed at Centurion on this the 23 day of November 2018.



ADV XOLISILE KHANYILE
DIRECTOR