

Keep Your Money Safe



Surrey Police and Sussex Police Fraud Newsletter

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IF YOU OR SOMEONE
YOU KNOW IS
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OF FRAUD CALL:

SURREY POLICE ON
101 OR VISIT
WWW.SURREY.POLICE.UK

SUSSEX POLICE ON
101 OR VISIT
WWW.SUSSEX.POLICE.UK

REPORT FRAUD OR
ATTEMPTED FRAUD,
BY CONTACTING
ACTION FRAUD AT
[HTTP://WWW.ACTIONFRAUD.POLICE.UK/REPORT_FRAUD](http://WWW.ACTIONFRAUD.POLICE.UK/REPORT_FRAUD) OR
CALL 0300 123 2040.

Investment Fraud Special



What is investment fraud?

This is often initiated by a cold call, attempting to sell investments in an emerging market, e.g. wine, diamonds, bitcoins, crypto currency, carbon credits, time-share etc. Fraudsters may also target victims by fake advertising online using well-known brands or celebrity names claiming they endorse the fake investment.

The fraudsters will claim they will lead to financial gains above the usual projections, high returns or get rich quick schemes. In reality the item offered may not exist or is worthless. They will also use 'fraud recovery fraud', where a victim of a previous fraud is re-contacted and advised on ways to get some of their lost money back. This usually involves parting with further money i.e. the firm has gone into liquidation etc.

So far this year, Sussex and Surrey police have seen 130 reports of investment fraud relating to vulnerable victims. Sadly, investment frauds often see high losses, the loss to those victims was £9.97 million with an average loss to victims being £110,800. Most victims were Male and aged over 75. However, anyone can fall victim to an investment fraud. Whilst many investment fraud victims are contacted by telephone a new emerging way of contact is on social media platforms such as Instagram, Facebook, and WhatsApp where often victims are persuaded to invest in cryptocurrency investments.

Case Study:

In one case, a 78-year-old Female from East Surrey received a call out of the blue from a supposed investment firm offering an opportunity to invest into a company. The victim was persuaded to transfer £8000 to initially invest.








The victim was later told the company she invested in had risen in value and she had made £100,000 and to receive the funds made she would need to pay £18,000 in tax fees. The victim believing, she was due a large sum return made this payment. The victim was again asked for further funds without receiving any return which made her grow suspicions. After seeking advice from a friend, it became clear the victim has been victim to an investment fraud.

Case Study:









One victim, a 64-year-old Male from East Sussex sadly lost £35,000 to an investment fraud. The victim saw an advert on Facebook for investing into Bitcoin. The victim signed up to this opportunity and paid an initial fee of £250.

The victim was then called by a female claiming to be his 'trading assistant' and will help the victim with his investment. The female told the victim his investment had already made money and encouraged him to invest further funds by buying Bitcoin and sending it to her to handle. Believing his investment had risen in value, the victim asked to withdraw his funds. The victim was told to do so he had to send further money. The victim in total sent £35,000 believing he was investing and making money.

Signs to look out for:

-  Are you being rushed into deciding on an investment?
-  Are you being offered unrealistic high returns on an investment?
-  Does the investment firm and offer have reviews? Can you search the company online to see what others say?
-  Some fraudsters will attempt to build a friendship with you to gain your trust
-  Fraudsters may clone a genuine investment firms' website to make themselves appear to be from a genuine company. View the website carefully and look out for mistakes.
-  Search the company separately and contact them to check they are in contact.
-  Be wary of follow up calls offering to help recover any investment losses.

How to protect yourself:

-  Use the Financial Conduct Authority's (FCA) register to check if the company is regulated by the FCA.
-  If you deal with a firm (or individual) that isn't regulated, you may not be covered by the Financial Ombudsman Service (FOS) if things go wrong and you lose your money.
-  Before making significant financial decisions, speak with trusted friends or family members, or seek professional independent advice.
-  Don't be rushed into making an investment. Remember, legitimate organisations will never pressure you into investing on the spot.
-  If it sounds too good to be true, it probably is.
-  If you receive a cold call offering you an investment opportunity, hang up. Take Five and verify via a trusted method, not via numbers given to you in the call.
-  Remember, most cryptocurrencies are not regulated by the FCA which means they are not protected.
-  For further advice on investment fraud please see Investment Fraud | Take Five (takefive-stopfraud.org.uk)