



Mark Van Leewarden

# FRAUD IS OUT OF CONTROL

**Gulf Insider** investigates the man amidst the fraud scene.

**M**ark Van Leewarden runs a boutique task force based in New Zealand with specialists in their field and has carried out significant operations against criminal fraud all over the world.

Leewarden visited Bahrain on the 26th of March to the 3rd of April 2017 and gave a hard hitting talk to members of the Capital Club Bahrain on financial crime, giving real life examples and details of major frauds alongside subsequent recovery actions. This included locking down bank accounts (across the globe and even in Switzerland), gaining access to financial transaction information and the ensuing recovery actions taken.

Half a billion dollars in fraud has been exposed in Bahrain in the short time

that Mark has spent here. Unfortunately, this is only the tip of the iceberg. Many people feel a stigma in being duped and thus are shy to inform the authorities of such happenings.

Gulf Insider delved into his backlog of experience, which has included being an undercover agent and the fundamental component that he stressed: "Always strategize - you only have once chance to get it right and you must act fast!"

Mark spoke very candidly with us and we can't help but feel that this man truly has seen it all. The question on our lips was "How do we know if we have fallen victim to such crimes?" He spotlighted that the most common type of fraud goes by the name of an advance-fee scam. This typically involves promising the victim a significant share of a large sum of money, in return for a "small"

up-front payment, which the fraudster requires in order to obtain the larger sum.

Another form of fraud is the belief in the success of a non-existent enterprise that is fostered by the payment of quick returns to the first investors from money invested by later investors. This is commonly referred to as the Ponzi scheme. Mark told us that this usually takes approximately 18 months to peak and said that it is hard to know at any given time how many scams are circulating in Bahrain, or anywhere.

The people behind these schemes cannot always be distinguished from your average Joe (or your plain Jane); however, they are very organized and knowledgeable professionals. This point only strengthens the necessity of exposing fraud. It's an easy matter to go to Google and check and/or cross-reference companies/ organizations to see if they are legitimate and/or at least approved by the Securities and Exchange Commission. "Constant vigilance!" Leewarden said. He added "If it sounds too good to be true, it probably is!"

In Bahrain, with the freely convertible currency and connections it's easy to see why the Kingdom is providing such a hotbed of activity for fraudsters. With the Kingdom's aspirations to make Bahrain a proud financial hub in the Middle East, the lack of knowledge in how to identify and fight the crime that comes with this territory will put the country at a disadvantage.

However Leewarden spoke highly of the authorities in Bahrain and also advised anyone who is questioning their own investments to also contact The Central Bank of Bahrain (CBB). The CBB is responsible for maintaining monetary and financial stability in the Kingdom. It is also the single integrated regulator of Bahrain's financial industry.

In a nutshell, constant vigilance and effort are required to fight and expose fraud. But with the many resources available to the individual, this is not only possible, but doable. 

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