

TymeBank cautions consumers about mule accounts

TymeBank is cautioning customers and consumers in general not to let other people use their bank accounts, even if they are promised payment in return. If you do, you may be considered a money mule, as your account is used as a mule account.



Source: [Pexels](#)

“There’s a risk that you may be helping criminals to commit crimes and hide the money they have illegally obtained, something that could see you being arrested for being a money mule and can also damage your credit and financial standing,” warns TymeBank’s head of enterprise, risk and fraud, George Wandsella.

According to Wandsella, the increase in fraudulent account openings and transfers needs to be seen in the context of the recently published *Sabrics Annual Crime Statistics*, which indicate that banking on digital platforms now exceeds all other transaction channels in South Africa and is also the safest.

“The rise in online transactions has been accompanied by a noticeable increase in mule account schemes in South Africa in the last few years, with criminals taking advantage of people’s vulnerability with the promise of easy money. Targets are often approached online, or by means of social-media platforms, with young people often lured into these schemes,” he says.

“TymeBank has robust security systems in place, and besides protecting customer accounts, our technology also helps us

monitor suspicious activity, but criminals are always looking for ways to hide their ill-gotten gains."

The methods typically used by criminals:

- The fraudster asks the unsuspecting account holder to transfer money on their behalf into a third-party account in exchange for a fee. Often the third-party account is at the same bank, so the transaction can be processed in real time.
- Someone approaches a person and asks him or her to open a bank account online and then allow the other person to use it. Often the excuse is that they are unable to open their own bank account for some reason that sounds innocent.
- Criminals use lost or stolen IDs to open mule accounts.

"Customers also need to play their part by following some simple rules," says Wandsella. "Besides helping to fight the worldwide problem of money-laundering, it may also keep you out of jail."

To avoid becoming a money mule, consumers are advised to:

- Not share their financial details or give access to their bank account to anyone they don't know and trust.
- Not trust emails, texts or similar communication from someone who promises money in exchange for doing very little.
- Be careful of opportunities offering them a way to make money fast and easily. If this happens, they should not accept the offer, and report it to the police.

It's important to report a lost or stolen ID to the South African Fraud Prevention Services (SAFPS) on their website www.safps.org.za to prevent fraudsters opening a bank account or credit facilities with their details.

Forewarned is forearmed.

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