

# Fraud fighters

**FAYE LIPSON MEETS THE INSPIRING INDIVIDUALS  
MAKING A STAND AGAINST SCAMMERS**

**F**raud is the most common crime in the UK. The Crime Survey for England and Wales recorded 3.8 million instances of it in the year to September 2019, while an astonishing £1.2bn was defrauded in the UK via the banking system in the same year. These are the facts. But behind them lie individual cases of immeasurable distress, from the elderly lady who was relentlessly extorted in her final years, to the investors who lost their life savings.

At Which?, we always urge victims to report fraud and cybercrime to Action Fraud, a centralised crime-reporting centre covering England, Wales and Northern Ireland (Scottish victims instead report to Police Scotland by calling 101).

Reporting is vital in ensuring the true scale of this crime is understood by those who make and enforce laws. It provides police with information about current scams, so they can take quick measures such as shutting down malicious websites, helping to prevent others from falling prey.

Perhaps most obviously, it offers the prospect of justice for victims through the criminal justice system.

Unfortunately, this prospect is a remote one. A 2018 *Which? Money* investigation found that more than 96% of cases reported to Action Fraud went unsolved. Policing resources are already stretched, and fraud cases – often requiring lengthy expert investigation and involving overseas suspects – are too vast a problem for forces to deal with.

Each year, Which? helps hundreds of victims who find there is no justice for them; usually we can only help them try to recover their money through the banking system. We can't ensure that the fraudsters are stopped or made to face the music.

The coronavirus pandemic is set to exacerbate the problem, with the Crown Prosecution Service requesting a delay in the bringing of charges against suspected fraudsters to avoid clogging up the courts.

Yet there is a glimmer of hope. It comes in the form of individuals fighting back against the fraudsters in novel ways. Here we share their inspiring stories, from the investment scam victims who banded together to investigate their own fraud, to the accountant who faced death threats after exposing a scam. >







## ELFRIEDE SIXT THE ACCOUNTANT

**E**lfriede Sixt has been a certified public accountant in Austria for more than 20 years. In 2016, her specialism advising **cryptocurrency** and **fintech** businesses brought her face to face with a global scam.

That was the year one of her regular clients was approached by someone offering opportunities in gaming and betting. Elfriede conducted the due diligence for the deal and found 'a lot of red flags' when looking at the individual and his companies.

The deal was off. But Elfriede went much further, insisting her client file a money-laundering complaint about the suspect individual with authorities in London (she later filed one herself in Vienna). These actions resulted in 'heavy trouble' for her client as he faced the opprobrium of the business community. Yet worse was to come, as both he and

Elfriede received death threats from people they suspect of being connected with the scam. In 2018, Elfriede and her client began co-operating with the Austrian authorities and learned of the suspect's alleged links to **binary options** and investment scams with victims across Europe. The individual has now been arrested and the case is ongoing.

The scale of the fraud was a grim revelation for Elfriede: 'Although I've been an adviser (mainly for fintech startups) for more than 10 years, I had no idea about this kind of fraud, or about the helplessness of the victims, as no one supports or helps them.'

Moved by the victims' stories, she decided to co-establish a whistleblower system for people with inside information about investment scams. Stories and warnings from whistleblowers are published on investment scam news site **fintelegram.com**.

She says the prosecution of such fraud 'lags tremendously behind the activities of the criminal organisations in Europe' and that 'information provided by whistleblowers plays a big role and is currently the only possibility to act against fraudsters.'

But Elfriede has gone even further than this, co-launching the European Funds Recovery Initiative (EFRI). This campaigning group encourages victims to file their own criminal complaints, then the EFRI files its own money-laundering complaints based on victim testimony. It also acts as a point of contact for prosecutors in different countries investigating the same scam.

Elfriede is now representing 790 fraud victims, but admits the chance of recovering money from the fraudsters located mainly offshore is low. Her main aim is to hold the enablers of the fraud liable. She points the finger at European financial service providers, which she accuses of 'facilitating the flow of the illicit funds and not adhering to strict money-laundering regulations.'

Financial loss isn't the only burden victims must bear. 'The bad experience after the fraud is really depressing for them, as no one helps,' says Elfriede. 'The EFRI shows people they're not alone and shouldn't lose all hope.'

