

FSCA Press Release

18 November 2020

FSCA welcomes sentencing of Gerrit Abraham Coetzee

The Financial Sector Conduct Authority welcomes the seven years prison sentence handed down to Mr Gerrit Abraham Coetzee on Friday, 12 November 2020, for defrauding his financial services clients. Mr Coetzee was a key individual and partner at Vryburg Finansiele Dienste CC, a financial services provider (FSP) (number 9648), since 30 September 2004. He pleaded guilty to 58 counts of fraud and 58 counts of concealing the nature, source, location and movement of more than R12 million, even though he knew the funds were the proceeds of crime.

Mr Coetzee's guilty plea comes after an extensive joint investigation by the FSCA, the Commercial Crime Unit (CCU) of the SAPS, and the Serious Commercial Crime Investigation Unit (SCIU) of the NPA.

The FSCA investigation, which resulted in Mr Coetzee being disbarred as an FSP, contributed to the findings of the CCU and the ultimate charges. The investigation revealed that Mr Coetzee conducted his FSP business as key individual and partner at Vryburg Finansiele Dienste, who was not authorised by the FSCA to render financial services in respect of securities (shares).

Over the period between 1 January 2012 – 31 July 2018, Mr Coetzee induced members of the public to deposit money into his personal trading accounts with PSG Wealth Securities Ltd and SBG Securities (Pty) Ltd, and into his personal investment account at the Stanlib Money Market Fund. The misappropriated funds were used to pay home loans, personal loans, insurance and vehicle financing.

Mr Coetzee was sentenced to 10 years imprisonment, of which three were suspended, subject to the following:

- The accused pays an amount of R20 000 for a period of six years towards a fund to compensate the complainants;

- The accused cedes the total amount of an annuity in his favour (at least R1.2 million), payable in 2024, to the compensation fund;
- The accused obtains and maintains a policy on his life to the value of at least R2 million, for the benefit of the victims if he passes away.

This novel approach to sentencing is welcomed by the FSCA and we congratulate the NPA on the work and speed with which they worked on this case.

The FSCA is encouraged by the efforts of the NPA and CCU. The success of the case was possible because of the constructive cooperation between the NPA, SAPS and FSCA investigations team.

This is part of the new approach to enforcement at the FSCA and the Authority will continue to support the NPA and the CCU in their efforts to bring criminals to book.

ENDS

Enquiries: Financial Sector Conduct Authority
Email address: FSCACommunications@fsca.co.za
Telephone: 0800 203 722