**COALITION OF AGGRIEVED CUSTOMERS OF MENZGOLD - CACM**

**PRESS RELEASE**

DATE: Monday 4th FEBRUARY, 2019

**RE: CUSTOMERS POSITION AND DEMANDS ON MENZGOLD SAGA NOW**

**Introduction**

Good Morning Ladies and Gentlemen of the media, and fellow aggrieved Customers of Menzgold. We have converged this day to reiterate our demands for action to retrieve our locked up capital with MenzGold. We commend the leadership of the Congress of Youth Economic Empowerment Seekers (COYEES) for their unwavering stance in support of our struggle. Our sincere gratitude to Mr. Joseph Osei Yeboah (JOY2020) who out of deep concern of our plight, took time to engage, assure, and encourage our membership in these times of distress. We shall continue to deepen our collaboration towards ensuring that our concerns are adequately addressed.

Friends from the media, we wish to draw the attention of the Ghanaian, and the relevant authorities to the issues outlined as follows for swift consideration and action

1. **Regulatory Inefficiency in the MenzGold Saga**
2. **Non-conformity of Statutory bodies of Standard Protocol**
3. **The Debate on the Use of Tax Payers Money for the full re-imbursement of lost investments**
4. **Arrest Warrant and Aftermath**
5. **Our Demands for a holistic Approach**
6. **Regulatory Inefficiency In The Menzgold Saga**

The government in its press release sought to relinquish all responsibility under the pretext that SEC and BOG did not regulate MenzGold and cannot be liable for any attendant misfortune. However, ensuing public debate on the legitimacy of MenzGold’s business operations has affirmed the company’s persistent claims of not being subject to the regulation of BOG and SEC. In a televised show, a member of the parliamentary select committee on finance Dr. Kwadwo Nuamah recounted instances where officials of BOG and SEC categorically stated that MenzGold’s operation fell outside their jurisdiction. If indeed MenzGold operated outside the arbitrage of BOG and SEC, what then warranted their persistent outcry over the company’s operations? This point is reaffirmed in Government’s statement which states that, **“MenzGold operated as a trading company who’s operations fell outside the scope of the regulators intervention”** How then does SEC justify its intervention in the operations of MenzGold? Inthe light of this and other emerging evidence, it is logical to conclude that **MenzGold operated in the public domain** **with the requisite business license from the registry general’s department and the minerals commission.** As a business entity operating legally with significant numbers of employees in both the mother and affiliate companies, MenzGold was encumbered with statutory government taxes and levies for 5 long years, which affirmed its legitimacy in the minds of well meaning investors. It is therefore unfortunate that government could attempt shirking its responsibility to thousands of Ghanaians whose investments are locked up with MenzGold over a case of clear regulatory overreach.

**2. Non-Conformity Of Statutory Bodies Of Standard Protocol**

Secondly, Government encourages aggrieved traders to seek legal redress in the courts since both the SEC and BOG have no mandate whatsoever to interfere in the contractual obligations binding MenzGold and its clients. This stance is equally troubling since the current quagmire was not the result of MenzGold voluntarily reneging on its contractual obligation to clients. On the contrary, SEC directed the shut down of MenzGold’s central trading operation based on the belief that MenzGold was engaged in illegal deposit taking and secondary derivative investment activities. It is standard protocol under the Securities Industry Act 929 section 123 Subsection 2, which states and I quote

**“Where the commission is satisfied that a person has obtained moneys without a licence or contrary to the terms of the licence of the person, the commission shall, in writing, instruct the person to**

1. Repay all the moneys obtained and the profits accruing to the person
2. Return assets acquired as a result of the illegally obtained money or deposits; or
3. Pay any interest or other amounts, which may be owed by that person in respect of those moneys, to the respective persons from which those moneys were obtained.

The state agency possesses statutory powers to secure a warrant to halt the operations, freeze all assets, conduct a forensic audit and proceed to liquidate the company and its assets for onward disbursements to clients should the company in question resist the above directive. This indeed was the recommendation of the SEC in its 12 page report to the parliamentary sub-committee on finance as far back as August 2017 which states;

**“There is the need to conduct further investigations, and for the relevant institutions to coordinate action to close the operations of the two companies down and prosecute its directors and relevant officers for the breaches of the law. There is also the need to consider how to protect the monies paid to the company by customers…”**

Regrettably, the above protocol was not duly followed, as the SEC in a rather puzzling move granted MenzGold further room to operate for almost 5months. It is baffling, that SEC with such evidence of misconduct reneged on its role to ensure full closure in a timely manner thereby allowing MenzGold ample time to dissipate bank accounts and possibly sell off personal and corporate properties that may have been useful to clients in a court suit. While we affirm our confidence in the legal system of Ghana, we fear the lackadaisical approach of SEC has caused significant damage, with possible disposal of property and dissipation of bank accounts in the past 5 months likely to defeat the purpose and viability of a legal action. We cannot risk anymore time and money on a legal action as we fear that by the time the courts grants a judgment there will be nothing left to lay hands on. We place the ball firmly back in the hands of Government to ensure the state agencies expedite action to conclude what they started. The state investigative bodies must be put to work to trace and claw back all divested funds and properties wherever they may be.

