

FSCA Press Release

6 November 2024

FSCA takes regulatory action against Mr. Maudi Martin Lentsoane and Lehumo Securities (Pty) Ltd

The Financial Sector Conduct Authority (FSCA) has imposed a joint administrative penalty of R1 million on Mr. Maudi Martin Lentsoane and Lehumo Securities (Pty) Ltd, formerly known as Regenesis Markets (Pty) Ltd), Financial Services Provider (FSP) 49977. Additionally, the FSCA has debarred Mr. Lentsoane for a period of 12 years.

The regulatory action followed an investigation by the FSCA in response to complaints from Lehumo Securities' clients, who reported that they did not receive their investment funds despite submitting withdrawal requests. As a result of these findings, the FSCA has permanently withdrawn Lehumo Securities' licence, and the firm is no longer authorised to provide financial services.

The investigation established that Mr Lentsoane directed Lehumo Securities to breach section 7(1)(a) of the Financial Advisory and Intermediary Services Act No. 37 of 2002 (FAIS Act) by rendering financial services requiring a Category II licence, which the parties did not have. Additionally, Lehumo Securities and Mr Lentsoane contravened multiple provisions, including:

- Section 8A of the FAIS Act read with section 8(1) of the Determination of Fit and Proper Requirements, 2017 (Fit and Proper Requirements)
- Section 8(8) and 42 (1) of the Fit and Proper Requirements
- Section 2(a) of the General Code of Conduct for Authorised Financial Services Providers and Representatives, 2003
- Section 2(a) of the Financial Institutions (Protection of Funds) Act 28 of 2001.

As a result of these contraventions, Mr. Lentsoane is now prohibited from:

- Providing or being involved in the provision of financial services
- Acting as a key person of a financial institution
- Providing specified financial services to a financial institution, either directly or through outsourcing arrangements

Executive Committee:

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

ENDS

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