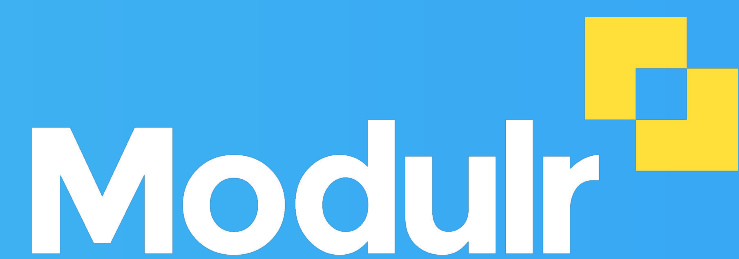


Top 5 payment fraud scams during COVID-19, and how to stay safe





Payment fraud is a fact of life. Businesses and consumers need to be wary of it at all times. But during a crisis, extra vigilance is required. Criminals will seek to exploit new vulnerabilities and changes in behaviour. There have been reports of COVID-19 related scams across the UK.

At Modulr, our fraud team works daily to monitor and address potential scams and stop criminals in their tracks. Here are the top 5 scams they advise watching out for – and how you can stay safe.

01

Social media impersonation scams

A friend or family member sends you a message on Facebook saying they lost their job because of COVID-19. They ask if they can borrow money. But it's not really them – it's a fraudster who has gained access to their account.

Stay Safe

- Use a two-factor authentication approach. If you receive a message on social media asking for money, speak to them on the phone to verify their identity.



Online shopping scams

You see an amazing deal on an online shopping website and you're tempted to make a purchase. But the products really don't exist. It's a fake website and a fraudster is waiting to steal your money.

Stay Safe

- Does the price sound too good to be true?
It probably is.
- Research the company online – read reviews, check that it's verified by reputable sources.
- Pay attention to the payment method – fraudsters prefer bank transfers to card payments.



03

Invoice fraud

Your supplier has gone out of business, so you look for a new one. You find a new supplier offering a great rate – but behind the scenes, it's a fraudster masquerading as a legitimate business.

Stay Safe

- Do extensive research on any new supplier or company before making a payment.
- If an existing supplier emails and asks you to change their account details, take the two-factor approach and call them to verify.



04

HMRC scams

You receive an email, text or call from the HMRC saying you're owed a refund and asking for your account details. Or they say you owe money and ask for urgent payment. But it's not the HMRC – it's a fraudster trying to steal your money.

Stay Safe

- Check the HMRC website for guidance. They will always confirm this type of information in writing.
- HMRC have their own sort code so always check this before making any payment.



Account Muling

A stranger asks you to accept a payment on their behalf. They promise that you'll be financially rewarded for the simple task. But it's not harmless – it's a criminal getting you to do their dirty work.

Stay Safe

- Never agree to let a stranger accept or transfer money using your account.
- Even if it wasn't your idea, you could face jail time when caught.
- You could also suffer damage to your financial record, preventing you from getting accounts, loans, jobs and mortgages for up to 6 years.





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