



Axxelerate GmbH
Fleischmarkt 1
1010 Wien
email: e.sixt@efri.io
phone: 00436644251363
Web: www.efri.io

FCA
c/o Paolo Pellegrini

12 Endeavour Square
London E20 1JN

Vienna, July 29th 2019

Referring: Moorwand Ltd (Reference number: 900709) and related parties involvement in several fraudulent scheme raising money laundering concerns.

Dear Paolo Pellegrini,

the *European Fund Recovery Initiative (EFRI)*, is an initiative operated by Vienna-registered Axxelerate GmbH. EFRI has been launched in January 2019 to support victims of investment (broker) scams with funds recovery campaigns. The aim of our campaigns is to get hold of the mostly anonymous operators of those scams and their co-conspirators and facilitators such as payment services providers (PSP).

Since January 2019, more than 1,108 defrauded investors have registered on the EFRI website www.efri.io with a total fraud volume of more than €22 million. 99% of the injured parties are European retail investors in the age between 50 and 85.

Out of those 1,108 registered victims 578 have provided a *Power of Attorneys (POA)* to EFRI for funds recovery purposes. Hence, EFRI legally represents a €19 million damage volume stemming from investment scams:

Split of EFRI as POA holder for the following fraudulent systems:		
	No. of victims	deposits made/stolen money EURO
xTraderFX, Safemarkets, goldenmarkets	198	5 065 069,21
Get Financial	35	443 298,11
Blue Trading victims	215	6 424 292,54
AlgoTechs/BEALGO	56	2 472 589,59
Stoxmarkets	16	1 368 537,46
KayaFX	14	1 449 805,00
Option888, xMarket,..	41	1 625 176,00
Others	3	248 900,00
Total	578	19 097 667,91

The provided information as to be found below are based on the documents and voucher filed by the victims.

In our enclosed report dated July 25th, 2019 (Appendix 1) we summarized our findings on the procedures of the investment scams and the resulting damage.

Regarding regulated payment service providers involved in these broker scams we are frequently confronted with the FCA-registered Moorwand Ltd¹ (“Moorwand”) as well as UPC Consulting Ltd² (UPCC). Both companies are controlled by the very same beneficial owners.

In particular, the EFRI campaigns in which we came across Moorwand and/or UPCC are listed below with some more details.

EFRI Campaigns with Moorwand and UPCC participation

XtraderFX/CryptoPoint/SafeMarkets and Golden Markets Scams

These fraudulent schemes have been operated by *Gal Barak* (Israeli), *Vladimir Smirnov* (Russian), and *Gary Shalon* (Israeli). An EU arrest warrant has been issued for Gal Barak in January 2019. Criminal proceedings have been started in autumn 2018 in Vienna, Austria with 10 defendants. The investigations are still ongoing. According to the victims list as

¹ Moorwand Ltd. (Company number 08491211) 28.4, 30 St Mary Axe , London, England, EC3A 8BF, incorporated April 16, 2013 and acting as legal authorised Electronic Money Institution (Reference number: 900709)

² UPC CONSULTING LTD (Company number 10789505), 29.13, 30 St Mary Axe, London, City Of London, England, EC3A 8BF

shown in the criminal files UK-based victims deposited more than GBP 10 million with these schemes:

taken from the Customer list as of end of Sept. 2018			
Total	USD	GBP	EUR
xTraderFX	5 089 258,76	8 652 365,83	9 995 939,88
safemarkets	1 796 058,68	1 311 752,64	2 592 806,00
Goldenmarketes	3 088 473,66	53 688,46	5 370 599,77
Startsmarket	64 055,36		1 256 321,00
Gesamtsumme	10 037 846,46	10 017 806,93	19 215 666,65
thereof			
XtraderFX A,D,CH			5 166 842,00
safemarkets A,D, CH			1 652 813,00
Great Britian		10 017 806,93	

This broker scams have been active since early 2017 through March 2019.

Enclosed you also will find a bank statement of the UK-registered *GPAY Ltd* (shell company used for the operation XTraderFX) dated August 30, 2018, showing payments to Moorwand, thereby proving the involvement of Moorwand in these fraudulent schemes. (Appendix 2).

Please note that FCA issued a warning against GPAY Ltd and its fraudulent activities already on May 14, 2018: <https://www.fca.org.uk/news/warnings/gpay-limited-trading-cryptopoint>.

Blue Trading Scam

The BlueTrading investment scam has been facilitated by Moorwand by providing payment services. In particular, Moorwand provided the scam with refunding and withdrawal services³ to the investors. This Blue Trading investment scam was active from about July 2017 through the end of February 2019.

Please find enclosed the information as provided by some of the victims of Blue Trading. (Appendix 3, Appendix 4, Appendix 5). The information on the refunds showed the term “commission” – no explanation was given.

Pls note that FCA issued a warning regarding the website Blue Trading already as of Sept. 5, 2018: <https://www.fca.org.uk/news/warnings/blue-trading-bluetradingcom-blue-group>.

³ the possibility to get refunds resp. to offer withdrawals is part of the scheme to build up trust with the investor. Experience shows that after allowing small withdrawals the investors are willing to invest higher amounts.

Algotech/BeAlgo Scam

Regarding Algotech/BeAlgo scam we established an excel-sheet based on the information provided by the EFRI victims (Appendix 6). Examples for the detailed information please find enclosed (Appendix 7 – 10). UPC Consulting Ltd (UPPC) was mainly responsible for the transfers into the scheme, Moorwand Ltd. was evidently also used for the withdrawals. Algotech website was active up to beginning of July 2019.

Some other registration (not having granted us a POA) also show transfers via Moorwand Ltd and UPC Consulting Ltd (Appendix 11).

FCA issued a warning regarding Algotech [https://www.fca.org.uk/news/warnings/algotechs as of April 25](https://www.fca.org.uk/news/warnings/algotechs-as-of-April-25), 2019 even showing a close address to Moorwand's place of business (30 St Mary Axe, London EC3A 8EP (Gherkin))

StoxMarket Scam

Enclosed please find a table with stoxmarket-victims showing proof of the involvement of Moorwand Ltd/UPCC in the scheme (Appendix 12).

FCA issued a warning against Marketier Holding (stoxmarkets) <https://www.fca.org.uk/news/warnings/marketier-holdings-trading-stox-market> on June 12, 2017.

KayaFX Scam

On March 29, 2018, the FCA issued an investor warning against KayaFX <https://www.fca.org.uk/news/warnings/kayafx>.

Attached please find an EFRI-registration of a KayafX victim showing proof of the acting of Moorwand Ltd/UPCC as payment service provider in the scheme (Appendix 13).

Credit card payments done with Moorwand/UPCC

Please be aware that we only have been able to reconcile the bank transfers, as the issuing companies for the credit card transfers rejected to give information on the acquiring organizations involved for the credit card payments to the above mentioned fraudulent schemes. Next step would be to check on the possible involvement of Moorwand/UPCC in the credit card payments for the fraudulent schemes.

Complaints with Moorwand/UPayCard/UPPC/FCA

Please be aware that the EFRI-registrants also provided proof for a big number of emails to the customer service of Moorwand/UPCC requesting the refunds of their money dating back already to summer 2017. The same can be said for complaints about the involvement of Moorwand/UPCC to the FCA.



Eine Initiative der
Axxelerate GmbH

In case of any questions pls do not hesitate to contact us.

Best Regards,

Elfriede Sixt



Eine Initiative der
Axxelerate GmbH