



## **Scam Alert for Conveyancing Lawyers - 29 April 2019**

The Law Society has received an alert from a law practice on a scam attempt in a conveyancing transaction.

The client was the purchaser in a property transaction. When the Temporary Occupation Permit was issued, the solicitor posted the client a letter requesting for payment of 25% of the purchase price. At the same time, the solicitor scanned and e-mailed the client a soft copy of this letter. The letter was posted to the client with a number of enclosures.

The client received the letter in the post but not the e-mail. This is because a scammer had hacked into the client's e-mail account and taken control of it. The client then posted the cheque to the solicitor and followed that with an e-mail requesting that the solicitor acknowledge receipt of the cheque. However, the solicitor did not receive the client's e-mail.

The scammer (having intercepted the solicitor's e-mail to the client and the client's e-mail to the solicitor), then started sending the client e-mails posing as the solicitor. The scammer, posing as the solicitor, e-mailed the client to say that the developers would not accept payment by cheque and that the client had to send the funds by telegraphic transfer ('TT') to the developers' bank account. The scammer gave the client a bank account to effect this transfer.

The client telephoned the solicitor on at least two occasions to ask the solicitor why he had asked her to make payment via TT. The solicitor told the client clearly that he had not sent any such e-mail on payment via TT.

However, the client, feeling pressured by the scammer's e-mail reminders to send the amount via TT, proceeded with the payment to the bank account the scammer had given her. This was on a Saturday morning. The client also sent the solicitor a WhatsApp message with a photograph of the funds transfer form. In addition, she sent an e-mail that same Saturday morning to the solicitor with a scanned copy of the funds transfer form informing him of payment made and asking for return of her cheque. The scammer did not intercept this e-mail.

When the solicitor printed out the scanned copy of the funds transfer form on Monday, he noticed that the details of the bank account provided by the scammer bore the name of an individual. The solicitor immediately telephoned his client to tell her to stop

payment immediately. This was around 9.00am on Monday. Fortunately, the client had instructed her bank to effect payment only on Monday and was able to stop payment. The client did not suffer any financial loss.

The scammer impersonated the solicitor by changing the solicitor's e-mail address by adding an underscore in the solicitor's name and amending the domain. At first glance the bogus e-mail address looks deceptively similar to the actual e-mail.

It is good practice to inform your clients that if you or your law practice is requesting any transfer of funds or any payment by whatever means, to call and check with you or your law practice first before proceeding with the transfer.