

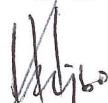
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FOR IMMEDIATE RELEASE

OUTCOME OF THE INVESTIGATION: CROWD1 NETWORK LIMITED

1. The Bank of Namibia investigated the business model of Crowd1 Network Limited (Crowd1) in accordance with the Banking Institutions Act, 1998 (Act No. 2 of 1998) as amended (“the Act”).
2. The investigation was conducted to determine whether the business activities of Crowd1 are in contravention of section 55A of the Act.
3. The outcome of the investigation found that the business activities of Crowd1 contravene Section 55A of the Act, because of the following reasons:
 - a. The core business activity of Crowd1 is to introduce new members of the public to its business practice. Participants who join as members are encouraged to recruit new members through promises of bonuses and additional owner rights.
 - b. The primary source of income for Crowd1 is generated through the recruitment of new members. As soon as the recruitment of new members ceases, members at the bottom of the structure will not receive the promised bonuses or owner rights.
 - c. Crowd1 does not sell tangible products or render any service of essential value, but the primary source of income for Crowd1 is the sales of membership packages to new members.
4. Given the above, it is evident that the business model of Crowd1 Network Limited is not sustainable and will result in members of the public, especially those at the bottom of the scheme, losing their money.
5. Finally, the Bank wishes to inform promoters and participants of Crowd1 to stop their business operations immediately. Failure to do so, the Bank will take further appropriate action as provided in the Act.

Issued by



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