

Tackling Money Mules: Tips from DOJ & USPIS

Wednesday, May 1
2:00 PM – 3:00 PM ET

Housekeeping Announcements



Webinar is being recorded.



Slides and recording will be emailed.



Ask questions via the chat.



We'll get to questions at the end!

Today's Speakers

- Ann Entwistle, Senior Trial Attorney, Department of Justice Consumer Protection Branch
- Lauren Vumbaco, United States Postal Inspector, United States Postal Inspection Service
- Samuel Kunjukunju, Vice President, Consumer Education, ABA Foundation (Moderator)

Agenda



Money Mule
Phenomenon



Money Mule Initiative



Disruption and
Prevention Strategies



ABA Foundation
Resources



Q&A

Tackling Money Mules



Ann Entwistle
Senior Trial Attorney
Consumer Protection Branch
U.S. Department of Justice



Lauren Vumbaco
U.S. Postal Inspector
U.S. Postal Inspection Service

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

U.S. POSTAL INSPECTION SERVICE

- Supports and protects the U.S. Postal Service and its employees, infrastructure, and customers
- Enforces the laws that defend the nation's mail system from illegal or dangerous use
- Ensures public trust in the mail
- DOJ Transnational Elder Fraud Strike Force – embedded at DOJ CPB

Money Mules

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

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?

- 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

DIFFICULTIES FOR LAW ENFORCEMENT

- Volume of individuals involved
- Proving money mule knowledge
- Balancing need to limit victim lists while building complicated, international investigations

MONEY MULE INITIATIVE

- Eight federal agencies involved
 - Coordinated by DOJ Consumer Protection Branch; U.S. Postal Inspection Service, Federal Bureau Investigation
 - Department of Labor Office of Inspector General, FDIC 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.
- Action component – identify, investigate disrupt, prosecute
- Push for public awareness

SPECTRUM STRATEGY

- Warning letters / Knock and Talks
- Civil injunctive actions
- Criminal Prosecution



WARNING LETTERS

- Provides potentially unwitting mules information about conduct and consequences
- Language formula
 - We have reason to believe you are facilitating a scheme.
 - Here is what the scheme is and how it works.
 - There are potential consequences for such activity.
 - Acknowledge receipt.

CIVIL ACTIONS/ADMINISTRATIVE ACTIONS

- Civil actions predicated on involvement in ongoing fraud scheme can be brought by DOJ under 18 U.S.C. § 1345
 - Show of mens rea still required-but to a lesser burden
- Enjoin continued conduct
- Can contain monitoring provisions
- If an order is violated, can see civil or criminal contempt


CRIMINAL ACTIONS

- Criminal charges: mail and wire fraud, money laundering, unlicensed money transmitter

Department of Justice

U.S. Attorney's Office

Western District of Missouri

SHARE 

FOR IMMEDIATE RELEASE

Friday, August 28, 2017

Virginia Man Sentenced for \$3.2 Million Romance Fraud Scheme

KANSAS CITY, Mo. – A Dumfries, Virginia, man has been sentenced in federal court for his role in wire fraud and money laundering conspiracies as part of a \$3.2 million romance fraud scheme.

Henry N. Asomani, 35, a naturalized U.S. citizen from Ghana, was sentenced by U.S. District Judge Roseann Ketchmark on Tuesday, Aug. 25, to 10 years in federal prison without parole. The court also ordered Asomani to pay \$3.2 million in restitution to his victims, and to forfeit to the government the

different accounts at eight different banks.

Asomani received funds sent by more than a dozen victims across the United States, including three victims in the Kansas City metropolitan area, from Sept. 15, 2015, to Oct. 17, 2017. Although bank investigators and FBI agents warned Asomani that his bank accounts were receiving the proceeds of a fraud scheme, he continued to receive the funds and simply opened new accounts when funds were frozen, or accounts were closed by the banks.

Unknown co-conspirators targeted victims through online dating websites

Key Takeaways for Banks

PREVENTION AND DISRUPTION

- Opportunities for intervention make a difference.
- Public education is essential.

Moving money for someone? You could be helping a fraudster!

