



**SINGAPORE  
POLICE FORCE**  
COMMERCIAL AFFAIRS  
DEPARTMENT



# TRANSCENDING ADVERSITY

ANNUAL REPORT 2020



**OUR MISSION**  
To prevent, deter and detect financial crime



**OUR SHARED VISION**  
To make Singapore the safest and most trusted place for business and finance



**ABOUT COMMERCIAL AFFAIRS DEPARTMENT**  
The Commercial Affairs Department (CAD), being the principal white-collar crime investigation agency in Singapore, investigates into a spectrum of commercial and financial crimes, and safeguards Singapore's integrity as a world-class financial and commercial centre through vigilant and professional enforcement of the laws.



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## COMMISSIONER'S MESSAGE

“ The CAD has always adopted a multi-pronged approach in tackling financial crimes through upstream engagements with relevant stakeholders for crime prevention and continually leveraging strategic partnerships and technology to enhance its crime-fighting capabilities. ”



2020 had been an extraordinary year marked by the COVID-19 pandemic. In addition to being a global health crisis, the pandemic has had fast-moving and unexpected impact on Singapore's business environment, ultimately shifting the financial crimes landscape in Singapore.

The Commercial Affairs Department (CAD) is integral in safeguarding Singapore's reputation as a safe and reliable global financial centre. The CAD has always adopted a multi-pronged approach in tackling financial crimes through upstream engagements with relevant stakeholders for crime prevention and continually leveraging strategic partnerships

and technology to enhance its crime-fighting capabilities. This strategy has placed the CAD in an optimal position to overcome the challenges and disruption brought by the pandemic.

### STRENGTHENING ENFORCEMENT CAPABILITIES

Recognising the need for a strong response against scams which have risen in tandem with the number of online transactions conducted during the pandemic, the Anti-Scam Division (ASD) was formed in March 2021 to ensure efficient enforcement coordination and swift information sharing to enhance the scam-fighting efforts of the Singapore Police Force (SPF). The

Anti-Scam Centre (ASC) has also seen an exponential expansion in its partnership network to over 30 banks and corporate entities, which proved instrumental as 2020 saw the ASC recovering scam proceeds worth over S\$57 million.

The CAD continues to sharpen its operational efficiency by incorporating robotic process automation and analytics into its operations. The processes to trace criminal proceeds and freeze tainted bank accounts have been streamlined with a secure portal in place to engage the banks electronically, and this is expected to increase the likelihood of the recovery of funds for victims. The Suspicious Transaction Reporting Office (STRO) is also enhancing its data analytics capabilities in processing financial intelligence to identify money laundering threats and detect crimes swiftly.

### ENHANCING INTERNATIONAL COOPERATION

Forging strong regional and international partnerships is pivotal in combatting transnational crimes. Despite the imposition of travel restrictions arising from COVID-19, the CAD persevered in its efforts to strengthen ties with its network of trusted partners through active virtual engagements.

Through the proactive exchange of financial intelligence among its extensive international network of financial intelligence units and law enforcement agencies, the CAD remains steadfast in preventing and stemming the movement of illicit proceeds across jurisdictions. In addition, the CAD works closely with foreign counterparts to mount cross-border operations to bring down transnational criminal networks. In 2020, the CAD conducted separate joint operations with the Royal Malaysia Police and the Hong Kong Police Force and successfully crippled criminal syndicates involved in internet love scams and credit card fraud respectively.

### INCREASING PUBLIC EDUCATION AND COMMUNITY PARTNERSHIP

With criminals finding new ways to scam money illicitly from unsuspecting victims, the CAD works closely with the National Crime Prevention Council (NCPC) and community partners to spread scam prevention advice, and collaborate with business operators to introduce anti-scam measures.

To further disrupt scammers' operations, the SPF collaborated with the NCPC and the Government Technology Agency to develop the "ScamShield" mobile application that filters out scam messages and phone calls using artificial intelligence, thereby preventing such messages from reaching potential scam victims. The mobile application was launched in November 2020 and is currently available on iOS devices. An Android version is currently being developed.

The CAD will continue its efforts on public education and community partnership to prevent and deter financial crimes.

### TRANSCENDING ADVERSITY

Against the backdrop of the challenges brought about by the pandemic, the CAD has done well in combatting financial crimes through vigilant and professional enforcement actions. The CAD continues to play an important role in ensuring that perpetrators of financial crimes are brought to justice and would-be perpetrators think twice before committing such crimes.

I am confident that the unwavering commitment and dedication of the officers in the CAD will continue to make Singapore a safe and reliable global financial centre in the years to come.

**CP Hoong Wee Teck**  
**Commissioner of Police**  
 Singapore Police Force

## DIRECTOR'S REPORT



“ The Annual Report's theme 'Transcending Adversity' reflects the trials we have undergone because of the pandemic as well as the spike in pandemic-induced crimes. The CAD has been forced to transform itself in order to transcend adversity. ”

2020 has not been an easy year for Singapore as we struggled with the crisis of a generation triggered by the COVID-19 pandemic. 2020 has seen many changes to the way we work, conduct business, and even socialise. Parts of the world came to a standstill as countries closed borders and limited social movement to curb the spread of the virus. Unfortunately, the lock-down did not bring crime to a standstill, rather it evolved to take advantage of Singapore's digital connectivity to target Singapore victims across national borders.

There was a record number of scam cases in 2020, particularly online scams as Singaporeans remained in their homes during the Circuit Breaker period and conducted more online transactions. In 2020, e-commerce scams remained the most common type of scams as scammers took advantage of pandemic-induced anxiety to conduct scams involving the sale of COVID-19 related necessities. The rise in scam cases contributed to the increase in reported crimes, causing it to rise by 6.5% compared to 2019.

Crime increased in volume as well as complexity. We had to investigate a number of large-scale financial scandals this year, such as the fraudulent billion-dollar investment scheme by nickel

trading companies Envy Asset Management Pte Ltd and Envy Global Trading Pte Ltd. The worsening business conditions also resulted in more financial wrongdoings coming to light that would have gone undetected in better times. Oil trading firms Hin Leong Trading Pte Ltd and Coastal Oil (S) Pte Ltd had resorted to fraud to obtain bank loans and charges have been brought against the perpetrators behind the corporate frauds. Such cases affect investor confidence in the integrity of Singapore's financial system and required swift enforcement action by the CAD.

Against the backdrop of the disruption caused by the pandemic, the type and nature of commercial crimes swiftly evolved as technological advances changed the way criminals operate. For example, high internet penetration worldwide offered criminals a larger pool of victims to target. The growing complexity of financial products also made it easier for them to devise sophisticated "investment" products to fool investors. Lastly, the growing acceptance and availability of virtual assets, like cryptocurrencies, gave criminals more ways to launder their criminal proceeds. To stay ahead of these new developments, we had to constantly enhance our tools and capabilities to fight financial crimes. To do this, we transformed ourselves internally and formed closer partnerships externally.

### TRANSFORMING OPERATIONS

#### Formation of the Anti-Scam Division

As the staff authority for white-collar crimes in Singapore, the CAD is tackling the rising number of scams by rationalising and centralising the management of scam enforcement across all Singapore Police Force (SPF) units. To make the best use of scarce investigative resources, the CAD started transforming its internal specialist crime units in 2020. This culminated in the formation of the Anti-Scam Division, consisting of the Anti-Scam Centre (ASC) and the Anti-Scam Investigation Branches, in March 2021.

The Anti-Scam Investigation Branches will enable us to build investigative expertise in a wider range of scam cases while the ASC focuses on its twin objectives of understanding and disrupting scam activities and minimising the victims' losses. Since 2019, the ASC has been working closely with banks to shorten the time needed to freeze funds in bank accounts which have received scam proceeds. The network of banks collaborating with the ASC has expanded from just three banks to 13.

The ASC not only deals with the laundering of illicit funds but also detects and disrupts the means by which victims are approached and cheated. The ASC collaborates with stakeholders, such as online marketplaces, to detect and disable e-commerce accounts used by scammers. The ASC also proactively screens police reports for online monikers, URLs and advertisements linked to scammers' activities, and reach out to the relevant commercial entities with such information to disrupt the scammers' operations.

With all the resources and expertise for fighting scams housed under one division, the ASD will develop more avenues in the future to curtail scammers' activities with the support of our stakeholders in the public and private sectors.

#### Taking pre-emptive actions

Policing in these times can no longer be limited to investigative actions we undertake in the aftermath of a crime being committed. To respond to the flood of scams, the fight must include pre-emptive steps to protect the public and prevent them from falling for the fraudsters' schemes.

We have worked with the Securities Association of Singapore to warn retail investors to be wary of the cyber-enabled "pump and dump" scams in stock markets. We are also crafting our scam advisories to reach groups who may be more vulnerable to certain scam types. On 20 November 2020, a mobile phone application to identify and filter out scam phone calls and messages was launched. "ScamShield" is a collaboration between the ASC, SPF Land Divisions, the National Crime Prevention Council and the Government Technology Agency.

With the Government rolling out more grants to help Singaporeans and businesses cope with the economic

repercussions of the pandemic, there was also a corresponding rise in the number of people who sought to exploit these schemes. We have been actively engaging the grant administering agencies to assess potential risks before new grants are rolled out and helping them to tighten possible gaps in their grant administration. The Inter-Agency Forum on Countering Fraud against Government Assistance Schemes, which the CAD co-chairs with the Inland Revenue Authority of Singapore, is another way we are reaching out to these agencies to share best practices in safeguarding public monies from fraud. The Inter-Agency Forum was held for the 6th time since its inauguration and the number of participating agencies in the forum continues to grow.

Community outreach efforts build a line of defence against fraud. In the coming years, we envisage that we will be taking even more proactive steps as part of our crime prevention strategy.

#### Leveraging technology

Leveraging technology is another means through which the CAD is enhancing its crime-fighting competencies. Our Suspicious Transaction Reporting Office (STRO), which handles incoming Suspicious Transaction Reports, Cash Movement Reports and Cash Transaction Reports in Singapore, is upgrading their systems to use data analytics tools to process these reports.

In 2020, the STRO has proceeded to the next phase of system enhancements by working with reporting entities to standardise the data they submit to the STRO. Data needs to be cleaned before we can apply data analytics to efficiently sieve through the large volume of transactional data.

Although there were periods of time this year when our officers had to work from home, the timely initialisation of Project POET (Production Order: Electronic Transactions) in 2019 ensured that we were still able to conduct bank screenings effectively. Project POET is an initiative of the CAD to establish a secure platform for law enforcement agencies to send production orders and receive the bank responses electronically. Previously, such orders could only be done through mail resulting in a longer turnaround time. After a successful trial run with a local bank, 2020 saw the onboarding of two additional local banks. Project POET has also since been rolled out to all law enforcement agencies in Singapore.

The pandemic has been coined as an accelerator for digital transformation and this has been true for the CAD. During the Circuit Breaker period, the CAD's Corporate Support Division rolled out contactless services through the creation of an online form for officers to record movement of files. By doing away with a manual form, physical contact is reduced when transferring documents to the registry. A digital record is also captured in the system and there is no longer a need to transcribe the information. Regardless of how COVID-19 has shaped our work processes, digitalisation will play a key role in transforming the way we support and conduct criminal investigations.

## DIRECTOR'S REPORT

### ADVANCING PARTNERSHIPS

With the interconnectivity of businesses and systems around the world, the detection of crime and interdiction of criminal proceeds is increasingly complex and transnational. In such a world, no single agency labouring alone in this complex web of inter-connecting systems can make a meaningful impact on crime. We need to work together. The CAD is grateful for the strategic partners, foreign counterparts and the informal networks that have been built over the years which support us in our fight against crime.

### Combating Money Laundering and Countering Terrorism Financing

The strong partnerships that the CAD has developed with industry players, both local and abroad, have allowed the CAD to strengthen Singapore's infrastructure against money laundering and terrorism financing.

In last year's Annual Report, I spoke about the Anti-Money Laundering and Countering the Financing of Terrorism Industry Partnership (ACIP), which the CAD co-chairs together with the Monetary Authority of Singapore. The ACIP is a public-private partnership consisting of senior members in the financial industry. It continues to play a vital role in raising awareness of the emerging risks and trends through advisories so that the industry as a whole remains vigilant against new criminal typologies. Through the ACIP, we have been collaborating with financial institutions to detect illicit funds flowing through Singapore's financial network, and formed a taskforce that stands ready to render speedy investigative assistance should there be a terrorist incident in Singapore.

Even though international travel remained mostly out of reach last year, the CAD continued to connect with the wider community virtually. Some of the webinars the CAD has presented include best practices for combatting terrorism financing at the Asia Pacific Group on Money Laundering (APG) Typologies Workshop, and on fighting crime with data science at the Wealth Management Institute (WMI) Industry Forum. The CAD was also invited to be a panel speaker by the Financial Action Task Force to present Singapore's experience on "Multi-Jurisdictional Money Laundering Co-operations".

By engaging with the relevant stakeholders around the world and sharing our experience, we hope to not only forge strong ties but also build up our collective capabilities to fight transnational crime and money laundering.

### International and Bilateral Operations

Crime is becoming increasingly transnational with organised fraudsters targeting victims outside their country of operations. To bring down such international syndicates, close partnerships with enforcement agencies around the world is necessary.

From September 2019 to March 2021, along with law enforcement officers from 34 other countries, the CAD participated in an INTERPOL-coordinated enforcement operation against government officials impersonation scams. Between May and July 2020, separate joint operations were

also conducted with the Hong Kong Police Force against an online credit card fraud syndicate and the Royal Malaysia Police against an internet love scam syndicate, based in their respective countries. These operations led to the arrests of key individuals and helped put a stop to the fraudsters' activities.

Crime is borderless and our experience has shown that if we can build strong relationships with our overseas counterparts, we are able to work across borders as well. By working hand in hand with foreign law enforcement, we were able to ensure that national boundaries are no impediment to bringing criminals to justice.

### STRENGTHENING COHESION

#### Our response to COVID-19

Along with other officers in the SPF, many of the CAD's officers were also re-deployed in the early part of 2020 to support the nation's efforts against the pandemic. 18 of our officers were deployed to migrant worker dormitories while the Intelligence Division of the CAD assisted in the SPF's contact tracing efforts.

We did not let the pandemic and its extraordinary demands on our officers impede our daily work in safeguarding Singapore's financial system. We changed the way we worked and adapted to the new normal. Our Corporate Support Division quickly implemented measures to enable our officers to work safely from home and ensured that officers who answered the call of duty in the office and community were properly equipped according to the new health and safety regulations for workplaces. Through their dedicated efforts, we were able to continue our work with little disruption.

### TRANSCENDING ADVERSITY

The Annual Report's theme 'Transcending Adversity' reflects the trials we have undergone because of the pandemic as well as the spike in pandemic-induced crimes. The CAD has been forced to transform itself in order to transcend adversity.

To protect Singapore's reputation as one of the safest international financial centers in the world, the CAD remains committed to upholding the mission of the SPF – To prevent, deter and detect crime.

We have transformed our operations to adapt to the unique circumstances, advanced the partnerships we have with our foreign and local stakeholders, and rallied together as a department despite the challenging operating environment. While the past year may have been overshadowed by the global pandemic, we have not allowed ourselves to be defined by its hardships and disappointments. Having been served lemons by this crisis, we wasted no time to make lemonade. Looking back at what we have achieved, it is my belief that we will continue to overcome adversity and come out stronger together.

**David Chew**  
Director  
Commercial Affairs Department

## ORGANISATION STRUCTURE



# MANAGEMENT TEAM



**Jasmine Cher**  
Assistant Director,  
Policy & Operations  
Division

**Peh Chin Wah**  
Assistant Director,  
Financial Investigation  
Division I

**Lim Kok Meng**  
Assistant Director,  
Investment Fraud Division

**David Chew**  
Director CAD

**Ian Wong**  
Deputy Director,  
Financial Investigation  
Group

**Kevin Han**  
Assistant Director,  
Financial Investigation  
Division II

**Tan Fong Chin**  
Assistant Director,  
Securities Fraud Division

**Mak Kum Kay**  
Assistant Director,  
Specialist Development

**Nio Yin Chun**  
Assistant Director,  
Suspicious Transaction  
Reporting Office

**Lee Wee Kiang**  
Assistant Director,  
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**Jude Hansen Fernandez**  
Assistant Director,  
Corporate Services Group

**Seow Hwee Koon**  
Deputy Director,  
Intelligence & Administration  
Group

**Rachel Koo**  
Deputy Director,  
Enforcement Group

**Lionel Damian Low**  
Assistant Director,  
Public Institutional Fraud  
Division

**Aileen Yap**  
Assistant Director,  
Anti-Scam Division

**Lam Jun Zhi**  
Assistant Director,  
Anti-Money Laundering  
Policy Branch

## INTELLIGENCE & ADMINISTRATION GROUP

The Intelligence & Administration Group of the Commercial Affairs Department (CAD) consists of three segments.

- The Intelligence Division provides timely field intelligence support to the enforcement arms of the CAD, and collaborates with local and overseas intelligence and law enforcement agencies to share insights and gather information to combat transnational commercial crimes.
- The Suspicious Transaction Reporting Office (STRO) is the Financial Intelligence Unit (FIU) of Singapore. As the central agency for receiving and analysing Suspicious Transaction Reports (STRs), Cash Movement Reports (CMRs) and Cash Transaction Reports (CTRs), the STRO turns the data in these reports into financial intelligence to detect money laundering, terrorism financing and other serious crimes.
- The Corporate Services Group administers the CAD's corporate planning and administration functions.



**Mak Kum Kay**  
Assistant Director,  
Specialist Development

**Seow Hwee Koon**  
Deputy Director,  
Intelligence & Administration  
Group

**Nio Yin Chun**  
Assistant Director,  
Suspicious Transaction  
Reporting Office

**Jude Hansen Fernandez**  
Assistant Director,  
Corporate Services Group

# TRANSFORMING OPERATIONS

The CAD will continue to transform its operations to tackle complex financial crimes in an increasingly challenging operating environment.

**Back Row** (From left to right)

**Yolanda Chin** Head, Suspicious Transaction Reporting Office Branch I,

**Lim Boon Jui** Head, Suspicious Transaction Reporting Office Branch III, **Christabelle Lim** Head, Corporate Support Division,

**Andrew Pek** Head, Field Research Branch, **Kevin See** Head, Planning & Organisation Development Division,

**Khoo Ee Wei** Head, Specialist Development, **Rovin Ng** Head, Intelligence Division

## REPORT BY INTELLIGENCE & ADMINISTRATION GROUP

### ABOUT THE INTELLIGENCE DIVISION

The Intelligence Division comprises the Field Intelligence Section and the Intelligence Analysis and Processing Section. The Field Intelligence Section and the Intelligence Analysis and Processing Section work closely together with the CAD's enforcement units to prevent, deter and detect financial crime. In cases where victims transact with unknown culprits, the division assists to establish the identities of the perpetrators through enrichment and analysis of information.

In 2020, the Intelligence Division conducted a number of intelligence operations. In one case, a foreign syndicate had attempted to cheat a company of almost S\$3 million in a Business Email Compromise scam. In such scams, criminal syndicates would impersonate the company's vendor or business partner and send a business email asking for payment to be remitted to other bank accounts controlled by them. The Intelligence Division worked with foreign intelligence counterparts and successfully prevented the dissipation of the funds from foreign bank accounts. This operation was part of a collaborative project between the Intelligence Division, the Anti-Scam Centre, and a foreign law enforcement agency, to intercept criminal proceeds and repatriate funds from overseas accounts. Between January 2020 and December 2020, intelligence on 150 bank accounts that were featured in 122 commercial crime cases were shared with foreign intelligence counterparts. In these cases, a total of S\$21.8 million was cheated, of which S\$5.55 million was successfully intercepted.

The Intelligence Division recognises the importance of building community partnerships with remittance agencies island wide. In another project, we worked with our partners to detect victims of scams at the point of remittance. Between January and December 2020, a total of about S\$217,000 relating to 70 scam cases was successfully intercepted.

The Intelligence Division continues to embrace technology to manage the analysis of voluminous data. The Intelligence Division has adopted data visualisation and analytics tools such as Tableau and Python which aid in the manipulation and understanding of complex data. This has increased our productivity.

### ABOUT THE SUSPICIOUS TRANSACTION REPORTING OFFICE (STRO)

In 2020, the STRO, as Singapore's Financial Intelligence Unit (FIU), continues to collaborate with our domestic and international stakeholders in enhancing Singapore's Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) regime.

### Cooperation with Local Community

Proactive engagements with domestic partners are important in building a strong and robust AML/CFT reporting regime. Besides engaging reporting entities periodically through publications and outreach sessions, the STRO also provided comprehensive feedback to major reporting entities who are top filers of Suspicious Transaction Reports (STRs), a continuation of an initiative started in 2019. Apart from statistical feedback, we also provided qualitative feedback on areas where they have done well for the past year, areas for improvement and highlights on emerging areas of concern. Through the feedback, we hope to work closely with reporting entities so that they constantly stay vigilant in detecting suspicious transaction and file STRs of high quality.

The adoption of virtual assets has become more prevalent in recent years. While it encourages innovation and growth of FinTech, it also poses money laundering and terrorism financing risks given the anonymity and ease of transacting. The Payment Services Act 2019 came into effect on 28 January 2020 and a number of individuals have since been charged and/or convicted for facilitating fraudulent funds transfers. In order to further develop the national strategy and approach towards tackling the inherent risks of virtual assets, the STRO also met virtually with our domestic and regional partners to share experiences regarding Singapore's virtual asset service provider regime.

### International Collaboration

The STRO also continued to see a steady increase in the number of information exchanges with other foreign FIUs. The increase is anticipated given the change in our money laundering legislation in April 2019, which allows for sharing of financial intelligence with more foreign FIU partners.

Other than operational information exchanges, the STRO is also committed to building strong international cooperation through our participation in projects at the international and regional levels such as the Egmont Group of FIUs and the Financial Intelligence Consultative Group comprising FIUs in the ASEAN region, Australia and New Zealand.

During the COVID-19 pandemic, we quickly moved into virtual meetings to continue our engagement with foreign counterparts to advance international cooperation efforts. One such example is our online participation in the first ever series of e-workshops, titled "The Financial Investigations in Wildlife and Forestry Crime E-Workshop Series", organised by the Egmont Centre of FIU Excellence and Leadership (ECOFEL) in

June 2020. The e-workshops were attended by more than 150 global participants. The workshops touched on the International Wildlife Trade situation and the challenges faced globally. The e-workshops helped to enhance international cooperation and foster partnerships between FIUs, environmental agencies and international organisations worldwide.

