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Suspension of dealer's licence

SAAADA has received reports indicating a spate of dealer's being closed by SAPS. All members are advised to take care to avoid possible inadvertent contraventions of the FCA, and to ensure that all registers are properly maintained, and information therein is up to date. If you are not already doing so, please be sure to submit your SAP 350 returns within 7 days of the end of each week.

Should it happen that SAPS initiate disciplinary proceedings against a dealer for contravening the FCA, they must follow the procedure defined in Section 41 of the FCA.

41. Suspension of dealer's licence

- 1) The Registrar may suspend a dealer's licence if the Registrar has information in a sworn statement or on solemn declaration that the dealer has committed an offence in terms of this Act for which a sentence of imprisonment for a period of five years or more may be imposed.
- 2) A licence may be suspended for not more than seven days without affording the holder of the licence a hearing.
- 3) A suspension may endure for a period longer than seven days if the -
 - a) holder has been afforded an opportunity to make written representations to the Registrar;
 - b) Registrar has given due consideration to the representations;
 - c) Registrar deems it necessary in order to achieve the objects of this Act; and
 - d) suspension has been confirmed by a court.
- 4) A dealer may not trade for the period during which the licence is suspended.

Note in point 3) that all four conditions must be met!

Our legal specialist, Martin Hood, advises dealers not to pay administrative fines related to the FCA, without first obtaining sound legal advice. This is simply because paying a fine admits guilt and the impact of that might have far-reaching consequences that are not always apparent.

Remember, SAAADA is here to help; the committee members have vast experience to share with members, usually for free.

Regards,

Jonathan