Did you know that foreign fraudsters use people in the U.S. to help them steal money?
If you've been asked to be a "money mover," you could be harming others!



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

Fraudsters may lie to get you to help them. They may tell you the money you will receive is:

- From people helping you get a lottery prize
- From people helping someone you met online
- Part of an investment or charitable effort
- Part of a work-at-home job you were offered



A 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 if someone asks you to move money as soon as possible.
- [Learn about scams.](#)



DISRUPTING AND SUPPORTING PROSECUTION

- Notify money mules that their accounts are being used to facilitate fraud.
 - Educate unwitting mules.
 - Provide evidence of criminal intent in support of later civil injunctions and prosecution.
- Law enforcement relies on SARs for investigation of money mules.
 - Document verbal or written notifications to customers that their accounts were being used to move fraud proceeds.

USPIS Response

WHAT ARE WE DOING?

- Postal Customer UMT Letter
 - Targeted Letter to Identified Individual
 - Knock and Talk at Address – KNOWLEDGE OF ACTIVITY
 - Civil Injunction or Criminal Prosecution
 - Civil Contempt Filings
- ***MONITOR FOR RECIDIVISM AFTER EACH STEP
- Money Mule Initiative
 - Interdictions

UMT EXAMPLE



UNITED STATES POSTAL INSPECTION SERVICE

CRIMINAL INVESTIGATIONS GROUP

Date: _____

CISC Reference #
Postal Customer
Address
City, State ZIP

Dear _____:

Information collected by the U.S. Postal Inspection Service indicates you may be engaged in fraudulent activity that violates state and/or federal criminal laws. The fraudulent activity may include the sending and/or receiving of funds (currency, checks, and/or money orders), gift cards, and/or merchandise related to a fake lottery or other fraud scheme.

Perpetrators of lottery fraud schemes mislead victims into believing they have won a lottery and/or prize and deceive them into paying fees to receive their winnings. Victims are instructed to send proceeds to others via mail and parcel carriers.

This letter provides you with notice that you are facilitating a fraudulent scheme by helping the perpetrators obtain these proceeds from victims. By receiving and/or transmitting these proceeds, you are helping the perpetrators defraud victims.

Knowingly facilitating or helping others facilitate a fraud scheme is a crime. If you continue to aid the scheme and/or its operators by sending and/or receiving proceeds, you could be subject to civil enforcement actions or criminal prosecution. Moreover, if you continue sending and/or receiving proceeds and merely change your methods of transmitting those proceeds, this may be viewed as you seeking to hide your involvement in the scheme and you could face additional penalties under federal and/or state laws. Finally, by transmitting funds you may be unlawfully serving as a money service business in violation of state laws and Department of Treasury regulations.

Your receipt of this letter will be taken into consideration should you continue to be involved in the type of activities described above or any similar activity.

If you wish to discuss this letter, please contact the U.S. Postal Inspection Service Transnational Mail Fraud Team at (202) 268-6994.

Sincerely,

U.S. Postal Inspection Service
Transnational Mail Fraud Team

WHAT IS THE WARNING?

Information collected by the U.S. Postal Inspection Service indicates **you may be engaged in fraudulent activity that violates state and/or federal criminal laws**. The fraudulent activity may include the sending and/or receiving of funds (currency, checks, and/or money orders), gift cards, and/or merchandise related to a fake lottery or other fraud scheme.

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WHAT IS THE WARNING?

