

Case 29 – Elderly couple sent \$500,000 to overseas scammers

AUSTRAC alerted a law enforcement agency to a number of suspicious international funds transfers made by an elderly Australian couple to various overseas recipients. Over a six-month period the couple used a money transfer agency to send AUD512,000 overseas, including to the United Kingdom, Ghana, Hong Kong and Ivory Coast.

Law enforcement officers visited the couple in relation to the following money transfers:

- Ghana – the couple told the officers they had befriended a woman on the internet, who in correspondence referred to the couple as ‘mother’ and ‘father’. In response to her requests, the couple sent money to the woman to assist her with food, rent and other expenses. The couple believed that the woman eventually wanted to move to Australia. In addition, the husband had travelled to Ghana to meet the woman, and arranged to pay USD20 per day for the storage of the woman’s family treasure chest.
- United Kingdom – the couple sent funds to a recipient in London as part of what was subsequently revealed to be an ‘inheritance’ scam (a variation on the ‘advance fee fraud’ scam – see text box adjacent).
- Hong Kong – the couple sent AUD57,000 to an overseas recipient, also part of an inheritance scam.
- Ivory Coast – the couple had befriended a girl whose parents had been killed, and provided her with financial assistance for food and accommodation. They believed that she, too, wanted to move to Australia.

Subsequently, AUSTRAC informed authorities that the couple were continuing to send money overseas. The couple sent a further AUD60,000 overseas even after being warned by law enforcement officers that their overseas recipients were most likely international fraudsters.

Offence	Fraud
Customer	Individual
Industry	Remittance services
Report type	IFTI
Channel	Electronic
Jurisdiction	International – Ghana, Hong Kong, Ivory Coast, United Kingdom
Designated service	Remittance services (money transfers)
Indicators	Customer undertaking transactions that appear to be inconsistent with their profile and/or transaction history: <ul style="list-style-type: none">• multiple international funds transfers to countries of interest to authorities

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Advance fee fraud and inheritance scams

Advance fee fraud scams are generally spread via unsolicited emails, or conducted in conjunction with friendship or dating scams. A typical scam unfolds like this:

- The scammer emails the intended victim, claiming to be a representative of an overseas government agency or a solicitor.
- The scammer asks for the victim's assistance in moving a substantial sum of money out of their country, often claiming that the money is trapped in banks due to civil wars or government restrictions.
- The scammer advises that they intend to forward the money to the victim's bank account, and that the victim will retain 10 to 20 per cent of the funds as payment for their assistance.
- However, the scammer informs the victim that, before they can transfer the funds, the victim will first need to pay various 'transfer costs', such as the cost of anti-terrorist certificates, taxes or storage expenses.
- The victim pays the transaction costs as instructed by the scammers – the victim's money and the scammers disappear and the scam is complete.

The typical 'inheritance' scam uses similar methods. The scam spreads via email or through 'friendship' connections, and begins by claiming that the intended victim is due to receive a massive, unexpected inheritance from an overseas benefactor. However, before the victim can receive their 'inheritance', they must first transfer funds to cover the various transaction fees (as described above) involved in the inheritance.

