

1. Offence of fraud

- **Article 174: Fraud, the penal code states that:**

1. Any person who, by deception, obtains another person's property, whole or part of his/her finance by use of false names or qualifications, or who offers positive promises or who threatens of future misfortunes, commits an offence.
2. I have never impersonated in requesting for the card, using it nor committing any fraud to acquire it. I fulfilled the requirements in a right way, the card was issued to me at the price of RWF 35,000.
3. Concerning what the prosecution says that I&M Bank issued cards (**Master cards**) of the type "MULTI CURRENCY PREPAID CARD" in order to facilitate its customers, notably transborder businessmen or international travelers to be able to use the local currencies of the countries they reach, exchange on their own using I&M Bank platform, this is not true, since it was issued to whoever needed it, and everyone who received it was allowed to use it and the Bank never required for documents to prove that the person travels abroad or does any transborder business for them to be issued the card.
4. Also, the prosecution says after being issued the cards, people deposited some little money on them and then exchanged it to Euros, then Dirham, and finally back to RWF, acquiring an interest of 10% to 20% of the deposited amount; an act that they performed repeatedly with intention to fraudulently acquire the Bank's money. Also, the prosecution refers to the terms and conditions governing the use of the card, its Article states that the amount on the card does not generate any income, just to prove that the interest of 10 to 20% was acquired fraudulently, but this is not true, since the Bank did not pay any interest to the card users for having deposited some money only, but the interest was generated after selling the money (RWF) into other currencies, and it was legal as the forex rate was provided by the Bank solely and it could modify the rate in its sole discretion. Therefore, it is not clear how the Bank can determine and monitor the rate and then say that it has undergone fraud.
5. The following reasons prove that I&M Bank was deliberately selling currencies at the rate of 10% lower for its customers to take advantage:
 1. **Reason 1:** It is proven by the fact that the Bank itself mobilized people and advertised that whoever uses the card to purchase products abroad would benefit from a discount of 10% on the purchase, what makes clear that the Bank was also offering a discount of 10% on trading currencies.

I&M Bank (Rwanda) Plc. @imb... · 25 Jan

Treat yourself to a luxurious experience with your loved ones at Serena Hotel and get a 10% discount on food and beverages by paying with your I&M card.

10% OFF

I&M DEALS
Enjoy 10% discount on food and beverages at Serena Hotel when you pay with your I&M Bank Card.

1 1 563

As clear here, I&M BANK was advertising the discount of 10% on purchase performed in Hotel Serena using the card (Photo from I&M Bank account of X (Twitter)). Thus, if a customer purchased items at RWF 50,000,000, as it was the daily limit and then enjoy the discount of RWF 5,000,000 on each purchase for a period of 10 days, it means that they would enjoy a discount of $RWF\ 5,000,000 \times 10 = RWF\ 50,000,000$. Would that person be deemed to have fraudulently acquired the Bank's or Hotel Serena's property?

I&M Bank (Rwanda) Plc. @imb... · 23 Jan

Wrinkle-free work clothes & excellent coffee with a great coffee maker. All these are possible at a 5% discount from Hotpoint when you buy home appliances and pay with your I&M Bank Card.

I&M BANK DEALS

5% Discount

Upgrade your home appliances
Enjoy a discount on home appliances from Hotpoint when you pay with your I&M Bank Card.

I&M Hotpoint

1 4 771

Here, I&M Bank was advertising the 5% discount on items purchased from Hotpoint Shop using the card (Photo from I&M Bank account of X (Twitter)).

- Reason 2:** The fact after I&M Bank advertised the discount on prices mentioned on the cards, for the customers who received and used the cards more than others, the Bank itself rewarded them with prizes and posted on its social media platforms, where some of the awardees had traded the currencies using the cards, and it turns to allege them of fraud. It is not clear that a business institution like I&M that rewarded the prizes to customers (ABAYO Pascal and GASANA Uwicyeza Nicole) for having performed well in using the cards to purchase and enjoy the discount on the currencies, and then the Bank turns to say: "I rewarded the prizes to those people while they were committing fraud against me, as if it was not aware of what the cards were used for (Just to remind that the Bank itself monitors any usage of the card by the customers, decides whom to reward prizes, since the customer was not the one to present what they used the card for so as to request for a prize; a point that makes it clear that the Bank was aware of what the cards were used for and desired for more performance)