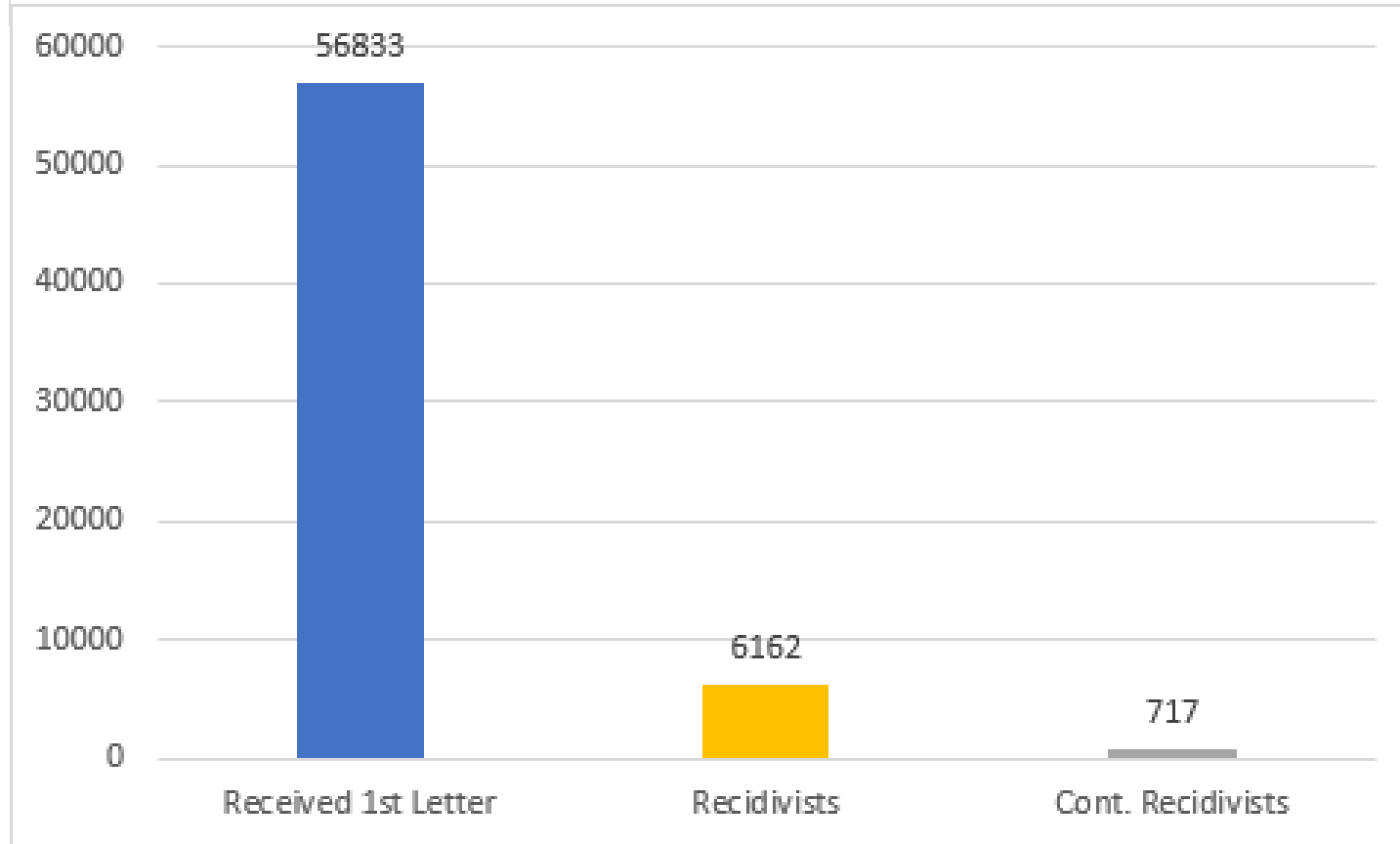
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Sincerely,

