



Amy's story: Amy was contacted by a man named Michael via Facebook

He was promoting a cryptocurrency investment business promising amazing returns that didn't require an initial deposit from her bank account but rather from her superannuation.

A complex scheme

Intrigued by this, Amy engaged in further conversation with Michael. He walked her through the steps of setting up a legitimate Self-Managed Super Fund (SMSF), allowing Amy to take the funds she had invested with her existing super fund and place them into a bank account, which was then invested into a fake crypto wallet/fake investment website.

As time went on, Amy would check her balance on what she believed was a genuine trading platform – it showed significant growth, her initial \$30,000 deposit soaring to over \$170,000. However, after hearing about instability in the crypto markets, Amy decided that it might be time to withdraw some of her profits. Amy contacted the crypto business, which advised that she would need to pay an upfront sum of \$4,500 to cover taxes – funds that Amy didn't have readily available.

Amy reached out to Michael and explained that she wanted to withdraw some of her money from her crypto investment but couldn't afford to pay the upfront lump sum tax. Michael explained if Amy agreed to open a number of bank accounts and handle some fund transfers on his behalf that would "help to grow the Australian business", she would be able to earn a 5% commission on each amount transferred and accumulate enough money to pay the lump sum tax.

Amy agreed to the arrangement, and funds began being transferred into the bank accounts Amy had opened. Michael would call Amy and request her to "transfer \$x into the crypto wallet, then purchase this specific crypto coin". The crypto wallet would then be emptied by Michael/Crypto Investments.

How did the scam work?

Amy unknowingly fell for a crypto investment scam. Michael convinced her to open an SMSF, allowing her to access funds that were meant to be preserved until retirement. The fake crypto platform showed huge growth, giving Amy confidence in the investment and making her feel good about the nest egg she believed was growing. By quoting her high upfront costs to access the funds, Michael manipulated her into becoming an unwitting money mule, engaging in money laundering and helping the scammers deceive other unsuspecting people out of their funds.

Unfortunately, Amy has not only lost her super but has also become involved in criminal activity. The matter is now with the police and Amy faces possible prosecution for money laundering offences.