



The Governor

NOTICE TO THE GENERAL PUBLIC

WARNING AGAINST PYRAMID SCHEMES, NETWORK MARKETING PROGRAMS AND SCAM COINS

May 30, 2019 - The National Bank of Rwanda (BNR) has been alerted of the existence of investment scam activities operating in Rwanda (through locally registered businesses or from abroad through online platforms). These scams take the form of active pyramid schemes, multiple level marketing or cryptocurrency issuance through fake initial coin offerings (crypto scam). Examples of such schemes that have come to the attention of the BNR include **Supermarketings Global Ltd, 3 Friends System (3FS) Group Ltd, Onecoin or Kwakoo (OnyxCoin)** to name a few.

These scams require a client (recruit) to pay a fixed amount of money to the scheme promoters as a membership fee or initial investment and promise to pay a certain amount of money for the recruitment of new participants into the scheme, plus high interest in the invested amount. These schemes may be either product/service based where there is a mandatory purchase of goods (such as medicines), services (travel packages) or intangible property (such as digital coins) operated through multi-level or network marketing. The schemes could however also be based on payment of a mandatory minimum entry fee with no product or service consumption required (naked pyramid schemes). The common factor with these schemes is the promise to make the participant rich in a short period and with minimum effort.

Having noted the dangers of the above mentioned scams, the National Bank of Rwanda reminds the general public that these are illegal in Rwanda and investors in such schemes are highly likely to lose their money. The public is advised to exercise caution and ensure that their investments are with credible and duly licensed deposit-taking financial institutions, asset managers as well as securities brokers. The list of licensed deposit-taking financial institutions can be obtained from the National Bank of Rwanda website www.bnr.rw while the list of licensed asset managers and securities brokers can be obtained from the Capital Markets Authority website www.cma.rw.

The National Bank of Rwanda will not safeguard any person who invests in pyramid schemes or any other related activities.

Done at Kigali, 30th May 2019

RWANGOMBWA John
Governor

