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John Dumfries	604-214-0337

Vancouver Chapter Committees members were appointed on December 21, 2011. We are always looking for help with the various committees. Committee members do not have to be members of the board, so let us know if there is an area where you would like to help out. Contact the committee chair directly or send an email to: information@cfevancouver.com.

ETHICS

David McCartney

MEMBERSHIP/OUTREACH LIAISON

Rosanne Terhart

PROFESSIONAL DEVELOPMENT AND TRAINING

Martin Nicholls

NEWSLETTER

John Dumfries

SECRETARY

Dan Dalton

TREASURER

Dan Dalton

WEBSITE

John Dumfries/Russ Lefler

PRESIDENT'S MESSAGE

So soon our summer has gone and we prepare for a fresh start on a new year in the Vancouver Chapter of the Certified Fraud Examiners Association.

Within our membership we continue to invite your participation at each meeting by sharing your brochures and promotional material in order that we can utilize one another's services to the benefit of our clientele and one another.

We need your suggestions for marketing CFEs to the world, the country, our province and our city. Who could use our services and how do we make them aware of what we can offer?

We have exciting speakers lined up for September and October: Patricia Bowles, representing our newest sponsor, the BC Securities Commission and our October speaker is Robert Hanlon from UBC whose topic will be Corruption in Asia.

Continue to visit our website, following the links and offer your suggestions as they come to mind. Keep your mind open to new opportunities where you can promote our services in your community. See you on September 26, 2012 when we kick off a new season of luncheon meetings at the Terminal City Club in Vancouver. Take care and once again we thank you for your support.

Norm Grdina, CGA, CAFM, CFE
President, Vancouver Chapter





VANCOUVER CFE CHAPTER LUNCHEON

When: Wednesday, September 26, 2012 at Noon

Speaker: Patricia Bowles

Topic: BCSC's InvestRight Program and Be Fraud Aware Program

Where: Terminal City Club Ceperley/Walker Rooms
837 West Hastings St. Vancouver

Cost: \$40.00 for members and \$50.00 for guests

To register: Email: cfevancouver@yahoo.ca

Please keep in mind that the chapter must confirm to the TCC the number of guests 48 hours prior to event. If you are unable to attend the luncheon notify Jean at least 48 hours prior to the event at the email above to ensure you will not be charged the cost of the lunch.

Upcoming events:

When: Wednesday, October 24, 2012 at Noon

Speaker: Robert Hanlon

Topic: Corruption in Asia

Where: Terminal City Club Ceperley/Walker Rooms
837 West Hastings St. Vancouver

Cost: \$40.00 for members and \$50.00 for guests

Canadian Fraud Conference in Ottawa, Ontario
October 28 to 31, 2012

Our chapter's past President and current board member, Rosanne Terhart, will be speaking on October 29th and the topic of her presentation will be Accounting Records - How They Are Used to Conceal Fraud.

For more information:

<http://www.acfe.com/events.aspx?id=4294972559>

SEPTEMBER SPEAKERS BIOS

Patricia Bowles

Patricia Bowles is the Director of Communications and Education at the BC Securities Commission, reporting to the Chair and CEO.

The BC Securities Commission is an independent government agency that regulates and enforces the rules for the securities industry and protects investors from fraudulent, unfair and improper practices. The BCSC has launched a multifaceted three year Be Fraud Aware campaign aimed at Canadians 50+ in Chinese, Punjabi and English.

Patricia oversees the Commission's investor education and corporate communications programs. A central focus of its investor education program is InvestRight.org, a consumer friendly website that provides tools and content to protect investors and to help investors make the right investment decisions.

Prior to joining the Commission in 2006, Patricia held senior executive positions with TELUS and West Coast Energy (now Spectra Energy Corp). She has provided advice to both federal and provincial government officials.

Before moving to BC in 1994, Patricia was an owner and director of McLaren McCann Advertising in Toronto.

Most recently, Patricia was a senior consultant for BC's Ministry of Attorney General providing advice for high profile trials in BC's Supreme and Provincial courts.



Find a Fraud Examiner

The Vancouver Chapter website <http://cfevancouver.com/examiners> has a section called **Find a Fraud Examiner** where members in private practice or those willing to take outside jobs can advertise.

If you are a CFE and a current member of the Vancouver Chapter of the Association of Certified Fraud Examiners and you would like your name and contact information on our website, please send the following information to us at website@cfevancouver.com and put '**Find a Fraud Examiner**' in the subject line.

