

## The Readers' Champion Probes a world of scams and scandals

# Clone investment firm that's taking a Liberty



by **Tony Hetherington**

*P.M.L. writes: Out of the blue I received a phone call from Escrow Custodian Services, saying it is holding £44,863 for me. I am sure this is a scam. I did some share dealings with Square Mile Securities about ten years ago, but I*

*was repaid by the Financial Services Compensation Scheme.*

YOU may have been contacted because someone has got hold of a list of clients of Square Mile Securities, which was a corrupt stock-broking firm that was closed down

after it flogged high-risk shares to low-risk clients.

But the call you received did not come from Escrow Custodian Services. It came from a clone firm that – as you suspected – is operating a scam.

A letter you received after the call explained that to obtain the mythical £44,863, you first had to pay £2,100 – supposedly for taxes.

If you had any questions, the letter added, you were to call a separate company, Liberty Corporate Capital on 0207 164 6238. This is a genuine insurance broking business, but if you had called the number provided, you would have been speaking to just another clone.

A spokesman for the real company told me: 'We are aware of the unauthorised use on a website and letterhead of the names "Liberty" and "Liberty Corporate Capital". Also, of the "Liberty Speciality Markets" trademarks, as well as a fake signature of the LSM chairman by a person that has no connection whatsoever with the Liberty group, which owns these trademarks.'

This was reported to Action Fraud and to the Financial Conduct Authority – but the regulator knows all about this scam already.

It actually issued a public warning late last year and even gave the phone number used by the fake Escrow Custodian Services – 020 7859 4985.

It is a number I recognise. It was used in an earlier scam by tricksters who called themselves Blackrock, the name of a genuine international investment company.

The big question, of course, is how it is possible for the fake Escrow still to be operating, months after both the police and the regulator knew about it. Vincent Bull, boss of the genuine Escrow business, told me he became aware of the copycat firm last November.

He said: 'The regulator acted swiftly to put a warning notice on its website about the clone site and we are grateful for that. While Action Fraud and the police were initially helpful, we got the impression that as



**PROBE:** The bogus City address of the fake Escrow firm. Inset: Vincent Bull

organisations they are inundated with these sorts of reports and may be too under-resourced to deal with the matter swiftly.'

He added: 'In saying that, we would never have imagined that the fraudsters would still be operating with impunity, some four months later.'

Bull discovered that the crooks were using an account with Halifax and when this was frozen they opened a new account with HSBC. He told me that if the banks gave police the identity documents used to open the accounts, this would help enormously in tracking down the fraudsters.

But he explained: 'We have no idea if this information has been requested or provided.'

I called the bogus Liberty Capital, which used the name of the genuine insurance brokers, for a comment and was told its legal adviser would contact me, but nobody rang back.

I also called the fake Escrow twice for a comment. The number seems to belong to a message service or call centre. It first connected me to a plumbing firm and then later denied Escrow was on that number.

'There is a financial company everyone keeps calling,' I was told, 'but there is no financial or investment company here.'

How unfortunate then that the same number has cropped up in two frauds.

*If you believe you are the victim of financial wrongdoing, write to Tony Hetherington at Financial Mail, 2 Derry Street, London W8 5TS or email [tony.hetherington@mailonsunday.co.uk](mailto:tony.hetherington@mailonsunday.co.uk). Because of the high volume of enquiries, personal replies cannot be given. Please send only copies of original documents, which we regret cannot be returned.*

## Credit where it's due – M&S to pay out-of-date £62 voucher

*Mrs I.T. writes: I was taken seriously ill at the end of 2015. Some months later, in September last year, I discovered I still had a Marks & Spencer credit voucher for £62. My local branch advised me to write to its head office, which I did in October after another stay in hospital. But I received a reply saying the voucher would not be*

*honoured as I had been given ample time to use it.*

JUST to be clear to everyone, you are not talking about a gift voucher, but a credit voucher. Marks & Spencer gives these as a gesture of goodwill, for example when a customer returns goods without a receipt or after the normal 35-day refund period

has passed. Credit vouchers are valid for one year.

I asked M&S to consider your circumstances. Given that the voucher was only slightly out of date when you visited the store and taking into account your spells in hospital, the company has offered you the full value of the voucher. Well done, M&S.

Read Tony Hetherington's case files at [thisismoney.co.uk/hetherington](http://thisismoney.co.uk/hetherington)