U.S. Postal Inspection Service
Transnational Mail Fraud Team

WE ARE HAVING AN EFFECT

RECIDIVISM and CONTINUED CONDUCT



TRENDS – DEBIT CARDS SENT TO JAMAICA

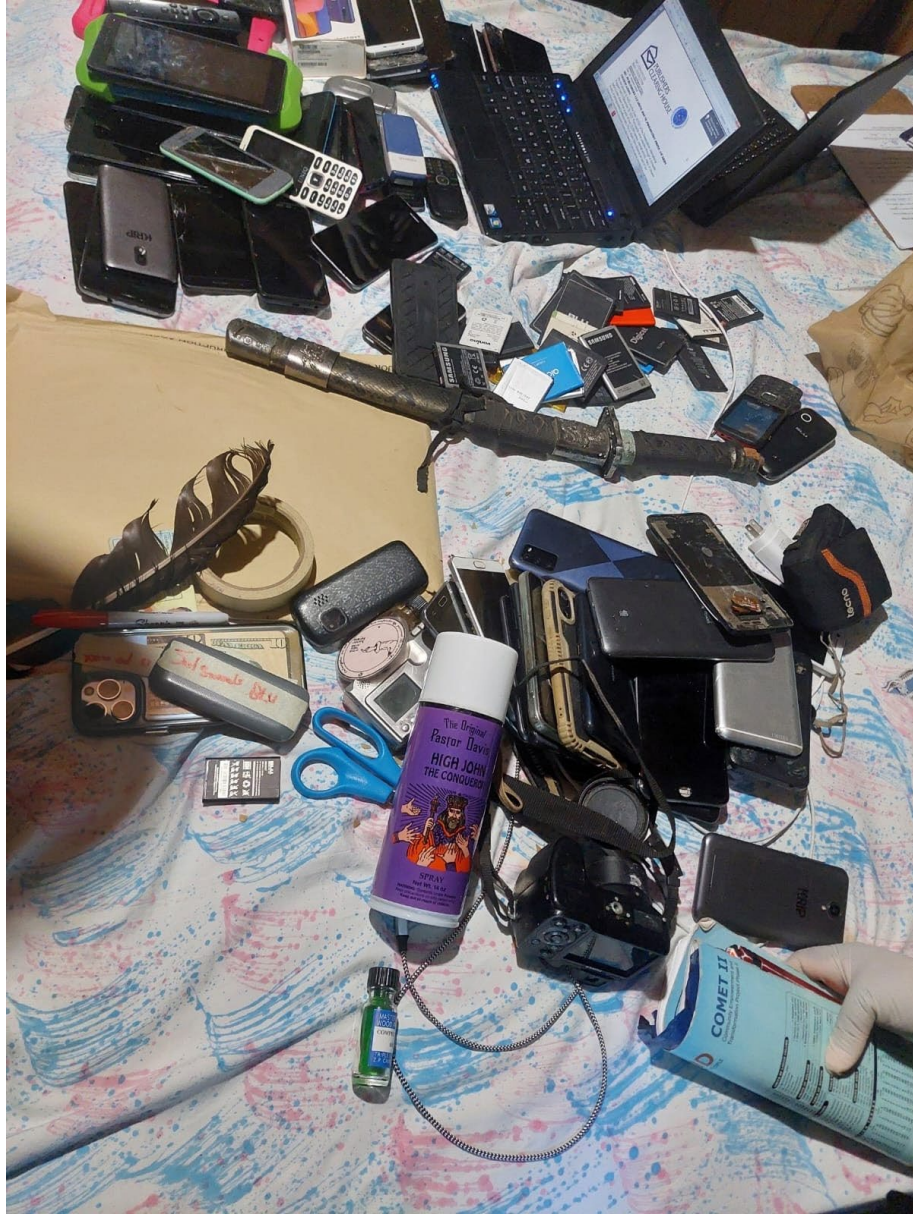
- Victims open bank account(s) or provide bank account information to receive winnings and send the debit card to JM OR Seasonal Workers open bank accounts and send their debit card to friends/family in JM OR victims provide PII to the scammer to receive their prize and an account is opened online in the victim's name
- Domestic (mostly 3rd party) deposits (checks and cashiers checks primarily, some wires) and 3 or more ATM withdrawals in Jamaica in 3 weeks (95% Montego Bay)
- 9-month review: 191 accounts identified (elderly victims excluded – 89%) and \$9.5 Million in suspected fraud identified
 - Referrals to the field for appropriate enforcement action

Case Study

TIMELINE

- 12/7/2022 – Received suspected JOLT parcel
- 12/13/2022 - Sent “Postal Customer” UMT letter to known address (no recidivism)
- 2/14/2023 – Target returned home to Jamaica
- 6/2023 - Name provided by bank (filed SAR)
- Intel gathering (multiple SARs filed) and Victims identified (lottery, mail gift cards; mailing checks for a foundation that promised a car and money)
- 2/2024 – referral provided to Jamaica
- 3/8/2024 – MOCA – search and seizure





