

FSCA warns the public against MMM Krypto

The Financial Sector Conduct Authority (FSCA) warns the public to exercise caution when participating in MMM Krypto's mutual aid fund (MMM Krypto). It has come to the attention of the FSCA that MMM Krypto might be rendering financial services to members of the public in South Africa.

MMM Krypto uses videos on YouTube, TikTok and Facebook (social media platforms) and referrals to encourage members of the public to participate in MMM Krypto's scheme. MMM Krypto promises its participants returns of between 24% and 36% per month. The FSCA is concerned about the unrealistic monthly returns offered to members of the public in South Africa. Without commenting on the business of MMM Krypto, the FSCA points out that offering financial products or services in South Africa requires authorisation by the FSCA. MMM Krypto is not licensed under any financial sector law to provide financial products or financial services in South Africa. MMM Krypto was not available for comment.

The FSCA has referred the MMM Krypto to the National Consumer Commission for further investigation.

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.

Executive Committee:

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

- 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

ENDS

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