

## MAIL SCAMMERS FOUND GUILTY OF TRICKING ELDERLY CONSUMERS

A company that sent out scam promotional mailings to elderly consumers was fined £150,000 at York Magistrates' Court on 21 January 2020 after being found guilty of tricking recipients into thinking they had won, or could win, substantial cash prizes. The company has also been ordered to pay a victim surcharge of £170 and prosecution costs of £10,763.84.

Between January and June 2018, Kingstown Associates Limited, based in Drifffield, East Yorkshire, sent out two promotional mailings - *'Healthy Living Direct'* and *'All the Very Best'* - which created a false impression that recipients were guaranteed a share of tens of thousands of pounds. However, in order to claim the cash prize, consumers had to first purchase products from Kingstown Associates. Having made a purchase they discovered the cash prize had very little (if any) value.

The scam mailings failed to say how much of the cash prize would be paid to the recipient and how many consumers, on average, would claim from the fund. The investigation by the National Trading Standards Yorkshire & the Humber Regional Investigations Team found that there were 11,016 "winners" of the *'Healthy Living Direct'* £10,000 cash prize with each person receiving £0.91 (the total amount awarded being £10,024.56).

On 15 January 2020, the company was found guilty of 'banned practices' under the Consumer Protection from Unfair Trading Regulations 2008. This included creating the false impression that the consumer has already won, will win, or will on doing a particular act win, a prize or other equivalent benefit, when in fact either:

- there is no prize or other equivalent benefit, or
- taking any action in relation to claiming the prize or other equivalent benefit is subject to the consumer paying money or incurring a cost

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