

ENQUIRIES:	Ms Ziyanda Brukwe	D. DIALLING NO.:	(012) 367 7166
OUR REF:	FSP 45467	FAX:	
DATE:	13 August 2020	E-MAIL:	ziyanda.brukwe@fsca.co.za

Ms Isabella Oliveira
Employees Benefit International (Pty) Ltd
102 Sea Cottage
Dunblan Estate
Bredell
1500

By email: isabella@fs-ebi.com

Dear Mrs Oliveira

REQUEST FOR RESPONSE TO NOTICE OF SANCTION

INTRODUCTION

In terms of section 45(1) of the Financial Intelligence Centre Act 38 of 2001 (FIC Act), read with schedules 1 and 2 of the FIC Act, the Financial Sector Conduct Authority (FSCA) is responsible for supervising and enforcing compliance with the FIC Act or any order, determination or directive made in terms of the FIC Act by all accountable institutions regulated or supervised by it.

Employee Benefit International is an authorised financial services provider and an accountable institution as envisaged in terms of item 12 of schedule 1 to the FIC Act. On 25 – 26 February 2019 and as part of its supervisory duties, the FSCA conducted an onsite inspection in respect of Employee Benefit International at its business premises.

NATURE OF NON-COMPLIANCE

The findings of the aforementioned onsite inspection revealed that Employee Benefit International have contravened sections 42 and 43 of the FIC Act. In this regard, the FSCA issued Employee Benefit International with a Notice of Sanction on 4 May 2020.

It should be noted that in terms of the Notice of Sanction that was issued to Employee Benefit International, you were required to respond to the following:

- Employee Benefit International was directed to draft the RMCP relevant to its operations and the achievement of the objectives of the requirements in section 42(2) of the FIC Act read with guidance note 7 issued by the FIC.
- Employee Benefit International was required to pay a financial penalty of R10 000 for the failure to develop, document and implement a RMCP in non-compliance with section 42(1) read together with section 42(2) the FIC Act. The payment was suspended for a period of 3 years from the date of the administrative sanction issued, on condition that Employee Benefit International remains fully compliant with section 42(2) of the FIC Act.
- Employee Benefit International was required to pay a financial penalty of R5 000 for the failure to provide on-going training to the employees to enable them to comply with the provisions of the FIC Act and RMCP which are applicable to them. Proof of payment was due for submission on 3 July 2020.

In light of the above and the fact that Employee Benefit International failed to respond to the Notice of Sanction, it should be noted that in terms of section 45C(7)(b): "If the institution or person fails to pay the financial penalty within the prescribed period and an appeal has not been lodged within the required period, the Centre or supervisory body may forthwith file with the clerk or registrar of a competent court a certified copy of the notice contemplated in sub-section 6(b), and the notice thereupon has the effect of a civil judgement lawfully given in that court in favour of the Centre or supervisory body."

In light of the above, Employees Benefit International is directed to submit to the Authority an RMCP that properly addresses all the areas of non-compliance in this correspondence and explained during the inspection. Furthermore, Employee Benefit International is directed to submit proof of payment of the financial penalty by no later than **31 August 2020**. Failure to respond satisfactorily to the above will result in the FSCA exercising its powers as set out in section 45C(7)(b) as set out above.

Kindly acknowledge receipt of this Notice in writing and via e-mail to Ziyanda.Brukwe@fsca.co.za

Yours faithfully



Kedibone Dikokwe
For the Financial Sector Conduct Authority