

FSCA issues public warning against Gold Earnings Hub and Africa Gold Capital

The Financial Sector Conduct Authority (FSCA) warns the public to be cautious when conducting financial services business with Gold Earnings Hub and Africa Gold Capital (Gold Earnings and Africa Gold).

The FSCA has learned that Gold Earnings and Africa Gold may be providing financial services to the public without authorisation. Gold Earnings and Africa Gold are offering members of the public investments promising unrealistic returns of 46%, on investments of between R2000 and R100 000. Gold Earnings and Africa Gold are using images and videos involving amongst others Dr Patrice Motsepe (Dr Motsepe), the Executive Chairman of African Rainbow Minerals Ltd (ARM). In the deep fake videos, Dr Motsepe promotes the investments offered by Gold Earnings and Africa Gold. The videos appear to be fraudulent deep fake videos. ARM has confirmed that neither it nor Dr Motsepe have any association or relationship with Gold Earnings and Africa Gold. ARM and Dr Motsepe have condemned the actions of Gold Earnings and Africa Gold and are considering civil and/or criminal action.

It must be noted that the impersonators are not authorised in terms of any financial sector law to provide financial services to the public. The impersonators could not be contacted for comment.

To avoid unnecessary risk, the public should refrain from accepting financial advice, assistance, or investment offers from individuals or entities not authorised by the FSCA. Authorised financial services providers must clearly display their authorisation status in their documentation. If this is not present, it is advised to further investigate before making any payments.

The FSCA urges the public to be vigilant when investing. The number of fraudulent schemes is rising, with South Africans losing millions each year to such operations. Some illegal schemes may appear legitimate, making it crucial to identify warning signs. Key red flags include promises of unrealistic returns and claims that an FSCA licence is

Executive Committee:

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unnecessary. In case of doubt, the public is encouraged to consult an authorised financial services provider.

It is highly recommended that the public verify:

- 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 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-Entities-Persons.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

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