### Leveraging Technology

In previous years, I shared that we had embarked on our digital transformation journey. This is a long journey, requiring fundamental changes to the way we receive, analyse and disseminate intelligence. We started with the first step of collecting and preparing data that can be read by machines in 2018 when we introduced the STRO Online Notices and Reporting platform (SONAR). We worked with regulators and industry to encourage businesses to file STRs, Cash Transaction Reports, and Cash Movement Reports electronically. We are constantly enhancing our forms to make work more efficient for reporting entities and the STRO. For example, we enhanced the report forms to make it possible for reporting entities to import XMLs generated by their systems onto the forms, thereby reducing their data entry work. We also enabled reporting entities to provide transaction data in a standardised CSV template to make it easier for all to work with the data. We are now at the next stage of implementing a new analytics and data management system, to give us enhanced data analytics capabilities. This phase requires changing work processes and developing algorithms to sift data and aid the STRO's analysis work. When implemented, the system will give the STRO updated tools in our business of analysis and dissemination of financial intelligence.

### Business as usual during the COVID-19 pandemic

During the COVID-19 pandemic, businesses saw disruptions as many had to move their operations online and get their employees to work from home. As we have implemented the SONAR for businesses to file their reports electronically, we were in a good position when reporting entities had to get their staff to work from home. We continued to receive financial intelligence filed by our reporting entities through SONAR. In 2020, the number of STRs received and the number of information exchanges that the STRO sent to our foreign FIU counterparts continued to see an increase although most people in Singapore were working from home.

The increase in the number of financial intelligence reports that the STRO received was also accompanied with a corresponding improvement in quality. We saw an increase in the number of

disseminations of financial intelligence reports leading to the commencement or supporting ongoing investigations in 2020 as compared to 2019. Such successful outcomes were only possible through the close collaboration we have with our reporting entities as well as domestic and international partners.

### Looking Ahead

We aim to launch our new analytics and data management system in the upcoming year. The STRO will continuously work on adding more information sources to enrich the information in our financial intelligence database. This will allow us to provide timely and relevant financial intelligence to our domestic enforcement agencies and international FIU partners to combat money laundering and terrorism financing activities.

In the international and regional space, the STRO will continue to engage and participate actively in order to further its interests.

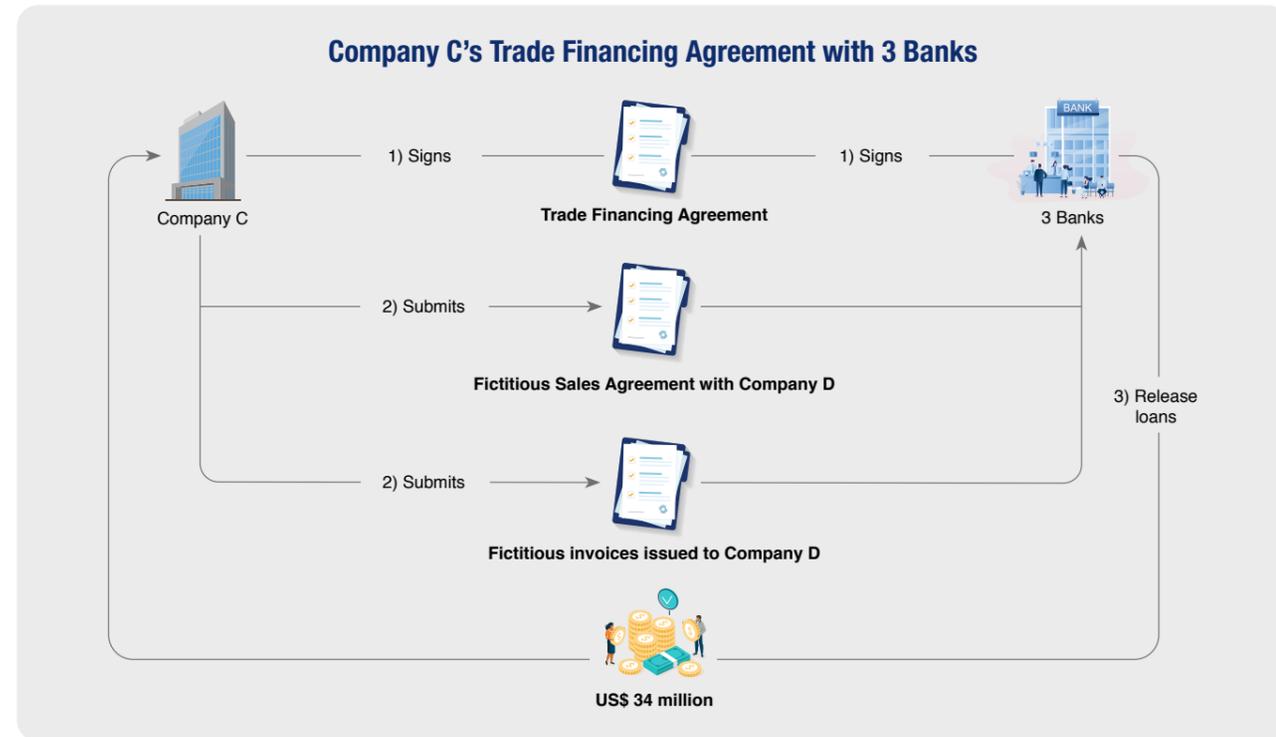
**Seow Hwee Koon**  
Deputy Director

Intelligence and Administration Group

# CASE HIGHLIGHTS OF THE SUSPICIOUS TRANSACTION REPORTING OFFICE

The STRO receives, analyses, and disseminates financial intelligence and plays a role in supporting white-collar crime investigations.

## CASE INVOLVING TRADE FINANCING FRAUD



From reports received and analysed, the STRO found that Company C, a marine fuel distributor, had submitted 20 sets of fictitious invoices and sales contracts to three banks in Country H to obtain trade financing of approximately US\$34 million. These fictitious documents were submitted pursuant to Company C's existing trade financing agreements with the three banks whereby rights, titles, interest and benefits of sales contracts were assigned to the banks in return for trade financing.

These fictitious documents falsely held out that Company C had supplied Company D, a marine fuel intermediary, with marine fuel in 2018. Although Company D had been purchasing marine fuel from Company C in its normal course of business, these 20 trades were fictitious. To avoid detection, these fictitious documents were addressed to Company D's old address and former staff. A comparison between the

genuine documents and the fictitious documents revealed a few suspicious indicators including irregular invoice number, different credit terms, unusual remarks on the invoices. As there was reason to believe that trade financing fraud was committed, the STRO disseminated the results of its analysis to the Insurance and Specialised Fraud Branch (ISFB) of the CAD for investigation.

Pursuant to ISFB's investigation, the former Chief Finance Officer and the former Treasury Manager of Company C were charged for engaging in a conspiracy to cheat, engaging in a conspiracy to commit forgery for the purpose of cheating under the Penal Code, and assisting another to retain benefits from criminal conduct under Section 44(1)(a) under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act. At the time of publication, court proceedings are ongoing.

## CASE INVOLVING FALSE TRADING AND MARKET MANIPULATION

The STRO's analysis of a STR suggested that Person E may have placed non-genuine orders in respect of Counter A, a counter listed on the Mainboard of the Singapore Exchange (SGX), on two days. This appears to be done in order to fulfil Contract for Difference (CFD) orders that he had placed on the same counter earlier. The transactions generated profits of approximately S\$5,000.

Person E had bought and sold CFDs in respect of Counter A in quick succession on 11 and 12 April 2018, and placed separate orders to buy and sell shares of the same Counter A on the underlying stock exchange at similar price to his CFD trades. The separate orders for Counter A shares were also made within close proximity of Person E's CFD trades. One typical set of trades is illustrated in the below table.

Time	Event
09:12:07	Person E placed a buy order for 2,500 CFDs (relating to Counter A shares) at S\$30.13 per share. [This CFD buy trade will be fulfilled when the underlying market ask quote (price quoted by sellers) reaches S\$30.13 per share]
09:12:33	Person E placed a sell order for 100 Counter A shares at S\$30.13 per share.  This caused the underlying market ask quote to reach S\$30.13 per share, thus fulfilling Person E's earlier order to buy 2,500 CFDs.
09:12:46	Person E withdrew his sell order for 100 Counter A shares at S\$30.13 per share.
09:13:35	Person E placed a sell order for 2,500 CFDs (relating to Counter A shares) at S\$30.39 per share.  [This CFD sell trade will be fulfilled when the underlying market bid quote (price quoted by buyers) reaches S\$30.39 per share]
09:14:08	Person E placed a buy order for 100 Counter A shares at S\$30.39 per share.  This caused the underlying market bid quote to reach S\$30.39 per share, thus fulfilling Person E's earlier order to sell 2,500 CFDs.  At a sell price of S\$30.39 and buy price of S\$30.13 per share, Person E made an overall profit of S\$650 from buying and selling 2,500 CFDs.
09:14:19	Person E withdrew his buy order for 100 Counter A shares at S\$30.39 per share.

The transaction pattern suggested that Person E might have placed separate orders for the shares of Counter A, with the intention of fulfilling the CFD buy and sell orders that he had placed with the CFD provider earlier. His buy and sell orders for the shares of Counter A also seemed to have artificially caused the bid and ask quotes of the underlying security (Counter A) to reach the same prices as his CFD orders. False trading, market

rigging transactions and the employment of manipulative and deceptive devices in securities trading are offences under the Securities and Futures Act. Hence, the STRO disseminated the results of its analysis to the Securities Fraud Division (SFD) for consideration to commence investigations.

Investigations revealed that Person E had employed a scheme to defraud the CFD provider on 60 occasions. He executed a total of 60 CFD trades, prices of which were based on real-time quotes of three underlying securities listed on the Mainboard of the SGX. Prior to each CFD trade, Person E placed share orders to purchase or sell the three underlying securities with no intention of fulfilling them. Instead, the purpose of Person E's orders was to depress the CFD purchase prices and inflate the CFD sale prices, allowing him to buy and sell CFDs at artificially lower and higher prices respectively.

In May 2021, Person E was sentenced to six weeks' imprisonment and a fine of S\$30,000.

## CASE INVOLVING BREACH OF UNITED NATIONS (SANCTIONS – DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA) REGULATIONS 2010 (UN-DPRK REGS)

The STRO's analysis on multiple STRs revealed that Person C's companies were involved in business dealings and shipment of various goods worth more than S\$500,000 to entities linked to the Democratic People's Republic of Korea (DPRK). As these entities may have contravened the UN-DPRK Regs of the United Nations Act by dealing with entities associated with the DPRK, the STRO disseminated the results of its analysis to the relevant law enforcement agencies for investigation. The STRO also assisted foreign law enforcement agencies in their investigations into Person C and related entities through the dissemination of relevant financial intelligence to foreign FIUs.

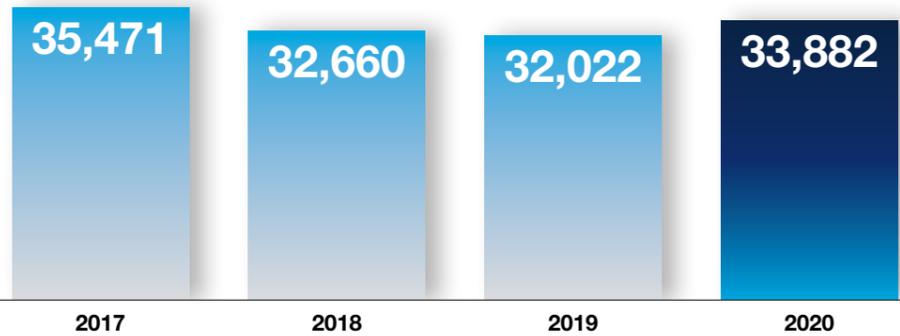
Investigations revealed that between December 2010 and November 2016, Person C had, through three companies which he controlled, supplied designated luxury goods worth nearly S\$580,000 to four entities in the DPRK. The items included perfumes, cosmetics and watches clad with a precious metal. The UN-DPRK Regs prohibits any person in Singapore or citizen of Singapore outside Singapore to supply, sell or transfer, directly or indirectly, any designated luxury item to any person in the DPRK.

In October 2020, Person C was sentenced to three weeks' imprisonment and his three companies were fined a total of S\$140,000.

The above cases demonstrate the crucial role that the STRO performs in the receipt, analysis and dissemination of financial intelligence. They illustrated the relevance and usefulness of financial intelligence in leading to commencement of investigations. This is made possible by the constant vigilance of the reporting entities in monitoring and flagging out suspicious transactions, and filing STRs with the STRO in a timely manner.

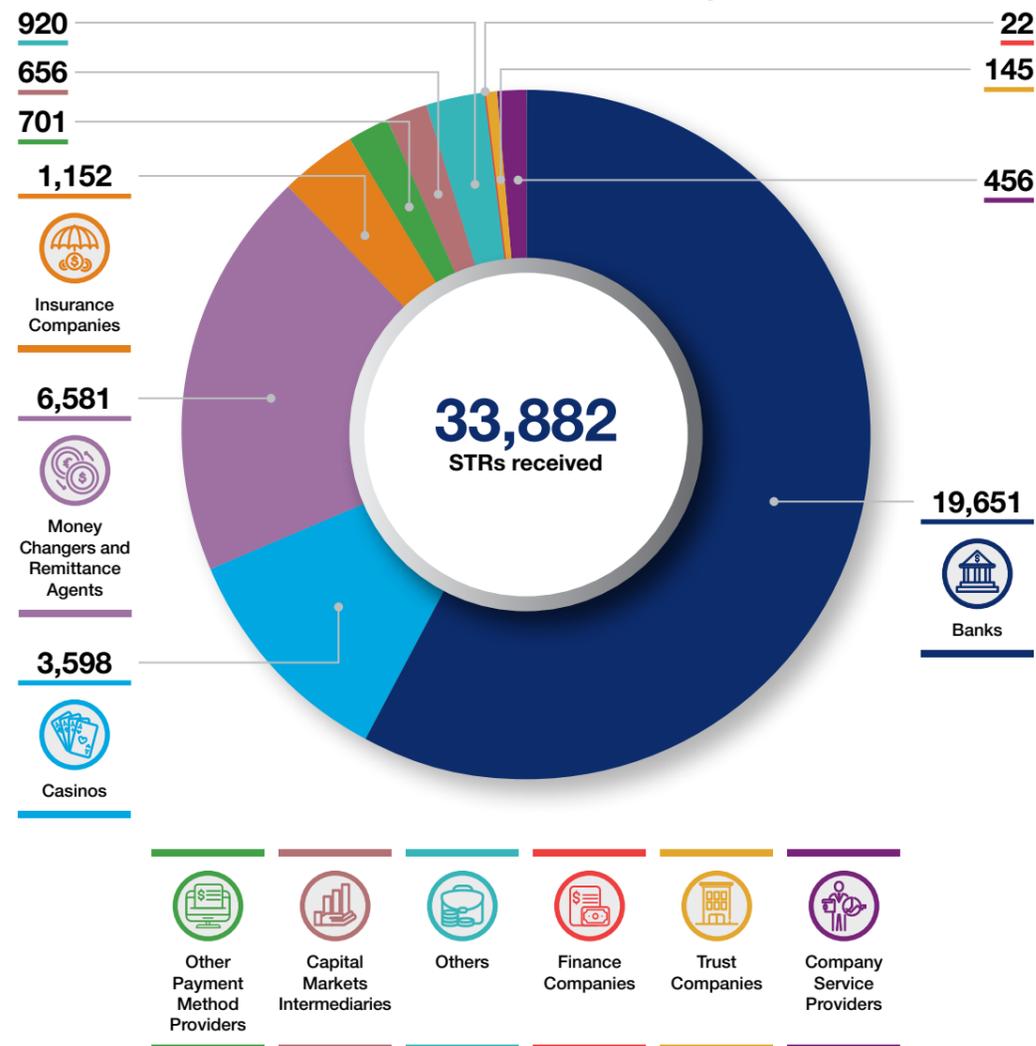
# STATISTICS ON FINANCIAL INTELLIGENCE

**Suspicious Transaction Reports (STRs)**  
Number of STRs received



Despite the COVID-19 situation, the STRO continues to experience an increase in the number of STRs received in 2020. This reflects the continued vigilance of reporting entities in detecting suspicious transactions and a high level of awareness of Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) reporting regime in Singapore.

**Breakdown of STRs received in 2020 by sector**



The banking sector remains the main source of STRs received in 2020.

## Cash Movement Reports (CMRs)

Number of CMRs received



The STRO receives cross-border CMRs from travellers (NP727 reports), as well as senders, carriers and recipients (NP728 reports).

The number of CMRs received by the STRO decreased in 2020 due to the closure of borders during the COVID-19 pandemic.

## Cash Transaction Reports (CTRs)

Number of CTRs received



The STRO receives CTRs from casino operators, as well as Precious Stones and Metals Dealers (PSMDs) (NP784 reports).

The number of CTRs received by the STRO decreased significantly in 2020 due to business disruptions caused by the impact of COVID-19.

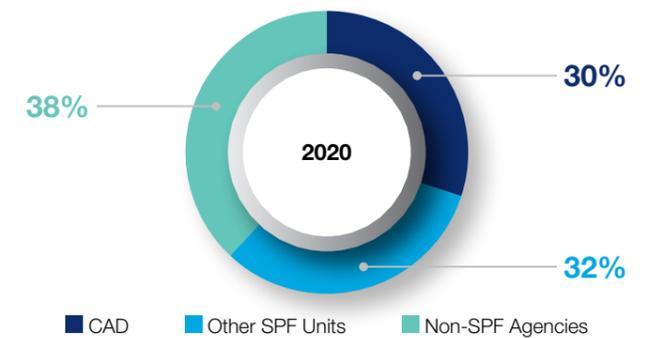
## Financial Intelligence Dissemination

The Singapore Police Force (SPF) units, including the CAD, collectively received most of the financial intelligence reports disseminated by the STRO. While the number of disseminations saw a 2% drop in 2020 compared to 2019, we note that more of the financial intelligence reports disseminated have resulted in the commencement of investigations or supported ongoing investigations.

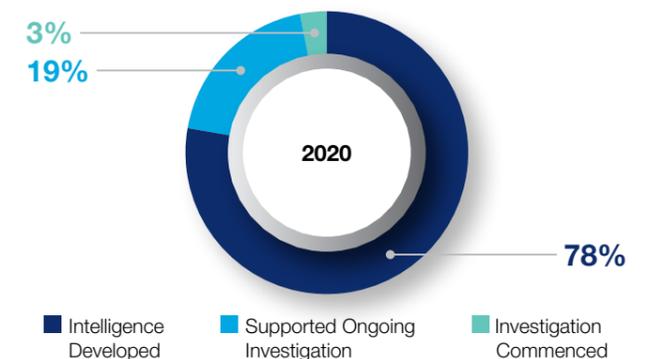
Financial intelligence is crucial to investigations as it can provide leads to commence investigations or support ongoing investigations. Preliminary financial intelligence can also be used to develop further intelligence, identify emerging crime trends, or detect possible crimes.

In 2020, notwithstanding that the disseminated financial intelligence reports were predominantly used to develop further intelligence, there was an increase in the number of financial intelligence reports disseminated which resulted in the commencement of investigation or supported ongoing investigation.

**Dissemination of Financial Intelligence Reports to Domestic Agencies**



**Impact of Financial Intelligence Reports Disseminated**



## Request for Assistance (RFA) to and from foreign FIUs

The STRO renders assistance to its foreign counterparts in response to their RFAs.

The number of RFAs received from foreign FIUs increased in 2020. This demonstrates the foreign FIUs' increased interest in the financial intelligence provided by the STRO.

The STRO also sends RFAs to its foreign counterparts to further its analysis of financial intelligence and provide investigation leads to domestic agencies.

The number of RFAs sent to foreign FIUs increased in 2020. This demonstrates the increased cooperation between the STRO and foreign FIUs to tackle transnational commercial crimes.

**Number of incoming RFAs**



**Number of outgoing RFAs**



## PARTNERSHIPS AND OUTREACH

### LOCAL STAKEHOLDERS

The STRO continued its outreach sessions virtually, in view of COVID-19 pandemic and the need to maintain safe distancing measures. The STRO also continued to issue bulletin advisories and guides to provide regular guidance to the reporting entities.

One such virtual outreach event was a webinar organised by The Law Society of Singapore. The STRO presented insights on the STRs filed by legal professionals, and also shared on AML/CFT risks for the legal services sector, money laundering typologies, and case studies.

As shell companies are known to be exploited for laundering criminal proceeds, the STRO proactively engaged the Chartered Secretaries Institute of Singapore (CSIS) to highlight this money laundering risk area to the corporate service provider (CSP) sector. At the 5th Corporate Service Providers' E-Conference 2020, which took place in November 2020, the STRO shared on Singapore's STR regime, including case studies, red flag indicators etc. The session was attended and well-received by over 200 CSPs.

In yet another virtual event, the STRO conducted an outreach to the Association of Crypto-Currency Enterprises and Start-ups Singapore (ACCESS) and its members in Singapore in February

2021. The STRO presented to virtual asset service providers (VASPs), which are relatively new to STR filing, on the importance and best practices of STR filing. The STRO also shared insights on the STRs filed that involved virtual assets.

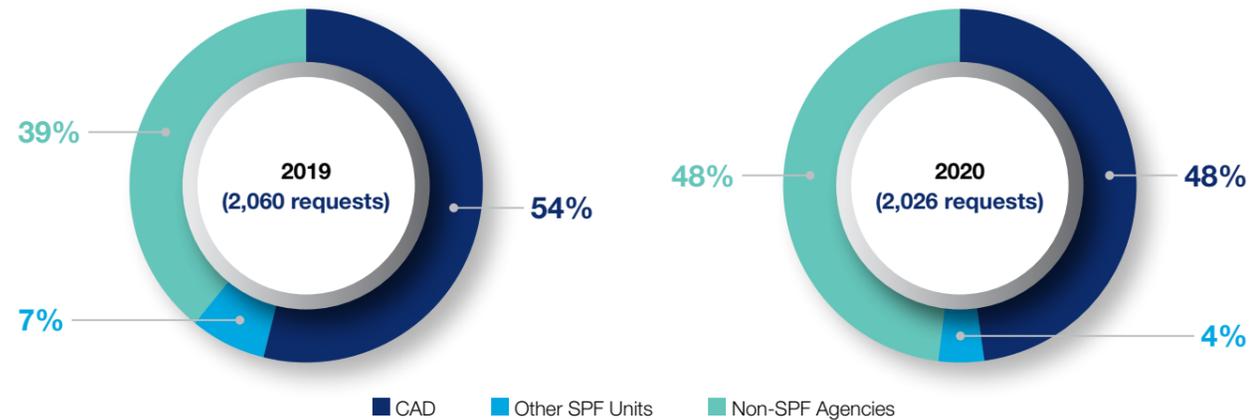
These proactive engagements with the community and industry aim to enable the STRO to receive higher quality STRs that better disclose possible criminal activities.

### DOMESTIC AGENCIES

Due to COVID-19, physical meetings with domestic law enforcement agencies and regulatory units were replaced by virtual meetings in 2020. These sessions sought to raise awareness of the value of financial intelligence in criminal investigations, enable the exchange of insights on crime trends and typologies, as well as to update the criteria for referral of financial intelligence.