**MOVED BY THE VICTIMS' STORIES, ELFRIEDE DECIDED TO CO-ESTABLISH A WHISTLEBLOWER SYSTEM FOR PEOPLE WITH INSIDE INFORMATION ABOUT INVESTMENT SCAMS**



Elfriede helped set up whistleblower platform FinTelegram News

## CHRIS HOLT THE SCAM MARSHAL

**C**hris Holt has been active in his community for much of his life, volunteering with charities including the Samaritans and Age UK. But it was during a 2019 meeting of his local Rotary Club, Bolton Daybreak, that he first heard about 'scam marshals'.

The label describes those who take an active role in the community, helping neighbours avoid scams and forwarding malicious mail and phone numbers to National Trading Standards (NTS), which runs the scheme.

The rotary club had invited a scam marshal as a guest speaker to talk about the scheme and how to spot scams. At the end of the talk, Chris and 14 fellow Rotarians signed up to become scam marshals themselves.

With his new understanding of how scams operate, Chris has been able to advise neighbours plagued by scam calls. One was recently 'worried sick' by repeated automated calls telling her she was being charged a monthly subscription for Amazon Prime, and urging her to 'press 1' to cancel.

Chris was able to assure her that it wasn't genuine, and warn that pressing '1' would most likely have taken her through to a call centre staffed by fraudsters fishing for her banking details.

While thankfully never a victim of a scam himself, Chris has long been plagued by scam calls claiming to be from Amazon, HMRC and his broadband provider. At one time he received up to 30 calls a month on his landline, despite using a call-blocking device that filters out most scam calls.

As part of the scam marshals scheme, he diligently records the scam numbers and forwards them to NTS once a month. He also forwards items of suspicious mail in the same way, though he finds he receives far fewer of these.

Any UK resident can become an NTS scam marshal. For details, go to [friendsagainstscams.org.uk/scammarshals](https://www.friendsagainstscams.org.uk/scammarshals). >

**AS PART OF THE SCAM MARSHALS SCHEME, CHRIS DILIGENTLY RECORDS THE SCAM NUMBERS AND FORWARDS THEM TO NATIONAL TRADING STANDARDS ONCE A MONTH. HE ALSO FORWARDS ITEMS OF SUSPICIOUS MAIL IN THE SAME WAY**





## MARILYN BALDWIN THE CAMPAIGNER

**M**arilyn Baldwin's mother, Jessica, died in 2007. She was 83 and her death certificate stated pneumonia as the cause. But that's only a fraction of the full story.

Five years earlier, Jessica had responded to a scam letter. This led to her details being put on a 'suckers list' and sold to other criminal gangs worldwide.

Soon she was deluged with mail from phony lotteries and competitions telling her she was a winner, but to claim the prizes

she was told to send off a fee. Criminals posing as clairvoyants jumped on the bandwagon. Their letters promised that good fortune was round the corner and could be 'unlocked' if she sent more cash. They also 'predicted' great misfortune and calamity if she failed to meet the demands.

Jessica wasn't greedy, and she didn't want the money for herself. She wanted to financially help those she loved and the children's charities she supported.

Despite numerous interventions, Marilyn and the

wider family couldn't stop Jessica from spending nearly all of her pension each month to meet the scammers' demands. In Jessica's mind, 'the scammers became her friends while those trying to make her see what was really going on became the enemy.'

The psychology behind these scams was powerful. Marilyn says it had 'shut down Mum's normal thought process so her ageing mind could concentrate on what she was promised, not on the cash she was sending.'

Jessica died still believing her promised prizes were on the way. Marilyn subsequently removed around 30,000 scam letters from her mother's home.

After Jessica's death, Marilyn wanted to highlight the scourge of scam mail. At the time, she says, postal fraud was called junk mail and not considered a serious problem: 'Elderly and vulnerable people were being left to the mercy of criminals. Local police forces and age-related charities wouldn't even record it.'

Marilyn began to research the issue, determined to find out how criminals from overseas could have such an easy and assisted passage into the homes, minds and bank accounts of vulnerable people. Through speaking to postal workers, she discovered that postal scam victims could be easily identified. One reported that some pensioners on his round received 100 letters a day. Some were getting so much they had to collect it from the sorting offices themselves. Cubby holes at local sorting offices were even being made bigger to accommodate malicious mail.

