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FOR IMMEDIATE RELEASE

OUTCOME OF THE INVESTIGATION ON THE BUSINESS ACTIVITIES OF ELAMANT

1. The Bank of Namibia conducted an investigation on the business activities of *Elamant*, to determine whether such activities contravene the provisions of section 55A of the Banking Institutions Act, 1998 (Act No. 2 of 1998), as amended ("the Act").
2. The outcome of the investigation revealed that the business activities of *Elamant* contravenes section 55(A), due to the following reasons:
 - a. The company promotes a referral system which encourages existing members to continuously recruit new members in order to earn a promised monthly income.
 - b. The main source of income for *Elamant* is derived from the payment of joining fees by new members and the monthly subscription fees paid by existing members, with the promise of earning money upon the recruitment of new members.
 - c. As soon as the recruitment of new members stops, the members at the bottom of the structure will not be rewarded. The business model is thus not sustainable and will likely result in the public losing money.
3. Therefore, because of the above stated reasons, the Bank of Namibia hereby advises the public not to join/become members of *Elamant* business activities. Similarly, promoters of *Elamant* are hereby directed to stop their operations and promotion of this pyramid scheme immediately. Failure to do so, the Bank will take further appropriate action as stipulated in the Act.
4. Additionally, the Bank would also like to reiterate that its position on *Crowd1 Network Limited* remains unchanged in that, its business activities contravene section 55A of the Act, hence promoters and participants are directed to stop.
5. Lastly, should any member of the public be aggrieved by this pronouncement by the Bank, or have any query relating to this communication, such person may contact the Bank.

Issued by:


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