
ADMINISTRATIVE SANCTION
KIA MOTORS SOUTH AFRICA (PTY) LTD T/A KIA ROODEPOORT

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)(c) of the Financial Intelligence Centre Act 38 of 2001 (**the FIC Act**), the Financial Intelligence Centre (**the Centre**) hereby reprimands KIA Motors South Africa (Pty) Limited t/a KIA Roodepoort (**KIA Roodepoort**) for failing to comply with section 43B(1) of the FIC Act, read with Regulation 27A(3) of the Money Laundering and Terrorist Financing Control Regulations (**the Regulations**).
2. In terms of section 45C(3)(e) of the Financial Intelligence Centre Act 38 of 2001 (**the FIC Act**), the Centre hereby imposes a financial penalty on KIA Roodepoort in the amount of R357, 383.00 for failing to comply on 27 counts with section 28 of the FIC Act, read with Regulations 22B and 24(4) of the Regulations.
3. In terms of section 45C(3)(e) of the Financial Intelligence Centre Act 38 of 2001 (**the FIC Act**), the Centre hereby imposes a financial penalty on KIA Roodepoort in the amount of R17, 745.00 for failing to comply on one count with Regulation 24(3) of the Regulations.
4. KIA Roodepoort is directed to pay the payable portion of the financial penalty in the amount of R98, 073.00 as specified in paragraph 8.4 of the Notice of Sanction.



5. Alternatively, should KIA Roodepoort remediate **all** the transactions as directed in paragraph 7 below, the institution will only be required to pay R88, 265.00 as specified in paragraph 8.6 of the Notice of Sanction.
6. The payment of the remaining balance of the total financial penalty is hereby suspended for a period of 3 years from the date of this Administrative Sanction, on condition that KIA Roodepoort remains fully compliant with its reporting obligations in terms of sections 28 and 29 of the FIC Act.
7. In terms of section 45C(3)(c) of the FIC Act, KIA Roodepoort is directed to remediate the transactions as identified in Annexure B hereto, within 30 calendar days of receipt of this Notice and to confirm via email to the Centre's Enforcement Unit at enforcement@fic.gov.za the web references of all reported transactions, together with the reasons for the institution's failure to remediate any transaction/s.
8. In terms of section 45C(3)(c) of the FIC Act, KIA Roodepoort is directed to initiate an engagement with the Centre in terms of Directive 03/2014, by emailing a request to Directive3@fic.gov.za within 5 business days of receipt of this Notice, for a meeting to discuss the remediation of the transactions as identified in Annexure B hereto.
9. In terms of section 45C(3)(a) of the FIC Act, KIA Roodepoort is cautioned not to repeat the conduct that led to its non-compliance with sections 28 and 29 of the FIC Act, and should the institution be found to be non-compliant therewith within the 3-year suspension period, the suspended penalty becomes immediately payable.
10. 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 : **900145**
Reference : **FIC Sanction – KIA Roodepoort /2021**

11. Proof of payment must be submitted to the Centre at enforcement@fic.gov.za.
12. In addition, the Centre recommends that KIA Roodepoort:



- 12.1 Acquaint itself and comply with the Centre's 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.
- 12.2 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.
- 12.3 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 **08** day of October 2021.



**ADV XOLISILE KHANYILE
DIRECTOR**