

ANNEXURE A

ADMINISTRATIVE SANCTION AZ COMMERCIAL PROPERTIES

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 (**FIC Act**), the Financial Intelligence Centre (**Centre**) hereby reprimands AZ Commercial Properties (Pty) Ltd, with registration number 2018/314385/07 (**AZ Commercial Properties**), for failing to comply with section 21B (determining beneficial ownership), sections 42(1), 42(2)(develop and implement the RMCP), section 28A(3)(scrutinise clients against the TFS list) and Directive 6 of 2023 issued by the Centre in terms of section 43A(3) of the FIC Act.
2. In terms of section 45C(3)(c) of the FIC Act, AZ Commercial Properties is hereby directed to submit their Risk Management and Compliance Program (RMCP) and their Risk and Compliance Return to the Centre and to confirm to the Centre in writing, of its compliance with the directive. The confirmation must be submitted to enforcement@fic.gov.za on or before 8 April 2024.
3. In terms of section 45C(3)(e) of the FIC Act, the FIC hereby imposes a financial penalty on AZ Commercial Properties in the amount of R25 000 for failing to comply with section 42 of the FIC Act.
4. In terms of section 45C(3)(c) of the FIC Act, AZ Commercial Properties is hereby directed to ensure the institution complies with section 21B of the FIC Act, by establishing the nature, control structure and the beneficial owners of legal persons, partnerships and trusts and further that the institutions customer due diligence compliance processes and procedures are clearly documented in the institutions

RMCP.

5. In terms of section 45C(3)(e) of the FIC Act, the FIC hereby imposes a financial penalty on AZ Commercial Properties in the amount of R25 000 for failing to comply with section 21B of the FIC Act.
6. In terms of section 45C(3)(c) of the FIC Act, AZ Commercial Properties is hereby directed to scrutinise all the institutions clients against the TFS list. The process and procedures to screen the institutions new and existing clients, in compliance with section 28A(3) of the FIC Act, must be clearly documented in the institutions RMCP.
7. In terms of section 45C(3)(e) of the FIC Act, the FIC hereby imposes a financial penalty on AZ Commercial Properties in the amount of R25 000 for failing to comply with section 28A(3) of the FIC Act.
8. In terms of section 45C(3)(e) of the FIC Act, the FIC hereby imposes a financial penalty on AZ Commercial Properties in the amount of R10 000 for failing to comply with Directive 6 of 2023 as issued by the FIC on 31 March 2023.
9. In terms of section 45C(3)(a) of the FIC Act, AZ Commercial Properties is cautioned not to repeat the conduct that led to the non-compliance with sections 42, 21B and 28A(3) of the FIC Act.
10. AZ Commercial Properties is directed to pay the payable portion of the financial penalty in the amount of R21 250 as specified in paragraph 9.10 of the Notice of Sanction.
11. The payment of the remaining balance of (R63 750) is hereby suspended for a period of 3 years from the date of this Administrative Sanction, on condition that AZ Commercial Properties remains fully compliant with its compliance obligations in terms of the FIC Act.
12. 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 – AZ Comm Prop/2023-24

13. Proof of payment must be submitted to the Centre at enforcement@fic.gov.za.
14. In addition, the Centre recommends that AZ Commercial Properties acquaint itself with the relevant provisions of the FIC Act, the Centre's *goAML* system, all Directives, Guidance Notes and Public Compliance Communications, all of which are available on the Centre's website at www.fic.gov.za.

Signed at Centurion on this the 4 day of March 2024.

Pieter Smit



04/03/2024

MR PIETER SMIT
ACTING DIRECTOR

 SIGNIFLOW®