

The Sydney Morning Herald

SE **Business**

HD **Australian convicted over \$126m boiler-room fraud in UK**

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Superannuation

Nine people, including an Australian, have been convicted of a £70 **million** (\$126.4 **million**) fraud in Britain, in which more than 1000 investors unwittingly funded a lifestyle of private jets and luxury yachts.

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The participants in a "boiler-room fraud" running out of Madrid between 2003 and 2007 were convicted after a seven-year operation by the UK's Serious Fraud Office.

In the scheme, investors were **sold** shares in shell companies or businesses that had been shut down, and told they would be unable to sell them for a year. When the lock-in period expired, they found the shares were worthless.

Australian Jeffrey Revell-Reade was convicted on Wednesday of conspiracy to defraud.

Several others, aged between 33 and 62, were convicted and sentenced last year, which can only now be fully reported.

Profits from the fraud were spent on luxuries including private jet hire, yachts, overseas property and **wine** collections, the Serious Fraud Office's director David Green said.

"The victims were deliberately charmed, lied to and bullied, whatever it took to make them send their money to these criminals," he said. "Over 1000 UK investors were defrauded by these criminals, who caused substantial financial damage and hardship."

The defendants were found guilty after an investigation aided by authorities in New Zealand, **Hong Kong** and the US, code-named Operation Steamroller.

In 2012, Revell-Reade, identified as the mastermind of the scheme, was extradited from Australia. Revell-Reade and another defendant were found not guilty of a charge of corruption.

Six of the other members of the scheme have been sentenced to between three and seven years in custody, while one, 62-year-old Michelle Coleman, received a suspended sentence.

Revell-Reade has previously been linked to the Melbourne-based Oz **Group** companies that help to manage up to \$500 **million** in Australian superannuation. Trustees for the three funds have previously said the Oz **Group company** had an administrative role only and no control over the assets in the funds. Telegraph, London

CO sfraud : Serious Fraud Office

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