

# Case Study: Fraudulent cryptocurrency investment scheme

OECD International Academy for Tax Crime Investigation: Investigative Techniques for the Cash Economy 11 – 20 October 2021

Amal Affandy  
Associate (Analyst), Financial Intelligence Unit  
Brunei Darussalam Central Bank



# Disclaimer

*The information shared in this document is permitted for use in print, electronic, or any other media, provided these are for personal use or non-commercial scholarly, educational, or scientific research or study purposes and the used material is appropriately attributed to BDCB. No written permission is required for such use.*

*Users of the information are fully responsible for any consequences resulting from their use of the information. BDCB does not guarantee the quality, accuracy, completeness of the information. While efforts are made to verify the information provided, the information may contain typographical or other errors and should not be assumed to be error free.*

*By using the Information, you agree that BDCB shall not be responsible for any direct, indirect, special, incidental or consequential damages or any other damages whatsoever and howsoever caused, arising out of or in connection with the use of the Information or in reliance on the Information available.*



**BDCB**  
BRUNEI DARUSSALAM  
CENTRAL BANK

# Table of Contents

**1** Introduction

**2** Analysis

**3** Inter agency cooperation

**4** Investigative Techniques

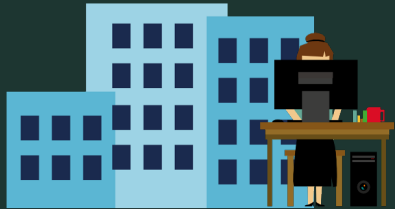
**5** Money Laundering

**6** Outcomes



# Introduction

FIU, BDCB



Primary agency that receives, analyses and disseminates intelligence reports relating to money laundering, terrorism financing and other crimes.



Received key pieces of information

Suspicious Transaction Reports



Open source information



4 Government Employees collecting cash deposits from the public

Court official  
Ministry official  
Teacher  
Military



Cryptocurrency investment scheme hereby referred to as "DD"



**BDCB**  
BRUNEI DARUSSALAM  
CENTRAL BANK

# Analysis



## Analysis Techniques

- Different sources of information
- Pivot analysis of Microsoft Excel statements
- GoAML diagramming (Link analysis chart)
- Open source research
- Basic net worth analysis



463 persons  
("victims")



Bank transfers  
Cash deposits



The personal  
accounts of the 4  
suspects received a  
total of:



BND 3.1 million  
USD 2.29 million  
EUR 1.9 million



Beyond known  
Government  
Salary Income  
Bracket



Brunei does not  
impose income tax.



## Red Flag Indicators

- Source of funds not from legitimate income
- Account activity does not match the background
- High frequency & volume of transfers into the 4 bank accounts
- Large cash withdrawals with no economic explanation



# Inter-agency Cooperation



FIU Intelligence  
Disseminations to the  
CCID, RBPF



Ad hoc taskforce meetings:

- Attorney General's Chambers (as advisor)
- Royal Brunei Police Force
- Financial Intelligence Unit

“DD” also had a presence in  
a regional country



Request of information to  
regional FIU through Egmont  
Group of Financial  
Intelligence Units Secure Web

# Investigative Techniques



Commercial Crimes  
Investigation Division,  
Royal Brunei Police  
Force conducted  
investigations



Investigations uncovered the 4  
suspects promoting a cryptocurrency  
online trading platform and offering  
unlicensed investment schemes at a  
promised return of 8 – 12 %