Requests for financial intelligence in 2020 decreased by 2% as compared to 2019 (i.e. 2,026 in 2020 and 2,060 in 2019). This may be attributed to the increased proactive disseminations made by the STRO to domestic agencies in 2020. The number of such requests from non-SPF agencies has increased significantly, illustrating heightened awareness and the increased usefulness of financial intelligence for these agencies.

Request for suspicious financial transactions from domestic agencies



## ENFORCEMENT GROUP

The Enforcement Group (EG) of the Commercial Affairs Department (CAD) comprises four divisions: Securities Fraud Division, Investment Fraud Division, Private Institutional Fraud Division and Public Institutional Fraud Division. The EG investigates four main clusters of commercial crimes. They are capital markets fraud, complex fraudulent investment and pyramid selling schemes, fraud involving private companies, businesses, lawyers and accountants, and fraud involving government agencies and the public sector.



**Tan Fong Chin**  
Assistant Director,  
Securities Fraud Division

**Rachel Koo**  
Deputy Director,  
Enforcement Group

**Lee Wee Kiang**  
Assistant Director,  
Private Institutional Fraud  
Division

**Lionel Damian Low**  
Assistant Director,  
Public Institutional Fraud  
Division

**Lim Kok Meng**  
Assistant Director,  
Investment Fraud Division

**Back Row** (From left to right)

**Lai Ming Hui** Head, Private Institutional Fraud Branch II, **Beverley Seetoh** Head, Public Institutional Fraud Branch II, **Ng Yining** Head, Securities Fraud Branch I, **Tan Wei Yuan** Head, Public Institutional Fraud Branch I, **Eugene Neo** Head, Private Institutional Fraud Branch I, **Ong Ta Hong** Head, Investment Fraud Branch II, **Tay Pei Fong** Head, Investment Fraud Branch I, **Sheryl Tan** Head, Securities Fraud Branch II, **Bernard Kho** Head, Public Companies Investigation Branch

## REPORT BY ENFORCEMENT GROUP

### THE YEAR IN REVIEW

2020 was a year like no other and was defined very much by COVID-19. COVID-19 disrupted our routines and forced us to drastically change the way we function. Our officers took things in their stride. Despite the tumultuous times, the Enforcement Group (EG) continued to take prompt investigative action against suspected wrongdoers. We also secured 32 convictions during the year.

Between June and September 2020, we embarked on a series of investigations to clamp down on misconduct in our stock markets. A total of 17 individuals were investigated for suspected manipulative activities involving seven listed counters. In January 2021, we also commenced investigations into the affairs of Catalist-listed Sen Yue Holdings Limited following reports of corporate malfeasance. Investigations are ongoing at the time of publication.

On 25 June 2020, scandal-hit financial services giant Wirecard AG filed for insolvency and announced that it was likely that the EUR1.9 billion cash it had recorded in its accounts did not exist. We promptly collaborated with the Monetary Authority of Singapore (MAS) and the Accounting and Corporate Regulatory Authority to scrutinise the developments relating to Wirecard AG. Shortly thereafter, we launched a joint investigation with the MAS into several Singapore-incorporated companies for suspected falsification of accounts and carrying on a trust business without a licence. One such company is Citadelle Corporate Services Pte Ltd (Citadelle) whose director, R Shanmugaratnam, has since been charged for allegedly issuing letters containing false information from Citadelle to various parties including Wirecard AG. James Henry O'Sullivan has also been charged for abetting R Shanmugaratnam to issue the said letters.

Two months later, Singaporean cousins Terence and Nelson Loh shot to fame when it was announced that they were involved in a S\$504 million bid for English football club Newcastle United. However, their fame quickly turned into infamy when the media started raising red flags over their claims to a business empire, considerable wealth and connections. In September 2020, we commenced investigation into the affairs of Novena Global Healthcare Group, a Cayman Island registered company in which the duo were listed as shareholders, after receiving complaints on irregularities in the group's financial statements. Investigations are ongoing at the time of publication.

The Government had launched various grant schemes to provide financial support to Singaporeans and local businesses affected by COVID-19. These COVID-19 grants provided much-needed relief for many people, but there were some who sought to abuse them. To effectively stem such abuses, investigations were launched swiftly into suspected frauds.

As at 31 December 2020, 20 persons have been arrested for their roles in cheating or attempting to cheat in respect of various COVID-19 grants. Five persons have since been convicted of cheating and/or forgery offences - two such convictions, relating to the Temporary Relief Fund (TRF) and the COVID-19 Support Grant (CSG), will be covered in the Case Highlights.

In February 2021, we commenced investigation into Envy Asset Management Pte Ltd and Envy Global Trading Pte Ltd on suspicion that the investment schemes involving nickel trading offered by the two companies were fraudulent. Investigations revealed that more than S\$1 billion had been invested in the two companies, making it potentially one of the largest investment fraud cases in Singapore. Ng Yu Zhi, a director of both companies, has been charged with 51 counts of offences ranging from cheating to fraudulent trading to criminal breach of trust and forgery. Investigations are ongoing at the time of publication. Similar to the cases of Kam Boon Hee Kenneth (Kenneth Kam) and Pareto SG Pte Ltd (Pareto SG) featured in last year's Annual Report, we managed to move in and stop this investment scheme in its tracks, before more investors were drawn into parting with their hard-earned monies.

We have completed our investigations into Kenneth Kam and he has been charged in court with 340 cheating charges involving amounts in excess of S\$16 million, among other offences. We have also completed our investigations into Pareto SG and two persons have been charged in court for their roles in the investment scheme. Court proceedings are ongoing for both cases at the time of publication.

Investigative efforts in other high profile cases continued. At the time of publication, Lim Oon Kuin, the founder of collapsed oil trading firm Hin Leong Trading Pte Ltd, faces a total of 130 cheating and forgery related offences. In another case, Ong Su Ann Jeffrey, the former Managing Partner of law firm JLC Advisors LLP, faces a total of 76 charges for offences including cheating, breach of trust as an attorney, and forgery. Court proceedings for both cases are ongoing at the time of publication.

We were also happy to see some of our earlier efforts pay off.

In the 2018 Annual Report, I touched on the threat posed by timeshare recovery scams where perpetrators would approach timeshare members with the false promise of recovering their monies by terminating or transferring timeshare ownership in return for various fees. In 2019, we set up a dedicated timeshare taskforce to combat this threat. Since its formation, the taskforce has dismantled at least four different syndicates through prompt investigation and prosecution. The taskforce's unrelenting efforts over the past year has borne fruit and led to the prosecution of 13 individuals, who were responsible

for defrauding more than S\$2 million from victims. They have been charged for various offences such as cheating, running a fraudulent timeshare recovery business, breaching of director's duties, etc. At the time of publication, two of the accused persons have been convicted of breaching their duties as directors, while court proceedings for the remaining 11 accused persons are ongoing.

In June 2020, Andrew Lim Ann Hoe, the Chief Executive Officer of Maxim Capital Limited (Maxim Capital), was sentenced to eight months' imprisonment after pleading guilty to one count of consenting Maxim Capital to promote a prohibited Multi-Level Marketing (MLM) scheme under Section 3(1) read with Section 6(1) of the Multi-Level Marketing and Pyramid Selling (Prohibition) Act (MLM Act). Just seven months later, we saw another imprisonment sentence under the MLM Act. Lim Yoong Fook, the leader of the "Oneconcepts" group who marketed a prohibited MLM scheme involving a purported cryptocurrency named OneCoin, was sentenced to six months' imprisonment and fines amounting to S\$210,000.

A chapter in the long-running saga involving Geneva Pte Ltd (Geneva) also closed last year. Between 2008 and 2012, Geneva had offered gold buyback schemes where it sold gold bars priced at a premium. In return, Geneva promised its clients lucrative monthly returns and a guarantee to repurchase the gold bars at the initial selling price at the end of the contract. Geneva's business was not sustainable and it eventually collapsed, leaving scores of clients in the lurch. In July 2020, Kwok Fong Loong, the former general manager of Geneva, was sentenced to 56 months' imprisonment after pleading guilty to one count of fraudulent trading. The trial against Geneva's former head of transaction Lim Hong Boon commenced on 12 October 2020 and is ongoing. In another case, the trial against Iseli Rudolf James Maitland (Maitland) and How Soo Feng (How), former directors of The Gold Label Pte Ltd which operated a similar gold buy-back scheme as Geneva's, commenced on 8 February 2021. Court proceedings against Maitland and How are also ongoing at the time of publication.

Lastly, the High Court trial against John Soh Chee Wen and his co-accused Quah Su-Ling, who are accused of masterminding the penny stock crash of 2013 that wiped out S\$8 billion in market value from the Singapore market, continued apace. In the year, we saw the duo's attempt to stay the criminal trial proceedings fail. Subsequently at the end of the case for prosecution, the High Court ruled that they each had a case to answer in respect of all but two (one for each person) of the 367 counts of offence under the Securities and Futures Act, Penal Code and Companies Act against them. This penny stock case has been described as the largest stock market manipulation case in Singapore's history. It is also the longest running High Court trial in Singapore's

history with a total of 95 prosecution witnesses. It drew to a close recently, after 197 days of trial. We are now awaiting the court's judgement on the matter.

### LOOKING AHEAD

Our operating environment remains challenging.

We will continue our efforts to deepen our ties with other agencies, both local and overseas. As financial crimes become increasingly complex and borderless, it is vital that we collaborate and expand our capabilities collectively to stay ahead of the crime trend.

To combat government grant fraud, we will continue our two-pronged approach of working closely with grant-giving agencies to discuss mitigation measures for fraud risks unique to the grants under their charge and taking swift enforcement actions against suspected wrongdoers.

On the financial markets front, more retail investors have started their investment journey and are dabbling in the financial markets. In early 2021, we witnessed the retail trading frenzy, fueled by online discussion forum Reddit, in the United States markets. We are mindful that fraudsters may exploit similar online discussion forums or even social media groups to perpetrate fraudulent activities, such as a "pump and dump" scam, here in Singapore. We would like to record here our appreciation for the Securities Association of Singapore, whom we have worked with closely during the year to highlight the dangers of "pump and dump" scams to investors. We would also like to advise investors to be vigilant and avoid trading purely based on advice from investment gurus they meet online or through messaging platforms such as WhatsApp and WeChat.

In the cryptocurrency space, prices of cryptocurrencies remain volatile and alternative cryptocurrencies, heralding itself as the next Bitcoin, are sprouting up every now and then. As in most jurisdictions, cryptocurrencies are not regulated products in Singapore. Investors are therefore advised to carefully evaluate all claims made about cryptocurrencies before purchasing them.

These are testing times for the EG but we remain resilient, and are poised to take on the challenges ahead.

**Rachel Koo**  
Deputy Director  
Enforcement Group

## CASE HIGHLIGHTS OF ENFORCEMENT GROUP

### PP v LIM OON KUIN

In April 2020, we saw the collapse of Hin Leong Trading Pte Ltd (Hin Leong), a behemoth in the oil trading industry. Hin Leong was founded in 1973 and grew to become one of Asia's top oil traders over the following decades. Hin Leong's fall sent shockwaves through the industry.

#### THE STRAITS TIMES

##### Hin Leong founder O.K. Lim charged with abetment of forgery for cheating, out on \$3 million bail



Lim Oon Kuin was accused of instigating a Hin Leong employee to forge a document. PHOTO: REUTERS

Grace Leong  
Senior Business  
Correspondent

Source: The Straits Times © Singapore Press Holdings Limited. Reprinted with permission.

The Hin Leong scandal first came to light when its founder, Lim Oon Kuin, more popularly known as OK Lim, filed for bankruptcy protection for Hin Leong on 17 April 2020. OK Lim made shocking revelations in his court affidavits, where he admitted that Hin Leong had suffered about US\$800 million in future losses over the years, but these were not reflected in the financial statements, and he had given instructions to the finance department to prepare the accounts without showing the losses.

The CAD commenced investigations three days later, and discovered that this was only the tip of the iceberg. The alleged offences include falsification of accounts, forgery, cheating, criminal breach of trust, etc.

There is immense pressure for prompt enforcement action to be taken to safeguard Singapore's reputation and restore confidence in the oil trading sector. To this end, the CAD has been working closely with the Attorney-General's Chambers to expedite the investigation.

To date, OK Lim has been charged with 130 cheating and forgery related offences. These charges relate to OK Lim deceiving financial institutions into providing accounts receivable financing and letters of credit to Hin Leong, as well as conspiring with a Hin Leong employee to forge various documents.

At the time of the publication, court proceedings against OK Lim are ongoing.

### PP v HONG BAN JOO

Investments that boast high returns, "guaranteed profits", or quick gains sound very attractive, but it is important to be cautious when the promises sound too good to be true.

From 2013 to 2015, four persons invested with Hong Ban Joo (Ban Joo) into a foreign exchange investment scheme, believing that their investments could generate returns of

up to 8% per month. Subsequently, they could not get their money back.

The CAD investigated, and in November 2020, Ban Joo was charged with 21 counts of cheating for defrauding these four persons of a total sum of S\$1,128,000. At the time of publication, court proceedings are ongoing.

### First person in Singapore charged over Wirecard scandal

An officer at Citadelle Corporate Services has been accused of falsifying letters to Wirecard UK & Ireland Ltd

By Kelly Ng  
kellyng@sp.com.sg  
@KellyNgBT  
Singapore

IN THE first case before the Singapore courts associated with scandal-hit German payments company Wirecard, Singaporean R Shanmugaratnam has been slapped with four charges of falsifying letters that stated bogus balances held in his company's accounts.

The 54-year-old was described by *The Financial Times* as having "controlled" Citadelle Corporate Services – one of two companies into which the Singapore authorities have launched a joint probe.

He is accused of falsifying four letters to Wirecard UK & Ireland Ltd, misrepresenting the balances held by Citadelle in an escrow account with amounts ranging between 30 million euros (S\$48.8 million) and 178 million euros, said the charge sheets.

He allegedly faked three of these letters on March 29, 2016, and the fourth on March 21, 2017. In his first appearance in court on July 3, charges in relation to the fourth letter were brought against him. The charges linked to the earlier three letters were laid out when he appeared before the court a second time on July 9.

Citadelle reportedly handled money for Wirecard in a trustee capacity, although it was not licensed to do so in Singapore; neither was it under the supervision of the Monetary Authority of Singapore (MAS). The regulator has placed Citadelle on the



Once touted as Germany's fintech star, Wirecard collapsed in June, after a probe into 1.9 billion euros in its books that went missing. German prosecutors arrested three former top executives of the company on July 22. PHOTO: REUTERS

Investor Alert List on its website.

Shanmugaratnam is now out on bail of S\$150,000. His case has been adjourned to Aug 20.

If convicted, he could be jailed up to 10 years and/or fined, for each charge.

Once touted as Germany's fintech star, Wirecard collapsed into insolvency in June after its auditor EY refused to sign off on the 2019 accounts of the parent company, following months of investigation into 1.9 billion euros missing from its books. German prosecutors arrested three former top

executives of the company on July 22 on allegations that they masterminded a scheme to fake the firm's accounts.

The Singapore police's Commercial Affairs Department and the MAS have launched a joint investigation into Citadelle and Senjo Group (including its units). The police have been running a criminal probe into Wirecard's Singapore operations since February 2019.

The *Financial Times* reported that Shanmugaratnam had also served as a director of the Senjo Group from its incorporation

in September 2015 to November 2016.

The *Business Times* reported in July that Singapore merchants that use Wirecard here to process payments have been quickly switching to the beleaguered fintech's competitors, spooked by the downfall of the parent company.

Wirecard's market share here is likely sizeable, though its exact size is unknown.

Its portfolio was bought from Citigroup a few years ago, with Cit then a major player alongside the three local banks in processing payments for merchants.

Source: The Business Times © Singapore Press Holdings Limited. Reprinted with permission.

### PP v R SHANMUGARATNAM AND JAMES HENRY O'SULLIVAN

On 25 June 2020, Wirecard AG, then a component of Germany's benchmark DAX index, collapsed following a shocking announcement by the company that there was a "prevailing likelihood that the bank trust account balances in the amount of EUR1.9 billion do not exist".

Shortly after the announcement, the CAD and the Monetary Authority of Singapore (MAS) launched a joint investigation into a number of Singapore-incorporated companies including Citadelle Corporate Services Pte Ltd (Citadelle) and Senjo Group Pte Ltd for suspected falsification of accounts under the Penal Code as well as carrying on a trust business without a licence under the Trust Companies Act. International media reports had alleged that Citadelle had handled monies for Wirecard in a trustee capacity.

On 4 July 2020, about a week after Wirecard AG's collapse, the first charge was filed in court against R Shanmugaratnam, the director of Citadelle. Currently, R Shanmugaratnam faces 14 counts of falsification of accounts. The charges alleged that he had issued letters from Citadelle to Wirecard AG, its subsidiaries, and an audit firm, that falsely represented that Citadelle had, between 2015 and 2017, held cash ranging from EUR20 million to over EUR327 million in its escrow accounts.

James Henry O'Sullivan has also been charged in court with five counts of instigating R Shanmugaratnam to issue five of the abovementioned letters sent from Citadelle to Wirecard AG and its subsidiaries.

At the time of publication, investigations against James Henry O'Sullivan and court proceedings against R Shanmugaratnam are ongoing.

### PP v ERWINNA MEOW YEN YEN

You can't escape the long arm of the law. Erwinna Meow Yen Yen (Erwinna) was at home in Malaysia when the Royal Malaysian Police came knocking at her door one fine day in March 2020. They were acting under the direction of a warrant of arrest issued by Singapore and endorsed by the Malaysia courts. The CAD took over and brought Erwinna to Singapore to face fraud charges.

To Erwinna's friends, she was supposedly a full-time foreign exchange (forex) trader who was managing her family's funds. Over an extended period of six years, Erwinna collected approximately S\$711,085 from two of her friends, on the pretext of trading forex on their behalf, in Singapore. Erwinna made continuous representations to these two friends that she

was a successful forex trader, and generating consistent profits on their behalf.

Everything went south when both investors decided to withdraw their investments with Erwinna in 2018. Erwinna could not return their funds, because she had invested only part of their funds in forex trading, and had made consistent losses on those investments. She defaulted on payment and her lies were exposed.

On 19 March 2021, Erwinna pleaded guilty to 10 counts of cheating and 10 counts of using as genuine a forged electronic record and was sentenced to 59 months' imprisonment, with 33 other charges taken into consideration for the purpose of sentencing.

**PP v KWOK FONG LOONG AND LIM HONG BOON**

Between 2009 and 2013, Singapore saw a wave of companies offering gold investments in the form of buyback schemes. These schemes involved the sale of gold bars to investors at a mark-up above prevailing market price, with guaranteed regular returns, and an undertaking to repurchase the gold bar at the same price at a later date. Geneva Pte Ltd (Geneva) was then one of the largest companies which offered such schemes. While Geneva sold gold bars that were priced at a whopping 36% (average) above the prevailing market price, clients were drawn to Geneva's promise of lucrative returns — an upfront discount of 1-5%, a monthly "payout" of approximately 2-3% for the duration of the contract, and a guarantee to repurchase the gold bar from the client at the same selling price at the end of the contract. Contracts ranged from one to six months, with returns dependent on the length of the contract.

Geneva's estimated total liabilities were approximately S\$333.47 million for the financial year ending 31 December 2011, which at that point, was 12.19 times of Geneva's assets. As Geneva's financial position continued to deteriorate, Geneva began to delay the monthly payouts and slowed down the repurchase of gold bars from clients.

In August 2012, Geneva implemented a "Gold Inspection (GI)" exercise, with the purported purpose of ascertaining the authenticity and purity of the gold bars held by Geneva's clients. The company also told its clients that it would apply markings on the gold bars and clients were required to deposit their gold bars with the company during the authentication process.

Geneva soon started to delay the return of gold bars to clients from 7 September 2012. By 30 September 2012, Geneva collected close to 3.6 tonnes of gold from its clients but failed to return around 640kg of gold, valued at S\$44.82 million.

Kwok Fong Loong (Kwok) and Lim Hong Boon (Lim) were Geneva's General Manager and Head of Transactions respectively at the material time. Both were charged in court in February 2019 with one count of fraudulent trading under Section 340(5) of the Companies Act. The prosecution is

# 56 months' jail for ex-GM of gold investment firm Geneva

**Dominic Low**

The former general manager of Geneva, a gold investment company which owed its customers gold bars worth almost \$45 million in total, was sentenced to 56 months' jail yesterday.

Kwok Fong Loong, 65, a Malaysian, had pleaded guilty to one count of fraudulent trading earlier the same day.

According to court documents, Geneva was in the business of trading gold bars.

Among other things, it offered a buy-back scheme under a contract which promised customers monthly returns of between 2 per cent and 3.1 per cent of the price of the gold they bought from the firm.

Geneva, which was already experiencing financial difficulties by 2012, started to delay payment of the amounts it owed to its clients, including the monthly returns, in July that year.

It subsequently implemented a "Gold Inspection" scheme under the direction of its Malaysian directors.

The new scheme required clients who had previously purchased gold bars from Geneva to deposit them with the firm for inspection.

Source: The Straits Times © Singapore Press Holdings Limited. Reprinted with permission.

alleging that Geneva had used the gold collected from the GI in a circular manner. Earlier batches of gold were sold, pawned or channelled to new sales, while later batches of gold were returned to clients who had sent in their gold earlier. The proceeds from the sale and pawning of the gold bars were used to finance Geneva's operations.

Kwok pleaded guilty to the charge and was sentenced to 56 months' imprisonment on 30 July 2020.

At the time of publication, court proceedings against Lim are ongoing.

**FRAUD IN RELATION TO THE COVID-19 GRANTS**

**PP v YEE JIA HAO**

To fund his illegal online gambling activities, Yee Jia Hao (Yee), a full-time National Serviceman, came up with a plan to illegally obtain funds from the Temporary Relief Fund (TRF) scheme.

Between 16 April 2020 to 30 April 2020, Yee made eight fraudulent online TRF applications. Two of these applications were made in his name, while the remaining six were made in the names of his parents and friends. Yee had requested from them their Singpass login credentials and One-Time Passwords (OTP) on the pretext of assisting them to apply for government grants. Yee then submitted the TRF applications in their names, but without their knowledge.

In all eight TRF applications, Yee falsely declared for the applicants that they had lost at least 30% of their personal income due to COVID-19, despite knowing that they had not. Yee also provided his mobile number in his applications so that payouts for successful applications would be made to his linked PayNow account. Five of the applications were successful and resulted in the Ministry of Social and Family Development (MSF) disbursing S\$2,500 to him.

On 19 January 2021, Yee was sentenced to 18 months' probation after he pleaded guilty to three counts of cheating and one count of attempted cheating.