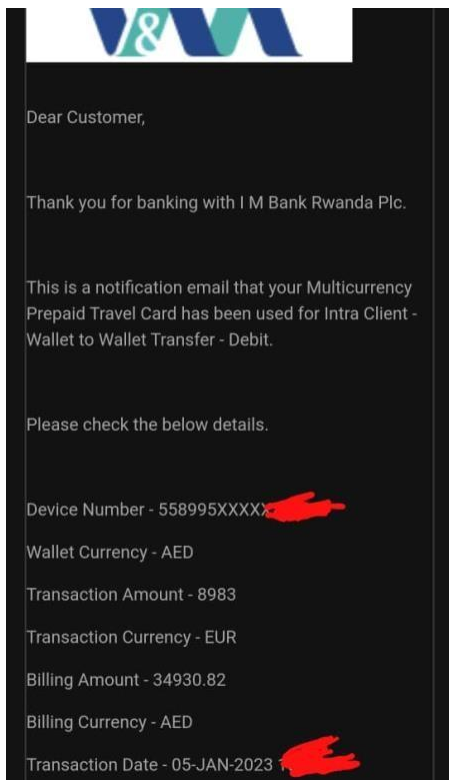
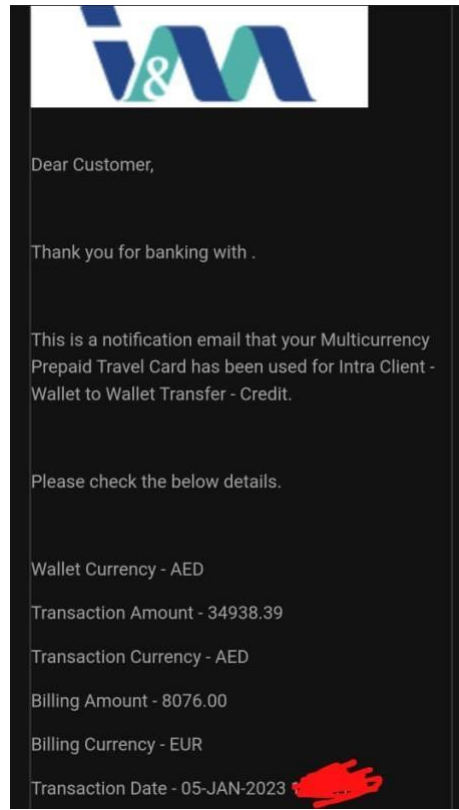
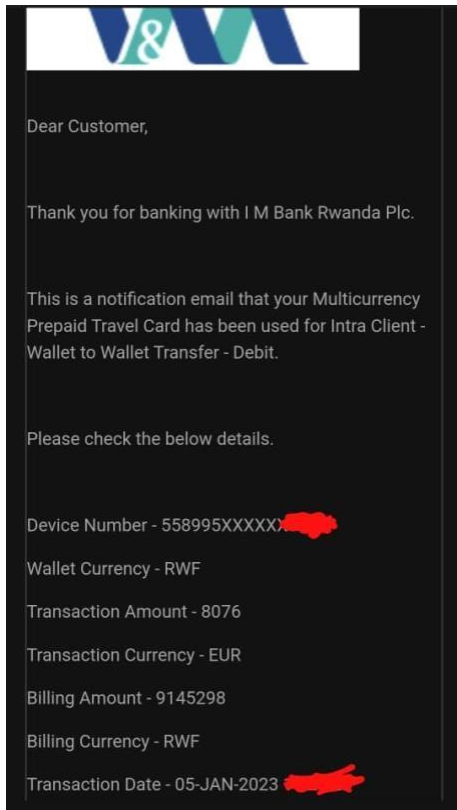
On **09/11/2022**, after almost one month using the card to trade currencies, I&M Bank posted on its X (Twitter) account that UWAYO Pascal was rewarded a prize for being the Best Customer using the card, and it is not clear now that he is among the people alleged that what made him win a prize was fraud.



On **09/01/2023**, before only 6 days to stopping the trade of currencies, I&M Bank posted on its X (Twitter) account that UWICYEZA Gasana Nocole was rewarded a prize for being the Best Customer using the card, and it is not clear now that she is among the people alleged that what made her win a prize, monitored by the Bank, was fraud.

