



COMMERCIAL AFFAIRS
DEPARTMENT

Annual Report 2007

**Exuding Professionalism
Exceeding Expectations**



The Commercial Crime Division (CCD) is responsible for the investigation of commercial crimes that are generally syndicated in nature. These include credit card fraud, insurance fraud, currency fraud, e-commerce fraud, telegraphic transfer fraud, fly-by-night business operations, cheque fraud and transnational scams. The division comprises two branches of handpicked and experienced officers working in teams.

CCD made significant progress in terms of developing strategies in organisational community relations in 2006. The Division developed a robust framework of strategic partnerships, including the credit card industry and various foreign law enforcement agencies. CCD also engaged the regulators to tackle bank, insurance and counterfeit currency fraud. Liaison was also established with remittance agencies to forge closer ties in a bid to prevent and detect advance fee fraud. These liaisons produced noteworthy outcomes. The strategic partnership with the credit card industry for example, has been instrumental to Singapore attaining one of the lowest credit card fraud rates in the world.

2006 also saw CCD enhancing the depth and scope of public education as a bedrock strategy to tackle fraud. In July 2006, CCD conducted a merchant outreach programme with the Restaurant Association of Singapore to equip its members with the know-how to prevent and detect credit card fraud and counterfeit currency fraud. In February 2007, working in collaboration with CAD's Financial Investigation Division and the Community Involvement Division of the Police Operations Department, CCD conducted a talk for the Singapore Moneychangers Association on credit card fraud, travellers' cheque fraud and counterfeit currency. CCD also produced customised crime prevention brochures entitled, "The Face of Fraud", to supplement the routine CCD crime prevention public roadshows.

2006 was a prolific year in terms of operational successes. Singapore encountered her first ATM card skimming case when a syndicate used high-tech ATM card skimming equipment to tamper with ATM machines and steal ATM card data from bank customers. The syndicate was swiftly identified and the key accused person sentenced to 12 years' imprisonment, setting a precedent for such offences. The swift solution of this case underscores the importance CCD places in constantly enhancing its awareness and knowledge of technological developments so as to remain one step ahead of the criminals. CCD also swiftly arrested several syndicates comprising a total of 18 West African nationals who were eventually convicted for a plethora of frauds such as credit card fraud through the internet or at retail outlets, using counterfeit US currency notes as genuine, and the infamous '419' scam (419 is the fraud provision in the Nigerian Penal Code).

Overall, CCD maintained a high standard of operational effectiveness in 2006, particularly in proactively detecting and preventing new threats posed by transnational commercial crimes. Swift and thorough investigation resulted in the eradication of several local and transnational syndicates and the successful conviction of 93 persons, who were sentenced to imprisonment terms ranging from four months to 12 years. The efforts underscore the emphasis placed on the swift, professional and impartial enforcement of laws to protect Singapore's integrity as a world class financial and commercial hub.

PP vs Shaik Raheem s/o Abdul Shaik Shaik

Shaik Raheem was a housing agent specialising in the resale of HDB flats. His clients were from the Malay community. As an added service to his clients, he offered interest-free loans to his clients, to be repaid when the clients received proceeds from the eventual sale of their HDB flats. Shaik Raheem brought his clients to a law firm to process the loans. There they executed various legal documents, including a loan agreement. These documents were written in English although the clients were neither literate nor conversant in English.

After the loan agreements were signed, Shaik Raheem issued cheques to his clients for the loan amount stated in the agreement. He followed the clients to the bank where the cheques were presented for payment. At the bank, he came up with a ruse and deceived the clients into believing that he could not lend them the entire loan amount. The clients were convinced to return a substantial portion of the money to him. But the loan agreements were not amended to reflect the lesser amount actually borrowed by the clients.

That was not all. Shaik Raheem had the clients sign a document authorising the law firm to receive the proceeds from the sale of their HDB flats. When the law firm eventually received the sale proceeds, the full loan quantum as stated in the loan agreement was deducted, in spite of Shaik Raheem having already received part-repayment. The law firm then handed the balance to his clients.

In this manner, Shaik Raheem cheated five clients of about \$200,000. He was prosecuted on eight charges of cheating. On 3 February 2006, he was convicted and sentenced to 22 months' imprisonment. His appeal against conviction and sentence was dismissed by the High Court. In dismissing the appeal, V K Rajah J noted that Shaik Raheem was a practised fraudster whose modus operandi was to take advantage of disadvantaged persons from the Malay community.

PP vs Goh Kek Kiam

Between November 2000 and March 2003, Goh Kek Kiam, an undischarged bankrupt, directly took part in the management of a business named Kidz World Collections. The business was registered in the name of his wife. Goh did not obtain the leave of the High Court or the written permission of the Official Assignee to take part in the management of this business. He committed an offence under the Business Registration Act.

Goh Kek Kiam was prosecuted for the said offence. On 21 April 2006, he was convicted and sentenced to a fine of \$5,000.

Crooked housing agent's fees: \$55,000

He fools victims into paying huge commissions

By Anthea Yeo
Singapore Free Press

IT'll cost you \$90,000 but you must immediately return \$55,000. This is not a loan shark's deal. The "repayment" comes from a property agent.

And he had quite a name going until he was caught.

Shaik Raheem s/o Abdul Shaik Shaik Dowd was convicted of four charges of cheating in October and was jailed 22 months after his appeal was thrown out last July.

Shaik, 55, was the sole proprietor of a real estate agency, Shaik Real Estate, last December, during Shaik's trial, a charge for embezzling \$1.5 million.

On 23 May 2006, Shaik gave his lawyer eight charges for a total sum of \$55,000 as his offer.

Mr Dowd was told to sign some documents acknowledging he had received the cheques.

PHONE CALL

Half that was in the POBB account at Parkway Parade. That was when Shaik received a phone call.

When he returned, he told Mr Dowd he needed to use \$25,000 the amount of the offer, because Mr Dowd's name, Shaik Dowd POBB, appeared on the cheque, he said.

Mr Dowd then received only \$25,000 in cash. The other \$30,000 was deposited into Shaik's POBB account.

Shaik used "an elaborate scheme to carry out his scam".

This included getting the victims to sign documents to legally transfer any sums to repay money that was much higher than the actual mortgage.

Mr Dowd told Shaik he had also obtained his victim's wife's signature on the portion of the amount charged at the bank, when his direction of doing so was to deposit in his full account instead in the cheque name itself.

Shaik appealed against the sentence but, in November, the High Court rejected his appeal and sentenced him to 22 months' imprisonment.



• Shaik Raheem s/o Abdul Shaik Shaik Dowd.

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LAWYER'S IMPROPER CONDUCT

In the judgment, Mr Justice Goff held that the documents prepared by Shaik to cover sums payable to Shaik were the outcome of the lawyer's "improper and dishonest" conduct.

Mr Justice Goff held that the lawyer was a dishonest law because the lawyer was aware that Mr Dowd had been found guilty of the property transfer and practice.

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