**THE STRAITS TIMES**

Five months' jail for man who tried to cheat MSF into disbursing Covid-19 related support funds



Chow Jia Chuan falsely declared that he had lost his job due to the Covid-19 crisis. ST PHOTO: KELVIN CHNG

**Dominic Low**

PUBLISHED: NOV 19, 2020, 6:52 PM SGT

SINGAPORE - An unemployed man who ripped off \$500 from a government support scheme that helped people affected by the pandemic and then tried to con another one soon after was sentenced to five months' jail on Thursday (Nov 19).

Chow Jia Chuan, 29, resigned from an executive position in IT firm Tabsquare in April but then claimed to have been retrenched.

Source: The Straits Times © Singapore Press Holdings Limited. Reprinted with permission.

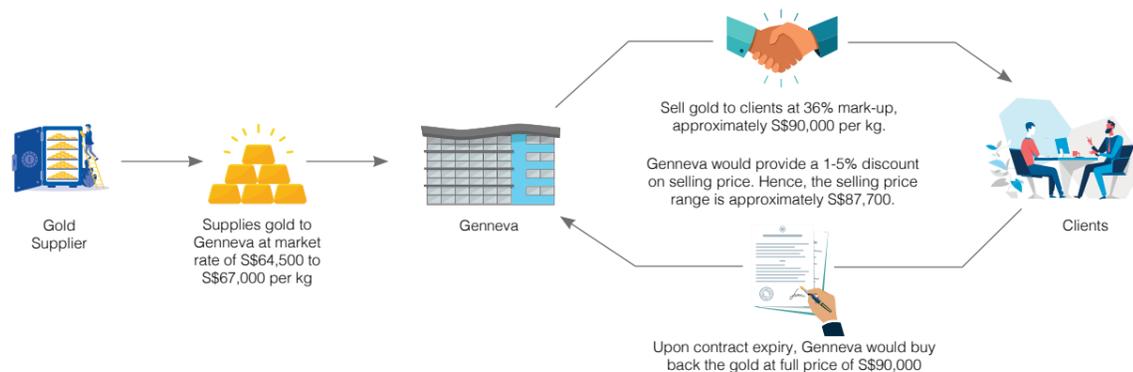
**PP v CHOW JIA CHUAN**

Between 20 April 2020 and 21 May 2020, Chow Jia Chuan (Chow) made one TRF application and two COVID-19 Support Grant (CSG) applications. In these applications, Chow falsely declared that he had lost his job due to COVID-19, when he had actually voluntarily resigned from his job at an IT company.

On 20 April 2020, Chow submitted his TRF application online. His application was approved and he received the S\$500 grant on the next day.

When Chow was asked by the MSF officer processing his first CSG application to provide supporting documents on his job loss, Chow forged and submitted a retrenchment letter purportedly issued by the IT company. When the MSF officer contacted a representative of the IT company, she discovered that the letter had been forged.

On 19 November 2020, Chow was sentenced to five months' imprisonment. He pleaded guilty to two counts of attempted cheating in relation to the CSG applications, and one count of cheating in relation to the TRF application.



## PP v LAU EDWARD WAI TAK AND NG SWEE KHIANG

Pareto SG Pte Ltd (Pareto SG) broke into the local investment scene in 2019 with its marketing of a forex investment scheme. Investors were told that they would be opening online trading accounts with an overseas broker called Veritas Solutions Limited (Veritas Solutions). They then either transferred monies to bank accounts held by Pareto SG or an overseas company called Pareto International Holding Ltd. Investors saw trades reflected in their online trading accounts and believed that all was above board.

However, tipped off that Pareto SG may be running a fraud, the CAD went in and investigated.

Between February 2020 and April 2021, Lau Edward Wai Tak (Edward) and Ng Swee Khiang (Ryan) were each charged with more than 70 counts of offences, including engaging in a conspiracy to cheat under Section 420 read with Section 109 of the Penal Code.

Edward was a director of all three entities and he had overseen the marketing of the investment scheme and the trading operations. Ryan was his business partner and the Chief Trader of Pareto SG. The prosecution is alleging that they had deceived the investors into believing that there were leveraged forex trades conducted for them through Veritas Solutions to generate the purported returns.

The duo were also charged with carrying on a business for a fraudulent purpose under Section 340(5) of the Companies Act, and carrying on a business in a regulated activity without a capital market services licence under Section 82(1) of the Securities and Futures Act. Ryan also faced an additional charge under Section 477A read with Section 109 of the Penal Code for abetting the alteration of the forex trade records.

At the time of publication, court proceedings against Edward and Ryan are ongoing.

## PP v TEO EU GENE AND ANDY JOSHUA WARREN

In October 2019, Teo Eu Gene (Teo) and Andy Joshua Warren (Andy) became the first medical professionals to be charged for defrauding the Government through the Community Health Assist Scheme (CHAS). They were dentists at the Phoenix Dental Surgery clinics when they perpetrated the fraud.

The CHAS was started by the Ministry of Health (MOH) in 2000 to provide subsidised healthcare services for lower income, elderly and/or disabled Singaporeans at participating general practitioner clinics and dental clinics.

Teo and Andy were charged with a total of 60 and 24 counts of cheating and falsification of accounts respectively in relation to fraudulent CHAS claims. The prosecution is alleging that between 2014 and 2015, Teo and Andy had submitted fraudulent CHAS claims for dental procedures which they did not perform. The charges further alleged that to cover their tracks, both dentists had falsified the patients' clinical notes by adding in fictitious dental procedures to support the false claims. Their actions caused the MOH to wrongfully disburse more than S\$54,000 to the Phoenix Dental Surgery clinics. Andy was also charged with 18 counts of cheating and falsification of accounts by making false Medisave claims and patient clinical notes for procedures he did not perform.

On 3 June 2020, Teo was sentenced to 46 weeks' imprisonment. He had pleaded guilty to 25 counts of cheating. The remaining 35 charges were taken into consideration for the purpose of sentencing.

At the time of publication, court proceedings against Andy are ongoing.

### THE STRAITS TIMES

#### Dentist first to be jailed for submitting false Community Health Assist Scheme claims



Teo Eu Gene was sentenced to 46 weeks' jail. ST PHOTO: WONG KHAI CHOW



Dominic Low

PUBLISHED: JUN 3, 2020, 5:28 PM SGT

SINGAPORE - A 36-year-old dentist on Wednesday (June 3) became the first person to be jailed for cheating the Government through the Community Health Assist Scheme (Chas).

Teo Eu Gene pleaded guilty to 25 counts of cheating by submitting false Chas claims for dental procedures from 2014 to 2015.

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## PP v EE CHO LIAN

A Contract for Difference (CFD) is a derivative that allows investors to speculate on the future price movements of the underlying asset, without having to own them. CFDs are available for a wide range of assets ranging from shares to commodities, and they are traded on margin i.e. investors only pay a small percentage of the value of the underlying shares. While the risks are higher if the underlying counter were to move against the investor's position, the rewards are also higher if the counter were to move in favour of the investor. CFDs are generally traded over-the-counter with a CFD provider, as the counterparty to the trades. When trading in CFDs, the investor first enters into an opening trade with a CFD provider. The investor subsequently enters into a trade to close his CFD position and the profits or losses are determined based on the price difference.

Ee Cho Lian (Ee) traded in CFDs offered by City Index Pte Ltd (City Index), which priced these contracts by referencing the live best bid-ask prices of the underlying securities listed on the Singapore Exchange (SGX).

Ee saw an opportunity to exploit City Index's pricing mechanism to reap unlawful profits. His first attempt to capitalise on this opportunity took place in April 2018. He placed an order to buy 10,000 Mandarin Oriental International Limited (MANO) CFDs at US\$2.30 via his City Index CFD trading account. At that time, the best ask price of the underlying MANO shares on the SGX, and accordingly the price of MANO CFDs offered by City Index, was US\$2.37. Ee's buy order price was obviously too low for the order to be executed. Ee used his shares trading account to place a sell order on SGX for MANO shares at US\$2.30. This sell

order triggered City Index's pricing mechanism to reduce its ask price for MANO CFD, and enabled Ee to purchase the MANO CFDs from City Index at US\$2.30. Once he had purchased his CFDs, Ee quickly cancelled his sell order for the shares. Ee then took similar steps to close his CFD position and reap a profit. He placed a sell order for CFDs at a price higher than City Index's offer, and then used his shares trading account to place a buy order to push up City Index's offer to match his CFD sell order price. As a result, Ee successfully closed off his CFD position at US\$2.36, significantly higher than the previously offered price of US\$2.29.

All this took place within three minutes and netted Ee profits of US\$600. This conduct of placing orders on the stock exchange for a brief moment before deleting the order, without a genuine intention to trade, is better known as spoofing and it is illegal.

Investigations revealed that Ee carried out several more rounds of such CFD trades from 5 April 2018 to 14 December 2018. He even used CFD trading accounts belonging to his friends, without authorisation, to further his scheme. In total, Ee conducted 60 fraudulent CFD trades and made profits of more than S\$24,000 at the expense of City Index.

On 19 May 2021, Ee was sentenced to six weeks' imprisonment and a fine of S\$30,000 on 20 counts of employing a scheme to defraud under Section 201(a) punishable under Section 204 of the Securities & Futures Act (SFA) and one count of unauthorised trading under Section 201(b) punishable under Section 204 of the SFA. 42 similar charges were taken into consideration for the purpose of sentencing. Ee has made full restitution to City Index.

## PP v CHIN NYUK KHUEN

For more than five years, 67-year-old Chin Nyuk Khuen (Chin), a former administrative manager of Char Yang (Dabu) Lee Chee Association, had been quietly siphoning the association's cash rental collections and spending them on gambling and her personal expenditures.

The association provides welfare for the Hakka community and its main source of revenue was from the rental of its properties. Chin was responsible for collecting the rental payments and depositing them into the association's bank account.

Between May 2013 and December 2018, Chin dishonestly misappropriated a total of S\$287,290 from the association's rental collections. She concealed her misdeeds by forging the association's bank statements to include false cash deposits from the rental payments. Chin also falsified 96 other documents including receipt vouchers, cash deposit slips and cheque images to give the impression that the association had received the rental payments.

On 24 August 2020, Chin was sentenced to 30 months' imprisonment. She pleaded guilty to three counts of criminal breach of trust by a servant, one count of forgery for the purpose of cheating and one count of falsification of accounts. The remaining five charges were taken into consideration for the purpose of sentencing.

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## Jailed for pocketing \$287k of welfare group's money

### Jean Iau

A former administrative manager at a welfare organisation embezzled funds, forged bank statements and gambled with her ill-gotten gains for five years before she was caught.

Yesterday, Chin Nyuk Khuen, 66, was sentenced to 30 months' jail after she was found guilty of three charges of criminal breach of trust, one charge of committing forgery and one charge of fraud. Five other charges were taken into consideration.

The court heard that Chin, who appeared in court using a wheelchair, suffers from renal disease and this was a mitigation factor in her sentencing.

Between 2013 and 2018, Chin misappropriated S\$287,290 from Char Yang (Dabu) Lee Chee Association, which provides welfare to the Hakka community, by collecting and keeping rent and event payments. She then spent the sum on gambling and various personal expenses.

Her crimes were discovered after the former treasurer of Char Yang (Dabu) Lee Chee Association filed a police report on Jan 30 last year.

The Straits Times understands that there is another Hakka association - the Char Yong (Dabu) Association Singapore. The two associations are unrelated.

The court heard that Char Yang (Dabu) Lee Chee Association's main source of revenue was rental income from properties leased to tenants. As the administrative manager, Chin collected the rent, prepared receipt vouchers for it, and deposited the payments into the association's OCBC Bank account.

Between February 2016 and December 2018, she received and kept rental payments amounting to S\$225,900 from two tenants, and later spent the money on gambling and personal expenses, and treating her friends to meals.

of transaction details similar to actual OCBC account statements. Within this table, she included false cash deposits from the rental payments, event payments collected from members who attended events organised by the association, as well as a false account balance.

She then printed the table, placed it on top of an original OCBC account statement, and photocopied the two documents together so that the final document would have the OCBC letterhead and footer with the forged table of transaction details.

Between January 2014 and August 2018, she made 44 forgeries. The total value of the false entries was S\$18,030.

Chin, who was unrepresented in court, also falsified receipt vouchers to indicate that the association had received the payments. From May 2013 to August 2018, a total of 73 receipt vouchers were falsified and the association lost S\$287,290.

In sentencing, District Judge Ng Peng Hong took Chin's medical condition into account and noted that she will be able to receive dialysis treatment while serving her jail term.

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To conceal the crimes, Chin Nyuk Khuen forged bank statements by using Microsoft Word to create a table of transaction details similar to actual OCBC account statements. She then printed the table, placed it on top of an original OCBC account statement, and photocopied the two documents together.

## PP v FOK FOOK SENG AND LIM YOONG FOOK

Cryptocurrency investment is seen by some as a quick and easy way to get rich. But, like all investments, investors need to be cautious and do their research before going in.

Two persons in Singapore have been prosecuted under the Multi-level Marketing (Pyramid Selling) Prohibition Act (MLM Act) for their roles in the promotion of a Multi-Level Marketing (MLM) scheme involving a purported cryptocurrency, OneCoin.

OneCoin Limited was supposedly set up in 2014 by Ruja Ignatova, a Bulgaria national, with the purpose of promoting OneCoin. Authorities in other countries have investigated into OneCoin and have raised concerns that it is fraudulent. The alleged founder of OneCoin has been charged in relation to fraud in one jurisdiction. Promoters of OneCoin in other jurisdictions have also been prosecuted.

In Singapore, to participate in the OneCoin MLM scheme, one purchased a "OneAcademy" package. "OneAcademy" packages contained educational courses and promotional tokens. The participants were told that the promotional tokens could be used to "mine" OneCoins. It was represented that only a finite number of OneCoin could be mined, and its value will increase over time because of market demand and supply.

Scheme promoters were rewarded with commissions in kind which they cashed out from the investment payments made by new participants they brought into the scheme. This kind of multi-level marketing or pyramid scheme is generally illegal in Singapore. Only certain schemes or arrangements are permitted to operate here, and they are provided for by law. OneCoin was not one of them.

The two persons prosecuted were the respective leaders of two separate groups that actively promoted the scheme involving OneCoin in Singapore. They promoted the OneCoin scheme in Singapore from June 2015 to at least January 2019 and attracted more than 2,000 persons.

Fok Fook Seng (Fred) was the leader of the "OneLife One World Team Singapore" group. He was charged with one count of promoting a prohibited MLM scheme under Section 3(1) of the MLM Act. On 1 July 2020, Fred pleaded guilty to the charge and was sentenced to a fine of S\$100,000.

Lim Yoong Fook (Terence) was the leader of the "OneConceptSG" group. He was charged with one count of promoting a prohibited MLM scheme, and also one count of incorporating a company intended to promote a prohibited MLM scheme by incorporating One Concept Pte Ltd to promote the scheme involving OneCoin. After a court trial, Terence was convicted on both charges. On 19 January 2021, Terence was sentenced to six months' imprisonment and fines amounting to S\$210,000.

### THE STRAITS TIMES

Man fined \$100k for promoting multi-level marketing scheme linked to purported cryptocurrency



Jessie Lim

PUBLISHED JUL 3, 2020, 11:34 AM SGT

SINGAPORE - A man has been convicted of promoting a multi-level marketing scheme involving purported cryptocurrency OneCoin.

Fok Fook Seng, 52, was fined \$100,000 on Wednesday (July 1) for committing the offence between January 2016 and June 2017, said the Singapore Police Force.

He was charged in April last year under the Multi-Level Marketing and Pyramid Selling (Prohibition) Act, in a case the police said was a first of its kind.

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## PP v KRIS TAENAR WILUAN

KS Energy Limited (KSE) is an integrated oilfield supply and services provider to the global oil and gas, marine, and petrochemical industries. The company has been listed on the Singapore Exchange (SGX) since 6 August 1999. Kris Taenar Wiluan (Kris) was the Executive Chairman and CEO of KSE, until his resignation on 14 August 2020.

In October 2011, Kris, via his offshore company Pacific One Energy Limited (POEL), pledged KSE shares as collateral for a S\$100 million revolving credit facility from Oversea-Chinese Banking Corporation (OCBC). The credit facility was for the purpose of financing POEL's mandatory takeover offer for KSE shares. If KSE's share price fell below a certain threshold, OCBC had the option to trigger a margin call and require POEL to either reduce the outstanding loan amount or provide more collateral for the credit facility.

A few years after POEL's mandatory takeover offer for KSE shares, a crisis hit the oil and gas industry. By early 2016, oil prices had fell by more 70% from 2014. KSE was not spared and its share price plummeted by 20% from S\$0.50 in September 2014 to S\$0.40 in December 2014, and a further 60% to S\$0.09 in December 2016.

Kris became concerned about the decline in KSE's share price. One reason for his concern was the looming prospect of margin calls. Kris started to engage in an operation to support KSE's share price. From December 2014 to September 2016, Kris gave trading instructions directly to his trading representatives or through one of his employees to purchase KSE shares with the aim of causing KSE's share price to reach a certain target price at the end of the trading day.

Various questionable trading methods were used to achieve Kris' target price. One such method involved the entering of buy orders towards the end of the trading day with the intention of setting the closing price, a practice known as marking the

### THE STRAITS TIMES

Indonesian tycoon Kris Wiluan faces 112 charges of alleged false trading, market rigging of Singapore-listed KS Energy shares



Kris Wiluan was slapped with 112 charges for alleged false trading and market-rigging transactions. ST PHOTO WONG KWAI CHOW



Grace Leong  
Senior Business  
Correspondent

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close. Through the price support operation, Kris was able to maintain and even raise the price of KSE shares on a number of occasions.

On 5 August 2020, Kris was charged with 112 counts of an offence under Section 197 of the Securities and Futures Act for creating a false and misleading appearance in the price of KSE shares from 19 December 2014 to 13 September 2016. The charges were subsequently amended to six amalgamated charges of the same offence covering the same period. On 19 May 2021, Kris pleaded guilty to three of the charges and was sentenced to a fine of S\$480,000. The remaining three charges were taken into consideration for the purpose of sentencing.

## PP v TAN SHU HAN AGGISS

Tan Shu Han Aggiss (Aggiss) was employed in 2017 as an administrative assistant of The International Union Against Tuberculosis and Lung Disease Asia Pacific Limited (The Union). The Union is a Singapore charity which is part of a global scientific organisation. Aggiss was given access to The Union's internet banking access token and login credentials as her responsibilities included performing bank transfers for The Union.

On 19 June 2019 and 30 July 2019, Aggiss was charged with two counts of criminal breach of trust as a servant for siphoning the equivalent of S\$1.45 million from The Union's bank accounts between April 2019 and June 2019. She transferred the monies to bank accounts

belonging to her and various third parties for her personal benefit and expenditures.

Aggiss was also charged with two counts of obstructing the course of justice for instructing a witness to lie to the Police and to delete messages from her phone, and two counts of providing false information to a public servant for lying to the Police about where she was living.

On 28 July 2021, Aggiss was sentenced to imprisonment of six years and seven months after pleading guilty to one count each of criminal breach of trust, obstructing the course of justice and giving false information to a public officer. The remaining charges were taken into consideration for the purpose of sentencing.

## PP v LEE KIAN ENG JERRY AND ALISON SEE LAY ENG

Lee Kian Eng Jerry (Jerry) was a Certified Public Accountant with over 40 years' standing. He was the managing partner of a chartered accounting firm, Ng, Lee & Associates. In the 1990s, Jerry began making what he believed were overseas investments. Over the years, when he wanted to withdraw his investment funds and profits, he was told that his monies went through various foreign authorities. Jerry was also contacted and told by the purported foreign authorities to make various payments in order to recover his money. Jerry resorted to crime to get funds for the payments.

In 2014, Jerry was appointed by the court as the administrator of a deceased's estate. As the administrator, Jerry was entrusted with the estate's funds. Between August 2015 and October 2015, Jerry misappropriated over S\$1 million from the estate in order to pay the purported fees related to his overseas investments.

Jerry also approached his long-term partner, Alison See Lay Eng (Alison), to help him meet the payment requests from the purported foreign authorities.

Alison was then the director of DFK Singapore Corporate Services Pte Ltd (DFK), a company providing bookkeeping and corporate secretarial services. DFK had a client, Fan Hua Pte Ltd (Fan Hua), which had made Alison and another employee, See Kok Tai (Kok Tai), authorised signatories of the company's bank account. Kok Tai was also a nominee director of Fan Hua. At Jerry's behest, Alison and See collectively withdrew over US\$2 million from Fan Hua's bank account. These funds were used to pay the purported fees for Lee's overseas investments.

In 2019, Lee and Alison were charged with criminal breach of trust offences, while See was charged with breaching his director's duties. See pleaded guilty and was sentenced to four weeks' imprisonment. On 18 May 2021, Lee and Alison pleaded guilty and were convicted. On 25 August 2021, Lee and Alison were sentenced to six years' and two years' imprisonment respectively.

# Elderly man misappropriates \$4.7m after likely falling prey to scam

**Shaffiq Alkhatib**  
Court Correspondent

An elderly man misappropriated more than \$4.7 million in total after he was told to make payments linked to what he thought were "overseas investments".

But investigations revealed the purported investments might be fraudulent and that Jerry Lee Kian Eng, now 77, had likely fallen prey to an advance-fee scam perpetrated by unknown persons overseas.

Lee pleaded guilty yesterday to one count of criminal breach of trust as an agent involving more than \$1.2 million.

Five other charges involving the remaining amount will be considered during sentencing. He committed the offences between 2014 and 2017.

His "long-term life partner", Alison See Lay Eng, now 74, who faces a single charge, admitted yesterday that she had engaged in a conspiracy with him to misappropriate some of the cash totalling over US\$2.2 million (S\$3 million) in 2016.

Deputy Public Prosecutor Suhas Malhotra said that Lee was a certified public accountant with over 40 years' standing.

He was the managing partner of chartered accounting firm Ng, Lee & Associates and a shareholder and adviser of DFK Singapore Corporate Services, a firm that provided business process outsourcing services. See was a director at DFK.

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## TIMESHARE PROSECUTION

In the latest round of enforcement actions against timeshare recovery scams, 13 individuals, who were responsible for at least 39 police reports involving a total of more than S\$2 million losses, were prosecuted between February and April 2021. Some of these individuals were scammers who allegedly misrepresented to the victims that they could help to recover monies from their timeshare memberships by selling it to other "interested parties" or recovering the "rental fees" generated from their timeshare memberships. To bolster their credibility, they even went to the extent of showing fake bank cheques, which were purportedly the amounts recovered for their timeshare memberships. The victims were then asked to pay various fees before they could receive the "recovered amounts". However, after payments were

made, the scammers simply disappeared without any intention to honour their representations.

The 13 individuals were charged for various offences such as cheating, carrying on a fraudulent timeshare recovery business, failing to exercise reasonable diligence in the discharge of his duties as a company director, etc. At the time of publication, two of the individuals, who were nominee directors for the companies involved, Saravanan S/O Sengootuvan and Gobinathan S/O Athaji, have been convicted of one count of failing to exercise reasonable diligence in the discharge of his duties as a company director and were each sentenced to a fine of S\$5,000 on 28 May 2021 and 5 August 2021 respectively. Court proceedings for the remaining 11 accused persons are ongoing.

