

The FSCA welcomes corrective actions by Binance

Following productive consultations with the Financial Sector Conduct Authority (FSCA), the Binance has announced it will no longer be offering its clients in South Africa access to some of its platform's services and products. The restrictions include opening of any new accounts to trade derivatives and closing all existing accounts currently trading derivatives within 90 days of the notice of this change.

On 3 September 2021, the FSCA issued a public warning against Binance for suspected contraventions of financial sector laws, specifically the Financial Markets Act (FMA) as well as the Financial Advisory and Intermediary Services Act, 2002 (FAIS Act). Binance Group is not domiciled in South Africa or authorised to conduct any financial services business in the country. Following FSCA's recommendations, Binance have confirmed that effective 8 October 2021, they will:

1. Restrict South African residents from opening new accounts to trade futures, margins, options and leveraged token products (collectively known as derivatives);
2. Restrict existing users who are South African residents from opening new positions in derivatives; and
3. Afford current users 90 days to close out all existing positions.

The FSCA welcomes these corrective steps by the Binance. More information on Binance's announcement is available [here](#).

Once again, the FSCA cautions the public that should they consider derivative market transactions, then only do so with a properly registered Financial Services Provider which can be verified by calling the toll-free number (0800 110 443) or visiting https://www.fsca.co.za/Fais/Search_FSP.htm

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