If exchanging the currencies using the cards was really fraudulent, it would mean that I&M Bank itself deliberately sensitized people to commit fraud and win prizes (what sounds impossible). This is a point that makes it clear that what the prosecution says that the Bank underwent fraud should be found unjustifiable.

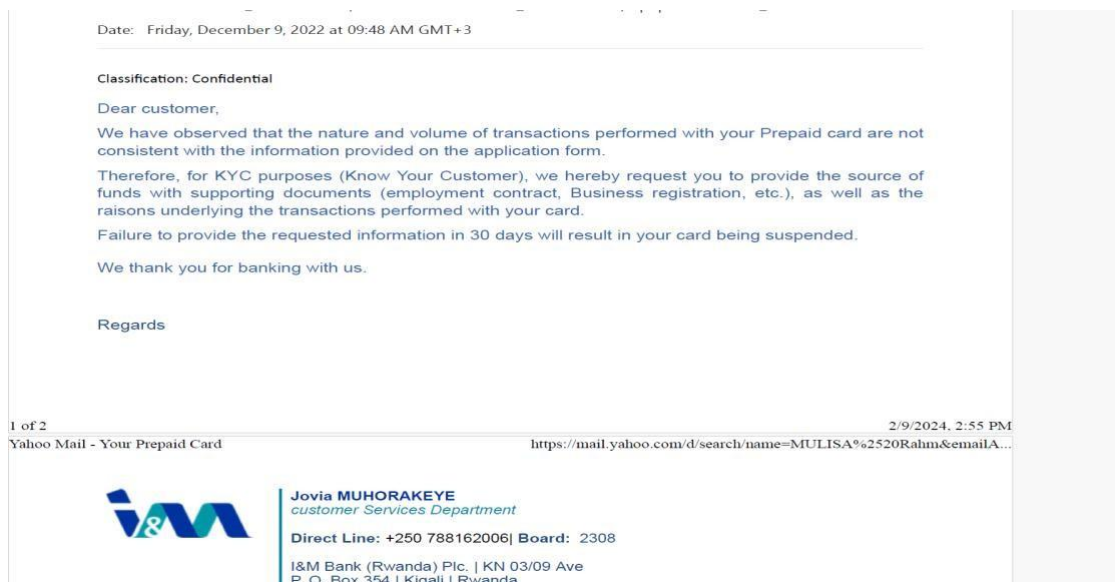
- 3. Reason 3:** Every transaction performed using the card (Depositing money, buying Euros, Dirham or any other currency, withdrawing on ATMs or paying on POS) was confirmed by an SMS and an E-mail, where the Bank was informing the customer that a transaction was performed using the card, what makes clear that the Bank knew before and confirmed the transaction to be performed with the card and then inform the customer. It is unjustifiable for the Bank (and the prosecution) to say that those transactions were fraudulent while the Bank was aware that customers were buying Euros and Dirham using the platform that it developed and sensitized them to use, and the bank knew that they were making a profit of 10%, what was done more than 2 months without any issue.



These are 3 e-mails that I&M Bank sent on 05/01/2023 to its customer holding the card informing him that there was an exchange being carried out (e-mail 1: RWF 9,145,298

used to buy € 8,076, E-mail 2: € 8076 used to buy Dirham 34,938.39, e-mail 3: Dirham 34,930.82 used to buy Euro 8,983, where initial € 8076 was exchanged to Dirham and then exchanged back to Euro with an interest of 11.2%). This proves that I&M Bank was aware of the transactions and the interest generated for its customers, and it allowed them to keep doing so. It wouldn't allow such transactions if its property was being fraudulently acquired.

- Reason 4.** On 09/12/2022, I&M bank (through its staff called Jovia MUHORAKEYE) sent an E-mail to its 59 customers holding the cards and using them to exchange currencies informing them that after the Bank noticed the amount of money used on their cards, they should provide explanations and other details (Employment Contracts, Business Registration Certificates) to use them in supporting the amounts and its sources. The Bank also informed those customers that the deadline was scheduled within 30 days (as of 09/12/2022), and in case of non-compliance, the card should be banned. What means that whoever failed to provide the required details, the card should be banned on 09/01/2023, however, none of those cards was banned. What means that the Bank was aware of the transactions performed using the cards and the amount of money credited and debited, then the Bank kept on issuing the cards to many more customers and allowed them to continue exchanging the currencies until 15/01/2023, when RIB intervened.