## FINANCIAL INVESTIGATION GROUP

The Financial Investigation Group (FIG) of the Commercial Affairs Department (CAD) comprises the Financial Investigation Divisions I, II and III, the Anti-Scam Division, and the Policy & Operations Division. The FIG mainly investigates complex money laundering, terrorism financing and fraud committed by domestic and transnational syndicates. The FIG also renders international cooperation and is responsible for law enforcement policy regarding money laundering and terrorism financing.



**Lam Jun Zhi**  
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Assistant Director,  
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**Back Row** (From left to right)

**Leow Yan Yun** Head, Financial Investigation Branch II, **Ho Ban Hsiung** Head, Anti-Scam Investigation Branch II, **Kelvin Yeo** Head, Financial Crime Policy & Operations Branch, **Tan Shu Xian** Head, Asset Confiscation Branch, **Abdul Rani** Head, Specialised Fraud Investigation Branch, **Oh Yong Yang** Head, Financial Investigation Branch I, **Chee Ching Yuin** Head, Counter-Financing of Terrorism Branch, **Steven Tan** Head, Anti-Scam Investigation Branch I, **Michelle Foo** Head, Anti-Scam Investigation Branch II

## REPORT BY FINANCIAL INVESTIGATION GROUP

### THE YEAR IN REVIEW

In 2020, the COVID-19 global pandemic struck and accelerated the rise of the digital economy. While the latter conferred benefits and convenience for the masses, it also created opportunities for scammers and syndicates alike. We now see a much greater number of automated scam calls, attempts to impersonate government officials via online channels, and online phishing attempts through websites that look genuine and professional. All these and more have led to an increase in online scams cases.

The total number of scams has increased by 65.1% to 15,756 cases, from 9,545 cases in 2019. It made up 42.1% of overall crime in 2020, up from 27.2% in 2019.

With the upward trend in scams and ensuing money laundering activities, it was necessary for us to utilise existing manpower efficiently and explore ways to derive better outcomes by further streamlining processes and leveraging technology. In this regard, significant effort was devoted to the planning and implementation of a reorganisation within the CAD in the second half of 2020 that led to the merging of various scam-fighting units, leading to the formation of the Anti-Scam Division (ASD). The ASD was eventually operationalised in March 2021. This was an important first step in the vision of creating a properly resourced and dedicated scam-fighting outfit within the Singapore Police Force (SPF).

In collaboration with our colleagues in the SPF, we significantly enhanced our community outreach efforts to raise overall awareness within the masses in preventing and detecting scams. We have continued to strengthen the fight against money laundering and terrorism financing through various initiatives.

#### Anti-Scam Division

With the formation of the ASD, all anti-scam enforcement and investigations under our purview are now consolidated and managed centrally. This holistic structure ensures better coordination and information sharing. The ASD consists of the Anti-Scam Centre (ASC) and Anti-Scam Investigation Branches.

In 2020, the ASC received 11,190 scam reports and seized more than 9,000 bank accounts, recovering more than S\$57.6 million in the process and intercepting any further flow of victims' monies to the scammers.

To enhance the scam-fighting capabilities among the masses, the ASC collaborated with the Land Divisions, the Government Technology Agency and the National Crime Prevention Council (NCPC) to launch "ScamShield", an application which blocks out scam calls and filters scam messages from the SPF's database of blocked numbers. This reduces opportunities for scammers to contact intended victims.

The ASC enhanced funds recovery efforts by leaps and bounds. During the year, the ASC expanded partnerships with banks under Project FRONTIER to a total of 13 banks, up from the three pioneering major local banks comprising DBS Group Holdings Ltd (DBS), Oversea-Chinese Banking Corporation Limited (OCBC) and United Overseas Bank Limited (UOB). Now, we can call upon a widened network of banks to freeze tainted bank accounts within one day, provide bank account information

and bank statements within three and five days respectively; massively reducing the time taken to conduct funds tracing and providing greater likelihood for the recovery of funds for victims.

In another transformative move, the ASC extended Project FRONTIER to other stakeholders such as FinTech companies, online marketplaces, remittance companies and telecommunication companies for them to provide close support whenever needed. This came at a pivotal moment as the services offered by these stakeholders are increasingly exploited by scammers nowadays to facilitate scams. By collaborating with our extensive network of partners under Project FRONTIER, rapid funds tracing and recovery for transnational cases, which was once challenging, is now much easier.

Through quick intervention and collaboration with the banks, we seized and recovered over S\$6.4 million in a case involving a French pharmaceutical company that was defrauded into transferring the equivalent of S\$10.2 million in a COVID-19 scam case. We also seized S\$6.7 million in a business email compromise scam, the largest seizure made by the ASC to date. In another case, ASD officers worked with Woodlands East Neighbourhood Police Centre's Community Policing Unit, to successfully crack a multi-layered China Officials Impersonation Scam case involving three victims in April 2021 within less than two hours after receiving intelligence from our bank counterparts.

#### Deepening Community Outreach

We recognise that the fight against scams and money laundering is a collective effort with the rest of the community. With syndicates nowadays using unknown money mules to facilitate the transfer of ill-gotten gains, there is a need for greater public awareness. Thus, we continue to actively engage the media on new arrests/prosecutions and share crime prevention tips.

In April 2020, the CAD, together with the Crime Control Division of the SPF's Operations Department and other SPF units, Home Team Behavioural Science Centre (HTBSC) and the NCPC, jointly formed the Anti-Scam Public Education Coordination Team (ASPECT). Since its formation, the ASPECT has augmented our scam prevention efforts by amplifying the messages through coordinated and targeted dissemination of anti-scam advisories. Our anti-scam public education campaign is titled: "Spot the Signs. Stop the Crimes." In line with the campaign calendar, a series of posters, infographics, videos, and media features have been released regularly throughout the year including the Circuit Breaker period and festive seasons where there were spikes in specific scams. You might have come across some of these public education materials during your daily commute or while browsing Facebook and Instagram.

#### Intensifying Efforts Against Scams, Money Laundering & Terrorism Financing

After completing the initial phase of Project POET with OCBC, we were delighted to welcome DBS and UOB onboard this initiative. Briefly, Project POET is a secure portal for law enforcement agencies to submit production orders electronically. Replies by the bank are automated and this cuts down the response time very significantly. It has advantages for law enforcement, as well as cost savings for the banks. Project POET has since been rolled out to all law enforcement agencies in Singapore.

We initiated Project Canton upon detecting several connected cases in which certain corporate service providers had assisted foreign parties to incorporate shell companies in Singapore. These shell companies were used to acquire bank accounts and illicit funds were subsequently laundered through these bank accounts. Further investigations unveiled an extensive network of more than 3,000 shell companies posited to be used to acquire bank accounts for money laundering purposes. With strong support from our partners in the Anti-Money Laundering and Countering the Financing of Terrorism Industry Partnership (ACIP), we managed to neutralise this network of shell companies from potentially being used for money laundering purposes. Over US\$33 million in criminal proceeds transferred into some of these companies' bank accounts were intercepted by the ASC. We also prevented a further US\$20 million of losses through swift intelligence-sharing and preventive actions.

In Singapore's largest investment fraud to date involving Envy Asset Management Pte Ltd and Envy Global Trading Pte Ltd, we managed to seize and/or restrain about S\$100 million worth of assets after having conducted extensive investigations on the criminal proceeds from the fraudulent scheme.

Last year, bruised by an oil crisis spawned by the COVID-19 pandemic, a handful of large commodity trading firms went bust, and their collapse uncovered many financial wrongdoings to obtain financing from foreign and local lenders. In view of the collapse of a number of high-profile companies and ensuing trade financing fraud allegations, we took firm action against several wrongdoers. In the case of Coastal Oil (S) Pte Ltd, we successfully charged the perpetrators with various forgery and cheating offences for their roles in the trade financing fraud whilst investigations are ongoing against others in the cases of Zenrock Commodities Trading Pte Ltd and Agritrade International Pte Ltd.

I reported on the outcomes of our 1MDB investigation in previous Annual Reports. A further outcome is that we rendered assistance to the United States' Department of Justice (US DOJ), which aided their prosecution of two former managing directors of Goldman Sachs Singapore Pte (GSSP) in the United States. One of them pleaded guilty to money laundering and corruption charges whilst the other is awaiting trial on similar charges. The close cooperation amongst authorities in Singapore, United States and other countries also led to a global resolution in October 2020 where Goldman Sachs Group Inc agreed to pay more than US\$2.9 billion as part of the Deferred Prosecution Agreement (DPA) entered with the US DOJ. The CAD also served GSSP a 36-month conditional warning in lieu of prosecution for corruption offences, where GSSP agreed, amongst other things, to pay a sum of US\$122 million to the Singapore Government pursuant to the DPA. This US\$122 million is the largest payment made by any financial institution to the Singapore Government to date for a crime-related matter.

To ensure Singapore remains a trusted and sound financial hub, we also adopt a tough stance against financial professionals who abuse our financial system. At least three bank officers were prosecuted this year, including a bank officer who was charged in February 2021 with 142 counts of offences under the Penal Code and the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (CDSA) for misappropriating S\$6.7 million from his clients. Our hard stance against money mules who knowingly cede bank accounts to others to deal with illicit funds was displayed with the first conviction of a Singaporean

in February 2021, for an offence under Section 47AA of the CDSA for possessing funds reasonably suspected to be criminal proceeds. In another case, a Singaporean was convicted for assisting to deal with illicit funds of S\$733,000 and sentenced to 43 months' imprisonment.

We continue to build on our close working relationship with our foreign counterparts to deter transnational crimes. Our collaboration with the Hong Kong Police force led to the arrest of a transnational phishing scam syndicate in Hong Kong. We also worked with the Royal Malaysia Police (RMP) to tackle a transnational syndicate behind multiple online love scams in Singapore and Malaysia. The syndicate was crippled with a Malaysian woman and three Nigerian men arrested in Malaysia. In another case, a local bank employee who siphoned monies from customers' accounts and fled to Malaysia, was arrested with the RMP's assistance and repatriated to Singapore. He was charged in court and convicted of various forgery, cheating and money laundering offences.

We continued to represent Singapore's law enforcement at meetings of the Financial Action Task Force (FATF), and contributed to two projects involving Trade Based Money Laundering and Illegal Wildlife Trade and Money Laundering in 2020.

As the authority for investigations into terrorism financing offences, we contributed significantly to Singapore's Terrorism Financing National Risk Assessment (TF NRA) report, which was published in December 2020. This report is built upon the experiences and observations of various government authorities and includes inputs from the private sector and the academia. We are confident that the TF NRA will serve as a useful guide for both public and private sectors to apply appropriate risk mitigation measures to address the various terrorism financing risks.

### LOOKING AHEAD

The fight against commercial crimes and scams in particular, will continue to take centerstage even as we look forward to a post-COVID 19 future.

The ASC/ASD has grown from strength to strength each year. We will work towards increasing the ASD's manpower resources and capabilities. We have been engaging various stakeholders, including the Attorney-General's Chambers on ways to take more robust action against money mules, as many scams have been facilitated through their witting or unwitting transfers of money on behalf of criminal syndicates.

Whilst we strive to enhance our public education efforts, a recent survey by the HTBSC showed that a very high percentage of Singaporeans are already aware of scams and our anti-scam messages. Notwithstanding this awareness, many people continue to fall prey to scams because they think that they will not become victims themselves. We need to find ways to eradicate this complacency as the scammers become increasingly sophisticated.

The Financial Investigation Group will continue to build on and maintain close working relationships with our local and foreign stakeholders to strengthen our combat capabilities to tackle scams, money laundering and terrorism financing activities.

**Ian Wong**  
Deputy Director  
Financial Investigation Group

## CASE HIGHLIGHTS OF FINANCIAL INVESTIGATION GROUP

### PP v ONG AH HUAT AND HUANG PEISHI

Coastal Oil (S) Pte Ltd (Coastal Oil), an oil trading company incorporated by Tan Sing Hwa (Tan), began to suffer huge losses in its derivatives trade business in 2016. To sustain the business, Tan allegedly devised an elaborate plan to fraudulently obtain funds from trade financing facilities with the banks by submitting forged sales contracts and invoices purportedly involving counterparties which Coastal Oil had dealings with.

The fraud was facilitated by the company's Chief Finance Officer Ong Ah Huat (Ong) and two staffs from the treasury department, Huang Peishi (Huang) and Carol Zong (Carol). Ong oversaw the fraudulent trade financing applications which were timed to ensure sufficient funds would flow into Coastal Oil's bank accounts to cover their operational expenses, including loan repayment obligations. The two treasury staffs had allegedly created false trade documents using fictitious trade information and also applied the signatures and company stamps of Coastal Oil's counterparties from past trade documents.

Illicit proceeds kept Coastal Oil afloat until the company could no longer service the loan repayments and went into liquidation in December 2018. The matter subsequently came to light when one of the affected counterparties, Sinfeng Marine Pte Ltd, lodged a police report. Investigations revealed that between June 2017 and December 2018, eight banks in Hong Kong and Singapore were cheated into disbursing loans exceeding US\$350 million to Coastal Oil.

Ong was charged with 58 counts of offences relating to engaging in a conspiracy to cheat, forgery for the purpose of cheating and facilitating the retention of benefits from



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criminal conduct. On 31 May 2021, he pleaded guilty to 15 of the charges, and agreed to have the remaining 43 charges taken into consideration for the purpose of sentencing. He was sentenced to nine years' imprisonment.

Huang was charged with 63 counts of offences similar to Ong's. At the time of publication, court proceedings against Huang are ongoing.

INTERPOL Red Notices have also been issued against Tan and Carol, who departed Singapore before the matter was reported.

In other instances, Tan deliberately caused his customers to issue cheques with wrong payee details before asking them to countersign against the amendments. Unknown to the customers, Tan made further amendments to the cheques by changing the cheque payee's name to his own name which led to the payments being credited into Tan's bank account.

Tan absconded to Malaysia when the fraud was uncovered. However, he was arrested and brought back to Singapore with the assistance of the Royal Malaysia Police in September 2019.

On 5 August 2020, Tan was convicted of 12 counts of offences involving forgery and cheating under the Penal Code, and one count of money laundering offence under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act. Tan was sentenced to 84 months' imprisonment, with 22 other similar charges taken into consideration for the purpose of sentencing.

### PP v TAN KEAT SIANG

Over a span of 16 months, Tan Keat Siang (Tan), a former relationship manager with the Oversea-Chinese Banking Corporation Limited (OCBC) deceived customers into delivering about S\$2 million to him under the pretext that their monies were to be placed in genuine high interest fixed deposit or used to acquire investment products offered by the bank. In reality, Tan had used their monies to gamble and to pay for his personal expenses.

Tan showed his customers screenshots of false fund transfers from his personal bank account to the customers' fixed deposit account to mislead them into believing that he had used his own money to quickly secure fixed deposit offering attractive interest rate on their behalf. These customers would then be obligated to transfer funds directly to him as repayments.

### PP v CAROL ISABEL NATHAN

Carol Isabel Nathan (Carol) got to know her fiancé on an online match-making website sometime in 2012. Her fiancé told her that he was a petroleum engineer working with Shell and he wanted to marry her and bring her and her children to live with him in the United Kingdom. Carol had never met him in person and only communicated with him via emails and phone calls.

When her fiancé sought her help to receive funds in her bank account in Singapore, Carol provided her bank account details to him. He told her that the funds were repayment to his investors whom he owed money and instructed her to withdraw the money in cash and pass the cash to someone in Singapore.

Carol's fiancé turned out to be a scammer. Carol was first called up by the Police in June 2015, after her bank

account received a sum of monies from a scam victim in March 2015. Carol was warned not to give others her account details or to receive funds in her bank accounts on the behalf of others. Nonetheless, her bank accounts continued to receive around S\$578,592 from victims of scams from June 2015 to December 2015. Of which, she followed her fiancé instructions to hand S\$567,000 in cash to persons indicated by her fiancé, and to keep the balance for herself.

On 8 September 2020, Carol was convicted of three counts of money laundering offences for dealing with another person's benefits from criminal conduct under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act, and one count of dishonestly receiving stolen property under the Penal Code. She was sentenced to 18 months' imprisonment.

### PP v JUSUF NABABAN AND SAW ENG KIAT

On 17 October 2019, a DBS Group Holdings Limited (DBS) staff lodged a police report that the bank had received a counterfeit S\$10,000 currency note and the said note was deposited into the bank account of Saw Eng Kiat.

Jusuf Nababan, had asked his friend, Yolanda, to help find a Singaporean to change a S\$10,000 note to smaller denominations. Despite having reason to believe that the note in his possession was fake, he told Yolanda that the note was real, and that he would reward the Singaporean with a commission. Yolanda then contacted her friend, Saw Eng Kiat, who agreed with the arrangement.

The trio met in Singapore and Jusuf handed the counterfeit S\$10,000 note to Saw. Saw suspected that the note was a fake but decided to help Jusuf as he wanted the commission to ease his financial problems. He subsequently went to ask about the

value of the note from two antique shops and was told that it was worthless. He then suggested to Jusuf and Yolanda to change the note at the bank instead.

The trio went to Harbourfront Centre where Saw presented the note to the DBS bank teller to deposit into his bank account. Later, Saw managed to receive a sum of S\$10,000 in his bank account and shared the money with Yolanda and Jusuf, with Jusuf receiving the largest share amounting to S\$7,500.

On 18 October 2019, Jusuf and Saw were both charged for engaging in a conspiracy to use as genuine a counterfeit currency note. They were convicted and sentenced to 50 months' imprisonment each. In consultation with the Attorney-General's Chambers, no further action was taken against Yolanda.

## Man jailed for conspiring to use fake \$10,000 note

Indonesian got Singaporean man to deposit it at a bank and later received \$7,500 of the money

Dominic Low

Despite having reason to believe that a \$10,000 Singapore note in his possession was fake, an Indonesian man still went ahead to have it changed into smaller denominations.

Jusuf Nababan, 49, got another man to deposit the note at a bank and later received \$7,500 from him.

Nababan, who the court heard is a pastor of a church in Batam, Indonesia, was sentenced yesterday to jail for four years and two months. He pleaded guilty to one count of conspiring with another individual to use a counterfeit note as genuine.

In October 2019, Nababan asked Yolanda, an Indonesian, for help in looking for a Singaporean to

change the fake note to genuine notes in smaller denominations.

He told the 47-year-old woman, who was in a relationship with him then, that he would reward the Singaporean with a "commission".

Yolanda then contacted Saw Eng Kiat, 62, who agreed to help.

The trio met on Oct 11, 2019, when Nababan passed the fake note to Saw.

Court documents state that Saw was suspicious about the note as it was handed over to him casually despite its supposed high value.

But he decided to help Nababan in return for the "commission" promised, as he was facing financial problems at that time.

Saw then asked about the value of the note at two antique shops, and was told it was worthless.

He told Nababan and Yolanda that the shops did not accept the note, and suggested they try changing it at a bank instead.

The trio later went to the shopping mall in Harbourfront Centre, where Saw presented the note to a teller at the DBS Bank branch there.

Court documents state that the

teller was unaware that the counting machine in which she placed the note was not equipped with a counterfeit note detector.

Accepting the note, she then deposited \$10,000 into Saw's bank account. The three individuals later split the money, with Saw keeping \$1,500.

Nababan received \$7,500 in cash, while Yolanda was given the remaining amount.

Court documents state that Nababan used the money for gambling at a casino.

The offence came to light after a DBS employee made a police report on Oct 17, 2019.

For his involvement in the incident, Saw was jailed for four years and two months in March last year.

The Straits Times understands that no further action was taken against Yolanda.

Nababan's sentence has been backdated to Nov 9, 2019, when he was remanded.

For his offence, he could have been jailed for up to 20 years and fined.

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## PP v TAN YOCK ENG

Tan Yock Eng (Tan) acted as a money mule for her overseas boyfriend known to her as Dieter.

Tan first met Dieter in New York between late 2010 and early 2011. In 2014, Tan loaned Dieter MYR40,000, and Dieter subsequently requested details of Tan's bank accounts maintained in Singapore for the purpose of repaying her. However, instead of repaying her, Dieter got Tan to receive monies on his behalf. Following Dieter's instructions, Tan withdrew the funds that she received through her bank accounts and transferred them to associates of Dieter who were unknown to her.

Tan was issued a Letter of Advisory by the CAD in March 2015, which served as an official notice to refrain from receiving or dealings with funds from unknown or dubious sources, and to report such transactions to the CAD. However, Tan continued to act as a money mule for Dieter as she believed that she was in a relationship with Dieter and trusted him to return her monies.

Between 2015 and 2017, Tan received a total of S\$128,650 that were fraudulently obtained from two victims based in Indonesia and Australia respectively. The victims had been cheated,

through e-mail impersonation scams, into transferring funds into Tan's bank accounts.

On 29 May 2015, Tan brought the equivalent of S\$47,000 in cash to Malaysia and deposited it into a bank account maintained in Malaysia. Though it is required for anyone moving cash exceeding S\$20,000 out of Singapore to report it, she had failed to do so.

On 26 April 2017, Tan also acted on Dieter's instruction to pass S\$46,000 in cash to two unknown individuals who rode up to her on a motorcycle. The pillion rider on the motorcycle took the envelope from Tan and the duo rode off.

The CAD seized S\$35,363 from Tan's bank account which was traced to criminal proceeds and returned them to the victim.

On 14 September 2020, Tan was convicted of four counts of money laundering offences for dealing with another person's benefits from criminal conduct and sentenced to 14 months' imprisonment. One count of offence for failure to report movement of cash out of Singapore under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act was taken into consideration during sentencing.

## PP v TAN WEE BENG AND BONG HUI PING

In November 2017, the CAD commenced investigations against Wee Tiong (S) Pte Ltd (Wee Tiong), a commodity trading company. Wee Tiong is alleged to have sold sugar to customers from the Democratic People's Republic of Korea (DPRK), with payments for those sales made to Wee Tiong and its related company, Morgan Marcos Pte Ltd (Morgan Marcos).

The managing director and the shipping manager of Wee Tiong were Tan Wee Beng (Tan) and Bong Hui Ping (Bong) respectively. The prosecution's case is that both Tan and Bong had falsified invoices of both Wee Tiong and Morgan Marcos between November 2016 and October 2017, in order to conceal the companies' transactions with DPRK-linked entities from two banks.

On 19 June 2020, Tan was charged with 20 counts of falsification of accounts, while Bong was charged for intentionally aiding Tan in committing the offences.

At the time of publication, court proceedings against Tan and Bong are ongoing.



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## 'Tourist' jailed over graft and false GST refund claims

### Kok Yufeng

He was linked to a group of Indian nationals who defrauded the taxman out of \$570,000 by making false Goods and Services Tax (GST) refund claims and bribing a Customs officer who approved them.

