

# Sasfin Bank sanctioned for non-compliance

The Prudential Authority (PA) has imposed administrative sanctions on Sasfin Bank for non-compliance with certain provisions of the Financial Intelligence Centre (FIC) Act.



The South African Reserve Bank (Sarb), of which the PA is a subsidiary, said the sanction was imposed after the PA identified certain weaknesses in Sasfin Bank's processes to comply with the provisions of the FIC Act.

The administrative sanctions imposed on Sasfin Bank comprise a R500,000 financial penalty and a directive to take remedial action for failure to provide adequate training to certain employees, as required by section 43(a) of the FIC Act, read with the guidance provided by the Financial Intelligence Centre in Public Compliance Communication 18.

The FIC Act mandates the PA, in terms of section 45, to supervise and enforce compliance with the provisions of the FIC Act insofar as accountable institutions (AI) regulated or supervised by it are concerned. Flowing from these responsibilities, the PA inspects AIs to assess whether they have appropriate and adequate measures and controls in place, which would enable them to effectively comply with the FIC Act.

"It should be noted that the administrative sanctions were not imposed because Sasfin Bank was found to have facilitated transactions involving money laundering or the financing of terrorism," said the Sarb.

Section 45C (7) (a) of the FIC Act stipulates that financial penalties have to be paid into the National Revenue Fund.

The Sarb said Sasfin Bank is cooperating with the PA and has taken the necessary measures to address the identified compliance deficiencies and control weaknesses.

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