

Business Email scam

What is Business email Scam?

Business email scams are a type of fraud in which businesses receive email communication from fraudsters pretending to be their suppliers or vendors. Through these mails, the fraudsters usually inform a business that the bank account details of the vendor or supplier has changed.

According to the latest data, since October 2013 worldwide losses from business email scams have crossed US \$ 1.2 billion. In UAE too, such incidents have been reported by various businesses.

What is the modus operandi of the fraud?

Fraudsters get access to the email ID of a trade partner of the victim through email hacking/password compromise etc and sometimes create a similar looking email ID. They then communicate with the victim through this compromised/look alike email ID.

In order to gain trust and establish credibility, fraudsters use a previous email thread between the trade partners making the victim feel as if they are dealing with their genuine trade partner.

Once they have established the rapport, they request that pending/fresh payments be made to a different bank account citing some reasons like problem with the existing account, ongoing audit or taxation problem etc.

This scam ultimately results in the fraudsters receiving money from the victim and trade partners may get into a dispute about who is responsible for the fraudulent payment.

What can be done to avoid falling victim to *Business email scams*

- Confirm requests for transfers of funds and changes in vendor payment accounts through alternate mediums such as a previously used phone number or fax.
- Keep your PC/phones updated with latest anti-virus/anti malware to prevent email compromise
- Be careful when posting financial and personal info on the internet

Should one become a victim of a business email scam, one should immediately notify the concerned bank. 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. Victims should also consider filing a police complaint.

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.