



# Money transfer scams

Money transfer scams are on the rise – watch out for all the different versions of this scam. Be very careful when someone offers you money to help transfer their funds.

A common money transfer scam is the advanced fee fraud, sometimes referred to as a Nigerian scam. It usually begins with an unexpected email or letter asking for your help to transfer a large amount of difficult to access money overseas. Various excuses are given such as political unrest.

You are offered a share of the money if you agree to give them your bank account details to help with the transfer. Once hooked, the scammer will ask you to pay a range of fees and taxes before you receive your 'reward'. The end result is that the scammer is the only winner.

## Common money transfer scams

- Job opportunities – often promoted via spam emails or appear in disguise on online employment sites. The prospective employee will be asked to accept regular sums of money into their bank account in return for a commission. This money is then transferred by the employee into another account set up by the employer. Sounds easy, but this is most likely a form of money laundering which is illegal. Taking up this type of job may result in your bank account being frozen, having your identity stolen or even a visit from the police.
- Inheritance scam – a supposed lawyer or bank representative advises you that a long-lost relative has died and left you a huge inheritance or you have been chosen to inherit money from a rich person who died without heirs. Scammers can tell you such genuine sounding stories that you could be tricked into providing personal documents, bank account details and even large sums of money for fees to claim your 'inheritance'.
- Overpayment scam – this scam arises when you or your business is selling products/services online or through newspaper classifieds. You receive payment by cheque, money order or credit card, but for more than the agreed price. You are asked to refund the money or, more commonly, to pay the scammer's freight company. Be suspicious if you are overpaid for products and a number of credit card numbers are used. The scammer is hoping you will transfer the refund or pay for freight before you discover their cheque has bounced or their money order/credit cards were phoney.

## Warning signs

Scams succeed because they look like the real thing—but don't be fooled!

You can protect yourself from scams by being aware of the common tricks used by scammers.

**Trick** The scammer uses elaborate stories to explain why the money needs to be transferred by you and not the scammer. These stories often include an attempt to 'protect' the money from corrupt government officials or to avoid the money being taxed.

**Fact** Scammers often go to great lengths to convince you their request is legitimate.

**Trick** Scammers usually ask you to keep their offer a secret and push you to reply within a short period of time.

**Fact** Scammers hope you don't seek independent advice and reply without giving the offer much thought. If you receive any offers that require time, commitment or money, you should always do some research and seek independent advice. Don't be intimidated by constant phone calls from the scammer trying to push you to send more money – hang up!



## Golden rules

Remember these golden rules to help you beat the scammers:

- Never provide personal information and banking details to anybody you don't know and trust – you can risk having your identity stolen.
- There are no guaranteed get-rich-quick schemes. The only people who make money are the scammers.
- Don't agree to offers or deals straightaway. If you think you have spotted a great opportunity, insist on time to get independent advice before making a decision.
- If in doubt, discuss your plans with an expert such as a bank fraud officer or an accountant.
- Don't hand over money or sign anything until you have done your homework and checked the credentials of the company that you are dealing with.
- Never accept a cheque or money order/ credit card for payment for goods that is more than what you agreed upon. Send it back and ask the buyer to send you payment for the agreed amount before you deliver the goods.
- Always get independent advice if an offer involves money, time or commitment.

## What to do if you get scammed, or to report a scam

If you spot a scam or have been scammed, there are many government agencies in Australia that you can contact for advice or to make a report.

The most appropriate government agency to contact depends on where you live and what type of scam is involved.

To find out which government agency is best placed to assist you, have a look at [www.SCAMwatch.gov.au](http://www.SCAMwatch.gov.au) under the 'Report a scam' page. The SCAMwatch website is owned and maintained by the ACCC.

If you're still unsure about which government agency to contact or need advice/information about scams, call the ACCC Infocentre on 1300 302 502 or visit the SCAMwatch website.

## For more information

The SCAMwatch website provides information to help you recognise, report and protect yourself from scams.

Explore the SCAMwatch website to find information on a number of scams, including real and example scams with annotated notes, designed to help you spot the warning signs and reduce the likelihood of becoming a victim.

You should also read *The little black book of scams* which highlights a variety of popular scams that regularly target Australian consumers and small businesses. An electronic version of this publication is available at [www.accc.gov.au](http://www.accc.gov.au) or call the ACCC Infocentre on 1300 302 502 to order a hard copy.

## ACCC contacts

ACCC Infocentre 1300 302 502

ACCC website [www.accc.gov.au](http://www.accc.gov.au)

Callers who are deaf or have a hearing or speech impairment can contact the ACCC through the National Relay Service, [www.relayservice.com.au](http://www.relayservice.com.au).

TTY or modem users, phone 133 677 and ask for 1300 302 502.

Voice-only (speak and listen) users, phone 1300 555 727 and ask for 1300 302 502.

### Important notice

The information in this publication is solely intended to provide a general understanding of the subject matter and to help people assess whether they need more detailed information.

The material presented in this publication is not and must not be regarded as legal advice. Users should seek their own legal advice where appropriate.

While everything practicable has been done to ensure the information in this publication is accurate, no liability is accepted for any loss or damage whatsoever that can be attributed to reliance on any of that information.

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