

Decision 2014-05 of 26 February 2015 against Cards off SA (capital)

In this case, this payment institution licensed in 2011 was charged with having failed to meet prudential capital requirements over a period that ran from the first quarter of 2012 to the end of 2013.

This violation was not disputed by the respondent institution, which stated before the Committee, during an initial hearing in mid-December 2014, that the capital shortfall was in the process of being remedied and gave an undertaking that the violation would be remedied following an increase in the company's capital due to take place no later than 15 January 2015.

Following a second hearing held at the end of February 2015, the Committee noted, in its decision of 26 February, that the violation was, in all likelihood, in the process of being remedied as quickly as possible (leading the proceeding to drop its request for the licence to be withdrawn) but that, since the capital shortfall had increased and persisted for a long period and since it related to an essential licensing condition for payment institutions, it called for a significant sanction, namely a reprimand and a fine of EUR 100,000, in light of the institution's financial position.