Saying that the Bank was stolen means that the e-mail provided above was meant to allow the customers to keep stealing the money for 30 days and then ban the cards when they fail providing the required details, and then found no reason to have them banned after 30 days and decided to refer the case to RIB for it to order them to stop the transactions. In clear fact, there was no single fraud committed, all transactions were performed in good faith and in the best interest of the Bank and its customers.

6. The fact that the customers were trading currencies to make a profit of 10% to 20%, it doesn't constitute any offense to fraudulently acquire the property of the Bank whereas every transaction was performed while the Bank was aware and allowed it, especially that even if the card users encountered loss, they wouldn't introduce an action to the Court against the Bank for having fraudulently acquired their property. For that purpose, we would like to give a tangible and clear example of a card issued by DIAMOND TRUST BANK in Tanzania; When one uses its system which is similar to the one used by I&M Bank to exchange currencies from Tanzanian Shillings to Swiss Francs and then back to the initial Shillings, it generates a loss of more than 50%. But after you decided to do it on your own, you cannot file a case against the Bank for having acquired your property. What means that it can be mutually agreed between the Bank and its customers and that neither party shall be liable for the loss and interest of either party.
7. Another confusion arising from what I&M Bank submitted is the fact that it says that the amount of USD 8,186,597 USD which was on the I&M Pull account was stolen by the defendants, and one would wonder how such amounts should be stolen within a period of 2 months from a Bank that have professional accountants and they fail to notice that the money of the Bank is being unreasonably stolen. How much money was it on that Pull account that could not finish? Why didn't the Bank present the bank account statement of that Pull account to prove that there was such an account with such an amount of money, how it was credited and debited by the defendants.
8. Also, the prosecution says that the terms and conditions governing the card provide that the customer issued with the card was supposed to sign before receiving it (**RELOADABLE PREPAID CARDS TERMS & CONDITIONS**). The customer issued with the card was supposed to use it for the defined purpose only and should avoid to use it illegally, but there were no restrictions of use mentioned. Concerning exchanging currencies, there was a Mastercard system featured with the card which facilitate a customer to exchange the currencies. For the currencies exchanged, none was forged out of the Mastercard system and they exchanged the currencies in accordance with the rates determined by the Bank and Mastercard.

Benefits

Secure and convenient virtual wallet carrying 20 currencies.

I&M Call Centre for all enquiries and general assistance

Shift one currency to another within the card sub wallets

Online balance enquiry, transactions statements and card hot listing

Transaction tracking through SMS notification

Load up to US Dollars 20,000 or equivalent

As posted on the I&M Bank website, they mention that among the benefits of having the card, one can exchange currencies into other currencies, and can deposit up to 20 different currencies. Therefore, it is not clear that the exchange of currencies may constitute an illegal act, and additionally, they were rewarded prizes for that, as mentioned above.

9. Additionally, the prosecution presents where people requested for the cards and handed them in to other people (relatives, friends and employers) as an act which is inconsistent to the terms and conditions governing the cards, but even though it doesn't constitute any offense as they are meant for the own risks care, as provided by Article 3 of the terms and conditions which states that: "The cardholder shall, in his/her/its own interest, keep his/her/its PIN secret,...". It is clear that this should not be confused with **Sharing the PIN illegally**. This Article provides that that the defendants shall be sued for that offense when he/she shares or discloses the PIN/Password with intentions to reach the confidential information lodged in a computer so as to use it illegally. In this case, they shared their own PINs and with no intentions to commit illegal acts and there were no computers presented to be sneaked in using the shared PINs, especially that the PINs were still kept safe and the information secured by that PIN belongs to the owner, same as the bank account. Sharing their own PIN doesn't constitute any offense provided by this Legal provision (**No punishment without Law: Ref: Penal code N°68/2018 of 30/08/2018, Article 3.**). Also, for the purpose of this Article, we have evidence proving where I&M Bank issued the card to a person being aware that it was belonging to him upon the request of the owner. We can relate this to the fact that the owner may hand it to the other person.

