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FSCO Warning Notice: Central Trust and Related Entities Perpetrating an Advance Fee Fraud

August 1, 2006

During an investigation recently conducted by Financial Services Commission of Ontario (FSCO), it was found that Central Trust and its related entities may have been involved in perpetrating a scam similar to what is commonly known as an [Advance Fee Fraud \(AFF\)](#). It appears that the entities used "Trust" and "Insurance" in their names in an attempt to defraud consumers. However, these entities are not registered to carry on business as a loan and trust corporation.

Following a complaint received by FSCO, an investigation found that Central Trust (Central) requested an advance fee of \$600 for a \$10,000 loan to cover loan insurance that was to be provided by an entity referred to as First Choice Insurance Group (First Choice). It appears that Central had provided a Toronto address of 6200 King Street that does not exist. It also appears that the complainant was referred to a company called Ontario Business Registration to obtain references for Central and First Choice. Further investigation linked the entities to TBA Lending which, on its website, refers to First Choice. There has been no additional information found on any of the above companies involved in this matter, and all their phone numbers are no longer in service. The website for TBA Lending has been shut down.

Please note that the First Choice Insurance Group named in this matter is not related to a legitimate company by this name located in the state of Michigan.

FSCO has found that consumers who have been contacted by perpetrators of an AFF – often located off-shore – are being directed to deposit up-front fees with the fraudulent entities in Ontario in order to access funds promised by the perpetrators of the AFF.

The entities under investigation include:

Central Trust

6200 King St. Suite 12, Toronto

Ontario Business Registration

Unknown

First Choice Insurance Group

6200 King St. Suite 2 Toronto;

310 Bay St., 32nd fl., Toronto

TBA Lending

100 University Ave. Toronto, ON M6N 3T3

Before providing funds to, or doing business with, these or any other entities, it is recommended that consumers ensure these entities are not operating fraudulently and are legitimate corporations. In Ontario, all financial institutions including loan and trust companies, credit unions, caisses populaires and insurers must be licensed/registered with the Financial Services

Commission of Ontario (FSCO) or with the Office of the Superintendent of Financial Institutions (OSFI).

Consumers should check that the name of an entity purporting to be a financial institution operating in Ontario appears on the list of licensed/registered financial institutions on the FSCO or OSFI websites.

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Advance Fee Frauds (AFF)

Perpetrators of an Advance Fee Fraud (AFF) can be very creative and innovative. These schemes can use the following tactics:

- An individual or company receives a letter or fax from an alleged "official" representing a foreign government or agency;
- An offer is made to transfer a sum of money, possibly millions of dollars in "over invoiced contract" funds, into the individual or company's bank account;
- There may be an encouragement to travel overseas to complete the transaction;
- Blank company letterhead, forms, bank account information, telephone/fax numbers and other personal information may be requested;
- Perpetrators provide numerous documents with official looking stamps, seals and logos testifying to the authenticity of the proposal;
- Up-front or advance fees for various taxes, attorney fees, transaction fees or bribes are requested;
- In some cases, perpetrators may send nominal amounts of money to the intended victim, in order to establish his/her confidence;
- Once the perpetrators have received an initial up-front fee, requests to invest additional funds to complete the transaction follow;
- Other forms of schemes include: c.o.d. of goods or services, real estate ventures, purchases of crude oil at reduced prices, beneficiary of a will, beneficiary of a life insurance policy, recipient of an award and paper currency conversion.

Consumers who are contacted by an off-shore perpetrator of an AFF scam are recommended to not respond to the inquiry.

Before providing funds to any entity, it is strongly recommended that consumers ensure that the entity that has contacted them and the entity to which they have been directed to send money are not operating fraudulently. If the company to which they are to send money to is in Ontario, consumers should investigate and ensure that it is registered. In Ontario, all insurance companies, insurance agents and brokers; trust companies; credit unions and caisses populaires; and mortgage brokers must be registered/licensed with Financial Services Commission of Ontario or with the [Office of the Superintendent of Financial Institutions \(OSFI\)](#) or with the [Registered Insurance Brokers of Ontario \(RIBO\)](#).

AFF scam letters should be forwarded to [Phonebusters](#). Phonebusters is a joint partnership between the Ontario Provincial Police (OPP) and the Royal Canadian Mounted Police (RCMP). They are interested in receiving copies of any new versions of the scam letters, particularly those involving Canadian mailing addresses or telephone numbers. Records relating to the payment of advance fees should also be forwarded to Phonebusters.