

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 564 [NW647E]

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564. Dr D T George (DA) to ask the Minister of Finance:

- (1) Whether the Financial Services Board has imposed any administrative fines during the period 1 June 2009 up to the latest specified date for which information is available, if so, what are the names of the entities that were fined, including (a) the fine amount (b) the reason for the fine;
- (2) whether the fine amount was (a) received and (b) paid to National Treasury:

NW647E

REPLY:

- (1) The Financial Services Board (FSB) imposes two types of administrative penalties. Penalties may be imposed by the Registrar for late submissions of reports as provided for in the different sectorial pieces of legislation.

In addition, the Registrar may refer alleged contraventions of all FSB laws to the independently constituted FSB Enforcement Committee. The Enforcement Committee may impose administrative penalties if it finds that FSB legislation has been contravened. The following administrative penalties were imposed since 1 April 2009.

Period	Amount R
2009/2010	5 457 635
2010/2011	3 255 343
2011/2012	7 200 614
2012/3013	16 044 960
2013/2014	9 759 080
Total imposed	41 717 632

Of this total amount, R26 002 066,19 has been received and the balance amounting to R15 715 565,81 is either being paid off by way of instalments, or in the process of being collected or have been written off as unrecoverable.

- (2) No amounts received for this purpose are paid to the National Treasury. Penalties recovered are deposited into a ring-fenced fund and are exclusively disbursed for consumer education and protection of consumers in terms of an approval granted by the Minister of Finance or in terms of section 6H of the Financial Institutions (Protection of Funds) Act, 2001.

The FSB is prohibited from utilising these funds in any other manner, including for its operational expenses.