



ARE YOU WORKING FOR CRIMINALS?

MONEY MULE\$



NEW ZEALAND
POLICE
Ngā Pirihimana o Aotearoa

CFFC
Building wealthy lives



ARE YOU A MONEY MULE FOR CRIMINALS?

What is a money mule?

A money mule is someone who transfers illegally acquired money on behalf of a criminal – unknowingly or willingly. Mules are recruited to move money electronically through bank accounts, take it out in cash or buy virtual currency like Bitcoin.

CRIMINALS EXPLOIT MONEY MULES

By adding layers of recipients to the money trail between them and the victim, criminals and their organisations use money mules to launder the proceeds from their activities, such as fraud, drugs and human trafficking. These layers make it more complicated for NZ Police to accurately trace the money from a specific victim to the criminal.

Once the money is received, criminals may get a mule to:

- Wire/telegraphic transfer the money into a third-party bank account
- Cash-out the money received, possibly via several cheques
- Convert the money into a virtual currency like Bitcoin.



72%

OF NEW ZEALANDERS HAVE
BEEN TARGETED BY SOME
FORM OF SCAM

WHO'S AT RISK?

- Students
- New migrants
- Small business owners
- Retirees, especially recent ones
- Job seekers
- Those looking for a relationship
- Those suffering memory loss
- Everyone and anyone

WHERE ARE MONEY MULES RECRUITED?

- Online job websites
- Online dating websites
- Social networking websites
- Online classifieds

YOU MAY BE A MONEY MULE IF:

- You received an unsolicited email or contact over social media promising easy money for little to no effort.
- The “employer” you communicate with uses web-based email services such as Gmail, Yahoo Mail, Hotmail or Outlook.
- You are asked to open a bank account in your own name or in the name of a company you form to receive and transfer money.
- As an employee, you are asked to receive funds in your bank account and then “process funds” or “transfer funds” via a variety of means, such as wire/telegraphic transfer, mail, cryptocurrency or a money service business (such as Western Union or Moneygram).
- You are allowed to keep a portion of the money you transfer.
- Your duties have no specific job description.
- Your online companion, whom you have never met in person, asks you to receive money and then forward these funds to an individual you do not know.



HOW TO PROTECT YOURSELF

We need to not only safeguard our money from fraudsters, but also access to our bank accounts. We are even more vulnerable when going through difficult experiences, such as the loss of a loved one, redundancy or illness, when our guard may be down.

Remember:

- ✓ A legitimate company will not ask you to use your own bank account to transfer their money. Do not accept any job offers that ask you to do this.
- ✓ Be wary when an employer asks you to form a company in order to open up a new bank account.
- ✓ Never give your financial details to someone you don't know and trust, especially if you met them online.
- ✓ Be wary when job advertisements are poorly written with grammatical errors and spelling mistakes.
- ✓ Be suspicious when a man or woman you meet online wants to use your bank account for receiving and forwarding money.
- ✓ Search online for all the companies or individuals named in solicitation emails and contacts.
- ✓ Ask an overseas employer to send you a copy of their licence/permit to conduct business in New Zealand.

IF YOU THINK YOU'RE A MONEY MULE

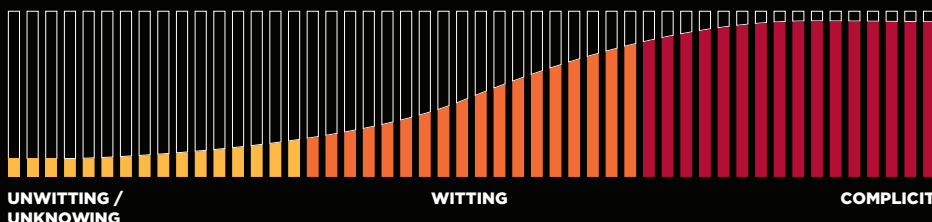
- Notify your bank immediately.
- Stop all communication with suspected criminals.
- Stop transferring any money or valuable items.
- Keep all receipts, contacts and communications, such as texts, emails or chats.
- Notify NZ Police immediately. Report all non-urgent suspicious activity to **105.police.govt.nz/home** or dial **105**.

WHERE DOES THE MONEY COME FROM?

- Criminals obtain money through various illegal acts. Some common criminal activities are:
- Internet-enabled frauds:
 - » Business email compromise scams
 - » Online job scams
 - » Work-from-home scams
 - » Romance scams
 - » Mystery shopper scams
 - » Advance fee scams
 - » Reshipping scams
 - » Grandparent scams
- Drug trafficking
- Human trafficking.

MONEY MULES' LEVELS OF AWARENESS

Money mules may be completely unaware of what's going on. Or they could be totally involved in the fraud.



UNWITTING OR UNKNOWN MULES

These are individuals who don't realise they are part of a larger scheme. Unwitting mules are:

- Often solicited via an online romance scheme or online job scheme
- Asked to use their established personal bank account or open a new account in their true name to receive money from someone they have never met
- Typically told to keep a portion of the money they transferred
- Motivated by their trust in the existence of their job or romance.

WITTING MULES

These are individuals who choose to ignore obvious red flags or are wilfully blind to their money movement activity. However, they continue acting in this capacity. Witting mules:

- May open accounts with multiple banks in their true name
- May have been warned by bank employees that they are involved with fraudulent activity
- Are possibly unwitting at first, but then continue communication and participation
- Will likely retain a portion of the money transferred
- Are motivated by possible financial gain or an unwillingness to acknowledge their role.

