



MONEY MULE SCAMS

TIPS FOR IDENTIFICATION, PREVENTION, AND TRAUMA- INFORMED ASSISTANCE

Presented by Administration for Community
Living Elder Justice Resource Centers

Housekeeping

- All on mute. Use Questions function for substantive questions and for technical concerns.
- Problems getting on the webinar? Send an e-mail to NCLER@acl.hhs.gov.
- Written materials and a recording will be available at NCLER.acl.gov. See also the chat box for this web address.

Administration for Community Living (ACL) Elder Justice Resource Centers

<https://elderjustice.acl.gov/>

- Adult Protective Services Technical Assistance Resource Center (APS-TARC)
- National Adult Protective Services Training Center (NATC)
- National Center on Elder Abuse (NCEA)
- National Center on Law & Elder Rights (NCLER)
- National Long-Term Care Ombudsman Resource Center (NORC)
- National Pension Assistance Resource Center (NPARC)
- National Resource Center on Women & Retirement (NRCWR)



Speakers

- Hilary Dalin, Director, Office of Elder Justice and Adult Protective Services, Administration for Community Living (ACL)
- Jacqueline Blaes-Freed, Assistant Director, Consumer Protection Branch, United States Department of Justice (DOJ)
- Sarah Galvan, Directing Attorney, Elder Rights, National Center on Law and Elder Rights (NCLER), Justice in Aging
- Jane Handley, Staff Attorney, LAVA Project (Legal Assistance to Victimized Adults), Indiana Legal Services

Administration for Community Living (ACL)

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Money Mules

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Department of Justice



CONSUMER PROTECTION BRANCH

- Enforce laws that protect consumers' health, safety, and economic security
- Civil and criminal authority
- Embedded law enforcement agents, investigators, and analysts
- Coordinating role in the Department's Elder Justice Initiative, Transnational Elder Fraud Strike Force, and Money Mule Initiative

WHAT ARE MONEY MULES?

- An individual who receives money, directly or indirectly, from victims and sends it, directly or indirectly, to perpetrators.
- An individual who sets up financial infrastructure allowing perpetrators to receive victim money.

Someone who relays money
from victims to fraudsters.

HOW DO PEOPLE BECOME MONEY MULES? (1 of 3)

- Begin as victims of scams, particularly romance fraud and lottery scams
- Job posts on online boards, social media—promise easy money for little effort
- Recruited by fraudsters to facilitate the scheme

HOW DO PEOPLE BECOME MONEY MULES? (2 of 3)

- Helen received a call from Mike, a “lottery official,” telling her she has won a multimillion dollar lottery, but needs to pay fees and taxes.
- Helen withdraws \$5,000 and sends via the mail to an address in the U.S.
- A week later she receives another call from Mike about an additional fee. Mike spends time talking with Helen about her plans for the winnings and suggests she not tell anyone yet so she can surprise them with a trip.
- Helen receives a third call from Mike, but she tells Mike she has no more money to send. She also presses Mike about when she’ll get her winnings.

HOW DO PEOPLE BECOME MONEY MULES? (3 OF 3)

- Mike tells Helen the winnings are coming and even emails her a certificate showing her lottery prize. Mike also tells her that there are previous winners of the same lottery who want to help other people and will advance her the fees. Mike tells her these sponsors will mail her money.
- Helen starts receiving boxes containing cash and Mike tells her to combine them and mail them. Her kids notice the boxes and raise concerns, but Mike reassures Helen and calls her regularly to check in on her.
- Mike then asks Helen if she can deposit the money into her bank account and mail her debit card so it can be easily withdrawn.
- Helen's bank account is closed. Mike tells Helen not worry and suggests a new bank she can use. Mike continues to call regularly and reassure her, ask her about show she's doing, and make sure she is receiving and sending the money as promised.

THE MONEY MULE PHENOMENON

- Growth in transnational criminal organizations targeting consumers, businesses, government funds
 - Romance fraud, lottery fraud, government imposter fraud, technical support fraud, person-in-need scams
 - Business email compromise/CEO fraud
 - Unemployment insurance fraud/PPP
- Need for U.S.-based financial infrastructure, obfuscation of money mule trail

MONEY MULE INITIATIVE

- Seven law enforcement agencies involved
 - Coordinated by DOJ Consumer Protection Branch; U.S. Postal Inspection Service, Federal Bureau Investigation
 - Department of Labor Office of Inspector General, Homeland Security Investigations, U.S. Treasury Inspector General for Tax Administration, U.S. Secret Service, Small Business Administration Office of Inspector General.
- Push for public awareness

SPECTRUM STRATEGY

- Warning letters
- Civil injunctive actions
- Criminal Prosecution

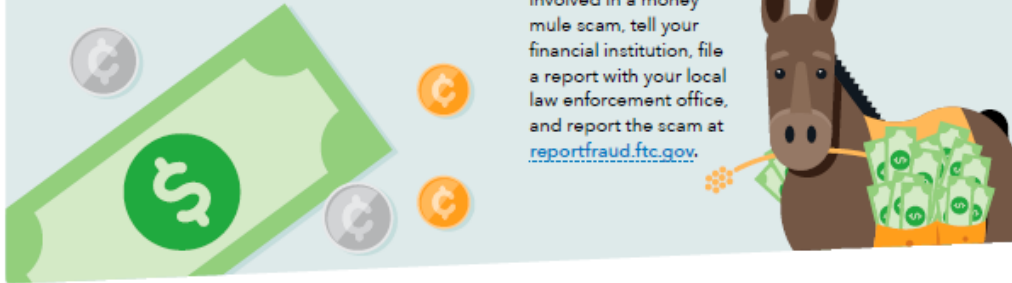
Don't be a money mule.

