

FSCA Press Release

13 July 2022

FSCA informs the public of a Directive issued against Nirvesh Financial Services (Pty) Ltd and its juristic representative, Veracity Markets (Pty) Ltd

The Financial Sector Conduct Authority (FSCA) confirms that it is investigating Nirvesh Financial Services (Pty) Ltd (Nirvesh Financial Services) and Veracity Markets (Pty) Ltd (Veracity Markets), for conducting unauthorised over-the-counter (OTC) derivative business, and possible breaches of other financial sector laws. This investigation is conducted in terms of section 135 of the Financial Sector Regulation Act No. 9 of 2017 (FSR Act).

The FSCA has directed Veracity Markets and Nirvesh Financial Services, *inter alia*, to:

- immediately cease acting as OTC derivative providers and/or advertising and/or holding themselves out as OTC derivative providers, pending the finalisation of the investigation;
- immediately cease conducting any new OTC derivative business;
- close all open OTC derivative trading positions of its clients without delay; and
- pay out to clients all funds owing to them upon request, within seven working days from the date of the request, irrespective of the basis for the liability.

Nirvesh Financial Services (FSP no. 4701) is authorised as a Category 1 FSP to render advisory and intermediary services in respect of, amongst others, derivative instruments. Veracity Markets is an appointed juristic representative of Nirvesh Financial Services. However, Nirvesh Financial Services and Veracity Markets are not authorised in terms of the Financial Markets Act No.19 of 2012 to provide, originate, issue or sell any OTC derivatives in the Republic of South Africa.

The investigated parties are co-operating fully with the FSCA in this matter.

Executive Committee:

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

Members of the public should always check that an entity or individual is registered with the FSCA to provide Financial Advisory & Intermediary Services and what category of advice it is that the entity is registered to provide, by clicking on this [here](#). There are instances where someone is registered to provide basic advisory services for a low risk product and then offer services of a far more complex and risky nature. The FSCA again reminds consumers who wish to conduct financial services with an institution or person, to check beforehand with the FSCA on either the toll free number (0800 110 443) or on the website www.fsca.co.za as to whether or not such institution or person is authorised to render financial services and what services they are authorised to render.

ENDS

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