

### **Uganda Versus Charles Lambert and Anor Court Case File No.388 of 2018**

In 2018, the Capital Markets Authority (CMA) received information that the suspects, through their company Development Conglomerate Limited, trading as Development Channel TV (DCT), defrauded victims by offering them shares in the company in exchange for the purchase of tablets. However, the promised ownership of shares was never transferred to the investors, leading to a complaint to the CMA.

Following this, the CMA conducted investigations, which revealed that the company had violated the CMA's legal framework by issuing shares to the public without the required approval. The CMA engaged with the unlicensed company and issued enforcement directions, instructing that they immediately cease offering shares to the public and refund the investors who had been illegally offered securities through investment contracts.

Unfortunately, the company failed to comply with these directions, prompting the CMA to refer the matter to the Criminal Investigations Directorate of the Uganda Police. After completing their investigations, the suspects were charged with money laundering under the Anti-Money Laundering Act and obtaining money by false pretenses under the Penal Code Act, Cap. At this point, the accused, through their lawyers, proposed an out-of-court settlement, which the Director of Public Prosecutions (DPP) accepted.

However, when the case was scheduled for mention on 10th February 2020, the accused were absent from court, and warrants of arrest were issued against them. The case was rescheduled for mention on 24th February 2020, but since the warrants had not been executed, the Trial Magistrate vacated them and dismissed the case, pending the rearrest of the accused.

Upon further review of the case file, the DPP advised that, upon re-arrest, the charge sheet should be amended to include charges of illegal issuance of shares, giving false information under the Capital Markets Authority Act, and obtaining money by false pretenses under the Penal Code Act. Efforts are ongoing to locate and rearrest the suspects.