



AML CASE STUDIES

VinciWorks

EX-PREMIER LEAGUE STAR

RICHARD RUFUS JAILED OVER

£15M FRAUD

Ex-Premier League star Richard Rufus jailed over £15m fraud

The former footballer involved friends, family, and associates in a pyramid scheme for which he received a jail sentence of 7 and a half years. Rufus was found guilty of fraud, money laundering and carrying out a regulated activity without authorisation.

The case raised a number of red flags for:

- ✓ Investors
- ✓ Small businesses
- ✓ Law firms
- ✓ Financial services

£15M

invested with Richard Rufus



What did he do?

Rufus, 48, claimed he was a foreign exchange trader and convinced his victims to invest in what he termed a low-risk scheme. He had played for Charlton Athletic but was forced to retire from football in 2004 because of a knee injury at the age of 29. In his decade in Charlton's first team, he was regarded as one of the team's most important players.

Rufus used his status as an athlete to give the impression he was wealthy and successful. He told potential investors that current and ex-footballers were already on board. A born-again Christian, his Pentecostal church also invested £5m with him.

Rufus promised his investors returns of 60% a year. One victim was told he only traded 5% of the capital investment, which meant 95% would have been retained safely - reducing the risk of incurring large losses.

Rufus said that he had made multi-million-pound returns for his church and good returns for the ex-footballers, for whom he had invested funds. He said he could not identify them for confidentiality reasons.

Ultimately, a total of £15 million was invested with Richard Rufus.

The fraud

Some of the funds invested with Rufus were used by him to pay back his investors in what became a pyramid scheme. Some of the funds were used for his own purposes. He spent hundreds of thousands of pounds on travel, cars, restaurants and shopping.

According to prosecutor Lucy Organ, Rufus maintained a lifestyle of a footballer, enjoying the "trappings of wealth," such as a large five-bedroom house on a private estate, a Bentley and a Rolex watch.

"He scammed friends, family and associates out of millions of pounds by pretending he was able to offer a low-risk investment in the foreign exchange market," said Organ.

Rufus failed to make a profit from his trading activities. The Pentecostal church lost its £5m. Of the £15m paid to accounts controlled by Rufus, investors received back a total of around £7.6m.

The jig is up

Rufus' bank accounts were frozen in February 2011 and he declared bankruptcy in October 2013. At the time, he insisted that he had not defrauded anybody and his actions were in good faith. Significantly, Rufus' lawyer, Simon Spence KC, acknowledged then that his client was not regulated. But, he said, if he had taken all reasonable steps of due diligence he would be not guilty of the regulatory change.

But in the trial that was completed in January 2023, it became clear that Rufus, who was described as charismatic and energetic, pretended he was offering a low-risk investment in the foreign exchange market with claims that he had had significant success with his strategy in the past. The investments were actually fraught with risk and had not been successful.

“He scammed friends, family and associates out of millions of pounds by pretending he was able to offer a low-risk investment in the foreign exchange market,” said Organ.

One investor was ex-Charlton and Chelsea defender Paul Elliott, who knew Rufus from the Charlton board. Elliott paid Rufus a total of £425,000 between October 2008 and February 2011, getting back £460,000. Those returns were not paid from successful trading but out of conning more people into investing in the scheme.

Rufus' prison term of seven and a half years was imposed by Roger Makanjuola, of the Crown Prosecution Service. "Rufus acted in a selfish manner without any concern for his victims," said Makanjuola. "He took advantage of his status as a professional athlete, a respected church member and he used the goodwill of his family and friends to scam them and associates out of millions of pounds by falsely claiming he was able to offer a low-risk investment in the Foreign Exchange Market."



The red flags


The big one. Rufus was not regulated. That should have sent investors running.

But many of them were friends and family. And Rufus was charming. But...he did not divulge the names of other investors. His lifestyle was flashy. He could not demonstrate any investing successes.

How can you protect yourself from financial Investment fraud:


 **Investment opportunities:** Don't be rushed into making an investment. Remember, legitimate individuals or organisations will never pressure you into investing on the spot.


 **Seek advice first:** Before making significant financial decisions, speak with trusted friends or family members, or seek professional independent advice.


 **FCA register:** Use the [Financial Conduct Authority's \(FCA\)](#) register to check if the investor is regulated by the FCA. If you deal with an individual that isn't regulated, you may not be covered by the Financial Ombudsman Service (FOS) if things go wrong and you lose your money.



What to do if you've been a victim of financial Investment fraud:

 **Legal advice:** Seek professional legal advice or contact [Citizens Advice](#), to understand your options. You can also contact the FCA's consumer helpline or report suspicious businesses or individuals by using the reporting form on their website.

 **Identity theft:** If you suspect your identity may have been stolen, you can check your credit rating quickly and easily online. You should do this every few months anyway, using a reputable service provider and follow up on any unexpected or suspicious results.

 **You could be targeted again:** Fraudsters sometimes re-establish contact with previous victims claiming that they can help them recover lost money, this is just a secondary scam. Hang up on any callers that claim they can get your money back for you.

AML client onboarding solution

Omnitrack, VinciWorks' [AML client onboarding solution](#) enhances both the risk assessment and document collection aspects of client onboarding.

Our template workflows adapt to the specific risks posed by each client, based on factors such as jurisdiction, type of entity and industry. This allows you to make informed choices about each client using the risk-based approach. Our comprehensive workflows incorporate industry-specific guidance such as LSAG for law firms.

The flexibility of Omnitrack lets you choose the default workflow most appropriate to your business. The workflow can be customised to suit your own areas of practice and risk scoring system. Our team will guide you through every step of the process.

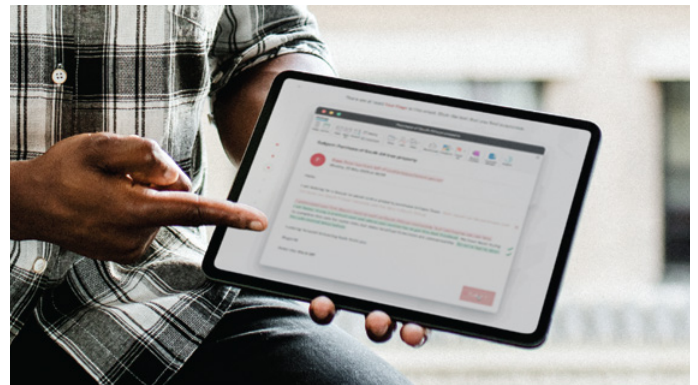


AML training suite - Relevant training for all staff

VinciWorks strives to make its [AML training](#) more than simply a tick-box exercise.

Our courses are packed with realistic scenarios, real-life case studies and every customisation option you can think of.

We have everything from in-depth induction training to refresher courses and five minute knowledge checks. Whichever industry, jurisdiction or job role you work in, a course can instantly be built just for your staff.



AML audit

Our partners at [Compliance Office](#) have the expertise needed to help you conduct an independent, tech-enhanced AML audit, in accordance with the latest Legal Sector Affinity Group (LSAG) guidance.

Their team keeps their pulse on the latest AML requirements and your audit will be completed by former practising solicitors with many years of experience in law firm regulation, often former SRA staff.

You won't need to worry about dedicating extra time and internal resources to this critical process and you'll be free to enhance your compliance controls and fully adhere to regulatory requirements. Once the audit is completed, you'll receive a detailed report as well as an action plan that will be critical in helping your firm address any weaknesses



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