

**FSCA Press Release****09 December 2025****The FSCA takes regulatory action against Bhaca Green (Pty) Ltd, Messrs Songeziwe Mbalo and Lungile Mgilane**

The Financial Sector Conduct Authority (FSCA) has debarred Mr Songeziwe Mbalo (Mbalo) for a period of 20 years and imposed administrative penalties of R9 million on Mbalo and Bhaca Green (Pty) Ltd (Bhaca Green), jointly and severally. A penalty of R50 000 has also been imposed on Mr Lungile Mgilane (Mgilane).

The regulatory action follows an investigation by the FSCA in respect of Bhaca Green, Messrs Mbalo and Mgilane. The investigation found that Mgilane rendered financial services to clients on behalf of Bhaca Green and Mbalo. At the time, neither Mbalo nor Bhaca Green was authorised as a financial services provider (FSP). Therefore, Mgilane contravened section 13(1)(a) of the Financial Advisory and Intermediary Services Act, No. 37 of 2002 (FAIS Act).

The FSCA further found that between January 2019 and December 2020, Mbalo and Bhaca Green collected funds from investors with a view to trade in forex on their behalf. However, the majority of the funds received from investors were used to pay purported returns to other investors and to cover Mbalo's personal expenses, with only a small fraction used for trading purposes. This conduct constituted a contravention of section 7(1) of the FAIS Act, as Mbalo and Bhaca Green acted as unauthorised Category II FSPs when they offered and/or rendered advice, as well as intermediary services in respect of forex products.

Given the seriousness and extent of the misconduct, the FSCA has decided to report the matter to the South African Police Service (SAPS) and to share all the evidence obtained during the investigation with SAPS. The FSCA will provide active assistance to SAPS, if requested.

**END**

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