

## Summary of relevant output on Money Laundering and Financial Crime for the Period: 01/01/2009 to 31/03/2009

### *Sites Reviewed*

Association of British Insurers (ABI) [www.abi.org.uk](http://www.abi.org.uk)  
British Bankers' Association (BBA) [www.bba.org.uk](http://www.bba.org.uk)  
BBC News [www.bbc.co.uk/news](http://www.bbc.co.uk/news)  
Committee of European Securities Regulators (CESR) [www.cesr-eu.org](http://www.cesr-eu.org)  
Commodities Futures Trading Commission (CFTC) [www.cftc.gov](http://www.cftc.gov)  
Council of Mortgage Lenders [www.cml.org.uk](http://www.cml.org.uk)  
Europol [www.europol.europa.eu](http://www.europol.europa.eu)  
Financial Action Task Force (FATF) [www.fatf-gafi.org](http://www.fatf-gafi.org)  
Financial Services Authority (FSA) [www.fsa.gov.uk](http://www.fsa.gov.uk)  
HM Treasury (HMT) [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)  
Insurance fraud bureau [www.insurancefraudbureau.org/](http://www.insurancefraudbureau.org/)  
Joint Money Laundering Steering Group (JMLSG) [www.jmlsg.org.uk](http://www.jmlsg.org.uk)  
Lloyd's website <http://www.lloyds.com/>  
Reuters [www.reuters.com/](http://www.reuters.com/)  
Serious Organised Crime Agency (SOCA) [www.soca.gov.uk](http://www.soca.gov.uk)  
Transparency International (TI) [www.transparency.org.uk](http://www.transparency.org.uk)

### **ABI**

"National fraud crackdown must end the 'victimless crime' myth"

Fraudulent insurance claims add £40 a year to the insurance premiums paid by honest customers. This is why insurers are intensifying their efforts to tackle fraud on behalf of their honest policyholders. But the complex nature of many frauds, often involving different agencies, makes a more coordinated and strategic approach essential.

<http://www.abi.org.uk/Newsreleases/viewNewsRelease.asp?nrid=17457>

### **BBA**

Fraud alert: the "BBA Work Eligibility Certificate"

If you have received an email asking you to pay for a "BBA Work Eligibility Certificate" or have received an e-mail from customer.services@bba.org.uk or management@allbanks.org please delete it and take no further action. These are frauds.

<http://www.bba.org.uk/bba/jsp/polopoly.jsp?d=145&a=15297>

### **BBC**

Overseas credit card scam exposed

A criminal gang selling UK credit card details stolen from Indian call centres has been exposed by an undercover BBC News investigation.

Card fraud totalled £609m during 2008, according to payments group Apacs.

<http://news.bbc.co.uk/1/hi/uk/7953401.stm>

### Six arrested in £420m fraud case

Spanish police have arrested six people on suspicion of perpetrating a £420m (\$600m) fraud relating to a London-listed company called Langbar. The founding directors of the company made false claims about its assets to increase the company's share price.

<http://news.bbc.co.uk/1/hi/business/7855679.stm>

### EU

#### On-line gambling: It is up to Member States to stop match-fixing and fraud

Rules governing on-line gambling should not be laid down by the EU, as Member States are quite capable of regulating the industry themselves, a majority of MEPs decided. The report was adopted with 544 votes in favour, 36 against and 66 abstentions and states that the Council should seek a political solution to the problems of online gambling.

Measures taken by some Member States do not comply with Community law and a clarification of national and Community powers is needed

[http://www.europarl.europa.eu/news/expert/infopress\\_page/063-51383-068-03-11-911-20090310IPR51382-09-03-2009-2009-true/default\\_en.htm](http://www.europarl.europa.eu/news/expert/infopress_page/063-51383-068-03-11-911-20090310IPR51382-09-03-2009-2009-true/default_en.htm)

### FSA

#### FSA secures over £1 million for victims of share scam

At a hearing held on 5 February 2009 the High Court declared that Bayshore Nominees Limited had broken the law by acting without authorisation, and that Mr Aniz Kassamali Dhanji Manji and Mr Suresh Maganlal Bhowan will have to return more than £1m to defrauded investors. It also declared that Gatemore Securities had illegally promoted the shares. Investors were encouraged to buy worthless shares during 'cold call' from unauthorised share sellers (boiler rooms).

