

# Market Intelligence Cell



## Fighting Financial Crime



# Market Intelligence Cell

## Our objective

To investigate and suppress illegal, dishonorable and improper practices, market abuse and any potential breach of the banking laws.

# Types of Financial Frauds



## Ponzi-schemes

Investment schemes that promise to pay relatively high rates of returns for fixed term investments.

**Fraudulent investment plans - money is not invested at all.**

Instead, every new investment is used to pay off earlier investors.





# Types of Financial Frauds



**Pyramid Schemes** - A single promoter (or small group of promoters) collects money.

**Most people** end up at the bottom of the pyramid and inevitably lose their initial investment.



Enjoyed by the top few.  
(Promoters)



# Types of Financial Frauds



## Identity fraud



Fraudsters on-line

# Types of Financial Frauds



**Identity fraud** – Someone impersonates you, uses your personal information to steal money.

**Identity fraud is common on Internet**

Fraudsters give instructions to banks for fraudulent money transfer.

# Types of Financial Frauds



## Phishing

**Internet Banking Clients receive e-mails which are tricky – asking them to give account login, password & personal details to website which look like their legitimate Bank.**



**These details are then exploited to steal money from your account.**



# Types of Financial Frauds

## Card Fraud

- Starts with the theft of your bank card.
- Stolen /loss cards remain usable
- Thief make unauthorized purchases with the card until you notify your bank







# Types of Financial Frauds

**Skimming** – This involves stealing information off a credit card during a legitimate transaction.

Fraudsters swipe the card through an electronic device known as a ‘wedge’ or **skimming device** which records all information contained on the magnetic strip.



Fraudsters use the stolen information for purchase online or reproduce the card.



# Types of Financial Frauds

**Counterfeit cards** – The fraudsters steal cards information to make fake cards or sell the card information.

The victim rarely knows – he still has the real card in his possession.





# Types of Financial Frauds

**Advance fee scams** – These scams are usually perpetrated through **a letter, email or phone call** offering you a large sum of money if you can help someone transfer millions of rupees or other currency out of his country.



To initiate the transaction, you are asked to send **details of your bank account and an administration fee.**





# Types of Financial Frauds

**Fund Transfer scams** – In a fund transfer scam, you are asked through an advert or email to receive a payment into your bank account, and to send it abroad in return for receiving a commission.



In so doing, you may become a party to an offence.



# Types of Financial Frauds



**Fake prizes** – A perpetrator claims that you have won a nonexistent prize.



He either asks you to send a cheque to pay the taxes or asks you details about your credit card, or your account number to pay for shipping and handling charges to send you the non-existent prize.





# Types of Financial Frauds



**Inheritance scams** – You receive a mail from an ‘*estate locator*’ or ‘*research specialist*’ purporting an unclaimed inheritance or refund. You are lured into sending a fee to receive information about how to obtain the purported asset.



# Types of Financial Frauds



## International lottery fraud

To show good faith, the perpetrator may send you a cheque which you are instructed to deposit in your account and send the money back to the lottery committee.

The perpetrator will create a “sense of urgency,” compelling you to send the money before the cheque, which is counterfeit, is returned.





# Types of Financial Frauds

**Wills and Legacies** - A letter or email is sent to you claiming that someone has died and had mentioned your name in his will.



Usually the scammer will claim to be the deceased's legal advisor and may claim an advance fee.



# Protect yourself against Financial Crime



- **Keep** all personal information, identity cards and bank cards safe at all times.
- **Keep** your PIN numbers secret.
- **Do not** write your PIN numbers down or store them with bank cards.

# Protect yourself against Financial Crime



**Never** give bank account details or other security information to any person or website unless their identity and authenticity can be verified.

# Protect yourself against Financial Crime



**Place your money only** at authorized financial institutions.

**Never** give your money to people who offer to place it with a bank on your behalf for a rate of return higher than the prevailing rate.

**Watch out also for newer form of Ponzi**

# Protect yourself against Financial Crime



- **Do not allow yourself to be distracted** when using your bank card. If you notice something wrong or suspicious with an ATM, please report it.
- **Do not** let anyone else use your card.
- **Check** monthly credit cards statements and other bank statements carefully for suspicious transactions.

# Protect yourself against Financial Crime



**Report promptly the theft or loss of your card on the 24-hour telephone numbers that most issuers make available for free.**

# Protect yourself against Financial Crime



**Exercise care when using your card to make payments on the internet.** Make sure that you disclose your Card Verification Value only in **secure payment websites.**



# Protect yourself against Financial Crime



**Be careful when signing any financial contract.** Read the small print carefully, and ask for clarifications and advice from independent sources if needed.

**Beware** of calls, letters, e-mails or faxes asking for your help to place huge sums of money in an overseas bank.

# Protecting yourself against Financial Crime



**Be suspicious** of any job advertised by spam or unsolicited e-mails. Legitimate companies do not send spam. If the 'job' offered involves handling money - receiving or transferring funds or payments, it could be 'fake check' scam.

**Do not reply** to spam or unsolicited e-mails that promises you some benefit.



**HELP US FIGHT FINANCIAL CRIME**



**REPORT FINANCIAL SCAMS**

**ON**

**149 (Toll Free Number)**



# The Market Intelligence Cell can be easily reached



Call us : **149** (Toll-free number)

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