

## **419 scam/Advance fee fraud schemes**

If you as an individual or your company have been:

- Promised funds in return for assisting someone to transfer millions of Dollars abroad from someone you have never heard of?
- advised that you are the beneficiary of a multi-million Dollar inheritance?
- advised that you are the winner of a lottery even though you never bought a ticket?
- offered a fantastic business opportunity?
- offered a confidential Business Proposal?
- offered unsecured loan?

If this sounds familiar and too good to be true – it probably is!

If you are perusing this link the chances are that you might also be implicated in a similar scam or scheme. We recommend that you read our response carefully to equip you with information on how to deal with your particular matter.

The South African Reserve Bank (“the SARB”) has, over the past few years, become inundated with requests/calls for assistance from persons who have fallen victim to the criminal elements operating the Advanced Fee fraud scam, commonly known as the ‘419’ or Nigerian letter scam. The fraud is called "4-1-9" fraud after the section of the Nigerian penal code that addresses fraud schemes.

Despite the SARB’s efforts in assisting the South African Police Service to bring this scourge to an end, many persons are still being scammed, normally due to a lack of knowledge. The public needs to be made aware of the far reaching consequences of this scam. Not only are persons losing huge amounts of money, but that money is invariably being used to purchase hard-core drugs for sale to the public or financing terrorism activities in various countries.

The modus operandi of these scammers is very simple and highly effective. This is how a typical scam letter works:

The approach is normally done by letter, e-mail or faxed document advising the potential victim that for their assistance, they will receive a large percentage of a large amount of Dollars (normally millions) that have been obtained as a result of some occurrence e.g. inheritance, over-budgeted contract payment, lottery winnings, etc. The message would stress that confidentiality must be maintained at all times. Should you respond to this initial e-mail, the scam begins to take its own course. The perpetrator will maintain communications and proceed to the next level of the scam.

Once a positive response to the letter of solicitation is received, the receiver of the scam letter is asked for their banking details, passport and identification number and various other personal details. Communication between the victim and perpetrator continues until the final details of how and when these millions of Dollars will be exchanged are agreed upon. It is at this stage that the victim receives very authentic looking documents, signed by influential persons, e.g. the Governor and/or any of the Deputy Governors and bearing the logo of the SARB confirming that the millions of Dollars are awaiting transfer to a nominated bank account.

However, prior to the release of the funds, the victim is required to advance money to obtain clearance documents i.e. Drug and Anti-Money Laundering Certificates, Tax Clearance Certificates, etc. After the victim pays the required fees, the perpetrators ask for more fees. (The more money paid in respect of "fees" the greater the loss). Payment of any fees is regarded as advance fee fraud and should be reported to law enforcement authorities.

The victim is now faced with the prospect of either losing the original fee paid or pays more fees, hoping for the big payoff. In this way, tens or hundreds of thousands of Dollars may be swindled from a victim. The payoff, of course, never comes, because there never was any payoff to begin with.

On many occasions the victim is asked to meet with the perpetrators to witness the signing of the final release forms. If the victim is unable to be present at the signing, the perpetrators will appoint a "Lawyer" or "Barrister" to act on the victim's behalf.

Again more funds are asked for to cover the “legal fees” that are incurred relative to the preparation of the clearance documents.

Once the perpetrators have achieved their objective (to scam the victim for as much money as possible) communication lines are abandoned and the victim has no recourse to the lost funds.

If you have received a letter from the SARB with the Bank’s logo on it, then it should be noted that the South African Reserve Bank’s corporate identity has been “hijacked” or abused by syndicates using scam letters to deceive the receiver of the mail. The SARB has been falsely implicated by way of victims being lured into these transactions on the pretext that the documentation on hand bears the logo of the Bank and/or the name of the Bank is displayed on the documents presented. Remember they want you to believe that the transaction is legitimate.

The following should be noted, should you be in any doubt as to the authenticity of the transaction:

- The SARB does not maintain bank accounts on behalf of private persons or entities. It stands to reason that we do not offer or operate online banking facilities nor do we maintain an Internet banking facility;
- Documents relating to anti-money laundering, drug clearance certificates, tax clearances, marginal fluctuations, etc. are not issued by the SARB;
- The SARB does not charge a fee for the signing of official documents;
- Persons in the South African legal profession do not use the title of Barrister. The SARB does not appoint Lawyers or Attorneys to act on behalf of private citizens;
- Under no circumstances does the SARB get involved in authorising the transfer of lottery payments or hold lottery money on behalf of the public;
- Be aware that all lottery games are governed by the Lotteries Act 57 of 1997, which provided for the establishment of the National Lotteries Board, the only statutory body charged with regulating the operation of the National Lottery in South Africa. Details relating to the official National Lottery South Africa) can be located on the Internet at: <http://www.salottery.co.za/ie/scam.asp>

- Any other lottery game is neither genuine nor legal;
- South African legislation also does not extend gaming opportunities to other countries, neither does it allow for agencies to act on behalf of a licensed operator. These operators are not entitled to offer free tickets, meaning that there cannot be any unwitting winners (i.e. you have to purchase a ticket to become eligible to win money in a lotto draw);
- Since the SARB is a stand-alone entity, it does not have any branches or liaison offices offshore nor do agents in countries overseas act on its behalf;
- The official departments of the SARB can be found on the official website <http://www.reservebank.co.za>; and
- The SARB employees never use mobile numbers when corresponding with clients relating to business. The Banks's official telephone number is +27 (12) 313 3911.

More information on various types of scams/schemes can be obtained on the Internet at the following addresses:

<http://www.crimes-of-persuasion.com>

<http://www.419Legal.org>

<http://www.saps.gov.za>

<http://www.quatloos.com/scams/nigerian.htm>

[http://www.treas.gov/usss/financial\\_crimes.shtml#Nigerian](http://www.treas.gov/usss/financial_crimes.shtml#Nigerian)

<http://www.reservebank.co.za>