CONTACT INFORMATION



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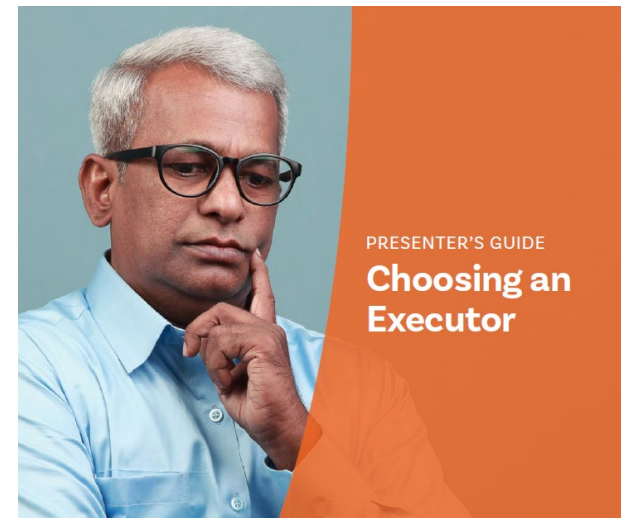
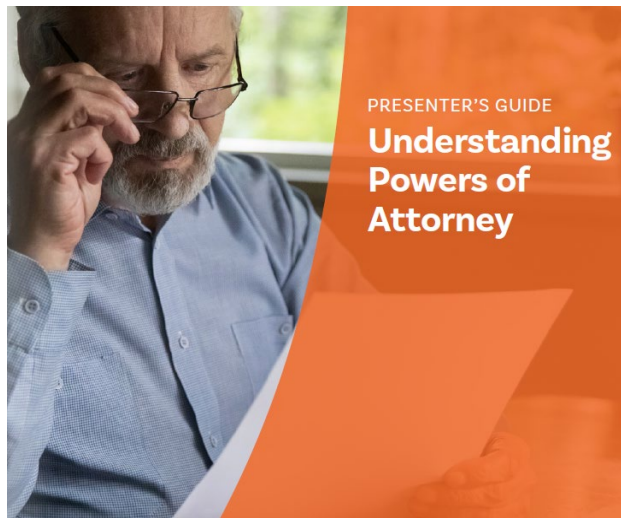
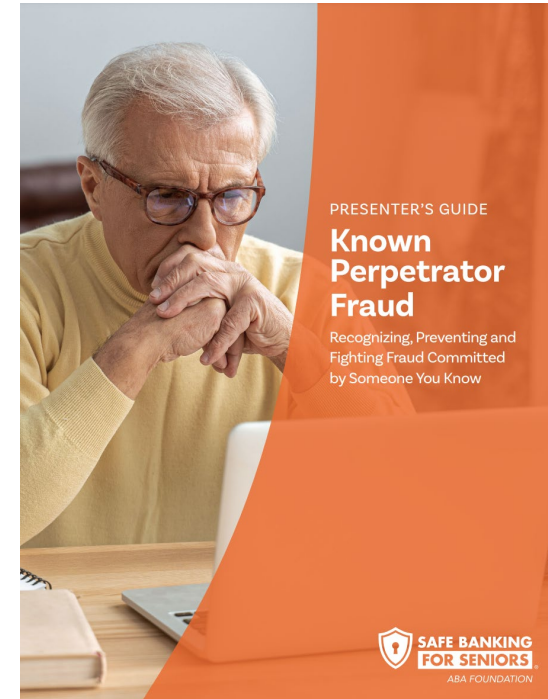
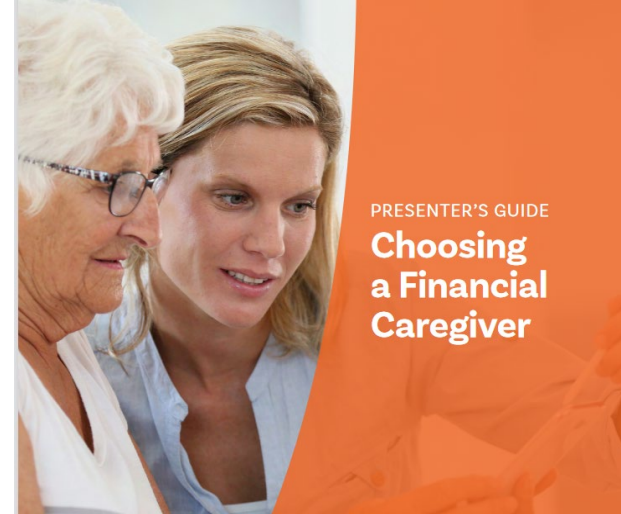
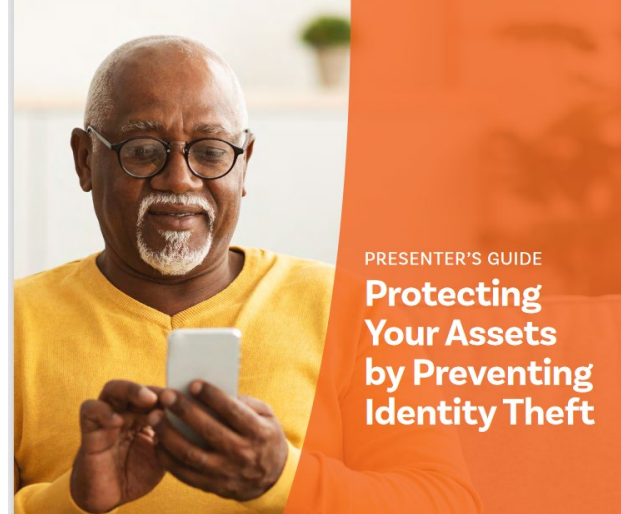


