

FSCA warns the public against GS Partners

The FSCA warns the public to exercise caution when dealing with GS Partners. It has come to the attention of the Financial Sector Conduct Authority (FSCA) that GS Partners also known as GSP or Gold Standard Partners (GS Partners) are soliciting investments in South Africa. The FSCA wishes to inform the public that several foreign jurisdictions have published warnings relating to GS Partners. Below are links to some of these publications.

GS Partners is not licensed under any financial sector law to provide financial products or financial services in South Africa. The FSCA is concerned about the unrealistic returns offered by GS Partners, and is conducting a preliminary investigation into its activities in South Africa. The FSCA has approached GS Partners for comment, and the entity has until Friday, 24 November 2023 to reply.

Without commenting on the specifics of GS Partners' business, the FSCA points out that offering financial products or services in South Africa requires authorisation by the FSCA.

Members of the public should always check:

- that an entity or individual is authorised by the FSCA to provide financial products and services, including for giving recommendations about how to invest.
- what category of advice the person or entity is registered to provide, as there are instances where companies or people are registered to provide basic advice for a low-risk product and then offer advice on far more complex and risky products.
- that the FSP number utilised by the entity or individual offering financial services matches to name of the FSP on the FSCA database.

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-EntitiesPersons.aspx>
- 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

Links to warnings issued by international regulators and authorities:

1. Texas State Securities Board: https://ssb.texas.gov/sites/default/files/2023-11/ENF_23_CDO_1879.pdf
2. Washington State Department of Financial Institutions:
<https://dfi.wa.gov/news/press/wa-dfi-issues-action-against-gspartners-citing-certificate-sales-and-multi-level#overlay-context=>
3. State of California Business, Consumer Services and Housing Agency – Department of Financial Protection and Innovation: <https://dfpi.ca.gov/wp-content/uploads/sites/337/2023/11/Desist-and-Refrain-Order-GSB-Gold-Standard-Bank-Ltd-2023-11-16.pdf>
4. State of Wisconsin – Department of Financial Institutions:
<https://dfi.wi.gov/Pages/About/NewsEvents/NewsReleases/20231117GSPartners.aspx>
5. Canadian Securities Administrators: <https://www.securities-administrators.ca/investor-alerts/gspartners-aka-swiss-valorem-bank/>
6. British Columbia Securities Commission:
<https://www.bcsc.bc.ca/enforcement/early-intervention/investment-caution-list/2023/gspartners>
7. Alberta Securities Commission: <https://www.asc.ca/en/Enforcement/Investment-Caution-List>

8. The Financial and Consumer Affairs Authority of Saskatchewan:
<https://www.saskatchewan.ca/government/news-and-media/2023/june/12/investor-alert-fxeasyexchange-jpcrypto-and-gspartners>
9. Autorité Des Marchés Financiers: https://lautorite.gc.ca/en/general-public/media-centre/investor-warnings?tx_solr%5Bq%5D=gspartners

ENDS

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