



LLOYDS BANK

PRESS RELEASE

Money mules getting older – with serious penalties for those caught moving scam cash

- **Sharp increase (+29%) in over 40s acting as money mules over the last year**
- **However those aged under 24 remain most likely to commit the crime**
- **Most people unaware of possible 14 year prison sentence as punishment**
- **One in 10 young people would agree to move money through their bank account in return for cash**
- **Lloyds Bank has seized more than £91m from mule accounts since 2018**

There has been a sharp increase in those over the age of 40 caught channelling fraudulent funds through their bank account over the last year, according to new data from Lloyds Bank.

Known commonly as ‘money mules’, these people use their bank account to receive criminal cash, either intentionally or unintentionally, which is often money that’s been stolen through a scam. People can be duped or pressured into working with fraudsters through social media posts, fake job advertisements or targeted emails, which promise cash in exchange for making bank transfers, withdrawing and depositing money, or giving over control of their bank account to someone else.

In recent times the crime has most commonly been committed by younger people, with those under the age of 24 typically accounting for around half of all money mules identified.

However, the last 12 months has seen a surge in cases amongst older age groups, with a 26% increase in those aged 31 to 39, and a 29% increase in those aged over 40, caught moving fraudulent funds through their bank account.

As the cost of living puts more pressure on people's finances, Lloyds Bank is warning consumers to avoid any money-making schemes which appear too good to be true.

Liz Ziegler, Consumer Fraud & Financial Crime Director, Lloyds Bank, said:

"Many of the money mules we've caught had no idea they were engaging in criminal activity. The promise of quick and easy cash was enough to tempt them into moving money through their bank account in exchange for a fee or a cut of the funds.

"But behind all of these apparent get-rich-quick schemes are organised criminal gangs, desperate to launder the cash they've stolen, often from innocent scam victims. That's why the penalties for becoming a money mule are so severe and can include a prison sentence.

"It's vital that people are aware of the warning signs and don't get sucked into deals which look too good to be true. No legitimate company will ever ask you to use your own bank account to transfer their money, and the risk of getting caught is just too great."

People unaware of the consequences

If caught moving stolen funds, money mules will be left with no bank account, a damaged credit score and the inability to apply for a loan or even a phone contract in the future. They could also end up with a 14 year prison sentence for the crime.

Despite this, research from Lloyds Bank amongst the British adult general population found that fewer than half (43%) realise that being asked to move money through their account on behalf of someone else could be the sign of a scam, or an attempt to hide or disguise the original source of stolen funds.

Likewise, only around half of people (49%) are aware that the maximum penalty for being a money mule is a prison sentence of up to 14 years.

Alarmingly, almost one in 10 (9%) of those aged between 18 and 24 years old said they would agree to move money through their bank account in return for a fee or a percentage of the funds. Students can be particularly vulnerable given they might be living away from home for the first time and looking for extra income.

How banks spot suspicious accounts

Only in very few occasions are mule accounts opened with fake ID. They are most often unused accounts that previously belonged to genuine holders, who sell them on to criminals, or existing accounts operated normally for a period of time, before being used to receive the proceeds of scams.

Because funds are then typically dispersed in smaller amounts and often moved abroad – in an attempt to evade detection as the money moves through the financial system – this can make funds difficult to track and the accounts involved hard to identify.

Lloyds Bank has developed specialist techniques to rapidly analyse data, spotting tell-tale signs, patterns and behaviour to identify these accounts and seize the funds.

The bank operates an innovative ‘mule-hunting team’ to stop the movement of money from scams which has uncovered more than 130,000 mule accounts and stopped £91.7 million from falling into the hands of fraudsters in real-time since it was first set up in 2018.

Last year the bank also launched a [pioneering fraud crackdown](#), seizing the proceeds of crime to fund new initiatives to tackle scams.

Top tips to safe:

1. No legitimate company will ever ask you to use your own bank account to transfer their money. Don't accept any job offers that ask you to do this.
2. Be especially wary of unexpected job offers from people or companies overseas as it will be harder for you to find out if they really are legitimate.
3. Never give your financial details to someone you don't know and trust.
4. Be on your guard on social media – unsolicited offers for cuts of cash or lending out use of your bank account are almost certainly attempts to recruit money mules.
5. If a friend or family member unexpectedly asks you to accept or move money for them, ask plenty of questions so you can be sure you understand why they need your help. If in doubt as to where funds have come from, don't take the risk.

Case study

This is a real case detected by the Lloyds Bank mule hunting team. Names have been changed to protect the identity of those involved.

Molly received an unusual phone call one day from her friend Linda, who needed her help urgently.

Linda had been contacted by someone who said they worked for Amazon, and that Linda was due a refund of £10,000 on some purchases. The caller explained to Linda that they'd need her to download some software to one of her mobile or tablet devices, and they'd be able to process the refund. Linda didn't question what the caller was saying and took the steps as advised by the person on the other end of the line, who was soon able to remotely access Linda's device, and get Linda to help with accessing her online banking.

Linda watched as £10,000 appeared in her account. However, the caller then told Linda there was an 'issue' and they would need to route the payment to a couple of other accounts, to process it. All Linda had to do was call her friend Molly, explain she was having an 'online banking problem', and give her the details of a third account to move the £10,000 to.

Molly agreed to make the transfer once the money arrived, which it did shortly after Linda's phone call, having been sent by the caller who still had remote access to Linda's device. However – Molly was unable to send the payment any further as the bank had identified that, in fact, both Linda and Molly were being used as money mules – and blocked the payment from going any further.

The caller from 'Amazon' was a fraudster, trying to hide proceeds of crime through layering and integration into the financial system, using Linda and Molly to do so.

Both Linda and Molly were reported to the relevant authorities and the funds were prevented from moving any further through the financial system.

Ends

Notes to editors

Figures based money mule accounts identified by Lloyds Banking Group between July 2020 and July 2022, unless otherwise stated.

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2042 adults. Fieldwork was undertaken between 8th - 11th July 2022. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).

This report is prepared from information that we believe is collated with care; however, it is only intended to highlight issues and it is not intended to be comprehensive. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report. Any use of this information for an individual's own or third-party purposes is done entirely at the risk of the person making such use and solely the responsibility of the person or persons making such reliance."

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