# Fraud Newsletter No. 69

**July 2022** 



#### **CASES**

Cryptocurrency fraud: novel service by NFT airdrop: (i) service of proceedings allowed by an NFT airdrop to 2 cryptocurrency wallets (allowing victims of cryptoasset frauds to sue persons unknown) (ii) recognised P's cryptocurrency exchanges holding identifiable stolen cryptocurrency constructive trustees: D'Aloia v Persons unknown and Binance Holdings Ltd: [2022] EWHC 1723 Ch. Lawnews summary.

### **SENTENCING & CONFISCATION**

S41(4) POCA does not prevent payment of reasonable legal expenses in related or other civil proceedings: <u>Luckhurst</u> [2022] UKSC 23.

### **BILLS, STATUTES & SIS**

<u>Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022</u>: SI 2022 No. 870: <u>Explanatory memo</u>

Money Laundering and Terrorist Financing (Amendment) (No 2) Regulations 2022: 2022 No. 860: Explanatory memo.

## CONSULTATIONS, GUIDANCE, CIRCULARS AND REPORTS

NCA Annual Report & Accounts 2021-22: 19 Jul 22: fraud, ML etc. pp 22-25.

<u>Data Access Agreement (DAA) - joint</u> <u>statement by US & UK</u> to bring into force on 3 Oct 22 the Access to Electronic Data for the Purpose of Countering Serious Crime.

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- Agreement (DAA): 21 Jul 22. <u>DAA</u> (19 Oct 19), <u>Explanatory Memo and related</u> <u>agreements</u>
- <u>Issues in crypto currency fraud claims</u>: speech by Judge Mark Pelling QC: 20 Jul 22
- <u>Error and Fraud in the COVID-19n</u> <u>schemes: methodology and approach</u>: HMRC: updated 18 Jul 22
- AML Guidance for the Legal Sector 2021
   (LSAG) approved by the Treasury: 7 Jul 22. see
   Reg 86(2)(b)(ii) MLR 17
- <u>Economic Crime Supervision annual</u> assessment report: 1 Apr 21 to 31 Mar 22: HMRC: 30 Jun 22
- Number of live Corporate Criminal
   Offences investigations
   (failure to prevent
   facilitation of tax evasion) as at 13 May 22:
   HMRC: 30 Jun 22
- AML Guidelines for UK Art Market
   <u>Participants:</u> BAMF approved by Treasury 30
   Jun 22.

#### **NEWS**

#### CPS:

- Man jailed in a £104m money laundering scam
   transporting illegal cash to Dubai: 28 Jul 22.
- 4 fraudsters jailed for £13.7m investment scam:
   26 Jul 22.
- <u>Fraudsters convicted for £21m loss in cryptocurrency</u>: 22 Jul 22.
- Duo jailed for £20m pension fraud: 15 July 22.

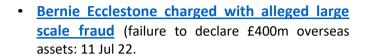


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#### FCA:

- <u>FCA publishes Decision Notices for Carillion plc</u> (in liquidation) and 3 former executive directors: 28 Jul 22
- Individual sentenced to four months imprisonment for contempt of court re 10 breaches of a restraint order: 22 Jul 22
- The TJM Partnership Ltd (in liquidation) fined £2m for serious financial crime control failings re to cum-ex trading: 15 Jul 22
- FCA failed to protect British Steel pension scheme members causing "serious financial harm": Public Accounts Committee: 21 Jul 22.

- Altman QC's: 21 Jul 22 together with *Terms of ref. etc and SFO Response*
- Independent Review into the Serious
   Fraud Office's handling of the Unaoil
   Case R v Akle & Anor: Sir David Calvert-Smith: 21 Jul 22
- Annual Report and Accounts 2021-2022: SFO 21 July 22
- Third Unaoil conviction quashed: Reuters:
   21 Jul 22
- SFO drops 4-year criminal probe into Chemring:
   Ev. Standard: 1 Jul 22
- <u>UK judge halts trial of two defendants in Saudi</u>
   <u>bribery case:</u> F.T. 14 Jul 22
- SFO loses appeal over 'unfair' sacking of Unaoil case controller: Law Soc Gaz: 22 Jul 22.

### NCA:

- <u>Red Alert: Financial Sanctions Evasion</u> <u>typologies: Russian Elites and Enablers</u>: 12 Jul 22. <u>NCA Summary</u>:
- Multi-million pound cash courier conspiracy dismantled: 28 Jul 22

#### SFO:

- <u>Convicted fraudster found in contempt of</u>
   <u>court</u> re 3 breaches of restraint order: 29 Jul
   22
- London Capital & Finance chief faces jail for hiding funds from SFO: hearing adjourned to Sept: Times (paywall): 28 Jul 22
- <u>Report to the SFO: The collapse of R v</u>
   <u>Woods & Marshall on 26 Apr 2021:</u> Brian

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#### HOME:

- <u>Sanctions against KPMG and others re</u>
   <u>Regenersis & Carillion audits:</u> fined £14.4m: FRC:
   25 Jul 22
- Hertfordshire couple jailed over £624k social care fraud: BBC News: 19 Jul 22
- <u>Bottle Laundromat: How Fake Trades & British</u>
   <u>Shell Companies helped move \$820m of hot money out of Russia:</u> Transp. Internat: 7 Jul 22.

#### **EU & ABROAD:**

- <u>Lastminute.com: CEO & COO arrested (in Switzerland) over covid fund misuse claims</u>: CityAM: 25 Jul 22
- How Uber won access to world leaders, deceived investigators and exploited violence against its drivers in battle for global dominance: Transp.



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Internat: 10 Jul 22

- <u>Thai anti-corruption body names names over</u>
   <u>Thai Airways Rolls Royce engine scandal</u>: Thaiger
   19 Jul 22
- Former Theranos exec Sunny Balwani convicted of 12 counts of fraud: Guardian 7 Jul 22.

#### **OTHER**

<u>5 Problems with Economic Crime Policing</u>
 <u>- and How to Solve Them</u>: Wood: RUSI: 11
 Jul 22.

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