



Horse Racing Investments

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HORSE RACING INVESTMENT SCHEMES

The information contained within this alert is based on recent Action Fraud reports indicating a new theme in Investment Fraud.

ALERT CONTENT

Opportunities within Horse Racing appear to be a trend emerging in Investment Fraud. The National Fraud Intelligence Bureau (NFIB) are in receipt of complaints where the suspects claim to use software for placing bets on horse racing on the victims behalf. Whilst this would fall under the guise of betting and gambling it appears to be pitched as an investment opportunity. Once payment has been made to the fraudsters, often methods to contact them are closed down and the victim does not hear from the fraudsters again.

The NFIB have also noticed the re-emergence of another potential investment fraud opportunity whereby an individual can invest into ownership of a race horse. The reports have indicated that people are primarily being contacted by post; however there is evidence to believe individuals could also be cold called by the fraudulent company. As above, after the fraudsters have received payments the individual finds they are no longer able to get in contact with the company and realise they have been defrauded.

PROTECTION / PREVENTION ADVICE

- Investment into a racing horse as part of a syndicate may in some instances fall within a collective investment scheme and therefore may be subject to FCA regulation. Consumers are advised to consult the FCA guidance which can be found here; <https://www.fca.org.uk/consumers/unregulated-collective-investment-schemes>
- Betting syndicates do not require a licence from the Gambling Commission or British Horseracing Authority therefore caution should be exercised before parting with any money
- Always check that the details of the organisation or company contacting you (such as website, address and phone number) are correct – the fraudsters may be masquerading as a legitimate organisation
- Never respond to unsolicited phone calls – if in doubt, hang up
- Don't be fooled by a professional looking website (or brochure) as the cost of creating a professional website is easily affordable
- Consider seeking independent legal and/or financial advice before making an investment
- If you have been affected by this, or any other scam, report it to Action Fraud by calling 0300 123 2040, or visiting www.actionfraud.police.uk

FEEDBACK

The NFIB needs feedback from our readers to evaluate the quality of our products and to inform our priorities. Please would you complete the following NFIB feedback survey through: <https://www.surveymonkey.com/r/FeedbackSDU>. This should take you no more than 2 minutes to complete. If you have other feedback or additional information that you would prefer to provide by email please send to NFIBfeedback@cityoflondon.pnn.police.uk.

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