

Fraud Newsletter No. 46

August 2020



CASES

Admissibility and weight: allegations of bribery based on confessions allegedly obtained by torture: although torture not proved on balance of probabilities it remains admissible when considering the facts in issue: [Shagang Shipping Co Ltd \(in liquidation\) v HNA Group Co Ltd](#) [2020] UKSC 34.

Late disclosure (of D's own bank accounts) in ML trial: to assert a lie would not have been told on oath at trial if it was known that prosecution could prove it was a lie is not a good ground of appeal. Loss of time (28 days) served. [Yousef](#) [2020] EWCA Crim 1082

SENTENCING & CONFISCATION

Confiscation benefit calculation - employment obtained using false representations (experience and qualifications) - 10 years' net pay of £643k disproportionate as full restoration made through employment (dishonestly obtained but lawfully discharged): [Andrewes](#) [2020] EWCA Crim 1055.

Confiscation agreed by consent quashed where D wrongly informed he could seek variation of hidden assets finding within 3 months of the order: [Blackledge](#) [2020] EWCA Crim 1108 (Westlaw).

BILLS, STATUTES & SIS

Nothing of moment.

CONSULTATIONS, GUIDANCE, CIRCULARS AND REPORTS

[Anti-money laundering and counter-terrorist financing: Supervision report, 2018-2019](#): Treasury: 6 Aug 20.

[Publication of Source of Wealth and Source of Funds \(Private Banking/Wealth Management\) FAQs](#): Wolfsberg Group (an Association of 13 Global banks): 7 Aug 20 and [Developing an Effective AML/CTF Programme](#): 12 Aug 20.

[Understanding risks and taking action for Trust or Company Service Providers](#) – includes an ML risk assessment matrix: HMRC 17 Aug 20

[Guidance to firms and their staff on how to apply UK AML/CTF requirements](#): (JMSLG: 27 Jul 20) has received Treasury ministerial approval: JMSLG 18 Aug 20.

[EBA Response to European Commission consultation on AML/CTF Action Plan and the Establishment of an EU-level AML-CTF Supervisor](#): EBA: 19 Aug 20 and [Press Summary](#).

FCA consulting on [Extension of Annual Financial Crime Reporting Obligation](#): consultation re potential ML risks: FCA: CP20/17: 24 Aug 20. [FCA Summary](#)

NEWS

[List of businesses for tax year 2019 to 2020 that have not complied with the 2017 money laundering regulations](#) including Touma Foreign Exchange (fined record £7.832m) and Purplebrick Group (fined £266k): HMRC: 17 Aug 20.

Staggering scale of high level corruption alleged by Emilio Lozoya (ex head of Pemex - Mexican state oil) involving multi-million dollar bribes, campaign financing, 3 former Mexican presidents, lawmakers and aides: [Guardian](#): 20 Aug 20. [Viral video shows "Filth" of Corrupt Politics](#): OCCRP: 20 Aug 20.

SFO: Axiom Legal Financing Fund (Axiom): [3 individuals charged](#) with diverting money for their own benefit and fraudulent trading: 21 Aug 20.

FCA obtain £10.715m restitution order against 2 companies and 3 individuals: [FCA v Acacade, Alexandra Associates, Lummis, Lummis & Fox](#) [2020] EWHC 2175 (Ch) [FCA Press release](#): 10 Aug 20.

FCA criticised for delays in providing documents into investigation of its regulation of London & Capital Finance: [FT Adviser](#): 25 Aug 20. [FCA letter of apology](#): 22 Aug 20.

[OneCoin founder's brother to testify against her](#) re alleged Ponzi scheme defrauding 3m cryptocurrency investors out of \$16B: OCCRP: 25 Aug 20.

[Over £30m lost to pension scammers since 2017](#) according to complaints filed with Action Fraud (true figure likely to be higher): FCA 25 Aug 20.

[Investigation denies crime group £17m property portfolio](#): NCA: 26 Aug 20.