But Muthuvel Sankar, 41, avoided arrest when the authorities busted the syndicate in 2014 as he was not in Singapore at the time.

In October last year, he tried to re-enter Singapore as a tourist but was nabbed and charged in court.

Pleading guilty to two counts of corruption, three counts of GST fraud and one amalgamated charge of money laundering, Sankar was yesterday jailed for 18 months and slapped with a \$66,891 tax penalty. Six other charges were taken into consideration.

For the Corrupt Practices Investigation Bureau's (CPIB) director of operations Chin Wee Liam, Sankar's prosecution has put to bed a case of some significance.

"Singapore is a tourist hub so if we don't put a stop to these kinds of practices, you can imagine the financial damage caused to public funds," he told The Straits Times.

It was the Inland Revenue Authority of Singapore (Iras) that discovered the fraud in 2013 after its data analytics tool flagged several suspicious GST refund claims made through the electronic tourist refund scheme (eTRS). Singapore Customs and the CPIB were then alerted.

It emerged that a group of four Indian nationals had made false GST tourist refund claims of about \$570,000 between September 2012 and January 2014.



Muthuvel Sankar, identified as a person of interest by the CPIB in 2014, was nabbed on his return to Singapore.

They gave bribes to Mohamed Yusof Abdul Rahman, then a Customs officer at Changi Airport's GST Refund Inspection Counter, as reward for approving the claims.

The Indian nationals bought jewellery receipts from bona fide shoppers, obtained eTRS tickets from the retailers, and presented the tickets to Yusof, who endorsed them without verifying the goods.

Collecting the refunds in cash, the Indian nationals would spend some of the money on duty-free items before leaving for India.

The court yesterday heard that Sankar was introduced to this fraud scheme in 2013 by a friend.

Using a similar modus operandi, Sankar made at least six false claims between June and November 2013, fraudulently obtaining \$29,800.

He took some of the money out of Singapore on at least five occasions.

No restitution has been made. Sankar also gave, or conspired with his friend to give, \$2,800 in bribes to Yusof on five occasions between 2013 and 2014.

Mr Chin said Sankar had already been identified as a person of interest when they arrested his four accomplices in January 2014.

"Unfortunately Sankar was not around when we moved in," he said.

After finally nabbing him last

year, CPIB worked with Iras and the police's Commercial Affairs Department to investigate his offences.

In court, Deputy Public Prosecutor Eric Hu said that Sankar did not return after leaving Singapore on Nov 24, 2013, as he had heard many Indian nationals were arrested for defrauding Iras.

But he took a risk and returned because five years had passed and was immediately arrested.

While Mr Chin did not rule out other accomplices who might still be at large, he said the key men have now been taken to task.

"We are glad that (Sankar) came back and we managed to wrap up the case," said Mr Chin.

"Hopefully this will deter like-minded people."

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## PP v MUTHUVEL SANKAR

Muthuvel Sankar (Sankar), an Indian national, was identified as a subject of interest in a 2014 case involving fraudulent Goods and Services Tax (GST) refund claims made under the electronic tourist refund scheme (eTRS). The case concluded in April 2017 with five Indian nationals sentenced to between 38 and 39 months' imprisonment. Sankar was not in Singapore then, but he was apprehended by the Corrupt Practices Investigation Bureau (CPIB) when he attempted to re-enter Singapore in October 2019.

The CPIB, the Inland Revenue Authority of Singapore (IRAS) and the CAD worked closely to swiftly uncover the offences committed by Sankar. Investigations revealed that Sankar made at least six fraudulent GST refund claims under the eTRS and obtained payouts of at least S\$29,800 in 2013. He had used receipts obtained from local customers who had purchased jewellery in Singapore to make the fraudulent GST refund claims.

To avoid detection, Sankar corruptly gave or conspired to give approximately S\$2,800 on five separate occasions between 2013 and 2014 to a customs officer as reward for endorsing the eTRS tickets so as to facilitate the fraudulent GST refund claims. Sankar had also departed Singapore for India with about S\$27,895 of criminal proceeds.

On 18 June 2020, Sankar was sentenced to 18 months' imprisonment and ordered to pay a penalty of S\$66,891. He pleaded guilty to two counts of corruption, three counts of GST evasion and one count of money laundering offence for removing criminal benefits from Singapore. Six other charges were taken into consideration for the purpose of sentencing.

This case highlights the commitment and close collaboration between the CAD and other law enforcement agencies to combat corruption, tax fraud, money laundering and other criminal activities.

## PP v LEE PEI YING

In July 2020, the CAD received several police reports from victims who had lost S\$1,527,000 after falling prey to a China Officials Impersonation Scam. Through extensive interviews, ground enquiries and with the aid of images from CCTV cameras, the CAD swiftly established the identities of two women who were involved, namely Zhou Ying (Zhou) and Lee Pei Ying (Lee), and arrested them on 18 July 2020.

Investigations revealed that Zhou had acted on the instructions of scammers to identify herself as an agent of INTERPOL and was provided with an image of a fake Police International Pass which she used to fabricate a physical pass. Zhou's role was to deliver purported "official investigation documents" to potential victims to convince

them that they were being investigated for their involvement in money laundering activities in China. The victims were then instructed by the scammers to hand over their money to Zhou. Further investigations revealed that Zhou handed the monies collected from the victims to Lee who then allegedly passed them to unknown individuals.

On 30 October 2020, Lee was charged with one count of money laundering offence for assisting another person to control benefits from criminal conduct. She was sentenced to 24 months' imprisonment on 27 September 2021.

In consultation with the Attorney-General's Chambers, Zhou was issued with a Letter of Advisory for her role in the scam.

## CANTON GROUP OF COMPANIES

In the second half of 2020, the CAD observed a spate of Business Email Compromise (BEC) frauds that targeted victims outside Singapore and made use of Singapore bank accounts to receive the criminal proceeds. The CAD's analysis uncovered a large network of more than 3,000 Singapore-incorporated companies which are suspected to be receptacles waiting to be deployed for money laundering.

Victims were typically overseas companies and banks, which received fraudulent emails from spoofed or hacked email accounts from their suppliers or clients. These emails would contain instructions relating to payment for their business activities to be made to Singapore bank accounts belonging to Singapore-incorporated companies. These Singapore-incorporated companies were shell companies that did not have any legitimate business transactions, and were incorporated to launder criminal proceeds.

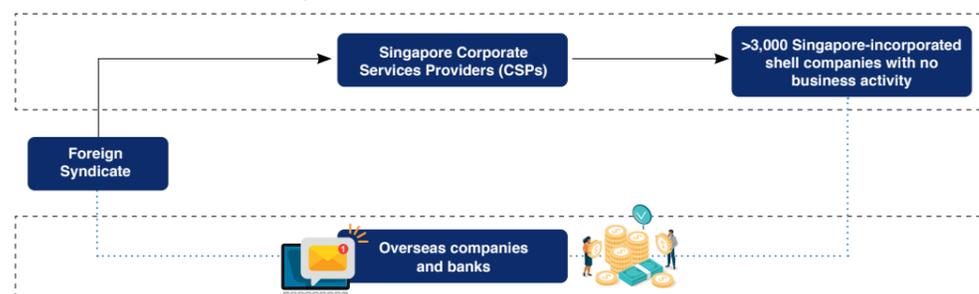
Criminals made use of several corporate service providers (CSPs) in Singapore which provided incorporation and nominee director services. These CSPs were found to have assisted China nationals to incorporate companies in Singapore.

As incorporating a company in Singapore requires a resident director who is either a Singapore Citizen or a Singapore Permanent Resident, several local individuals were engaged by the CSPs as the nominee directors of these companies. Several Hong Kong companies were also identified to have used Singapore bank accounts to launder criminal proceeds in the same manner. Out of which, 114 companies were linked to complaints of crimes, and over US\$84 million of criminal proceeds were transferred into Singapore bank accounts held by these companies between the period of August 2020 to December 2020.

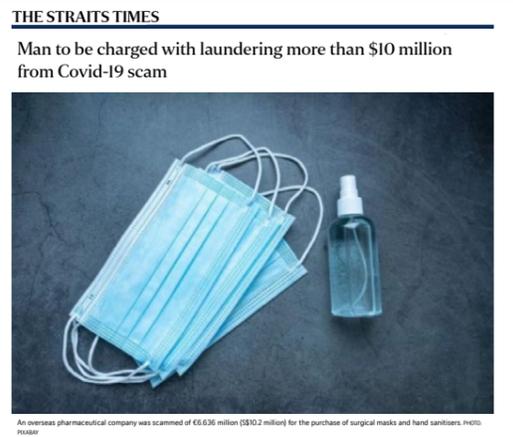
Working closely with foreign law enforcement agencies and local banking partners, the CAD was able to quickly establish bank accounts which were suspected to be controlled by criminals and took pre-emptive actions to prevent further losses of at least US\$20 million from victims. Over US\$33 million in criminal proceeds were also seized from the shell companies' bank accounts.

At the time of publication, investigations into the above offences are ongoing.

**STEP 1:** Approaches CSPs to incorporate companies and source for nominee directors



**STEP 2:** Sends fraudulent emails to scam victims into making payments to bank accounts of Singapore-incorporated shell companies



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On 23 February 2021, Thye was charged with 14 counts of money laundering offences under the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act. Thye allegedly had reasonable grounds to believe that the monies were criminal proceeds, and he had allegedly used, transferred and remove part of the monies out of Singapore. At the time of publication, court proceedings against Thye are ongoing.

## PP v THYE WEE BOON

In mid-March 2020, the Police was alerted to a French pharmaceutical company being defrauded of EUR6.64 million (the equivalent of S\$10.2 million) by a COVID-19 related Business Email Compromise scam. The company had transferred the monies to a local bank account for the purported purchase of surgical masks and hand sanitisers, but the items were never delivered.

Through quick intervention and close collaboration with seven banks, the CAD's Anti-Scam Centre recovered over S\$6.4 million of the amount defrauded on the same day of the alert.

Thye Wee Boon (Thye), who was identified to be the person who had received the monies, was overseas when investigations commenced. Thye was arrested when he entered Singapore on 25 March 2020.

## PP v CHIM MAN KIT

Overseas scam syndicates are targeting Singapore bank accounts to be used as conduits to launder criminal proceeds. Chim Man Kit (Chim) is the holder of a Singapore bank account. He acted on the instructions of his purported Malaysia-based friend to relinquish his internet banking account to be used for online gaming business.

In August 2019, a telephone scam victim discovered S\$215,800 was transferred out of his account without his authorisation after he provided his bank account information to the scammers. Investigations revealed that S\$64,800 of the criminal proceeds

were traced to Chim's bank account. Chim explained that he had given access of his internet banking account to his Malaysian friend to run a small online gaming business. In return, Chim was paid a total of S\$1,000 for allowing his bank account to be used for the said business. The identity of his Malaysian friend is unknown.

On 16 February 2021, Chim was convicted for possessing property reasonably suspected to be benefits from criminal conduct and sentenced to five months' imprisonment.

## PP v SHEN TSU-KUANG

Shen Tsu-Kuang (Shen), a former director of an asset management company, was sentenced to 45 months' imprisonment for enriching himself with S\$2.4 million from his client's bank account in Singapore.

The client, Lee Tsai Pai-Yun (Lee), was Shen's aunt-in-law. Sometime before September 2009, Lee contacted Shen for advice on managing her assets. Shen then assisted Lee to open a bank account with BNP Paribas Private Bank Singapore Branch (BNP). Subsequently, Lee authorised BNP to hold all correspondence relating to her account, including statements, advices and notices on her behalf. As a result, Lee did not receive information on the activities and transactions in connection with her bank account. Lee also authorised BNP to receive instructions through facsimile, and signed a Power of Administration which authorised Linden Asset Management (Belize) Ltd (Linden Asset) to undertake administrative actions on her behalf, including furnishing instructions to BNP for transactions that she had authorised. Linden Asset was an asset management company registered in Belize and based in Taiwan, and Shen was the director of the company during the period when the offences were committed.

Between March 2011 and July 2012, Shen sent several false facsimile instructions to BNP to instruct the transfer of monies totalling the equivalent of S\$2.4 million from Lee's bank account to Linden Asset's corporate bank account, and to close Lee's bank account thereafter. These facsimile instructions, which were purportedly signed by Lee, deceived BNP into believing that they were Lee's instructions. After the monies were transferred into Linden Asset's corporate bank account, Shen transferred them to his personal bank account in Taiwan.

The fraud came to light when Lee approached BNP in January 2018 to enquire about the status of her bank account after Shen became uncontactable. Shen was arrested by the CAD after he entered Singapore in September 2019, and was charged with 37 counts of cheating.

On 8 April 2021, Shen pleaded guilty to seven counts of cheating and was sentenced to 45 months' imprisonment, with the remaining charges taken into consideration for the purpose of sentencing.

## Jailed over bank transfer ruse involving \$2.4m from kin's account

Jean Iau

Over a three-year period, a former director of an asset management firm transferred money from an elderly relative's account to his company by tricking BNP Paribas into believing that he had received instructions from her to do so. Shen Tsu-kuang, 52, would then transfer the funds from his firm, Linden Asset Management (Belize), to his private account. In all,

he transferred more than US\$1.78 million (S\$2.4 million).

Appearing in a district court in shackles yesterday, Shen pleaded guilty to seven charges of cheating and was sentenced to 45 months in jail. Thirty other similar charges were taken into consideration.

At the time of the offences, the Taiwanese was a director of Linden Asset and the firm had a corporate bank account with the Singapore branch of BNP Paribas Private Bank, the court heard. Some time before September

2009, Shen's aunt-in-law, 74, contacted him for advice on transferring her assets from her bank account to another bank.

Shen advised her to open an account with the BNP Paribas branch and helped her to do so.

His aunt-in-law authorised BNP Paribas to hold all correspondence relating to her account, including statements, advice and notices, on her behalf. This meant that she would not get information on activities and transactions in her account.

She also authorised the bank to get instructions through fax, and signed a Power of Administration which allowed Linden Asset to undertake administrative actions on her behalf. This included furnishing instructions to the bank for transactions authorised by her.

On 35 occasions between 2009 and 2012, Shen sent fraudulent fax instructions, purportedly signed by his aunt-in-law, to the bank to deceive it into believing that she had authorised the transactions. Funds credited to Linden Asset's

bank account were transferred by Shen to his personal account in Taiwan on the same day or within a few days of receipt.

It was not mentioned in court how Shen's offences came to light.

Deputy Public Prosecutor Cheng Yuxi urged the court to impose a jail sentence of at least 44 months, calling Shen a "serial offender". The DPP said the fact that a financial institution was cheated could affect confidence in Singapore's banking industry.

Defence lawyer Adrian Wee

pleaded for a 36-month jail sentence, pointing out that Shen had no prior convictions. Mr Wee added that his client was apprehended when he came to Singapore on a social visit pass in 2019 and was not "on the run".

Principal District Judge Victor Yeo noted that hardly any restitution was made and that Shen's offences were "quite clearly not a momentary lapse of judgment, but premeditated".

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# ENHANCING THE FIGHT AGAINST SCAMS

Scams remain a major concern in Singapore. The number of scam cases reported in Singapore surged to 15,756 in 2020, an increase of 65.1% from 2019. Scammers are also constantly evolving their tactics to dupe unsuspecting victims out of their monies and launder criminal proceeds.

Fighting scams is a priority for the Singapore Police Force (SPF). In June 2019, the Anti-Scam Centre (ASC) was operationalised to strengthen the SPF's scam-fighting capabilities through the coordination of anti-scam intervention efforts across SPF units and external stakeholders.

2020 saw the ASC leveraging both technology and its strong partnerships to further strengthen scam detection and disruption capabilities. Together with the Land Divisions, the CAD also ramped up island-wide enforcement actions to swiftly disrupt scam operations. On the public education front, the CAD continued to work with National Crime Prevention Council (NCPC) and other stakeholders to develop new initiatives to spread the awareness of scams and prevention advice. Through these multi-pronged efforts, the CAD is taking the fight against scams to a new level.

## • STRENGTHENING SCAM DETECTION AND DISRUPTION CAPABILITIES

### Anti-Scam Centre being the nerve centre to tackle scams

The ASC is the nerve centre for investigating into scam-related crimes and its focus is to disrupt scammers' operations and mitigate victims' losses through close collaborations with financial institutions, telecommunication companies, and digital platform owners including online marketplaces.

In 2020, the ASC received 11,190 scam reports and successfully seized more than 9,000 bank accounts, recovering more than S\$57.6 million that scammers may have otherwise made off with.

The ASC's ability to swiftly intercept criminal proceeds and freeze suspicious bank accounts is attributable to its strong partnership with banks. Since its formation in June 2019, the ASC has been working closely with the banks to streamline the processes to freeze tainted bank accounts and retrieve account details for fund proceeds tracing. This includes allowing the sending of requests and information in a digital format, and introducing robotic process automation into the processes.

This partnership continues to expand in 2020 which culminated in Project FRONTIER (Funds Recovery Operations & Networks Team, Inspiring Effective Resolutions), a robust network comprising over 30 strategic partners from local and foreign banks, financial institutions, remittance companies and FinTech companies. This network allows the ASC to efficiently mobilised a coordinated rapid response to track the movement of criminal proceeds and shut down scam syndicates.

The ASC also collaborated with the Suspicious Transaction Reporting Office (STRO) to share a list of scam-tainted overseas bank accounts detected from police investigations with reporting entities through the STRO Online Notices and Reporting platform (SONAR). This sharing allows the banks and other financial institutions to alert their customers that they could have fallen prey to scams.

In addition to stopping the movement of illicit funds, the ASC engaged telecommunication companies to terminate more than 1,260 phone lines used by scammers. By disrupting scammers'

Scam Situation: January – December 2020		
	Number of reports received	<b>11,190</b>
	Amount scammed	<b>S\$164.6 million</b>
	Number of bank accounts frozen	<b>9,015</b>
	Amount recovered	<b>S\$57.6 million</b>
	Recovery rate of victims' losses	<b>35%</b>
	Number of phone lines terminated	<b>1,264</b>
	Number of online monikers and advertisement removed	<b>2,250</b>



Source: The Straits Times © Singapore Press Holdings Limited. Reprinted with permission.

mode of communication, the ASC effectively stops them from contacting potential scam victims.

To stem the rise in e-commerce scams, the ASC also worked closely with online marketplaces such as Lazada, Carousell, Shopee and Facebook, to introduce anti-scam measures focusing on improving user authentication and engendering greater platform accountability. In 2020, a total of 2,250 suspicious online monikers and advertisements were taken down given their links to scams.

## OPERATION HIGHLIGHTS

### • Swift recovery of US\$4.9 million in a case of Business Email Compromise scam

In October 2020, the ASC recovered more than US\$4.9 million following investigations into an alleged Business Email Compromise scam. Within minutes of receiving information that US\$5 million was illegally transferred to a Singapore-based bank account, the ASC worked with United Overseas Bank Limited (UOB) to freeze the bank account, leading to the recovery of US\$3.9 million.

The ASC continued to trace the funds, and through close collaboration with UOB, another sum of US\$987,000 was recovered from a Malaysia-based UOB bank account. In total, 98.2% of the amount scammed was recovered, which is a testament of the close collaboration between the ASC and UOB.

**Anti-Scam Centre recovers largest single sum of nearly \$6.7m**

The Singapore Police Force's Anti-Scam Centre (ASC) has recovered more than US\$4.9 million (S\$6.69 million) in an alleged business e-mail scam. It is the largest single sum the centre has recovered since it was set up in June last year. In a statement yesterday, the police said they launched an investigation after receiving alerts on Saturday from United Overseas Bank (UOB) and the United States' Federal Bureau of Investigation. A foreign bank, which the police declined to identify, had contacted UOB to urgently recall US\$5 million that was illegally transferred to a Singapore-based UOB account. "Such scams involve deceiving businesses through spoofing changes in payment instructions of company or client e-mail addresses, such as educating staff to be mindful of new or sudden changes in payment instructions and bank accounts."

Source: The New Paper © Singapore Press Holdings Limited. Reprinted with permission.

### • Intervention in fake gambling and investment scam cases

Between 27 and 29 January 2021, the CAD led an operation to intervene scams involving fake gambling platform and investments. The operation, which was aimed at alerting unsuspecting scam victims, involved tracing of funds in suspicious bank accounts and contacting the victims who made the transactions. The operation resulted in more than 200 victims realising that they had fallen prey to scams and the seizure of more than S\$1.57 million of criminal proceeds.

**与五银行联手制止逾200起 警方首次主动出击及早介入骗案 为受害者止损**

警方反诈中心首次主动出击，通过筛查到涉案嫌疑人的受害人名录，及时阻止他们继续向骗子汇款，为受害人止损。警方与五家银行展开三天执法行动，及时介入超过200起骗案。此外，有600多名嫌疑人与500多名投资骗案与假赌博网站，目前配合警方调查。他们介入了7岁至99岁，共有76男和22女。执法行动从本月27日进行至29日，星展银行、华商银行、大华银行、渣打银行以及汇丰银行派出职员全力协助警方行动。行迹通过分析银行的资金流动，找到可能已经受骗的受害人。高级网查员陈嘉瑞助理警司解释：“比如一名受害人报案时提供骗子的账号，警方就会追查所有向这账号汇款的人，整理出其中有可能受受害人并立即联络他们。各大警署也会配合派警前往协助调查。”他说：“我刚刚转了12万元保证金给对方，就接获警方通知。如今这12万元已被警方和银行冻结，其余款项不知能否追回。”另一受害人陈先生（38岁）说，他被诱导“投资”1200元，并在短短一小时内就大赚1万多元。他在跟对方几次交涉中警署早有预感，之后又接获警方通知确认受骗。警方公告指出，2019年至2020年间，使用假赌博网站的受害人在有可能受骗远程网络法上，事成者可被罚款高达5000元，犯罪最长6个月或两者兼施。

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### ScamShield – the scam filtering mobile application

Scammers often initiate contact with potential scam victims through Short Message Services (SMSes) or phone calls. To disrupt scammers' operations in this area, the Singapore Police Force (SPF) partnered with the National Crime Prevention Council (NCPC) and the Government Technology Agency (GovTech) to develop the ScamShield mobile application.

Launched in November 2020, ScamShield uses Artificial Intelligence (AI) technology to filter scam messages by identifying keywords, and sending these messages to the phone's junk folder. In addition, ScamShield blocks scam messages and calls from phone numbers featured in scam cases or reported by ScamShield users. These two functions greatly reduce the opportunities for scammers to reach out to potential victims.

The ASC also analyses the suspicious SMSes and phone calls reported by ScamShield users and engages the telecommunication companies to block, suspend or terminate the phone numbers linked to scams.



Fighting scams with new ScamShield mobile application

Since its launch until 31 March 2021, ScamShield has been downloaded by more than 104,000 users. In this period, over 503,000 SMSes were reported and over 4,811 phone numbers suspected to be used for scams were blocked.

