



The UK's Fraud Prevention Service

# Press Release

## Fraudsters Target Bank Account Mules

Members of CIFAS, the UK's Fraud Prevention Service reported nearly 16,000 instances of fraudulent misuse of bank accounts in the first 5 months of 2010. This was 1% higher than in 2009 and 2009 was 42% higher than 2008 with just 11,000 cases.

Other types of misuse of accounts, insurance policies and other facilities have reduced by 9% this year, making the rise for bank accounts all the more remarkable. For fraudsters the bank account is clearly the financial product of choice.

### Reasons for the bank account surge

- Over 75% of misuse cases involved a bank account
- Over two thirds of these cases involved altered or false cheques (or other fraudulent financial instruments) being paid in.

As economic uncertainty continues, the link between financial difficulties and the high level of fraudulent use of bank accounts cannot be ignored - with individuals, for example, doctoring cheques or the paying in, or out, of cheques and electronic payments that will certainly not be honoured. Some of this activity is highly organised but banks are recognising these scams and intervening to stop the organised movement of dirty money from one account to another.

As scams become more sophisticated – both online and in the physical world – it is unsurprising to discover that people are being targeted by criminal gangs who persuade other people to allow them to use their bank accounts to launder the proceeds of their crimes. Many of these will be unwitting accomplices as opposed to those who are bribed or paid to do it. Others have reported being approached by 'online merchants' or individuals that they believe they can trust, only to find out later that they have been used as money laundering 'mules'.

Dean Bové, CIFAS Communications Officer, comments: "These figures demonstrate that a bank account is not just an attractive target for the fraudster looking to siphon off other people's money. Legitimately obtained accounts are increasingly targeted by organised criminals trying to hide their criminal proceeds within the financial system. With the sophistication of today's organised fraudsters, consumers must be very wary of agreeing to conduct financial transactions on a third-party's behalf."

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