

FSCA Press Release

10 December 2019

FSCA warns the public against Afrikan Financial Services (Pty) Ltd.

The Financial Sector Conduct Authority (FSCA) warns the public against doing any financial services related business with Afrikan Financial Services (Pty) Ltd (Afrikan). Afrikan is not authorised in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 (“FAIS Act”) to furnish any financial advice and render intermediary services.

Afrikan was previously licensed by the FSCA under Financial Services Provider number 48238. Afrikan’s licence was withdrawn on 22 November 2019 for contravening section 7(1) of the FAIS Act in furnishing advice in respect of deposits and rendering intermediary services in relation to a long-term policy without being duly authorised.

Afrikan was not registered or authorised as a short-term or long-term insurer. Nonetheless, Afrikan offered various insurance products to members of the public, thereby contravening insurance legislation.

The FSCA imposed an administrative penalty of R2 528 501.81 on Afrikan for contravening various financial sector laws. Mbalenhle Valentia Khuzwayo (Khuzwayo), the key person of Afrikan and Buhlebenkosi Mayibongwe Nala (Nala) a director of Afrikan have both been debarred for a period of 10 years from providing or being involved in the provision of financial services. Afrikan, Khuzwayo and Nala have agreed to the FSCAs administrative and regulatory action imposed.

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 203 722) or on the website www.fsc.co.za as to whether or not such institution or person is authorised to render financial services as well as for which product they are authorised.

ENDS

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