

Share of money scams

People are offered a vast share of money in exchange for providing, for example, a bank account number to help transfer money. This type of fraud is associated with Nigeria because of its popularity in Nigerian criminal networks. It is known as "419 fraud", because "section 419" of the Nigerian Criminal Code criminalises it. However, other African nations and European cities are increasingly involved.

How it works

It is common for individuals to receive an email, a fax or a letter with a Nigerian postage stamp. The writer may use a title—doctor, chief or general—and will contact people on what they claim is a confidential basis.

The aim is for a victim to become "hooked" and unable to back out. The letters use stories [stories] about how people can share in the money.

Individuals are asked to help the fraudster by, for example, providing a bank account number. Before the money is due to be transferred, there will be a last minute problem. An unforeseen difficulty will mean the victim needs to provide fees before the money is sent to them. The fees will be for local attorney fees, VAT, insurance or customs clearance. Later, the victim may be asked for a handling fee of 1 per cent or 2 per cent of the sum held.

People do not receive any money. If a victim challenges the fraudster, they are likely to be told they have themselves become implicated in the fraud.

To encourage people further, the scam may refer to involvement by lawyers or those working with them. This is to convince people the transaction is credible. The firms identified may be genuine law firms, completely unaware their name is being used.

The losses of victims of this type of fraud range from the low thousands to many millions.

What you should do

If you have become a victim, or your name has been used in a scam, contact your local police.

If you are regulated by us and have information that may implicate a regulated person or firm, report it to us using our Red Alert line [solicitors/resources/fraud-dishonesty].

If you are a consumer or a member of the public, please follow the reporting instructions provided in Recognising fraud and dishonesty [consumers/problems/fraud-dishonesty].

Stories behind this scam

The background stories used to convince people that the scam is real are varied.

- A wealthy engineer working abroad has died suddenly and has no next of kin.
- A former member of a government has obtained a large sum of money through suspicious means, and needs help to move it out of the country and reach of his former colleagues.
- A foreign student, whose parents are recently deceased, needs help to get and administer her inheritance.
- A seriously ill person, with a short life expectancy, has a large amount of money they want used for charitable purposes.

Individuals are not specifically targeted—telephone directories are used to send thousands of these letters daily.