
NETWORK SELLING FAKE FINANCIAL SERVICES ONLINE TAKEN DOWN

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[Press Release](#)

The criminal organisations used 250 domains and two call centres to lure German investors





Law enforcement and judicial authorities from Bulgaria, Cyprus, Germany, the Netherlands and Ukraine, supported by Europol and Eurojust, teamed up against an organised crime group involved

in binary fraud. The group was behind an online trading platform for financial services with binary options. Europol set up an Operational Task Force to support the cross-border investigation.

THE ACTION DAY ON 6 OCTOBER 2021 IN KIEV, LIMASSOL AND SOFIA LED TO:

- › 8 house searches (5 in Bulgaria, 1 in Cyprus, 2 in Ukraine)
 - › 17 individuals questioned in Bulgaria
 - › One high value target arrested in Cyprus
- Seizures included phones, electronic equipment, bank accounts and data back-ups

AT LEAST € 15 MILLION LOST ON FAKE OPTIONS

Operating between May 2019 and September 2021, the criminal network lured German investors into making transactions worth a total of at least € 15 million. The suspects advertised the financial services online and via social media, while using over 250 domain names. The criminal network connected to a company, based in Ukraine, set up a call centre in Bulgaria. The approximately 100 employees of the two call centres, located in Sofia, contacted “clients” and advertised pretend financial services in the field of binary options under the guise of financial advisers. To undertake the scam, the call centre employees had scripts containing predefined conversations and key messaging to convince clients to release more funds. However, a subsequent investigation suggests that most of the employees were not aware that the company they were working for was involved in a fraud scheme. Initial profits shown in the user interface encouraged the clients to invest large sums of money. However, clients did not receive payment of their winnings or credit balance once they requested it. The investigation has so far led to 246 criminal proceedings across 15 German federal states.

To support the investigation, Europol set up a dedicated Operational Task Force through which it facilitated the information exchange and provided analytical support. During the action days, Europol deployed six experts to Bulgaria, Cyprus and Ukraine to cross-check operational information in real-time against Europol’s databases so as to provide leads to investigators in the field. The experts also provided technical expertise to enable the extraction of information from mobile devices and IT infrastructure.

Eurojust hosted a coordination centre to facilitate the information exchange and support cooperation between involved authorities during the action day.

CRIME AREAS

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