COMPLICIT MULES

These are individuals who are aware of their role as a money mule and complicit in the larger criminal schemes. Complicit mules:

- Serially open bank accounts to receive money from a variety of unknown individuals or businesses for known criminal or suspected criminal reasons
- Possibly advertise their services as a money mule on the dark web, describing what they're willing to do and at what prices. This may also include reviews or ratings by other fraudsters on the money mule's speed and reliability
- Travel, as directed, to different countries to open financial accounts or register companies
- May operate "funnel accounts" to receive fraud proceeds from multiple lower-level money mules
- Could try to recruit other money mules
- Are motivated by their dependency on financial gain or their loyalty to a known criminal group.

THERE ARE SERIOUS CONSEQUENCES FOR MONEY MULES

Money mules play a role in criminal money laundering and potentially face the following consequences:

- Prosecution and imprisonment – Money mules may be prosecuted for participating in criminal activities and sentenced to jail time.
- Compromised personal identity information – Money mules' own personal information may be stolen by the very criminals they are working for and used for other criminal activities.
- Personal liability – Money mules may be held personally liable for repaying the money lost by victims.
- Negative impact on credit – Money mule activities may result in negative credit ratings.
- Inability to open bank accounts – Money mule activities may result in banks refusing to open bank accounts in the future.



NEW ZEALAND CRIMES ACT VIOLATIONS AND PENALTIES

Receiving

The penalties for someone found guilty of receiving are:

- If the value of the property received exceeds \$1,000, imprisonment for no more than **7 years**
- If the value of the property received is between \$500 and \$1,000, imprisonment for up to **1 year**

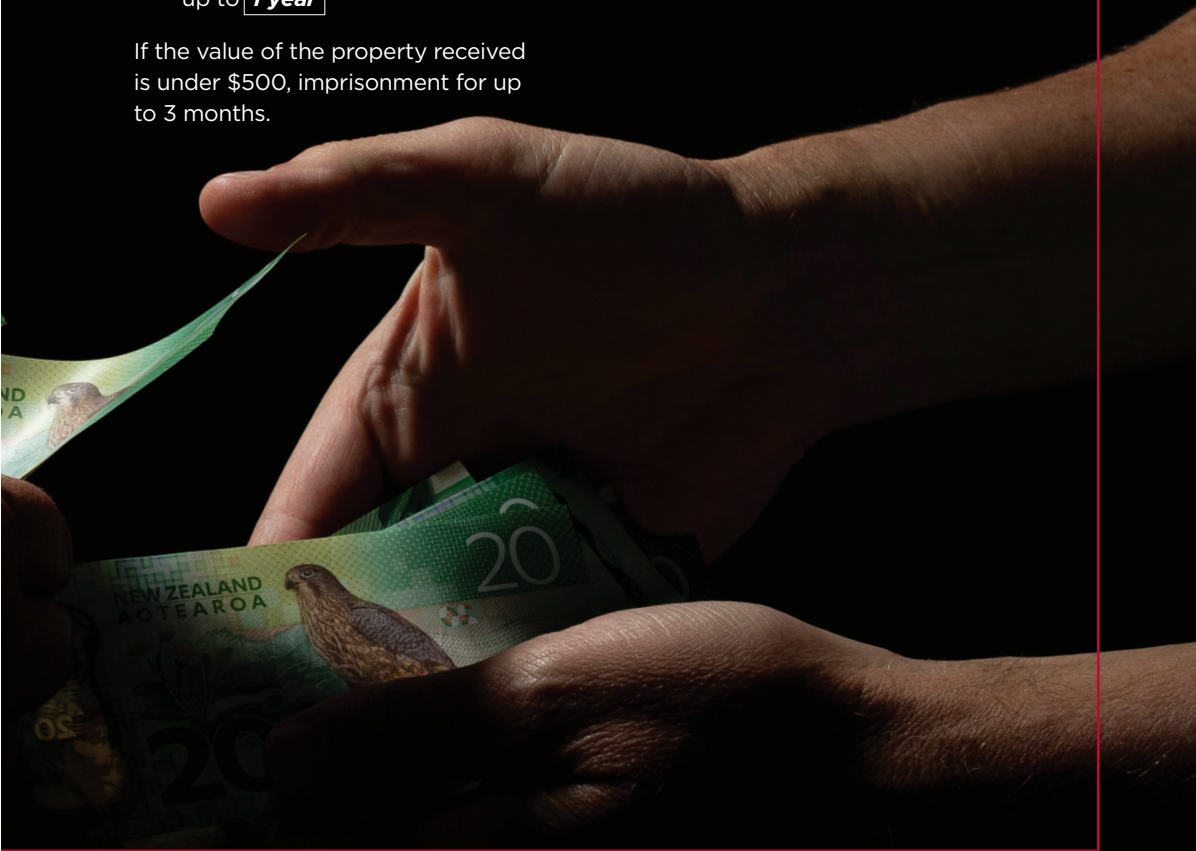
If the value of the property received is under \$500, imprisonment for up to 3 months.

Money Laundering 243.2

- Maximum **7 years** imprisonment

Money Laundering 243.3

- Maximum **5 years** imprisonment





RESOURCES

New Zealand Police

Contact details for NZ Police can be found at **[police.govt.nz](https://www.police.govt.nz)**. Report non-urgent suspicious activity to **105**.

[police.govt.nz](https://www.police.govt.nz) or **phone 105**

CFFC's ***Little Black Book of Frauds*** can be ordered for free at:

sorted.org.nz/order

Bought to you by **NZ Police** and **CFFC** - working together for a safer New Zealand.



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