Marilyn launched the Think Jessica website ([thinkjessica.com](http://thinkjessica.com)) and charity to educate the public about the threat of postal scams, and to campaign for such fraud to be properly recorded and prevented. Presentations delivered to local police forces

### DESPITE NUMEROUS INTERVENTIONS, MARILYN AND THE WIDER FAMILY COULDN'T STOP HER MUM FROM SPENDING NEARLY ALL HER PENSION EACH MONTH TO MEET THE SCAMMERS' DEMANDS

and councils, and appearances on *BBC Breakfast*, *This Morning* and *Panorama* helped her to push the topic higher up the agenda.

In many TV appearances, she appealed to Royal Mail to put a system in place where victims could be flagged up and get help. Her campaigning led to the first seizure of bulk scam mail as it entered the UK – achieved with the help of mail services and the Metropolitan Police.

Five years after the campaign started, Marilyn met with Louise Baxter from East Sussex County Council. Baxter formed the National Trading Standards Scams Team, which now works to disrupt the passage of scam mail.

For her voluntary work, Marilyn was awarded an OBE in 2014. In 2019, she made the hard decision to close the Think Jessica charity. However, the site remains live and her fight against scams continues. She also produces educational material on various scam types, has written her first book, *Don't Fall For A Scam!*, available from Waterstones, and talks publicly about fraud prevention.

'When Mum died there was nothing for five years, and now changes have been made,' she reflects. 'It's like a firework going off and it's spread.'

ILLUSTRATIONS PAUL FRYDING - MAKING PICTURES



## ANDREA MONICO AND THE STRATEGY MARKETS VICTIM GROUP THE INVESTORS

(interview by Lauren Merryweather)

**A**ndrea Monico didn't take investing his money lightly. After meticulous research he invested with a foreign exchange company called Strategy Markets.

To his horror, it was a scam. He never imagined he'd spend two years fighting to get £30,000 back, or that he'd uncover a sophisticated criminal operation with links across the world.

'Barclays said it wouldn't refund me as the fraud took place in 2017,' he told us. 'This was before it signed up to the voluntary code brought in to protect scam victims in 2019.'

Barclays told us that Andrea's story is a 'tragic case of theft' and that it is 'committed to working with the authorities, banks and customers to block fraudsters at every turn and hope the police investigate this matter urgently.'

Andrea believes investigators at the Metropolitan Police closed the case after they found links to the British Virgin Islands. He says: 'They blamed a lack of resources and told me to report it to the police there, who weren't able to help either.'

While researching online, he stumbled upon other victims of the

same scam, which had been operating under several company names. He started a Facebook support community, which now has over 40 members. Collectively they have lost over £2m.

All were refused reimbursement by their banks despite warning signs the transactions were suspicious. Multiple police forces have dropped their cases, or refused to investigate.

One victim lost £230,000. British police said they couldn't investigate as he'd sent the money to an account based in Germany, while German police were unwilling to talk. In desperation, he looked into loss recovery firms, but they wanted large sums of money up front with no guarantee of getting anything back.

Despite being faced with so many dead ends, Andrea and the others were convinced they were entitled to get their money back. Between them, they carried out exhaustive research into banks' fraud policies and the outcomes of similar cases.

Andrea discovered his fake investment contract had been underwritten by a genuine legal firm in Tel Aviv, and sought the advice of a lawyer there. 'But it was difficult to persuade others to probe further into a potentially dangerous criminal organisation,' he said.

He eventually got in touch with a private fraud investigator who helped to focus their case around a key dispute. The banks said they aren't liable to pay out for fraud committed before May 2019. But the group argues that the responsibility of the banks to protect customers' money from fraud should apply historically. They believe the code highlights banking best practices which have been in place for a long time.

With this argument, Andrea and other members made complaints against the banks' handling of such a large scale fraud to the Financial Ombudsman Service (FOS).

After waiting for over a year, two members of the group recently received decisions from the FOS, ruling that their banks should reimburse them, plus compensation. Those still waiting to hear, like Andrea, may take court action if they aren't satisfied with the FOS' ruling.

### NEXT STEPS

If you've been scammed and are struggling to get your money back, call the Which? Money Helpline on 029 2267 0001.

**IN THE MAGAZINE**  
● Your life for sale May 2020, p15  
● Sim-swap fraud April 2020, p10  
● Car insurance fraud March 2020, p13

**ONLINE**  
● How to report a scam [which.co.uk/report-a-scam](http://which.co.uk/report-a-scam)  
● Sign up for our free scam alert service [which.co.uk/scam-alerts](http://which.co.uk/scam-alerts)