

FSCA Press Release

16 February 2026

FSCA imposes R710 000 administrative penalty on QuickTrade (Pty) Ltd (FSP 45262)

The Financial Sector Conduct Authority (FSCA) has imposed an administrative penalty of R710 000 on QuickTrade (Pty) Ltd (Quicktrade) for failing to comply with certain provisions of the Financial Intelligence Centre Act, No. 38 of 2001 (FIC Act).

Quicktrade is a licensed financial services provider (FSP) under the Financial Advisory and Intermediary Services Act, No. 37 of 2002 (FAIS Act) and an accountable institution under the FIC Act.

The FSCA is responsible for supervising and enforcing compliance of FSPs with the FIC Act. The FIC Act aims, among other things, to combat money laundering, the financing of terrorism and other related criminal activities. All accountable institutions designated under the FIC Act must comply fully with its requirements.

The FSCA conducted an inspection on Quicktrade as part of its ongoing supervisory activities in terms of section 45B of the FIC Act. The inspection revealed Quicktrade to be in breach of the following provisions of the FIC Act:

- **Sections 42(1) and 42(2) - Risk Management and Compliance Programme (RMCP):** Accountable institutions must develop, document, maintain and implement an RMCP for anti-money laundering (AML), counter-terrorist financing (CTF) and counter proliferation financing (CPF).

The RMCP must outline how the accountable institution will determine, among others, the following processes:

- Identification, assessment, monitoring, mitigation and/or managing of the money laundering, terrorist financing and proliferation financing (ML/TF/PF) risks to which the business is exposed.

Executive Committee:

Commissioner: U. Kamlana | **Deputy Commissioners:** A. Ludin | K. Gibson | F. Badat

- Avoiding establishing business relationships with clients with apparent false or fictitious names.
- Establishing and verification of client identities.
- Determining whether future transactions that will be performed in the course of the business relationship are consistent with the institution's knowledge of a prospective client.
- Conducting additional due diligence measures in respect of legal persons, trust and partnerships.
- Conducting enhanced due diligence for higher-risk single transactions and business relationships and when simplified customer due diligence might be permitted in the institution.
- Examining complex or unusually large transactions and unusual patterns of transactions.

Quicktrade's RMCP was found to be deficient in that the RMCP failed to outline how the accountable institution would comply with the aforementioned requirements.

- **Sections 21(1), 21A and 21B - Customer Due Diligence:** Accountable institutions are required to conduct customer due diligence which includes, among other things, the identification and verification of clients, establishing the identity of persons acting on behalf of the client, obtaining information on the nature of the business relationship and obtaining beneficial ownership information.

Quicktrade failed to conduct the requisite customer due diligence as follows:

- Failed to establish and verify the identity of clients.
 - Failed to obtain information describing the clients' source of funds.
 - Failed to obtain information regarding the nature of business, ownership and control structures of its clients.
- **Section 28 – Above cash threshold reporting (CTR/CTR aggregation):** Accountable institutions are required to report to the Financial Intelligence Centre

(FIC) the prescribed particulars concerning a cash transaction concluded with a client if the amount or aggregated amount exceeds the threshold of R24 999.99¹.

Quicktrade failed to report several aggregate cash (CTR aggregation) deposits that met the cash threshold. Prior to amendments to the FIC Act in 2022, accountable institutions were required to report on CTR aggregation.

Cash transactions where a single client has performed multiple transactions with a combined value of R25 000.00 and above within a defined period were reportable as one CTR.

In light of the above contraventions and based on an assessment of various factors, including the size, complexity and risk exposure applicable to Quicktrade, the FSCA issued a directive to the institution to remediate the identified deficiencies and imposed a financial penalty of **R710 000.00**.

The FSCA notes Quicktrade's commitment to remediate the identified instances of non-compliance and to strengthen its AML/CTF/CPF framework.

The FSCA considers the identified compliance deficiencies to be serious breaches of the FIC Act.

An effective RMCP is vital not only because it assists accountable institutions to protect and maintain the integrity of their own businesses but also because it helps contribute to the integrity of the South African financial system as a whole.

Proper due diligence of all clients is crucial to help identify and mitigate against suspicious and criminal elements from infiltrating the financial system.

Filing CTRs with the FIC is important for protecting and maintaining the integrity of the South African financial system and mitigating risks of money laundering and terrorist financing. Reporting of above cash threshold transactions and activities helps with the accurate and timely detection, investigation and prosecution of financial crimes.

¹ With effect from 14 November 2022, the Minister of Finance revised the Cash Threshold Reporting (CTR) requirements: the threshold for reporting cash transactions increased to above R49 999.99. With the revised regulations, it will no longer be a requirement to report on CTR aggregation (CTRA).

The above sanction serves as a reminder that the FSCA will not tolerate non-compliance with the FIC Act. All accountable institutions are urged to continually review and enhance their anti-money laundering and terrorist financing controls at the highest levels and to conduct thorough risk assessments on a regular basis. Failure to do so will result in firm regulatory action.

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