

September 2010

BEWARE E-MAIL SCAM

This week several email scams have been reported to the North Carolina State Bar. What can you do to avoid being caught up in an email scam?

THE SCAM:

The scam of the week has taken the form of an out of state or out of country client who wants to collect a debt owed by a legitimate North Carolina business. The lawyer sends a collection letter and the company sends a check in payment of the debt owed. The lawyer then disburses the funds and finds out after the fact that the check is an elaborate fake and the lawyer is left owing the bank.

RED FLAGS:

- All communication is via e-mail
- E-mail is addressed to “undisclosed recipients”
- E-mail address appears to be an individual account rather than company account
- Client is evasive when determining scope of engagement
- The collection process happens a little too smoothly or they offer to settle for an amount slightly less than what is allegedly owed
- The check for funds arrives from a P.O. Box, doesn’t match the address of the company you’ve researched or from some other suspicious address

TIPS:

- Do independent research beyond what the potential client provides – for instance if they give a bank telephone number to verify a check, that could be someone pretending to work for the bank
- Ask the client’s permission to contact the company in question to verify a business relationship exists
- Ask the bank to verify the check rather than immediately deposit and wire funds
- Never provide your bank account or other financial information as this information can be used to withdraw money from your account
- Make sure your firm has proper checks and balances in place concerning trust accounts and that you conduct internal reviews frequently so if someone in the firm becomes a victim of theft, the loss can be detected quickly
- It’s often difficult to locate the individuals involved; however, it’s still helpful to report actual or attempted money offer scams to law enforcement agencies

See Lawyers Mutual March newsletter located at www.lawyersmutualnc.com for an article with more information, as well as NC Lawyers Weekly feature article “Law Firms Get Targeted in Overseas Scams” dated February 22, 2010.

BEWARE THE “HERE YOU HAVE . . .” VIRUS

Yesterday, msnbc.com reported a new virus delivered in e-mails with the subject line “Here You have” hit corporate America including ABC/Disney, Comcast and Google. E-mails that carry the virus contain a link that encourages readers to click on a PDF document file. But rather than a PDF, the file contains a Windows script that transmits a virus and spams the entire contact list of the person who opened the file.

Avoid opening e-mails with this subject line and make sure you have good safety systems in place to catch spam and junk e-mails.