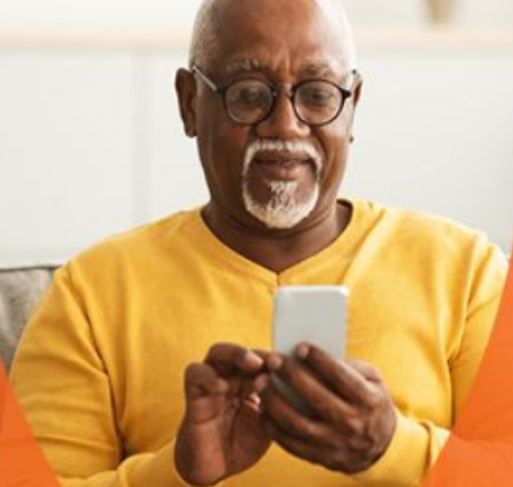
ABA Foundation Resources

Educational Outreach



Presentation Modules





**SAFE BANKING
FOR SENIORS**

ABA FOUNDATION

Safe Banking for Seniors Communications Toolkit

 [Contact](#) |    

Helpful Hints

Be sure to tag the [American Bankers Association's Facebook page](#) in your posts to that platform so we can engage with your posts. To do this, simply paste your post text into Facebook, click on the part of the post that says @American Bankers Association, and select American Bankers Association from the dropdown menu. You'll know ABA has been properly tagged when the name appears in blue.

CAMPAIGN 

Safe Banking for Seniors

DESCRIPTION

Safe Banking for Seniors (SBFS) is a free national program, sponsored by the ABA Foundation, that provides bankers with the tools and resources necessary to help older adults, their families and caregivers prevent elder financial abuse and exploitation. The program consists of six turn-key modules with presentations, activity sheets, resources sheets, infographics, and guides to help bankers connect with their communities to share about avoiding scams, preventing identity theft, financial caregiving, powers of

KEY DATES

Older Americans Month

May

Senior Fraud Awareness Day

May 15, 2022

World Elder Abuse Awareness Day

June 15, 2022

International Day of Older Persons

Tweets, Posts, and More



TW: SBFS - Money Mule Scams

If someone sends you money and asks you to send it to someone else, stop! You could be a money mule. Download this joint infographic from the @ABABankers Foundation and @FTC for tips on avoiding money mule scams: <https://aba.social/3La9iVy>