Name:

Professional Designation(s):

Title:

Company:

Address:

Telephone #:

Fax:

Cell Phone #:

Email:

Website:

Specialty or Area(s) of Practice: *

** For instance, Forensic Accounting, Risk Consulting, Investigation, Employment Law, etc. We are also happy to accept a short narrative description of your services. Please note that other than name, each of these fields is entirely optional.*

Website Jobs Posting

A feature of the website is a Jobs Posting page <http://cfevancouver.com/postings>. We are offering a free posting to any companies who have even one employee as a member of our chapter.

To post a position, contact John Dumfries or Russ Lefler at website@cfevancouver.com.

Books about white collar crooks

This month's recommendation is "Octopus: Sam Israel, the Secret Market, and Wall Street's Wildest Con" by Guy Lawson. Sam Israel was a Wall Street trader, a member of a very successful family, who stole client's money to keep up appearances. He felt he had to commit fraud in order to cover up his trading losses due to his high risk strategy. He essentially ran a Ponzi scheme, paying back initial investors with money from new investors.

Sam Israel also made the news for faking his own death on the day he was to surrender to police and start his prison sentence.

I think what makes this story better than the average white collar crime book is how the author researched and explained how a con got conned. Sam Israel looking for that one trade to be able to pay back his investors was defrauded himself, falling for conspiracy theories of secret societies and a secret European exclusive bond market. Octopus is a true story but is fast paced, suspenseful and a page turner like fiction. If it wasn't true I wouldn't have believed it.

Since it is summer time and work may slow down, I'd also like to recommend a fiction book: "419" by Canadian author Will Ferguson. It is called 419 after the section in the Nigerian criminal code for fraud. 419 shows the impact of 419 schemes on the victims and their families and illustrates the human side of the perpetrators.



In The News

Cost of LinkedIn data breach:

<http://www.zdnet.com/breach-clean-up-cost-linkedin-nearly-1-million-another-2-3-million-in-upgrades-7000002115/>

Mother and Son \$14 million fraud:

<http://www.bankinfosecurity.com/14-million-fraud-scheme-shutters-cu-a-5069#.UD-uTOhp4Bs.twitter>

RBC pays \$500K in Earl Jones settlement:

<http://www.cbc.ca/news/business/story/2012/08/13/rbc-regulator-settlement.html?cmp=rss>

Vancouver based fugitive returns to China to face charges:

<http://news.nationalpost.com/2012/08/13/chinas-gao-shan-heads-home-to-face-charges-on-130m-fraud-ring-after-eight-years-hiding-in-vancouver/>

Google fined \$22.5 million by FTC for deceptive cookies:

<http://www.bankinfosecurity.com/google-to-pay-225-million-ftc-fine-a-5031#.UCVFXdZzdHM.twitter>

One of the largest ID thefts in history:

http://www.huffingtonpost.com/2012/08/07/largest-id-theft-in-history_n_1751241.html?utm_hp_ref=tw

SEC shuts down \$600 million Ponzi scheme:

http://www.sec.gov/news/press/2012/2012-160.htm?utm_source=twitterfeed&utm_medium=twitter

Newsletter article quiz

According to the National Post article above: How many Chinese fraudsters have fled China and how much in ill-gotten gains have they absconded with?

Send answer to newsletter@cfevancouver.com for a chance to win a \$20 Starbucks gift certificate.

Chapter news

It is that time of year again for members to complete the registration form and renew their ACFE Vancouver chapter membership. Chapter membership has many benefits such as discounted PD luncheon fees, access to the newsletter, job postings, and the Find a Fraud Examiner webpage. The membership fees cover the period October 1, 2012 to September 30, 2013. It is \$95.20 for regular membership and \$28.00 for student membership. The fees have stayed the same this year.

Click here to complete the form and submit it to Jean Michel cfevancouver@yahoo.ca:

http://cfevancouver.com/files/RegistrationRenewal_2012_2013.pdf

Members and the public are able to connect with the ACFE Vancouver chapter via social media sites such as Twitter and LinkedIn. To find out about PD events, job postings, network with fellow members and keep up to date with the latest fraud news add/follow us on social media sites.

Twitter: http://twitter.com/#!/ACFE_Vancouver

LinkedIn: http://www.linkedin.com/groups?gid=3964400&trk=hb_side_g

I would like to welcome our new sponsors the BC Securities Commission's InvestRight and Be Fraud Aware program.





About InvestRight

A key goal of the British Columbia Securities Commission (BCSC) is to help investors protect their financial interests. InvestRight.org was developed to provide investors with the tools to research and assess potential investments and protect themselves from unsuitable or fraudulent investments.