A money mule is someone who receives and moves money that originated with victims of fraud.

Here are a few things to keep in mind:

- Don't agree to receive or send money or packages for people you don't know or haven't met in person.
- Don't send money to an online love interest, even if they send you money first.
- Don't pay to collect a prize or send someone money out of your "winnings."

If you think you've been involved in a money mule scam, tell your financial institution, file a report with your local law enforcement office, and report the scam at reportfraud.ftc.gov.



cfpb Consumer Financial Protection Bureau

MONEY SCAM for Older Adults

FDIC FEDERAL DEPOSIT INSURANCE CORPORATION

An official publication of the U.S. Government

<https://www.justice.gov/civil/consumer-protection-branch/money-mule-initiative>

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Someone sends **YOU MONEY** then asks you to *send* **SOME** of it to someone else.



Stop.

Don't send money.

You could lose money or get in legal trouble.

Protect Yourself from Money Mule Scams

People who move money for fraudsters are called "money mules."



BEWARE if people you've met over the phone or online ask you to accept money from strangers and send it to someone else.

They could be recruiting you to help fund illegal activities.

A MONEY MULE FRAUDSTER MAY ASK YOU TO:

- Move money
- Open a bank or cryptocurrency account
- Receive packages



YOU CAN PROTECT YOURSELF AND YOUR COMMUNITY!

- If someone asks you to send and receive money or other things of value, stop communicating with that person.
- Question new long-distance relationships.
- Report money mule activity and scams as soon as possible.
- Learn about scams and money mule activity.



#DontBeAMule

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POTENTIAL SIGNS OF MONEY MULE ACTIVITY

- Changes in traditional money behaviors, new influx of cash, gift cards, or interest in cryptocurrency.
- Unexpected influx of calls, text message, emails, or other communications, may be secretive about contents or defensive when confronted.
- Has been previously victimized by a scam.

PREVENTING OR STOPPING MONEY MULE ACTIVITY

- Know that victimization can lead to money mule activity.
- Knowledge of scams can prevent victimization.
- Intervene.
- Monitor for re-victimization.

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Post-Scam Services & Supports

Empathy for Scam Victims

- Any of us could fall victim to a scam, age alone does not make you vulnerable
- People who are more isolated are more at risk
- Victims may worry that revealing their experience will lead to losing their independence
- Scam victims are more likely to be targeted for future scams
- Scammers tend to force people into make ‘split second’ decisions, not allowing them to consider what is happening
- Scammers may have become part of daily life of the victim

Benefits of Trauma-Informed Advocacy

- Reducing re-traumatization
- Better advocacy
- Better referrals
- Discovering additional issues
- Builds trust
- Overall enhancement of the relationship

Strategies for Trauma-Informed Work (1 of 3)

- Patience/Empathy
- Transparency
 - Promotes trust with the individual
 - Minimizes the feeling of “powerlessness”
- Person-Directed Approach
 - Remind them that they have a voice, this is their case
 - Who do they trust that can be brought in?

Strategies for Trauma-Informed Work (2 of 3)

- **Reliability**
 - Don't make promises you can't keep and be clear.
 - Manage expectations
- **Predictability/Minimize Re-Traumatization**
 - Preview what is going to happen/meeting topics — when might they have to recount a traumatic experience?
 - Stay organized and take complete notes so you don't have to ask hard questions more than needed.

Strategies for Trauma-Informed Work (3 of 3)

- Honoring Individual Experiences
 - Acknowledge your client's experiences with other traumas such as racism, poverty, disability, homophobia.
 - These traumas inform the way our clients interact with us and the world. Acknowledge their existence and affirm your client's experiences.
- Cultural competency goes hand-in-hand with trauma-informed practice.

Impact of Scams on Older Adults

- Financial
 - Loss of savings
 - Behind on bills
 - Disqualification from benefits
 - Reduced benefits
 - Loss of Housing
- Non-financial
 - Loss of trust and or confidence
 - Depression
 - Increased risk of health issues

Ongoing Supportive Services

- Support groups for victims of scams
- Companionship programs
- Neighborhood and community supports
- Addressing isolation

Range of Responses Aging & Legal Services Can Deploy

- Stopping the scam
- Addressing identity theft and protecting credit
- Review and planning for loss of benefits or challenges qualifying for future benefits
- Ongoing budgeting
- Recovery of assets or lost funds
 - Unauthorized credit card use
 - Legal claims
 - Legal assistance can be a strong referral for help

Walk Through a Case

Questions?

Key Takeaways

- Watch for potential signs of money mule activity as described earlier.
- Victimization can lead to money mule activity – so monitor for re-victimization.
- Knowledge of scams can prevent victimization. Help raise awareness. Share consumer education materials.
- Intervene and/or refer the individual to assistance.
- Practice trauma-informed advocacy to build trust and reduce re-traumatization.

Closing

- Written materials and a recording will be available at [NCLER.acl.gov](https://ncler.acl.gov) and shared by all co-host resource centers.
- Please share examples of your work related to money mule scams.
- Visit ACL's Elder Justice website for more information about the resource center, including how to contact us - <https://elderjustice.acl.gov/>
- Watch for additional information about scams and exploitation from the DOJ, ACL, and/or ACL resource centers.