#SafeBankingForSeniors

SPECIFIC TIME / DURATION
Evergreen



TW: SBFS - P2P App Scams

Online payment apps let you quickly send and receive money, but be sure you know who you're sending it to. Once you send money, it's nearly impossible to get it back. Learn more in this @ABABankers Foundation and @FTC infographic: <https://aba.social/3LrM0KY>

#SafeBankingForSeniors



TW: SBFS - Check Washing & Check Theft Scams

Fraudsters are targeting paper checks sent through the mail. Download this infographic from the @ABABankers Foundation and the @USPISpressroom to help postal inspectors keep your mail safe: <https://aba.social/3xyZF0p>

#SafeBankingForSeniors



Animated Videos





Safe Banking for Seniors Campaign

Free videos, social posts, handouts, presentations, and other tools to help bankers educate seniors and their loved ones about elder fraud and financial caregiving.

[LEARN MORE >](#)

Partnerships to Protect Seniors

A free guide to help bankers facilitate key partnerships to respond to elder abuse.

[LEARN MORE >](#)



Financial Caregiving Resources

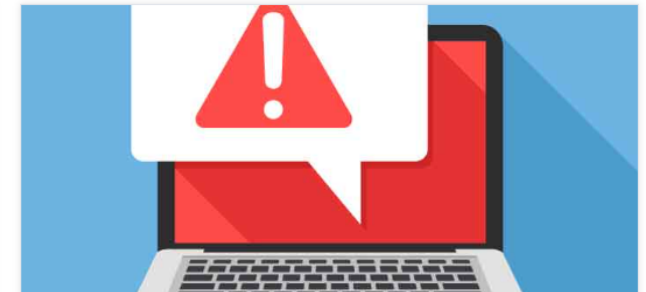
Information to help consumers with financial caregiving needs and planning.

[LEARN MORE >](#)

Elder Financial Exploitation Prevention Course

Online, self-paced training for frontline bankers about detecting, preventing, and combating elder financial exploitation.

[LEARN MORE >](#)



Protect Yourself and Your Money

Tips and downloadable infographics to help people of all ages recognize scams and fraud.

[LEARN MORE >](#)

Money Mule Consumer Resource Page

Money Mule Scams

If someone sends you money and asks you to send some or all of it to someone else, you could be a money mule. Know what to watch for and avoid becoming a money mule with these tips from the ABA Foundation.

Protect Yourself and Your Money

ATM SAFETY TIPS

AVOID ABUSIVE AND ILLEGAL LENDING

"CARD CRACKING" SCAMS

CHARITY SCAMS

CRYPTOCURRENCY CONFIDENCE SCAMS

DATA BREACH TIPS

FAKE CHECK SCAMS

HURRICANE PREPAREDNESS TIPS

JOB SCAMS

► **MONEY MULES**

What's a Money Mule?

When criminals obtain money illegally, they need to hide or launder the source of the funds. One method they use is to look for people to transfer that money for them. Those people become money mules, and are used to move and launder the money.

If someone sends you money and asks you to send some or all of it to someone else, you could be a money mule. Often, scammers will approach you online, but they may also call you directly. Regardless of the particular method, the goal is the same—to use consumers to move money so that law enforcement cannot easily track it.

If someone asks to use your bank account or asks you to open a bank account in your name to send and receive money on their behalf or business, don't do it! Even if they offer to pay you some cash for your trouble, it's not worth it. You may not only be risking your financial assets and identity, but your actions could be criminal.

Who Do Criminals Target?

Anyone can be a potential target. But, scammers often prey on elders, students, millennials, those looking for employment and those on dating websites.

Witting vs. Unwitting Mules

Unwitting money mules are those who are unaware of the scam.

Witting money mules are aware that their efforts are part of an organized crime scheme. These individuals may even have been warned by financial institutions, law enforcement or other agencies that what they are doing is wrong, but continue to serve as money mules in the hopes of receiving a share of the monetary gains or some other benefit.

www.aba.com/moneymules

Staff Contact

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