• TOUGHENING ENFORCEMENT ACTIONS

Formation of the Anti-Scam Division

With scam variants evolving and an exponential increase in scam cases recorded over the past year, the CAD acknowledged the need for great synergy and closer coordination amongst various scam-fighting units under the ambit of the CAD. Against this backdrop, a partial re-organisation took place which saw the formation of a new division within the CAD.

On 22 March 2021, the Anti-Scam Division (ASD) was formed to consolidate and manage all anti-scam enforcement and investigations. Existing scam-centric branches and anti-scam

task forces within the CAD, namely the Syndicated Fraud Branch, Transnational Fraud Branch, Transnational Commercial Crime Task Force (TCTF), E-Commerce Fraud Enforcement and Coordination Team (E-FECT), and Anti-Scam Centre (ASC) are now consolidated under the new ASD.

As the centralised unit to coordinate the SPF's anti-scam enforcement efforts, the ASD is committed to taking perpetrators to task and also working closely with foreign law enforcement counterparts to tackle transnational scam syndicates.

as a money mule through social media and mainstream media. In September 2020, a media feature was coordinated to raise awareness on money mules through an interview with a scam victim who stepped forward to share her story about not just falling prey to scam, but also how she acted as a money mule in assisting the scammer to launder the scam proceeds.

The CAD, together with other departments of the SPF, also worked closely with the National Crime Prevention Council (NCPC) to roll out the 6th edition of the annual anti-scam campaign: "Spot the Signs. Stop the Crimes." The campaign focused on sharing real scam examples to educate the public on how to spot the various tell-tale signs of scams. One of the key campaign messages, which asked the public not to share their One-Time Password (OTP) with anyone, was amplified with the help of ABS through its members' mobile banking applications and internet banking websites. In addition, the CAD collaborated with ABS to conduct workshops to train frontline bank staff in recognising potential scam victims, with a view to reducing victim losses. A Scam Awareness Quiz was also implemented on various banking touchpoints such as websites and mobile applications to inoculate bank customers against banking-related scams.

Targeted scam awareness outreaches

As more consumers are turning to e-commerce sites and online marketplace to purchase items in the midst of the COVID-19 pandemic, e-commerce scams continue to be the most commonly reported type of scam in 2020. To address this concern, the CAD collaborated with the mainstream media, social media platforms, as well as key stakeholders like the Securities Investors Association (Singapore) (SIAS), MoneySENSE, and ABS, to reach out to more members of public to raise awareness on e-commerce scams and how to guard against them. To further sensitise the community about scams, the CAD facilitated the sharing by the victims who shared about their personal experience of being scammed. Notably, the CAD worked with Click Network, a Youtube reality lifestyle channel, on producing an episode on "The Public Investigator Series" that focuses on how e-commerce and social media impersonation scams work, and reminds members of public to play their part in fighting scams.

The CAD also actively participates in stakeholders outreach events, and this includes a scam awareness talk presented at the inaugural Online Industry Safety and Security Workgroup (Online iSSWG) event. Formed as a partnership between the SPF and the Asia Internet Coalition, the Online iSSWG was launched in January 2021 to create a safer and more secure online community for all users.



Anti-scam campaign posters

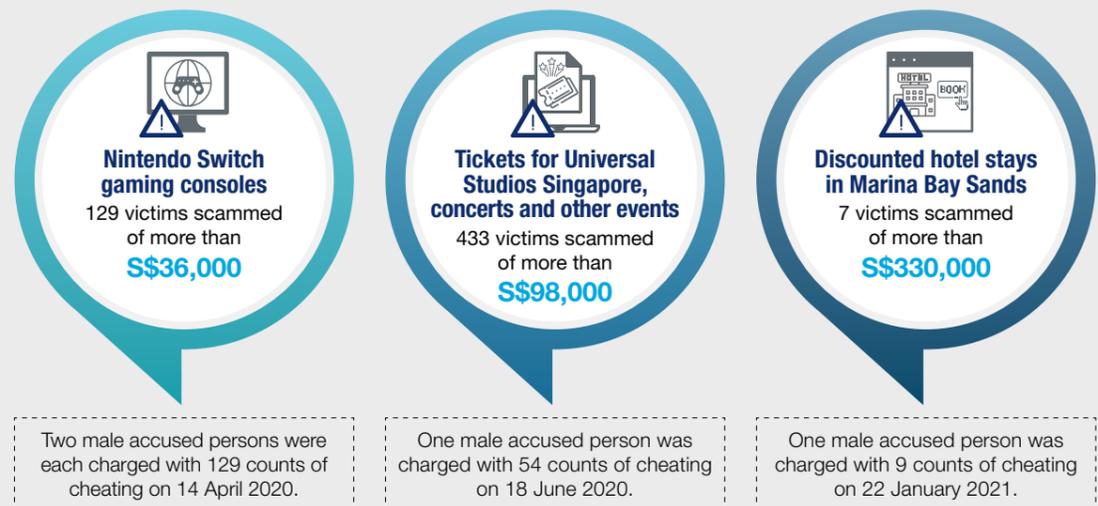
OPERATION HIGHLIGHTS

• Disrupting the proliferation of fraudulently registered pre-paid SIM cards

On 16 August 2020, the CAD jointly conducted an island-wide operation with the Criminal Investigation Department targeting 16 mobile phone retailers in an effort to curb the abuse of pre-paid SIM cards. Scammers commonly use such pre-paid SIM cards to communicate among themselves and also to contact victims. The operation led to the arrest of eight persons who were suspected to have fraudulently registered pre-paid SIM cards. They would pre-register SIM cards using the particulars of unsuspecting customers or foreigners who had not entered Singapore and subsequently sell them to customers. Some of these customers turned out to be criminals who abuse the SIM cards to operate under a veil of anonymity.

• Ramping up enforcement actions against e-commerce scammers

To combat the rise of e-commerce scams, the CAD led 14 operations which resulted in the arrest of 48 scammers who were responsible for more than 1,220 e-commerce scam cases in 2020. Three series of scam cases are highlighted below:



At the time of publication, court proceedings against the above accused persons are ongoing.

• STEPPING UP PUBLIC EDUCATION EFFORTS

Raising scam awareness as part of the Inter-Ministry Committee on Scams (IMCS)

In 2020, the Inter-Ministry Committee on Scams (IMCS) was formed and it endeavours to develop a more holistic approach towards tackling the scam situation in Singapore. The IMCS brings together various Ministries and identified stakeholders to augment the country's fight against scams through a review of existing enforcement and operational efforts, as well as enhancing public education to raise scam awareness within the community.

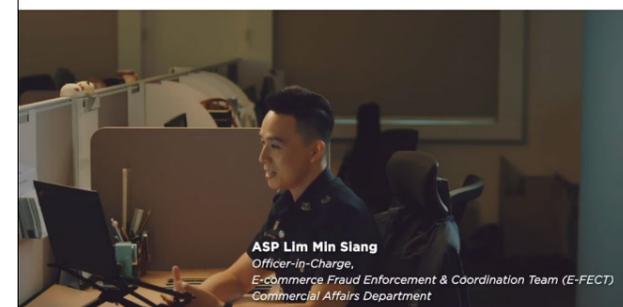
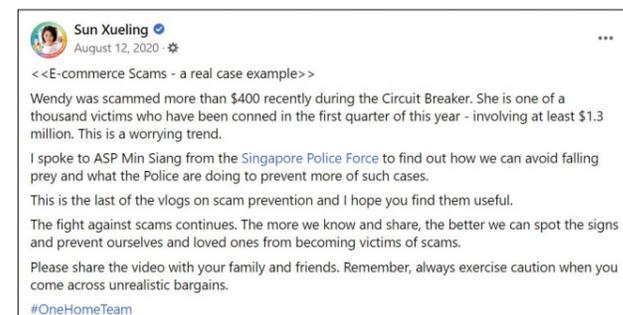
As part of the IMCS, the CAD works closely with the Monetary Authority Singapore (MAS) and The Association of Banks in Singapore (ABS) to enhance the payment ecosystem in Singapore. The CAD and the MAS recognise that scam poses a money laundering risk to Singapore as these scam victims co-exist as money mules, facilitating the movement of illicit proceeds both within and through Singapore. In this regard, the CAD has endeavoured to educate the public about risks of acting



Launch of Online Industry Safety and Security Workgroup (Online iSSWG)



Collaboration with SIAS, MoneySENSE and ABS for Facebook Live "My Money 2020" webinar



Minister of State, Ministry of Education & Ministry of Social and Family Development Sun Xueling's Video Log Series on Scam Prevention

## PARTNERING THE LAND DIVISIONS

The Commercial Affairs Department (CAD) and the Commercial Crime Squads (CCS) of the Land Divisions work together to combat commercial crimes. In 2020, the CAD and the Land Divisions continued to join forces to conduct extensive operations to tackle the increase in scam cases. To strengthen this partnership, the CAD is committed to enhancing the strategic and operational cooperation with the Land Divisions through engagement sessions and capability building efforts focusing on competencies in financial investigations.

### • CASE HIGHLIGHTS

#### OPERATION QUICKSAND – ENFORCEMENT OPERATIONS AGAINST MONEY MULES

Scammers generally use three main tools to perpetuate their crimes, (i) bank accounts belonging to oblivious money mules, (ii) mobile numbers, and (iii) online advertisements and monikers, and these tools are changed frequently to target unsuspecting victims. Although it is challenging to eradicate the scam scourge completely, it is paramount to adopt continual disruption strategies to frustrate the scammers' operations and disable their tools.

In April 2019, the CAD embarked on a series of enforcement operations under the code name – Operation Quicksand. This operation is conducted bi-weekly, and the CAD works hand in hand with the seven Land Divisions to target money mules and scammers responsible for cheating victims online, and to disrupt their operations.

In 2020, with the collective efforts of the seven Land Divisions, the CAD rounded up more than 4,900 money mules and scammers for their involvement in 10,349 e-commerce scam cases where victims were allegedly cheated of over S\$53.8 million. The CAD will continue to take tough enforcement actions against scam perpetrators so as to make the e-commerce community a safer place for all.

#### PP v LEE KIN WAH

Between October 2017 and August 2019, 17 customers lodged police reports against a car dealership for failing to transfer the car ownerships of a total of 18 second-hand vehicles even after full payments were made.

Investigations revealed that Lee Kin Wah (Lee), the owner of Ken Garage Pte Ltd (Ken Garage), had obtained loans from a credit company by pledging several of these vehicles as collateral. When the customers paid for their vehicles, Lee used the monies to maintain Ken Garage's cash flow instead of repaying the credit company. Consequently, the credit company repossessed some of the pledged vehicles that had already been handed over to the customers.

On 9 April 2021, Lee was convicted of six cheating charges and sentenced to 52 months' imprisonment. 11 similar charges were taken into consideration for the purpose of sentencing.

#### PP v WEI YONG

Wei Yong (Wei) was a member of a China-based criminal syndicate that engineered an investment scam which involved setting up shell companies and using them to cheat high net-worth businessmen of their monies. Between 2017 and 2019, 10 foreign victims lodged police reports alleging that they lost about S\$2.5 million in total to the syndicate. The victims were deceived into believing that the shell companies had legitimate business operations which could raise investment funds for the victims' businesses. The victims were then asked to transfer "administrative fees" to the syndicate for facilitating the fund-raising process and other related costs.

Wei was arrested at Changi Airport in November 2019 while trying to leave Singapore and was found with a fake Myanmar passport. Investigations also revealed that Wei gambled away most of his share of the criminal proceeds in Singapore's casinos.

On 19 April 2021, Wei was convicted and sentenced to imprisonment of 12 years and one month for cheating offences and for possessing a fake passport.

#### PP v HO SOON ANN

Between 2016 and 2018, Ho Soon Ann (Ho), the managing director of Frosts Food International, siphoned more than S\$1 million from the company's sales proceeds by directing the company's overseas customers to make payments for their orders into his personal bank account. To cover his tracks, Ho lied to the company's management that the overseas customers failed to pay for their orders and even stopped the company from selling products to them.

On 17 December 2020, Ho was convicted of criminal breach of trust and sentenced to four years' imprisonment.

### • ENGAGEMENT WITH THE LAND DIVISIONS

#### Ground engagement by Director CAD

Through the COVID-19 pandemic, Director CAD continued to stay connected to the CCS via virtual meetings instead of the annual ground visits. The lively dialogue sessions between Director CAD and the officers of the CCS covered a wide range of topics, including the policy and operational issues faced by

the CCS and also the initiatives that would resolve them. Director CAD also commended the CCS officers on their tenacity in solving commercial crime cases, and expressed his commitment to foster closer partnership between the CAD and the CCS so as to combat commercial crimes more effectively.



Virtual meetings with the Land Divisions

#### Recognition at the Director CAD Award Ceremony

The annual Director CAD Award Ceremony serves to recognise the accomplishments and contributions of officers from the CAD and the CCS. On 30 March 2021, a total of eight team awards and seven individual awards were presented to honour deserving individuals and teams from the CCS for their exemplary operational efficiency and dedication in solving commercial crimes. This year, the Jurong Division emerged as the best performing Land Division in the Commercial Crime Squad Staff Audit 2020. This is an annual audit carried out by the CAD on the commercial crime investigation standards of the Land Divisions. The audit also serves as a friendly competition among the CCS to spur each other on to improve their crime-fighting capabilities.



Jurong Division was the best performing Land Division in the Commercial Crime Squad Staff Audit 2020

### • ENHANCING FINANCIAL INVESTIGATION SKILLS

#### Financial Investigation Intermediate Workshop

To elevate the financial investigation competence across the Singapore Police Force's fraternity, the CAD continued to work with the Criminal Investigation Department (CID) and the Home Team School of Criminal Investigation (HTSCI) to curate and conduct financial investigation workshops at the intermediate level for

investigation officers. These workshops represent a continuation of the CAD's efforts to support the officers in progressively sharpening their skills sets and competencies in financial investigation through sharing of best practices and case studies. Over 200 officers from the Land Divisions have benefitted from the workshops.

## FORGING STRONGER DOMESTIC AND INTERNATIONAL PARTNERSHIPS TO COMBAT COMMERCIAL CRIMES

Through the years, the Commercial Affairs Department (CAD) has formed strong alliances with local and foreign stakeholders, which have been invaluable in the CAD's crime-fighting journey.

These partnerships remain as a key thrust in the CAD's work and supports the CAD's mission to prevent, deter, and detect financial crime. Given the openness of Singapore's economy, the CAD recognises that Singapore is inherently exposed to cross-border commercial crimes and the ensuing risks from money laundering, terrorism financing and proliferation financing activities. Despite the COVID-19 pandemic situation, the CAD has adapted quickly to partake or lead several collaborations and events in the virtual format. The CAD remains committed to forging stronger partnerships with the industry, law enforcement agencies both local and abroad, other government agencies and international organisations.



## ADVANCING PARTNERSHIPS

The CAD will build on and advance its partnerships with stakeholders to enhance crime prevention measures and deliver robust enforcement outcomes to deter financial crimes.

## ENHANCING ANTI-MONEY LAUNDERING EFFORTS

Given the ease of financial transactions across borders, criminal activities have become increasingly transnational and the ensuing proceeds are now often laundered across jurisdictions. The CAD continues to be committed in partnering government agencies, industry stakeholders and foreign counterparts to achieve enforcement outcomes and deprive criminals of their ill-gotten gains.

### • COMBATTING MONEY LAUNDERING THROUGH ACIP

The Anti-Money Laundering and Countering the Financing of Terrorism Industry Partnership (ACIP) played a vital role during the COVID-19 pandemic in responding to the evolving Money Laundering/Terrorism Financing (ML/TF) risk. Launched in 2017, this public-private partnership is co-chaired by the CAD and the Monetary Authority of Singapore (MAS) and supported by a steering group of senior and experienced Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) compliance officers from banks and The Association of Banks in Singapore.

In 2020, through regular advisories, the ACIP continued to alert the wider industry of emerging criminal typologies, risk indicators and mitigation measures in response to the evolving nature of ML/TF risk. The advisories issued by the ACIP thus far have touched on topics such as professional money laundering involving legal entities, missing trader fraud syndicates and unlicensed money remittance activities.

The mandate of the ACIP goes beyond knowledge sharing. Since 2019, the CAD and the MAS have worked closely with key banks, through the ACIP partnership, on specific cases and targets where intelligence and leads are shared through a hub and spoke model for the purposes of surfacing new leads and conducting further analytics. In a particular case concerning a network of shell companies used for laundering fraudulent proceeds, the ACIP was instrumental in identifying and taking pre-emptive actions against a series of bank accounts that were suspected to be controlled by criminals. These collaborative efforts have culminated in successful interceptions of about US\$53 million, including incoming funds that were blocked through the banks' proactive identification of suspicious accounts.

As the ACIP turns five in 2022, the ACIP will be conducting a strategic review to ensure that it continues to remain an effective platform for public-private collaboration in combating ML/TF.

### • RAISING AWARENESS OF EMERGING RISKS AND TRENDS

#### Tackling the abuse of charities

The CAD recognises that the abuse of charities for ML/TF and other financial crimes is a concerning international trend. To this end, the CAD keenly engaged local charities during a webinar organised jointly by the Commissioner of Charities and the Law Society Pro Bono Services.

The aim of the webinar was to enhance the charities' understanding of ML/TF and fraud risks, as well as their practical knowledge on how to guard against such situations. The CAD shared local case studies involving insider fraud in charities, common ML/TF typologies and relevant red flag indicators that the charities should pay attention to in carrying

out their day-to-day duties. The webinar was well-received and was attended by more than 200 board members from around 60 charities.

#### FinTech and Financial Crime

Rapid improvements in technology have brought about opportunities and challenges to law enforcement agencies, including the CAD. As financial institutions and the Government leverage technology to fight financial crimes, new technology advancements create opportunities for abuse by criminals.

Following the CAD's participation in the inaugural Wealth Management Institute (WMI) Industry Forum on FinTech and Fighting Financial Crime in 2019, the CAD continues to work closely with the WMI to continuously engage the financial sector. During the WMI Industry Forum held on 3 November 2020 on the topic of "Fighting FinCrime with Data Science", the CAD underscored the need for the financial industry to work closely with law enforcement agencies to fight financial crimes in the digital age. The webinar was attended by the financial sector and regulators across Asia.



Sharing at the WMI Industry Forum



Sharing with charities

### Illegal Wildlife Trade (IWT) and Trade-Based Money Laundering (TBML)

The CAD has been actively participating in various projects related to key and emerging ML/TF threats that are undertaken by the Risk, Trends and Methods Group of the Financial Action Task Force (FATF), such as TBML and the laundering of proceeds from IWT. FATF is an inter-governmental standards setting body for AML/CFT standards, of which Singapore is a member.

Given Singapore's status as an international financial centre and global trading hub, the CAD recognises the inherent threat from TBML and how funds from IWT may be laundered transnationally through Singapore. The CAD has shared the findings of these FATF projects with key government stakeholders to enhance their risk understanding and detection capabilities, and where relevant, to the industry as well. Specifically for IWT, the National Parks Board (NParks) was invited to the sharing sessions to improve stakeholders' understanding of IWT and share steps that Singapore has taken to combat IWT.

### • ASSET RECOVERY AS A DESIRED OUTCOME

#### INTERPOL Financial Crimes Unit Webinars – (i) Combatting Financial Frauds through Effective Money Interception Mechanisms and (ii) Tracing Illicit Financial Flows

The advent of new technology in an increasingly borderless world requires authorities to be nimble and quick in order to intercept transnational illicit proceeds. In 2020, the CAD was given the opportunity to share Singapore's experience and strategies in tracing illicit financial flows and swiftly intercepting these funds through various forums.

The CAD collaborated with INTERPOL's Financial Crimes Unit on two webinars to share experiences on tracing illicit financial flows coupled with swift interception mechanisms. The first webinar on "Combatting Financial Frauds through Effective Money Interception Mechanisms" was held on 29 July

2020, and the second webinar on "Tracing Illicit Financial Flows" was held on 27 January 2021.

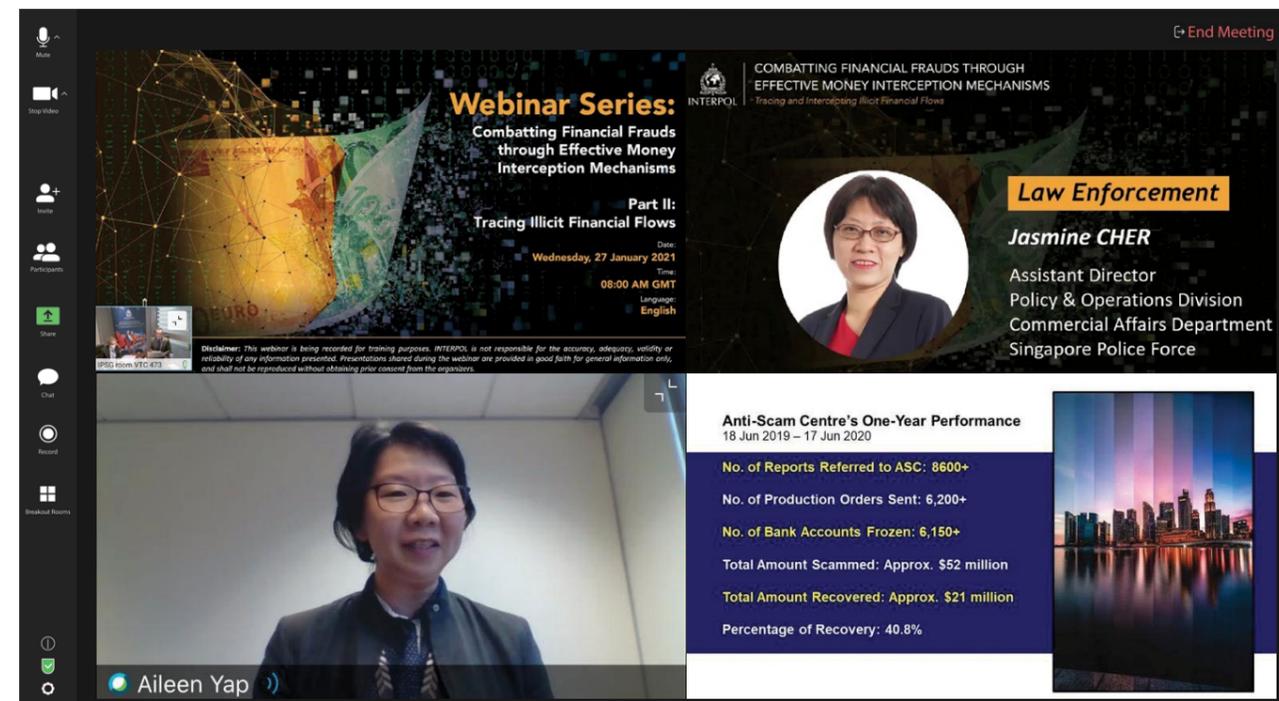
The webinars were attended by over 2,000 representatives from law enforcement agencies, financial intelligence units (FIUs) and international anti-money laundering bodies. The vibrant discussions that took place over the sharing of best practices employed by different jurisdictions to trace and intercept illicit financial flows underscored the importance of international collaboration among jurisdictions. The CAD will continue to leverage international cooperation as a best practice to intercept proceeds of crime.