<http://www.fsa.gov.uk/pages/Library/Communication/PR/2009/024.shtml>

#### Financial Crime - Perceptions Survey

Many firms (59% of large firms and 44% of small firms) believe that financial crime is increasing, albeit at a slower rate than in 2006. This overall figure for smaller firms was mainly due to small wholesale firms, only 33% of whom believed that financial crime was increasing. The FSA is the highest rated institution for fighting financial crime, with Government remaining the least well rated.

<http://www.fsa.gov.uk/pubs/other/perceptions.pdf>

#### Two arrested in FSA insider dealing investigation

The Financial Services Authority (FSA) has arrested two people, including a senior corporate finance adviser, in connection with an ongoing investigation into suspected organised insider dealing. Search warrants were also executed by the FSA at a number of addresses in Greater London as part of the investigation.

<http://www.fsa.gov.uk/pages/Library/Communication/PR/2009/045.shtml>

### Mortgage fraud enforcement action

The Financial Services Authority (FSA) has banned a mortgage broker, Richard Kennedy director of Dynamic Mortgage Brokers, and fined him £101,106 for submitting false mortgage applications.

In a separate case the FSA has also banned North London broker Moses Luzinda trading as Remos and Co for submitting false mortgage applications.

<http://www.fsa.gov.uk/pages/Library/Communication/PR/2009/010.shtml>

### Financial Crime Newsletter - Jan 2009

The Financial Crime and Intelligence Division of FSA have put in place a series of initiatives to tackle the growing problem of mortgage fraud in close cooperation with regulators, law enforcement, firms and the newly established National Fraud Strategic Authority (NFSA). This year's financial crime perception survey has shown that financial crime is on the increase and there is a need for greater focus on small firms to ensure that they can fight the threat of financial crime to their business.

[http://www.fsa.gov.uk/pubs/newsletters/fc\\_newsletter12.pdf](http://www.fsa.gov.uk/pubs/newsletters/fc_newsletter12.pdf)

### Solicitor and his father-in-law found guilty in FSA insider dealing case

The case was heard at Southwark Crown Court and is the first insider dealing criminal prosecution brought by the Financial Services Authority (FSA), as part of its tougher approach to tackling market abuse. The jury found that Mr McQuoid had passed inside information to his father-in-law and that Mr Melbourne had traded, and made a profit. The FSA has also obtained a court order freezing the profits.

<http://www.fsa.gov.uk/pages/Library/Communication/PR/2009/042.shtml>

### Belgian private investor fined £176,254 for market abuse

Erik Boyen was fined £176,254 for dealing in the shares of Monterrico Metals Plc, an AIM-quoted company, on the basis of inside information. This action follows similar fines imposed on Erik Boyen's brother, Mr Filip Boyen, and on Mr Richard Ralph, the former executive chairman of Monterrico, last year for insider dealing.

<http://www.fsa.gov.uk/pages/Library/Communication/PR/2009/008.shtml>

## **LLOYDS**

### Fraud and recession

Risk specialists expect a steep rise in business fraud this year as the world economy continues to deteriorate. The number of insurance claim notifications relating to fraud will grow in 2009. Financial institutions will probably head the league table of victims in terms of overall monetary value, but the scale and frequency of corporate, non-financial institution fraud and theft will show the sharpest increase.

[http://www.lloyds.com/News\\_Centre/Features\\_from\\_Lloyds/News\\_and\\_features\\_2009/Market\\_news/Fraud\\_and\\_recession.htm](http://www.lloyds.com/News_Centre/Features_from_Lloyds/News_and_features_2009/Market_news/Fraud_and_recession.htm)