

Advance Fee Scam

What is Advance Fee Scam?

Advance fee frauds also known as upfront fee fraud is a scam used by fraudsters to extract money from victims by charging processing fees in exchange of an opportunity to either participate in a special financial deal or by providing share in an inheritance fund. There can be other variants of the scheme but common thread is they would want some tupe of advance fee by promising a "too good to be true" deal.

What is the modus operandi of the fraud?

Fraudster contacts unsuspecting victims pretending to be a bank employee/other corporate executive or lawyer in relation to an inheritance fund where the customer has allegedly died with no surviving relatives through email, Skype, Linked in, What's app or any other social media channel. Most of these frauds occur on various social media platforms via email or chat sessions, where the fraudster pretends to be a senior banking official, he does so by creating fake social media profiles that match to a genuine banker using available photographs on the internet and creates a similar looking email address and user id to trick victims.

The fraudster informs that the family name of the deceased matches to that of the victim and offers to share 50% of the inheritance. If the victim agrees, the fraudster provides fake financial documents purporting to have been issued by the bank and in most cases involves another fraudster claiming to be a lawyer or legal official who would assist in processing the transaction.

In order to gain trust and to avoid tip offs, they falsely inform their targets to keep the conversation confidential stating it could alert authorities which could result in "offer" getting cancelled. They also seek details of the targeted victims including bank details and Identity documents, which may be used to conduct ID theft crimes.

Eventually, fraudsters ask the victim to pay "advance fee" for taxes, legal charges, banking fees, notary charges etc thereby managing to extract money from the victim.

What can be done to avoid becoming victim to *Advance Fee scams*

It is important to remember that banks never send such emails or engage in social media communications with customers. Following are few tips to protect against such frauds:

- Bank letters or financial documents provided by fraudsters are generally badly written with some obvious spelling mistakes and poor grammar.
- Fraudsters often claim that the person who has died was the victim of a well-publicised incident, such as a plane crash, Tsunami etc. To add credibility, they may even use the identity of someone who actually died in the incident.
- Avoid opening emails from unknown senders, adding unknown people to chats & social media platforms etc.
- Don't give you bank details or any documents to fraudsters, if you have already given, alert your bank immediately.
- Remember, "Something which is too good to be true", is rarely true

If somebody approaches you with name of the institution, report all the available details to the email ID mentined on the actual website of the specific institution. Generally such contact details

are available on website of institutions under the heading of "Contac us", "Report Fraud" etc. Should one become a victim of such ascam:

- End all future contact with the fraudsters and don't send them any more money.
- Report the incident to law enforcement authorities
- If you have paid any money to fraudsters, report details to your bank in writing and provide copy of police complaint

A funds recall message can then be sent to the beneficiary bank by the remitting bank and if funds are available in the beneficiary account, they may get returned

Note: This is issued in public interest by UBF and it bears no responsibility if even after following the above prevention steps, one becomes victim of fraud.