

End of Year, Be on High Alert for Scams

During year end, attorneys, staff, and clients are often feeling rushed to bring work to a conclusion, including closings.

Be on high alert for scams.

1. Share fraud alerts with support staff.
2. Every wire request should be verified.
3. The best practice for verifying wire instructions is to have the Seller sign the wiring instructions at the closing in the presence of the attorney.
4. Do not accept changes to wiring instructions.
5. Changes in wire instructions are a RED FLAG and you are likely being targeted for a scam. In the last six months of this year, Lawyers Mutual has received reports of more than a dozen scams with hundreds of thousands of dollars stolen.

The single most common cause of wire fraud is hacked email.

1. Do not use a free email service (gmail, yahoo, aol, nc.rr.com, etc.).
2. Regularly change your passwords and use strong passwords.
3. Do not accept changes to wiring instructions from a free email account.
4. Confirm emailed wiring instructions with a telephone call to a well-documented telephone number already in your file.
5. Do not send wires overseas. Once the money leaves the United States, it is likely gone forever.

If you believe you are the victim of a wire fraud, call:

1. Your bank and the recipient bank to freeze the funds.
2. The State Bar.
3. Lawyers Mutual (we have contacts who may be able to assist in recovering funds if you act quickly).