### • FATF JOINT EXPERTS' MEETING

The CAD regularly represents Singapore law enforcement at meetings organised by the FATF. In November 2020, the CAD was invited as a panel speaker at the FATF Joint Experts Meeting on "Multi-Jurisdictional Money Laundering Co-operations". The meeting heard practices adopted across various jurisdictions in dealing with transnational cases, including Singapore's swift international cooperation with other foreign counterparts.



Sharing at the FATF Joint Experts' Meeting



Sharing at the INTERPOL Financial Crimes Unit webinars

## STRENGTHENING COUNTER-TERRORISM FINANCING EFFORTS

Singapore continues to be exposed to terrorism financing (TF) threats posed by regional and international terrorist groups. It was highlighted in the National Risk Assessment on Terrorism Financing published in December 2020 that individuals in Singapore have a greater propensity to be radicalised and influenced to carry out TF activities. In this regard, as the key agency investigating TF in Singapore, the CAD continues to keenly engage regional counterparts and domestic stakeholders as part of the initiatives to mitigate TF risk.

### • ASIA PACIFIC GROUP ON MONEY LAUNDERING (APG) TYPOLOGIES WORKSHOP

The CAD represented Singapore as a presenter for the APG Typologies Workshop to share experience and best practices in combatting TF. This virtual workshop was hosted by the government of Malaysia from 2 to 5 February 2021 and was attended by approximately 325 delegates from 36 APG members, 10 APG observers, and 29 private sector or non-government organisations. The financing and facilitation of foreign terrorist fighters in Southeast Asia was a key issue that was discussed. Participants shared trends and patterns related to foreign terrorist fighters and concluded that information exchange – between government authorities, as well as between government and the private sector – plays a critical role in mitigating the risks surrounding TF.



Sharing at the APG Typologies Workshop

### • ACIP COUNTERING THE FINANCING OF TERRORISM (ACIP CFT) OPERATIONAL GROUP

As part of the ACIP CFT Operational Group, an operational response taskforce comprising several financial institutions was set up to provide expeditious investigative assistance in the event of terrorist incidents in Singapore. The objective is to enable the CAD to be nimble in responding to these incidents, through establishing direct points of contacts with the financial institutions within the ACIP CFT Operational Group.

The ACIP CFT Operational Group is also working on a Financial Risk Profile Study of self-radicalised individuals to deepen the understanding of financial behaviour of terrorist actors by identifying any commonalities and patterns in their financial transactions.



Discussion among members of the ACIP CFT Operational Group

## BUILDING CAPABILITIES TOGETHER

### • INTERNATIONAL ECONOMIC CRIME COURSE (IECC)

To build capabilities in financial crime investigations at the regional levels, the CAD has been organising the annual IECC, focusing on the latest trends, threats and challenges confronting law enforcement agencies in the area of white-collar crime.

IECC 2020 was held in February 2020, and the theme was “Financial Crime Trends within the Digital Economy”. The course was attended by a wide range of participants from foreign government authorities, including representatives from the Australia Federal Police, the Queensland Police Service of Australia, the Central Bureau of Investigation of India, and the Cambodia Anti-Economic Crime Police Department. Representatives from local government agencies, such as Accounting and Corporate Regulatory Authority, Corrupt Practices Investigation Bureau, Inland Revenue Authority of Singapore, Ministry of Law, Ministry of Manpower and the Singapore Police Force, also attended the one-week course.

Distinguished guests from INTERPOL and Deloitte Singapore were invited to share their expertise on financial crime trends. The course also facilitated the sharing of best practices in



Sharing at the IECC 2020

fighting transnational syndicates and discussions on pertinent issues arising from the evolving digital landscape.

Through the IECC, the CAD hopes to continue leading capacity building efforts in the region and providing a valuable platform for cross jurisdiction collaboration and relation building.



Participants of the IECC 2020

## STEPPING UP UPSTREAM EFFORTS TO PREVENT AND DETER GOVERNMENT GRANT FRAUD



Sharing at the Inter-Agency Forum on Countering Fraud against Government Assistance Schemes

The CAD adopts a two-pronged approach to countering government grant fraud: (i) investigation of persons who try to defraud the Government, and (ii) being part of Whole-of-Government (WOG) efforts to strengthen grant governance and capabilities in grant administration across grant administering agencies.

The CAD's focus is to work with the agencies on preventing and detecting grant fraud to ensure that grants are only given to the intended beneficiaries. The CAD's efforts intensified last year, as the Government introduced billions of dollars of grants to Singaporeans and local businesses to cushion the fallout from the COVID-19 pandemic.

Engagement efforts by the CAD are multi-faceted. The CAD shares views and best practices with the agencies administering grants on broad platforms. One such platform is the Inter-Agency Forum on Countering Fraud against Government Assistance Schemes that was jointly set up by the CAD and the Inland Revenue Authority of Singapore. In September 2020, 20 agencies participated in the 6th Inter-Agency Forum which, for the first time in its history, was held virtually. The discussion topics included best practices on administering and auditing COVID-19 grants. The CAD also sometimes hold sharing sessions for smaller groups, and frequently engages grant administering agencies on a one-on-one basis for more specific discussions.



Delegates from the CAD and the Royal Malaysia Police (RMP)

### • BILATERAL MEETINGS TO STRENGTHEN PARTNERSHIPS

As part of the CAD's annual liaison meetings, the CAD visited the Royal Malaysia Police (RMP) in March 2020 and held a virtual meeting with the Hong Kong Police Force (HKPF) in August 2020. Both foreign law enforcement agencies reaffirmed their commitment for continued close collaboration with Singapore to quickly identify and disrupt the transnational criminal syndicates' operations. This commitment is reflected through the numerous joint operations undertaken, some of which are shared below.

### • JOINT OPERATIONS WITH ROYAL MALAYSIA POLICE AGAINST INTERNET LOVE SCAMMERS

The CAD and Commercial Crime Investigation Department (CCID) of the RMP conducted a joint operation in May 2020 against a transnational internet love scam syndicate based in Kuala Lumpur, Malaysia.

In March 2020, the CAD first received a report lodged by an elderly Singapore victim, alleging that she was duped into transferring S\$200,000 to a corporate bank account in Malaysia as an advance fee for a US\$900,000 retirement grant. Through extensive exchange of intelligence between the CAD and the RMP, officers from the RMP conducted a successful raid in Kuala Lumpur and arrested a Malaysian woman and three Nigerian men.

The criminal syndicate is believed to be responsible for eight or more internet love scams reported in Malaysia and Singapore, involving losses of more than S\$400,000.



Virtual meeting between the CAD and the Commercial Crime Bureau of the Hong Kong Police Force

### • JOINT OPERATIONS WITH HONG KONG POLICE FORCE AGAINST TRANSNATIONAL CREDIT CARD FRAUD SYNDICATE

Between May and July 2020, the CAD, together with the Commercial Crime Bureau (CCB) and the Cyber Security Technology Crime Bureau (CSTCB) of the HKPF, conducted a joint investigation into a transnational online credit card fraud syndicate believed to be operating from Hong Kong.

The syndicate was found to have used credit card details, which were stolen from Singapore victims through phishing emails, to make a series of fraudulent online purchases of electronic products in Hong Kong. These victims received phishing emails disguised as a payment detail update request from a technology and media services provider. The victims, believing the request to be genuine, entered their credit card details and One-Time-Passwords (OTP).

The close collaboration and sharing of key investigation findings between the CAD and the HKPF led to the swift identification and arrest of five core members of the syndicate by HKPF officers in Hong Kong on 6 July 2020. The five suspects were believed to be responsible for at least 13 counts of fraudulent online credit card purchases of electronic products and other items in Hong Kong amounting to more than HKD229,300 (equivalent to about S\$39,176). In addition, the syndicate is also believed to be involved in other fraudulent online transactions amounting to more than HKD1,300,000 using stolen credit card details from victims in the United States, and European countries such as Italy and Portugal.

The swift and successful detection and apprehension of members of the syndicate had prevented more victims from falling prey and also sent a strong deterrent message to transnational criminal syndicates, who attempted to use territorial boundaries and the anonymity of the internet to commit crimes.

## COMBATting TRANSNATIONAL SYNDICATES

### • PARTICIPATION IN INTERNATIONAL OPERATIONS

The CAD was involved in Operation First Light, an INTERPOL-coordinated enforcement operations against syndicates behind telecom frauds, including government officials impersonation scams. Between 1 September 2019 and 31 March 2021, 35 countries, including Singapore, participated in a coordinated crackdown on organised crime groups engaged in various types of telecommunications and social engineering scams. The operation was closely supported by regional policing bodies Europol and ASEANAPOL.

Globally, the operations resulted in more than 20,000 arrests and the interception of over US\$150 million in illicit funds. The CAD, representing Singapore in the operation, arrested 56 money mules and runners, and seized over S\$2.16 million. During the operations, the CAD also uncovered a new scam variant involving the scammers posing as INTERPOL officers. This new scam variant was swiftly shared with INTERPOL which led to timely updates on INTERPOL's website.



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## RESPONDING TO COVID-19 TOGETHER

Since the outbreak of the COVID-19 in early 2020, the Commercial Affairs Department (CAD) had to swiftly adapt to the abrupt challenges brought about by the pandemic. From stepping up to help contain the spread of COVID-19 in the migrant worker dormitories to coping with Safe Management Measures and the demands of remote working, officers from the CAD have displayed resilience through this period of uncertainties.

As the CAD worked tirelessly to fight financial crimes amidst the pandemic, the Corporate Support Division played a key role in ensuring the safety of the officers from the CAD and the members of the public they interacted with. Safe Management Measures at the workplace, including equipping officers with personal protective equipment and installing acrylic barriers within the office, were swiftly implemented to minimise virus transmission. Measures which facilitate contactless administration functions were also adopted to reduce common physical touchpoints in the office.

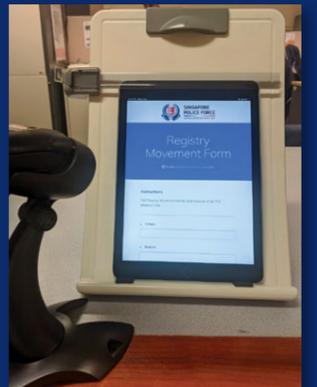
Even as the COVID-19 pandemic resulted in reduced physical interactions, this did not deter the officers from staying connected as a department. The CAD's Anniversary Celebration was conducted virtually for the first time with engaging segments that brought officers closer together. The year also saw the CAD's first competitive virtual run event, and a fundraising charity sale to raise funds for the Community Chest.

The CAD's collective response to the COVID-19 exemplifies the sense of unity which is critical to tackle any new challenges ahead.

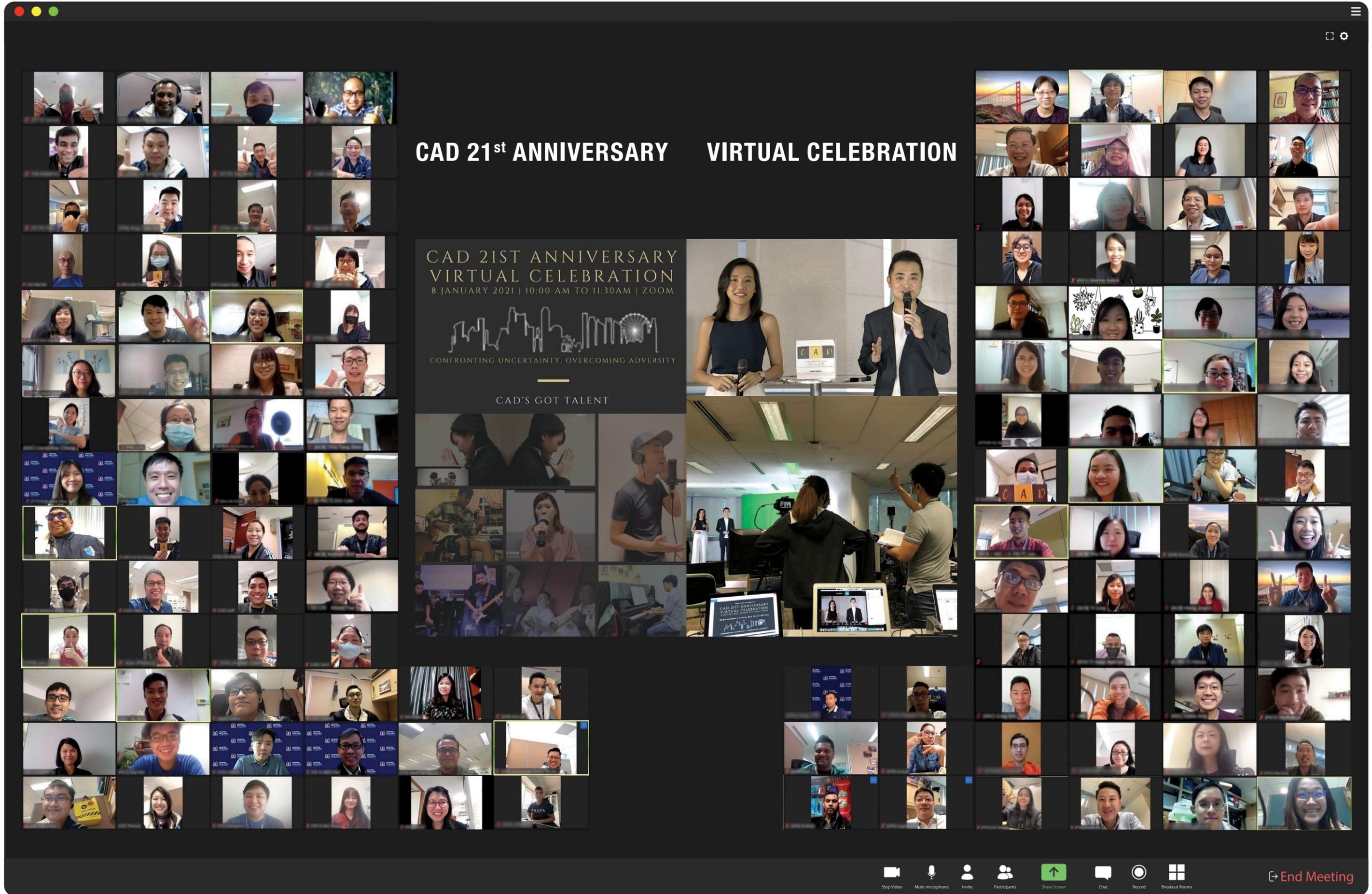
## STRENGTHENING COHESION

The CAD will continue its efforts towards building a resilient and cohesive department that is ready to overcome any new challenges.

### SAFE MANAGEMENT MEASURES AT THE WORKPLACE



Source: Lianhe Zaobao © Singapore Press Holdings Limited. Reprinted with permission.



# CAD 21<sup>st</sup> ANNIVERSARY VIRTUAL CELEBRATION

CAD 21<sup>st</sup> ANNIVERSARY  
VIRTUAL CELEBRATION  
8 JANUARY 2021 | 10:00 AM TO 11:30AM | ZOOM

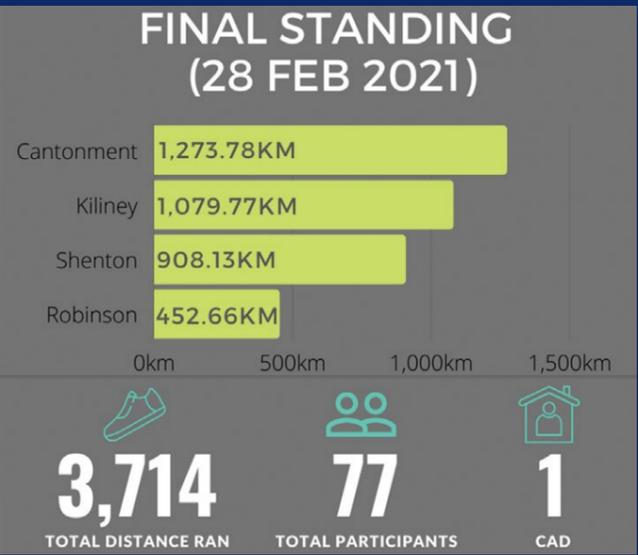


CONFRONTING UNCERTAINTY, OVERCOMING ADVERSITY

CAD'S GOT TALENT



# VIRTUAL RUN 2021



# FUNDRAISING CHARITY SALE



# SUPPORTING OPERATIONS AT MIGRANT WORKER DORMITORIES



## Two men from different worlds forge friendship amid adversity

Cheryl Teoh

Even in the thick of a global pandemic, two men from very different worlds and backgrounds managed to find common ground and camaraderie as a team of great advisers. Mr. Sheik Ismail Mohamed Ashad, 72, is a senior investigation officer with the Singapore Police Force's Commercial Affairs Department, and Mr. Mamoun Abdulla Al-Sik, 36, is a worker from Bangladesh staying at the S11 Dormitory in Seletar North Link.

They met - and became friends - when Mr. Sheik was part of the Forward Assistance and Support Team (FAST) stationed at purpose-built dormitories for migrant workers.

These teams comprised 1,300 Home Team officers from various agencies who were deployed to dormitories to look after the well-being of migrant workers, including attending to their essential needs, implementing safe living measures, and facilitating medical routing for dormitory clearance operations.

Mr. Sheik volunteered to be deployed to the dormitory as the Home Team oversees the management of 27 purpose-built dormitories and two decent sites, which housed more than 560,000 migrant workers. Decent sites are used to house migrant workers employed for essential services.

Despite the dire circumstances, Mr. Sheik and Mr. Mamoun formed an unlikely friendship. Mr. Sheik often checked in on how Mr. Mamoun was doing, while the latter would go one step further to make pastries and sugar cane juice for Mr. Sheik in his downtime.

Mr. Mamoun, who has been working in Singapore since 2006, was sent back to Bangladesh the day before lockdowns were imposed on all the dormitories. Mamoun Abdulla Al-Sik and other staff from going to work in the dormitory.

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Mr. Mamoun Abdulla Al-Sik, a worker from Bangladesh, with Mr. Sheik Ismail Mohamed Ashad, a senior investigation officer with the Singapore Police Force, at the S11 Dormitory. They had got together to enjoy a pudding dish called payesh that Mr. Mamoun cooked. ST PHOTO: TRISTRIF DAVID

**LANGUAGE HURDLE**  
At first, the language barrier was an issue, because of the diversity of workers in each dorm; but with the help of my colleagues and friends like Mamoun, the communication process got easier every day.

“The experience was overwhelming at times, but very rewarding. Some of the biggest takeaways for me were really that everyone should be treated equally, and with respect, and that good teamwork is essential to getting things done.”

Source: The Straits Times © Singapore Press Holdings Limited. Reprinted with permission.

## NOTES OF APPRECIATION

“I would like to extend my sincere, heartfelt thanks and appreciation to all officers involved in my case at the Commercial Affairs Department, and especially to [the Officer]. His work ethic and empathy is exemplary. I have so much respect now for our men in blue whose hard work I'm sure sometimes goes unseen, unheard and under-appreciated.”

– Victim

“I will like to take this time to compliment [the Officer] from the Transnational Commercial Crime Task Force of the CAD for his excellent effort in helping my mother in a case of e-commerce scam. Through his efficiency and diligence, we managed to recover the loss which my mother had unknowingly sent to another party. He was patient in guiding us and we also get to learn from mistakes and know more about what to look out for to protect ourselves better from such similar situations in future. We like to thank SPF for having such a kind officer who will go all out to help people in need and keeping our country safe. Keep up the good work!”

– Victim's son

“I would like to express my sincere gratitude to the Singapore Police Force for contributing to the Financial Crimes Unit's webinar on 'Combating Financial Frauds through Effective Money interception Mechanisms: Tracing Illicit Financial Flows'.

Particularly, the contributions of [the Officer] from the CAD's Policy and Operations Division, were well received and raised attendees' awareness on the strategic and impactful work performed by the Anti-Scam Centre. [The Officer] truly showcased the impressive work of the Singaporean authorities, which set an excellent example to all agencies around the world.”

– INTERPOL

“I would like to thank your officers from the Anti-Scam Centre (ASC) for their professionalism and efforts in preventing our elderly customer from losing her entire life savings in an internet love scam.”

– OCBC

“I would like to express my deepest appreciation to [the Officer] and his team at CAD who were in charge of my case. I was a victim of a scam case and suffered significant financial loss in the scam.

With limited evidence that I was able to provide, [the Officer] and his team dedicated huge efforts to the investigation. And they managed to recover my loss within less than a week. I was so surprised because I never thought my loss could be recovered. Throughout our communication during the investigation, [the Officer] and his team were very dedicated and professional. I am really grateful for their timely help especially under such heavy workload.”

– Victim

“Thank you for [the Officer's] insightful and lively sharing last evening on the common types of scams in Singapore. The anecdotes you shared and cases you have come across in your work brought home these key messages very well.

On behalf of the team at MoneySense, ABS and SIAS, thank you for all your efforts and support. We look forward to having you at our future events.”

– Monetary Authority of Singapore (MAS)

“I have learned that heroes are not always in uniform on battlefields carrying weapons. A hero clad in an office shirt and black pants fought and won me redemption, by sitting for hours, staring relentlessly at a computer screen and combing through voluminous documents. His weapons were his meticulous precision and steely determination.

Thank you for your perseverance, your professionalism, and above all, your kindness. You have inspired me to look beyond my own well-being, and to contribute in whichever ways I can to make Singapore a safe place to work, play, thrive and grow.”

– Victim

“My wife and I wish to express our heartfelt thanks to the team of officers from the CAD in recovering our lost monies from e-commerce scam.

In addition, I would also like to especially thank [the Officer]. She is professional and has shown excellent ability in handling the case. I begin to have the confidence that our difficulties, in time like these, will be reduced to a minimal level. Once again, a big thank you!”

– Victim

“I would like to express my sincere gratitude to the Singapore Police Force for contributing to the 8th INTERPOL Anti-Transnational Financial Crime Working Group Meeting and conclusion meeting for Operation First Light 2019. INTERPOL received many positive feedbacks from the participants regarding the fruitful contents and high quality of the meeting. In particular, [the Officer] contributed to the overall success of the event by delivering a presentation on 'Telecom fraud involving impersonation of law enforcement officer', which highlighted the latest crime trends and success stories of Singapore throughout the last instalment of Operation First Light.”

– INTERPOL

## ACKNOWLEDGEMENTS

The Commercial Affairs Department is grateful to the contributors, and all who have helped in one way or another, to make this annual report possible. We would like to thank the Singapore Press Holdings for the use of their newspaper articles which have been reproduced in this report. We would also like to express our appreciation to the Public Affairs Department, the Planning and Organisation Department, and the Administration and Finance Department of the Singapore Police Force for their invaluable advice and assistance in the production of this report.

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