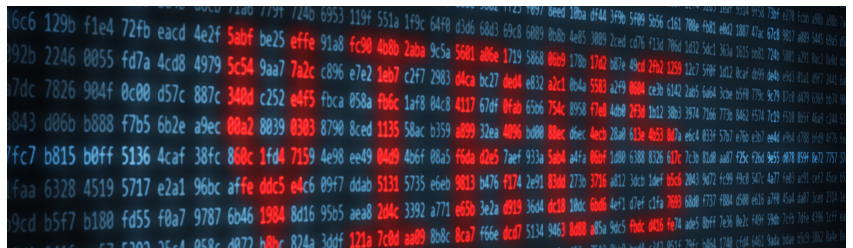


Avoiding Cybercrime - Client Guide

How might it affect me? | Top Tips to prevent fraud | Why conveyancing?

Cyber Tips

- Install **anti-virus software** on all your Windows or Android computers, phones, or tablets
- **Do not use public wifi** either to send or receive emails or to enter your bank account details online
- Do not install any **software** on your computer unless it is from a trusted source
- Use a **'firewall'** on your computer to prevent unauthorised access
- Do not let anyone that you do not trust get physical access to your computer
- **Do not allow anyone** to get access to your computer over the internet for any reason at all
- Keep all the software and operating systems on your computers and tablets **up to date**
- **Don't open** suspicious or unknown emails
- **Don't click on** attachments in suspicious emails, texts or pop-up messages
- **Do not give anyone your bank account details or your passwords** or user IDs or your payment card details on websites unless the site is secure and the web address starts with **https://** not http (the 's' stands for secure)
- **Create secure passwords** which are long, unique, and use a mix of random numbers and lower and upper case letters. Make sure you change passwords regularly and don't share them
- **Check your bank statements** regularly for unauthorised activity and notify your bank immediately, should you find anything unusual
- **Don't put important information on facebook**, or other social media, that could give clues about your passwords or bank information



Cybercrime & conveyancing

Conveyancing clients and conveyancers have been targeted increasingly by sophisticated fraudsters over the last few years. Fraudsters have realised that millions of pounds are telegraphed around the banking system on the strength of no more than an email or phone call containing bank details and the amounts to be transferred. They have developed sophisticated ways of diverting this money by a combination of identity theft, intercepting emails, and persuading firms and their clients to transfer large sums of money to the fraudsters' accounts by impersonating solicitors, banks and property owners.

Usually none of the money is ever recovered, and the conveyancers and clients lose out. The banks even call this 'Friday Afternoon Fraud', in fact. As a result, banks will often delay money transfers that they suspect could be fraudulent so they can be investigated.

Where a fraudster tricks a buyer or seller to send money to the wrong bank account, **the innocent clients will lose the money completely**. If a fraudster impersonates the true owner of a property and then sells the property to an innocent buyer (usually by fooling the conveyancer acting for the fraudster too), **the buyer will lose all their money** and there is unlikely to be any insurance to cover the loss or any way of getting the money back.

Sometimes the fraudsters **hack into your computer**, sometimes they send **fake emails** pretending to be your conveyancer or bank, or they perform sophisticated telephone frauds, impersonating your bank or your conveyancer.

Last year, approaching 2 million people were the subject of identity theft, and it has been estimated that the amounts involved exceeded £2 billion. The City of London police stated that the average loss was **£112,000**.

Action Fraud

National Fraud & Cyber Crime Reporting Centre

0300 123 2040
www.actionfraud.police.uk



The Society of Licensed Conveyancers

Helping you make the right decisions



Elderly people

Elderly people may not realise that emails and phone calls are scams, so they are ruthlessly targeted by fraudsters.

People in hospital or long-term care

Vulnerable people or those who are not living at their property are also targets.

Buy-to-let landlords

In one case, a tenant **stole the landlord's identity** and re-mortgaged the property no less than 17 times on the same day, disappearing overseas with the money, and leaving the landlord to try to persuade the various banks that there had been a fraud.

In other cases, the fraudster will take a tenancy of a property, and then immediately sell it by **pretending to be the owner**.

Mortgage-free houses

If you have repaid your mortgage consider entering a **restriction** on the register or subscribe to the Land Registry **Property Alert** service.

Empty properties

As well as identity theft, some audacious fraudsters will break into properties that are empty, and then rent them out to tenants!

Where the fraudsters trick a conveyancer to send money to the wrong account or to a fake firm, then sometimes the conveyancing firm will make up the loss or claim on their professional insurance. However even when this happens, there may be many delays and litigation as a result.

