

FSB fines Mzala and Company R20 000 for contravening the FAIS Act

The Registrar of Financial Service Providers (the Registrar) referred a case against Mzala and Company (Pty) Limited (the Respondent) to the Enforcement Committee of the Financial Services Board. The referral related to a contravention of section 7 (1) of the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS).

The Registrar established that the Respondent rendered financial services to clients in respect of Long-term Insurance Category C products and in respect of Collective Investment Schemes products whilst he was not authorized by the Registrar to deal with said products.

The parties agreed on a penalty of R20 000 which was imposed by the Chairperson of the Enforcement Committee on 6 July 2017. In arriving at an appropriate penalty the Registrar took into account inter alia that the Respondent expressed regret for its actions, admitted the contravention and gave its full cooperation during the entire process to ensure the matter is brought to finality.

A copy of the order is available on the FSB website: www.fsb.co.za

Note to Editors

The Enforcement Committee is an administrative body that has the authority to impose administrative penalties and cost orders, on offenders who breach legislation administered by the FSB.

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