

## FSCA Press Release

09 October 2024

### **Warning for users of Telegram: FSCA issues public warning against persons impersonating authorised FSPs**

The Financial Sector Conduct Authority (FSCA) warns the public to be cautious when conducting financial services business with a person(s) on Telegram purporting to be from the three authorised financial services providers (FSPs). The three FSPs, Discovery Insure Limited (Discovery) (FSP:43064); Sanlam iTrade, an online division of Sanlam Private Wealth (Pty) Ltd (Sanlam) (FSP:37473); as well as iFX Brokers Holdings (Pty) Ltd (iFX Brokers) (FSP 48021) and its Chief Executive Officer, Ms Hannelé De Necker (Ms De Necker)

It was brought to the attention of the FSCA that certain individuals are using Telegram groups to solicit funds from members of the public by claiming to be associated with Discovery, Sanlam iTrade and iFX. Members of the Telegram groups are promised unrealistic returns on their investment.

All three FSPs and Ms De Necker have confirmed that they are not associated with the Telegram groups or the administrators of these groups. They also confirmed that they do not engage in the activities offered on these Telegram groups. The FSCA urges the public to exercise caution when encountering such schemes on messaging platforms and social media, as these types of scams are becoming increasingly common. The administrators of these Telegram groups were not available for comment.

The public is advised to be on the lookout for the tell-tale danger signs when dealing with persons offering attractive investment opportunities. These red flags include unrealistic returns that is offered, claims that the entity or person does not require an FSCA licence, vague information about the investment product, or the company that provides the financial product claims that the investor must act urgently, and requirements to pay more money over to have their investment returned to them.

One of the following methods may be used to confirm the status and FSP number of a service provider or a person that claims to be an authorised service provider:

- 1) **Toll-free number:** 0800 110 443
- 2) Online search for authorised financial institution **by license category:**  
<https://www.fsca.co.za/Regulated%20Entities/Pages/List-Regulated-Entities-Persons.aspx>

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#### **Executive Committee:**

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

- 3) Online search for a financial institution that is an **authorised FSP in terms of the FAIS Act**: [https://www.fsca.co.za/Fais/Search\\_FSP.htm](https://www.fsca.co.za/Fais/Search_FSP.htm)

**ENDS**

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