



**Financial Crime Trend Bulletin:**

**Recovery Pitch**

**2017-07-01**

**FRAUD: Recognize, Reject, Report**

**Purpose**

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This bulletin was prepared to provide information on the recovery pitch, which targets Canadians who have previously been victimized by other scams.

## Overview

If a consumer has been victimized by a scam, they are likely to be targeted again in the future with the recovery pitch. Scammers will target previous victims on the premise of increased vulnerability and likelihood of obtaining additional funds. The recovery pitch involves scammers deceiving victims to believe there is an opportunity to recover funds lost in a previous scam (full or portion). Scammers may portray themselves as members of law enforcement, investigating agencies, bank employees, or lawyers to establish a sense of credibility.

One form of the recovery pitch involves victims of the *Anti-Virus Scam* who previously paid scammers a fee to remove online threats, such as viruses from their computer. Victims are later called and advised the company has filed for bankruptcy and are offered a refund. Victims are asked to provide scammers access to their computer to process a refund via online banking. Furthermore, consumers are asked to log into their online banking. The consumer is told the screen will go black for a brief minute to process the refund, however the scammer utilizes the opportunity to forward money from the victim's line of credit or credit card to their bank account, making it appear as if a refund was deposited. Moreover, the victim is told an error occurred and the refund was overpaid (example: refunded \$2900 Cdn instead of \$290 Cdn). Scammers demand the victim refund the difference to correct the error. Victims will try to resolve the issue and send the monies only to later realize the original "refund" was actually a transfer from their line of credit or credit card. The victim is now responsible for the funds lost.

Another form of the recovery pitch involves the *Bank Investigator Scam*. Consumers receive calls from scammers purporting to be from their bank or a major credit card provider. Victims are led to believe that a bank investigator is investigating unauthorized charges on their account to identify a suspect and refund the stolen funds. Victims provide remote access to their computer and online banking to allow the *investigator* to review any discrepancies or possibilities of fraud. The *investigator* will deposit money into the victims account with instructions to wire/send the money internationally to see if anyone from the bank steals or intercepts the money. Requests of payment can vary, however include money service business transfers or wire transfers. Unbeknownst to the victim, the scammer will complete a transfer of funds from the victim's line of credit or credit card to their bank account to create a false pretense that the victim is using the banks money. Once the victim sends money to recover the original unauthorized charges, they realize they have been scammed and are responsible for the funds lost.

The recovery pitch can take form using any scam. Whether it be a romance scam, prize scam, or one of the scams mentioned above, scammers may contact the victim to impersonate a lawyer and claim they can obtain lost funds for the price of legal fees. Victims will pay advance fees to assist in recovering lost finances.

## Warning Signs – How to Protect Yourself

- Never pay an advance fee to obtain a refund.
- Record all information – confirm who you are dealing with.
- Conduct open source searches to cross reference information.

If you think you or someone you know has been a victim of fraud, please contact the Canadian Anti-Fraud Centre at 1-888-495-8501 or report online at <http://www.antifraudcentre.ca>