Even where the fraud is spotted in time, the delay will often cause one party or the other in a property transaction to be in breach of contract for days or weeks, resulting in claims and litigation.

Bogus conveyancing firms

There have been an explosion of Bogus Firms, and some have even been so convincing that they have fooled the solicitor's own regulatory body to putting them on the solicitor's register.

Fraudsters often set up websites and email accounts that are **virtually identical to those of the real conveyancing firm**. They have even set up actual conveyancing offices complete with staff as spoof conveyancing outfits. One such fraud took 2 years to set up, cost the fraudsters £60K to put together - but on one single day they defrauded **£6.8M** before disappearing.

Only deal with a reputable conveyancer that you know and trust. Only deal with the person you know at that firm, and be suspicious if you get emails or calls from someone you have never heard of asking to you do something out of the ordinary.

Phone scams

Often fraudsters use email to trick people into providing confidential information. However fraudsters also ring people to try and trick them and when they do, it is known as 'phishing'.

If someone makes contact purporting to be a Bank, Building Society, Police etc, stop and think. Is the information being asked for sensible, is there a sense of urgency, and are you being asked to move quickly? These are all **red warning signs** and care is needed. Do not assume a call (or mail) is genuine despite how it appears. Fraudsters often clone the telephone number and appearance of the emails of the firm that they want to impersonate.

If the call (or email) is **unexpected and unusual** requests are made, contact the Conveyancer or Bank/Building Society from an **independently verified** telephone number **and from another phone** other than the one that the call has been received on. Fraudsters can stay on the line and make it appear that the call has been disconnected, but when you make an outgoing call thinking you're calling the firm, the fraudster may still be on the line.



Further Advice:

See the GOV.UK page on protecting your property from fraud:

www.gov.uk/protect-land-property-from-fraud



Warning signs include:

- **Sudden urgency** for no apparent reason
- Last minute **changes to your bank** or lending arrangements
- Last minute requests for **more money** from your bank or conveyancer for no reason
- Sellers that don't seem to know much about the property
- Requests to pay the seller any money or deposit **direct**
- The **price changing** suddenly, or being asked to pay a different price than on the documents
- Valuations that don't fit with the price you are paying
- Emails containing **spelling or grammar mistakes**, or addressed to 'Dear Client'
- **Don't trust** 'call back' numbers - use numbers you trust
- **Don't click on** 'contact us' or 'email us' links in emails, type in an email address you know, type in web addresses you know, and call the person you know at your conveyancer
- **If the deal or the price seems too good to be true - it usually is!**

- Finally, **check all amounts and bank information** given to you by your conveyancers, and cross check that there have been no changes.

Email scams

As with phone scams, the emails may be very convincing - but this could be because **fraudsters have infiltrated your computer**, and have been reading your emails to find out what you have been doing. The emails may seem to come from your conveyancer, and may have the same logos and references - but they will be fake. The email address shown at the top of the email may **not** be the real email address it has been sent from. Ultimately, the fraudsters, masquerading as your conveyancers, will ask you to send money to a new bank account, with an excuse such as the firm's bank has just changed.

Bank Scams

Fraudsters are increasingly targeting consumers over the telephone, posing as bank staff, police officers, and other officials, or companies in a position of trust. Often the fraudster will claim there has been fraud on your account and that you need to take action. **Note that your bank or the police will never:**

- Phone you to ask for your 4-digit card PIN or your online banking password, even by tapping them into the telephone keypad.
- Ask you to withdraw money to hand over to them for safe-keeping.
- Ask you to transfer money to a new account for fraud reasons, even if they say it is in your name.
- Send someone to your home to collect your cash, PIN, payment card or cheque book if you are a victim of fraud.

If you are given any of these instructions, it is a fraudulent approach. **Hang up, wait five minutes to clear the line, or where possible use a different phone line, then call your bank or card issuer on their advertised number to report the fraud.**

If you don't have another telephone to use, call someone you know and trust to make sure the telephone line is free.

Your bank will also **never** ask you to check the number showing on your telephone display matches their registered telephone number. The display cannot be trusted, as the number showing can be altered by the caller.

If in any doubt, call your conveyancer

Report any fraud to Action Fraud on 0300 123 2040 or www.actionfraud.police.uk

Also to the Land Registry fraud hotline on 0300 006 7030 (Monday to Friday, 8.30am to 5pm)