In addition to the website, they have a multi-faceted outreach and education program, linked to the BCSC's core enforcement and compliance work. BCSC helps investors make wise decisions and learn how to protect themselves, while also providing a simple process for filing a complaint about misconduct.

The multi-faceted approach focuses on:

- Investor education
- Investor Protection
- Partners
- Financial Literacy
- Funding a youth education fund through fines and penalties

InvestRight raises awareness throughout BC, and in particular among seniors, pre-retirees, and community groups who are the most vulnerable. InvestRight is also concerned about affinity fraud in BC's religious and ethnic communities, focusing on BC's Chinese and South Asian communities.

The BC Securities Commission is primed for the second phase of its three-year television, radio and print campaign to educate and warn British Columbians about the dangers of investment fraud.

Be Fraud Aware Program

The commission's Be Fraud Aware campaign debuted in October 2011. It primarily focused on the Chinese and South Asian communities who represent 40 and 26 per cent, respectively, of B.C.'s visible minority population.

"Research revealed that there was a need in these communities for us to raise awareness about investment fraud and how the BCSC can help," says Patricia Bowles, the BCSC's director of Communications and Education. The BCSC is the independent government agency that regulates and enforces the rules for the securities industry and protects investors from fraudulent, unfair and improper practices.

In its first year, aided recall of the campaign was at 32 per cent in B.C.'s general population, 42 per cent in the province's Chinese-speaking population, and the majority of those polled agreed that research was important before investing. Visits to the BCSC's consumer website – InvestRight.org – increased 30 per cent.

BCSC staff is busy preparing for the second phase of the campaign which will be directed at a broader audience across B.C. in October. There will be English-language television, radio and direct mail advertising along with email and online campaign materials. Ethnic media advertising will also continue.

Research conducted by the Canadian Securities Administrators confirms that 48 per cent of British Columbians have been approached with a possible fraudulent investment, less than 25 per cent reported it to the authorities and just over 10 per cent became victims of fraud. Half the victims were solicited through an existing relationship of trust, such as a friend, family member or work colleague.

"Our goal for the campaign is for people to recognize the signs of investment fraud and to protect themselves and their families from becoming victims of fraud," says Bowles. "Better yet, we want people to report any



suspicious investments to us so we can help them and warn others about potential fraud.”

To report a suspicious investment or for more information about investing, go to the BCSC’s www.InvestRight.org, a consumer friendly website that provides tools and content to protect investors and to help investors make the right investment decisions.

BCSC in the news:

Possible \$7M market manipulation scheme:

<http://www.bsc.bc.ca/release.aspx?id=15416>

Panel finds BC Company in breach:

<http://www.bsc.bc.ca/release.aspx?id=15420>

ACSC blog on “Crowdfunding”:

<http://albertasecurities.com/Investors/YouASCd/Pages/default.aspx>

Canadian Investors more vulnerable for fraud:

http://www.investright.org/news_post.aspx?blogid=213&id=867

BCSC Investigation and Police arrest 2 men:

<http://www.bsc.bc.ca/release.aspx?id=15538>

Reporting to the BCSC

Time and time again, the BCSC hears reasons for not reporting: “it is too difficult”; “I do not know who to report it to”; “I am too embarrassed”; “I am too ashamed”; “I signed a confidentiality agreement” ...the list goes on and on.

The benefits of reporting far exceed the reasons not to. So please look for the investment fraud warning signs, and report to the BCSC anything you think is suspicious – whether it involves you, your family, or your friends.

There are a variety of ways you can report suspicious activity that involves the buying and selling of securities.

The BCSC makes it as easy as possible for anyone to report to them.

- You can phone the inquiries line 604-899-6854 or 1-800-373-6393. You will be able to talk to one of their staff to outline your concerns.
- You can report anonymously, or you can give the BCSC your contact information so their investigators can follow-up with you.
- You can fill out a [complaint form](#) and email it to inquiries@bcsc.bc.ca.
- You can respond to their blog in the form of a comment, and they will follow-up to get more information.
- You can fill out [Report a Scam](#) and simply click on the submit button and it will go right to the Inquiries Group.

The benefits of reporting far exceed the reasons not to. So please look for the investment fraud [warning signs](#), and report to the BCSC anything you think is suspicious – whether it involves you, your family, or your friends.

Stay connected with BCSC InvestRight:

Subscriptions:

<http://www.investright.org/subscriptions.aspx>

Facebook:

<https://www.facebook.com/BCSCInvestRight>

YouTube:

<http://www.youtube.com/user/BCSCInvestRight?feature=watch>

Twitter:

<https://twitter.com/bcscinvestright>