1. **The Debate On The Use Of Tax Payers Money For The Full Re-Imbursement Of Lost Investments**

We also take the opportunity to address an issue of grave concern to the Ghanaian public. As stated categorically by the government, no client of MenzGold will be paid from the public coffers. While this sounds like an idealist stance, it was not any different from our stance as aggrieved clients of MenzGold in the initial stages of the saga. Indeed this position has been drummed timed and again in all our communication both in writing and through mass media. However, the narrative emerging from the discourse on this saga, points to a clear case of negligence and to some extent regulatory over reach by agencies with no clear locus or mandate over the operations of MenzGold. In the unlikely circumstances of a supposed Ponzi Scheme falling over its head, the operations of MenzGold was on the contrary forcefully shut by public agencies that failed to activate the next line of mandated actions as explicitly stated in the Investments Industries Act 123 sub section 2. We conclude therefore that the government, represented by state institutions is responsible for the loss of client investments having halted their activity without recourse to the statutory procedure and permitting the company 5 long months to clean up its acts. It is within our right to request Government intervention to exert the necessary pressure on the SEC and BOG to expedite action on retrieving client investments. We see this as a sterling opportunity for Government to right the wrongs of these statutory bodies, However, should the Government relent on this action, then, it should be ready to pay the lost investment of citizens with the tax payers money, since we have indicated in the preceding paragraph our disinterest in seeking legal redress. We believe as well meaning citizens of the state, the government owes us the right to fair and equitable treatment under the provisions of the constitution.

1. **Arrest Warrant And Aftermath**

We wish to express sincere gratitude to the courts for the issuance of an arrest warrant for Nana Appiah Mensah, we also appreciate the effort of the Bureau of Investigation and Ghana police for the concerted effort to bring Nana Appiah Mensah unto the shores of Ghana. However, we are concerned that Interpol’s database is yet to register the details of Nana Appiah Mensah even though his warrant is a red alert. We are also worried of the inconsistencies in the communication of the statutory bodies responsible for ensuring his extradition. Our intelligence placed the date of Nana Appiah’s hearing in court as yesterday the 3rd of February, we request factual details of the outcome of his trial moving forward and timelines to his return to the shores of Ghana.

We also seek clarification as to the whereabouts of his sister Benedicta Mensah (aka Sima Brew) and wife Rosalyn Appiah, both of whom were on the BNI wanted list and are believed to in Ghana at the moment. Nonetheless, the arrest and extradition of Nana Appiah Mensah to Ghana will only mark the beginning of a well-coordinated effort to reimburse lost investments and administer justice to aggrieved clients.

1. **Our Demands For A Holistic Approach**

Overall, our impression of Governement’s handling of this situation has been abysmal. Sadly, leading individuals and ministers of state prefer ridicule and name calling to espousing viable solutions. We have also witnessed acts of outright dejection and disinterest in the affairs of aggrieved clients of MenzGold from the Government. A case in point is when a team of MenzGold staff called on parliament to supervise the disbursement of funds in an equitable manner to clients. Their plea was thrown out without consideration for the ramification and impact on suffering clients. We believe Government can do much as there are ample benchmarks of standard procedures in similar cases around the globe. We appeal to the government to come to the aid of thousands of Ghanaian citizens both home and abroad who are experiencing great turmoil, many have developed chronic diseases while others out of fear, dejection, ridicule and threats from debtors are contemplating suicide. Indeed, we have received reports of the death of at least 10 clients of MenzGold with the risk of more death ahead. We believe in the capacity of the government to help remedy our plight and wish the government took center stage by charging relevant institutions such as SEC and BOG to retrieve our investments before it is too late. We also wish to advice against the politicization of our plight, as we fear that such attempts will ultimately discolor the much-needed dispassionate discourse and actions to ensure lasting solutions. On the contrary we concur to calls for a bi-partisan probe to investigate this saga and prescribe a holistic approach to ensuring this situation is not repeated in the near future.