From: Stella Mirembe <stella.mirembe@imbank.co.ug>
Sent: Monday, 5 December 2022 18:11
To: customerservice <customerservice@imbank.co.ug>; Barbara Bukosela <barbara.bukosela@imbank.co.ug>
Cc: James Byaruhanga <james.byaruhanga@imbank.co.ug>; nicholus biryomumaisho <nicholus.biryomumaisho@imbank.co.ug>
Subject: Fw: ASSIST -CAPTURED MASTER CARD-[REDACTED]

Dear team,

One of our I&M customers domiciled in Rwanda had her Master card captured from our Kampala road branch-[REDACTED] showed up to pick the card today.

I shared my email and yours to support the [REDACTED] who was using the card at the machine.

I seek your support to verify with contact center Rwanda about the authenticity of this communication.

Kind regards,



Mirembe Stella Lillian
Branch Manager, Main
Direct line: +256 (772) 463320 / (755) 103818
Board:+256 (417) 719 319
P.O. Box 3072 Kampala, Uganda
www.imbankgroup.com/ug



This is an e-mail dated 05/12/2022, which I&M Bank - Kampala Road Branch addressed to I&M Bank Rwanda informing that the card belonging to customer **A** got stuck in the ATM when its customer **B** was using it, but the Kampala Branch had to confirm with the Bank in Rwanda that the owner agrees to hand it to customer B. On 07/12/2022, I&M Bank Rwanda replied I&M Bank - Kampala Road Branch, informing that they should help customer B

having that card back , upon confirmation of the owner that she recognizes that her card was in the hands of other person.

From: Lea Umutesi [I&M Bank Rwanda - HQ] <lea.umutesi@imbank.co.rw>
Sent: Wednesday, 7 December 2022 12:49
To: Maureen Nanyonga <maureen.nanyonga@imbank.co.ug>
Cc: Martine Umutoniwabo [I&M Bank Rwanda - HQ] <martine.umutoniwabo@imbank.co.rw>; Peace Uwimbabazi [I&M Bank Rwanda - HQ] <Peace.Uwimbabazi@imbank.co.rw>; Salomon Nyiringabo [I&M Bank Rwanda - HQ] <salomon.nyiringabo@imbank.co.rw>; Mutoni Bridget <mutobridge@gmail.com>; CallCentre <CallCentre@imbank.co.ke>; alicewwineza [I&M Bank Rwanda - HQ] <alice.Uwineza@imbank.co.rw>; Martine Umutoniwabo [I&M Bank Rwanda - HQ] <martine.umutoniwabo@imbank.co.rw>
Subject: ASSIST -CAPTURED MASTER CARD-[REDACTED]

Dear Maureen ,

Supported kindly assist him to collect it .
[REDACTED] she is in copy .

Regards ,

Léa

10. This point proves that there is no single ground to say that handing your card in to your trusted one consists of breaching the terms and conditions governing the card, while the Banks themselves did the same, and handed in the card to the person rather than its owner, upon confirmation of the owner. Is there any article in the terms and conditions preventing the owner from lending the card? Why would the Bank itself do it?

Questioning integrity and professionalism of I&M bank Rwanda together with Mastercard

- A. The bank was used to sue its clients. This is showed by mismatching dates from the first arrest at the Gatuna boarder on 11/01/2023, to the second batch of arrest on 22/01/2023. The second batch arrest showed that RIB didn't have the list of card users since they were questioning if card holders have cards in their names, this reveals that they did not have the list of card holders.
- B. On may 09 2023 the bank stated that its system did not get hacked, and its on this date that they talked about the incidence, hence we question how they lost the alleged amount, additionally to this date the bank said they were working with master card and Ernest and young (EY) SouthAfrica who were undertaking a detailed independent review of the fraud, since then til now they are yet to reveal out their findings.
- C. Funds that forcibly taken from the victims was deposited on mastercard ESCRO account, hence Mastercard should not deny its involvement in this havoc.
- D. Approximately a total of 1million USD victim's funds was removed illegally from their Mastercard prepaid wallet accounts before any court's ruling over the case. This reveals their ability to do whatever they want before the court's decision.
- E. The fact that they rewarded prizes to efficient traders/clients after enticing adverts of percentage profits ranging between 5-10% on trades (according to their adverts), the bank allegedly filed a lawsuit against their client/traders.