

**FSCA Press Release**

**07 May 2019**

**FSCA update on successful conviction of Cashflow Ngcobo and associate**

The FSCA welcomes the successful prosecution and sentencing of Jabulani “Cashflow” Ngcobo and Mzabalazo Welcome Dlamini on several counts of fraud and contravening section 7(1) of the Financial Advisory and Intermediary Services (FAIS) Act. The matter was in court since 2014, and the Specialised Commercial Crimes Court in Durban has now sentenced the two to six years, imprisonment, two of which were suspended, and a fine of R200 000 wholly suspended for five years.

The duo was referred by the FSCA to the criminal authorities following extensive investigations and adverse findings by the Authority. The investigations found that the duo had misrepresented themselves as authorised financial services providers (FSPs) that could trade forex on behalf of their clients, when they were not. This is a criminal offense, and the FSCA welcomes the sentence imposed on them, as it sends a clear message against unscrupulous financial entities and scams. Their conviction is also an example of the co-operation that exists between regulators and law enforcement agencies.

The Authority reminds consumers who wish to conduct financial services with an institution or person to first check with the FSCA whether or not such institution or person is authorised to render financial services, and the exact services they are authorized to render. The FSCA can be reached on the toll-free number (0800 203 722) or on the website [www.fsca.co.za](http://www.fsca.co.za)

END

Enquiries: Financial Sector Conduct Authority  
Email address: [Communications@fsca.co.za](mailto:Communications@fsca.co.za)  
Telephone: 012 422 2919