***5.1 Freezing Mandate of EOCO***

In the light of the freezing order given by the courts to EOCO, we express our profound gratitude to the director and his team of able gentlemen for their tireless efforts and diligence in carrying out that mandate. However, in the light of the murky circumstances surrounding the departure of Nana Appiah Mensah under the surveillance of EOCO, and the barrage of contradictory reports emerging from the outfit on the status of Nana Appiah Mensah in Dubai, we are under no illusion that all is well and request therefore, that a full inventory of the assets acquired so far be made public to ensure outmost disclosure and transparency in their dealings. We also request that the details and amounts available in the frozen bank accounts be made public for the purposes of transparency and full accountability to all concerned Ghanaians.

***5.2 Forensic Audit***

We demand that as swiftly as possible, a full-scale forensic audit be conducted by the Attorney General on MenzGold to ascertain the extent of the company’s operation and the value of customers’ investments with them. This full-scale audit will also enable the authorities trace all electronic bank transfers made from the company’s account to locations in Ghana and abroad and the possible repatriation for onward disbursement to aggrieved customers. This is the only way to ensure we move away from the conjecture to facts and workable solutions in the light of an imminent liquidation.

***5.3 Staff Malfeasance***

It has come to our notice that the absence of strong corporate oversight at MenzGold bred widespread corruption and thievery amongst its staff. In the absence of the CEO, managers of the embattled company made away with unprecedented sums of money, many of which were diverted into the acquisition of properties and businesses in the names of friends and family. Many concerns of their clandestine activity were covered in the presser by a team of CROs. Our intel reveals the acquisition of luxury vehicles by management some examples of which include Miss Berlinda Nsiako who purchased a Range Rover amongst a fleet of other vehicles and landed properties, Abigail Mensah who also purchased a Maserati alongside a host of landed properties, Ivy Brew sister of Nana Appiah Mensah and Nana Yaw Offei who have at their disposal a wide collection of luxury vehicles. We wish to reiterate the need to deeply interrogate these individuals and broaden the scope of property confiscation to ensure maximum access to our lost investments. We present to EOCO the under listed individuals for thorough investigation and prosecution if found culpable.

1. Miss Berlinda Nsiako Operations and Supervision

2. Mr Fred Frimpong (Esq) Board Chairman

3. Nana Yaw Offei Corporate Affairs Manager

4. Mrs Abigail Mensah Head of Operations and Supervision

5. Mr Shadrack Fordjour Marketing Manager

6. Nana Kwame Adjei Nti Marketing Manager

7. Clive Ofosuhene IT Manager

8. Mr Elisha Owusu Head of Bullion and Shipment

9. Mr. Isaac Wilson Operations and Supervisions Team Member

10. Mr. Justice Akoto Operations and Supervisions Team Member

11. Mr. Isaac Oteng Operations and Supervisions Team Member

12. Miss Safiatu Abdulla Operations and Supervisions Team Member

13. Mr. Enoch Kwesi Agyemang Operations and Supervisions Team Member

14. Mr. Patrick Pamfol Operations and Supervisions Team Member

15. Mr Enoch Kwesi Agymang Operations and Supervisions Team Member

***5.4 National Probe***

The debacle of MenzGold presents an obvious case of regulatory inefficiencies and lack of coordination amongst statutory bodies. It also reveals outright dereliction of duty by top ranking officials for reasons best known to them. We demand that the President establishes a Commission of Enquiry in accordance with Article 278 clause (1) of the 1992 constitution which states subject to article five (5) of this constitution, the President shall by constitutional instrument, appoint a commission of Enquiry into any matter of public interest. We expect this probe to prescribe tough recommendations against all culpable officials in order to prevent the occurrence of this in the near future.

***5.5 Liquidation Order by Registrar General***

In accordance with Ghana’s company law, the Registrar General has the mandate to liquidate a company that is deemed insolvent and incapable of fulfilling its obligations to debtors and clients. In the light of the confiscation order granted to EOCO, we were saddened to hear that EOCO had no specific roadmap for the confiscated properties and was waiting on further direction from the Registrar General. We demand with immediate effect that the Registrar General’s department advances a liquidation order to prevent a stalemate in the process already initiated by EOCO.

1. **Final Ultimatum and Timelines**

We wish to reiterate the stance of the Congress of Youth Economic Empowerment Seekers (COYEES) and advance a firm ultimatum for Government to dispassionately address our concerns by Thursday the 7th of February. Should this plea fall on deaf ears, we will be compelled to undertake a series of demonstrations to further drum home our plight and register our displeasure at the nonchalant posture of the government.

We thank the media for their unwavering support to our course; our appreciation also goes to all members for your contributions and continuous support in this struggle.

**Thank You from Leadership Of Coalition Of Aggrieved Customers Of MenzGold**