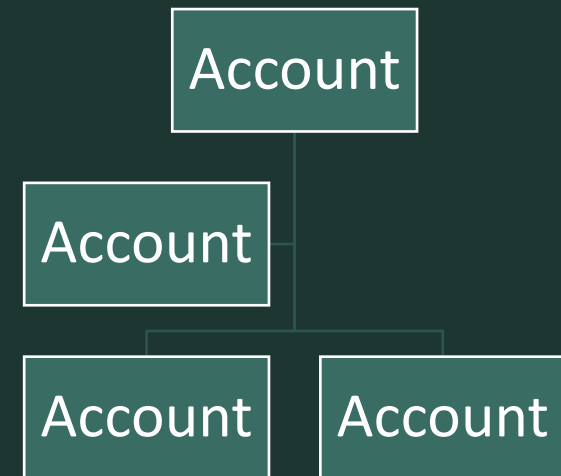
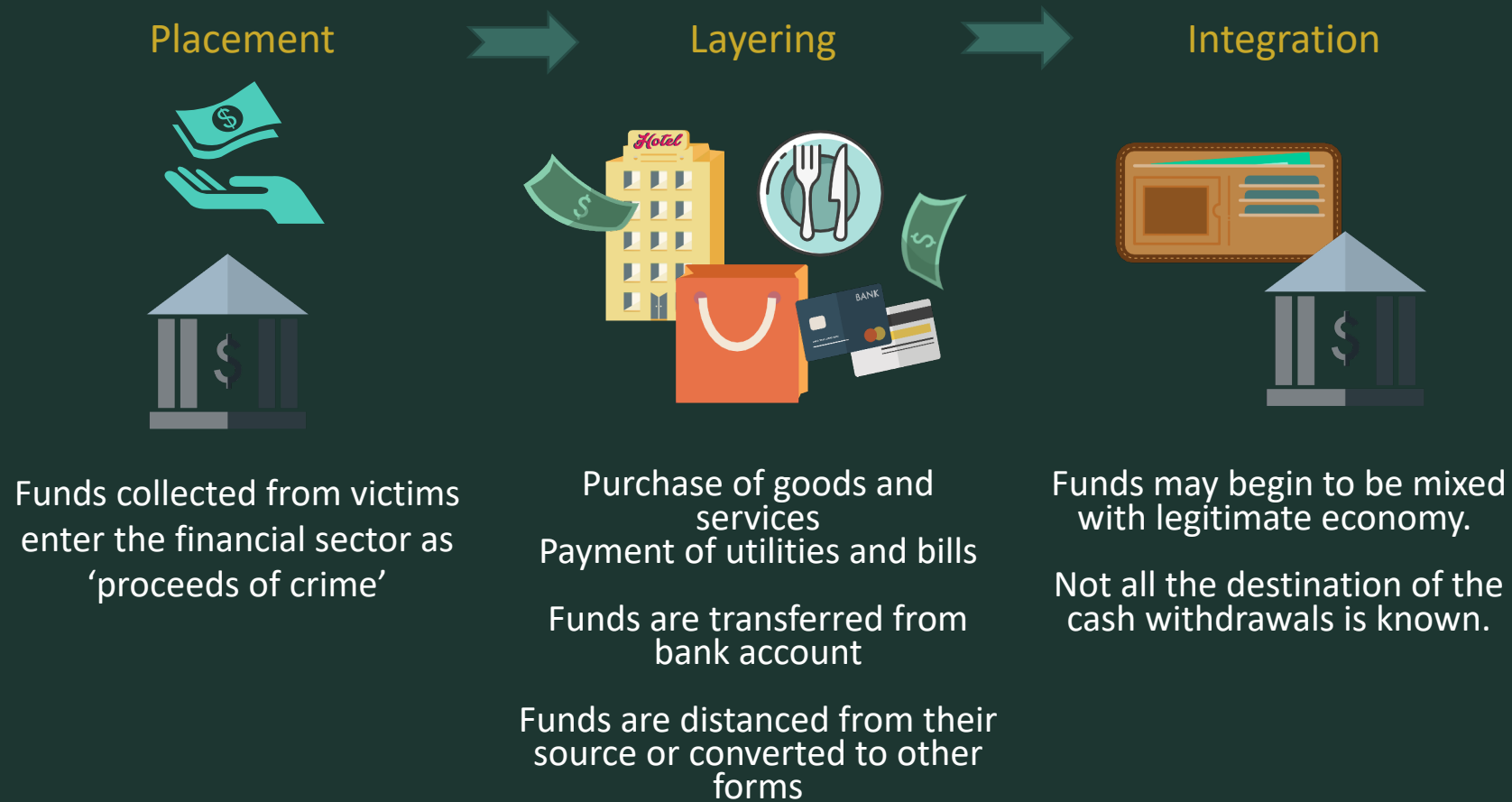
interviews with suspect and  
witnesses and seizure of  
documents as evidence.



Suspension of accounts  
under Section 33(2), CARO  
2012 (extended by  
application to Courts)



# Money Laundering



# Outcomes



The 4 suspects were arrested under following offences:

- Illegal Deposit Taking under Section 93(1) of the Banking Order, 2006
- Money Laundering under Section 3 of the CARO, 2012



AGC applied for a Restraining Order under Section 115 of CARO, 2012 to prevent them from disposing the monies held in 6 bank accounts owned by the 4 suspects



A pre-trial hearing was held in June 2020 but trial dates are yet to be announced.

Therefore, this is still an ON-GOING case.



“DD” was added to the BDCB Financial Consumer Alert List to inform the public that they were offering unlicensed activities.





# Thank you



[fiu@bdcab.gov.bn](mailto:fiu@bdcab.gov.bn)



[@centralbank.brunei](https://www.centralbank.brunei)



[www.bdcab.gov.bn](http://www.bdcab.gov.bn)



**BDCB**  
BRUNEI DARUSSALAM  
CENTRAL BANK