

# NEWSLETTER

## AL NAZAHA ASSOCIATION



The most famous financial fraud in the world:

### Enron

The Enron scandal is probably the most famous of Wall Street's financial scandals. Enron was a high-flying energy services company and a darling of the stock market in the last 1990s. When it eventually collapsed, shareholders lost as much as \$74 billion. The CEO, Jeff Skilling and the CFO, Andrew Fastow, used an array of dubious accounting practices to inflate revenue and hide debts. The result was that the company appeared to be the most profitable company in history.

### Wirecard

The recently uncovered fraud at Wirecard has turned out to be one of Europe's biggest financial scandals. The fraud at Wirecard was actually remarkably simple. Wirecard was a company that processed payments on behalf of merchants. In certain countries, Wirecard used subsidiary companies to process these payments on its behalf. At some point, the company began reporting fictitious revenue from these subsidiaries, which eventually accounted for the bulk of Wirecard's profits.

### The Eiffel Tower Sale (1925)

Victor Lustig discovered that the famous Eiffel Tower was in need of repairs, he faked some government papers showing that he was authorized to sell the tower for scrap metal. He managed to get not one, but two scrap metal dealers to come up with a total of over \$200,000 in bribes to throw the multi-million dollar contract their way. Then, he skipped town and returned to the United States, where he continued a lustrous career as America's most successful swindler.



### Al Nazaha Update

Visit and follow us on Al Nazaha website and social media accounts for the latest ACFE updates on the Middle East Anti-Fraud Conference.

Website: [alnazaha.ae](http://alnazaha.ae)

Instagram: [https://www.instagram.com/al\\_nazaha/](https://www.instagram.com/al_nazaha/)

LinkedIn: <https://www.linkedin.com/in/al-nazaha-association-531b4a190/>

Twitter: <https://twitter.com/alnazahaue>

WhatsApp Group: Scan the QR Code with your camera

### ACFE Update:



November 14 – 20, 2021 was the international fraud awareness week. International Fraud Awareness Week, or Fraud Week, was established by the Association of Certified Fraud Examiners (ACFE) in 2000 as a dedicated time to raise awareness about fraud. The week-long campaign encourages business leaders and employees to proactively take steps to minimize the impact of fraud by promoting anti-fraud awareness and education. To learn more, please visit: <https://www.fraudweek.com/>



## Fraud News

### Abu Dhabi Criminal Court convicts 40 defendants and 8 companies of fraud and money laundering

The Abu Dhabi Criminal Court, which is competent to consider money laundering and tax evasion crimes, has convicted 40 defendants of different nationalities and 8 companies on charges of forming a gang and engaging in an economic activity without a license.

Read More: <https://middleeast.in-24.com/News/165248.html>

### The UAE implements new measures to protect bank cards from fraud

The Central Bank of the Emirates issued new instructions to banks aimed at protecting credit and direct debit cards from fraud, stressing the need to implement them as of the first of next December.

Read more: <https://al-khaleejtoday.net/business/5685178/The-UAE-implements-new-measures-to-protect-bank-cards-from-fraud.htm>

### An Asian file a false report to cover up the crime of his friend

The Fujairah court convicted an Asian, 67, of providing false information to the investigation police, with the intent to mislead the judiciary, after he claimed that his vehicle number plate had been stolen by an unknown person, contrary to the truth.

Read more: <https://bit.ly/2ZhQe4Y>

### A foreign nursery manager seizes 5 million dirhams

The Abu Dhabi Court for Family and Civil and Administrative Claims ordered a former director of a nursery (of a foreign nationality) to pay to the nursery four million, 998,470 dirhams, which she illegally obtained from the custody accounts, while working in the management of the place for a period of 15 years. Read more: <https://www.tellerreport.com/news/2021-11-14-a-foreign-nursery-manager-seizes-5-million-dirhams.B1w5hib1uK.html>

### A fraudster deceives a divorced woman and seizes 174 thousand dirhams

The Abu Dhabi Family Court obligated a man to pay 174,000 dirhams to a woman, with a delayed interest of 5%, after he deceived her that he held a large position in a government agency, through which he could help her obtain a decision regarding custody of her son from her ex-husband, in exchange for money.

Read more: <https://middleeast.in-24.com/News/237983.html>

### A fraudster sells fake real estate to a man for 2.2 million dirhams in Abu Dhabi

The Abu Dhabi Court for Family and Civil and Administrative Litigations obligated a person accused of real estate fraud to return to a man the amount of two million and 250 thousand dirhams that he seized from him after he was delusional that he was a real estate dealer.

Read more: <https://bit.ly/3r5TVVW>

### AML/CTF Executive Office concludes second PPP Committee meeting

Established earlier this year, the PPPC, which is organized under the AML/CTF Executive Office was created as an official platform to bring together relevant governmental agencies and the private sector for the purpose of consultation and sharing of experiences in anti-money laundering, counter-terrorism financing, and counter proliferation financing. <https://www.wam.ae/en/details/1395302970013>

### California man gets 30 years in prison for \$1B Ponzi scheme

The owner of a San Francisco Bay Area solar energy company has been sentenced to 30 years in federal prison for an audacious Ponzi scheme that defrauded investors of \$1 billion. Read more: <https://abcnews.go.com/US/wireStory/california-man-30-years-prison-1b-ponzi-scheme-81069070>