



PRACTICE BRIEFING: EMAIL SCAMS WHICH TARGET LAWYERS

INTRODUCTION

Lawyers are not immune from being targeted by criminals who seek to exploit some of the work practices used by the legal profession. New Zealand lawyers are often sent a emails by fraudsters, almost always based outside the country. This Practice Briefing provides information on the most commonly-encountered scams in New Zealand and suggests some tests for detecting them.

INDICATORS OF AN EMAIL SCAM

The following indicators are common features of email scams. The problem is that while an email which contains some or all of these is probably fraudulent, it could also be genuine.

- The email is sent from Gmail, Hotmail, AOL, Yahoo, MSN or some other free mail service, but the sender is purporting to work for an established business or organisation. Presidents and senior officers of a company or organisation do not use gmail or other such email services for their corporate communications.
- The email is generically addressed to “Dear Solicitor”, “Dear Counsel” or “Dear Attorney”.
- The email uses your full name without any honorific (eg, “To: Jill Bloggs”).
- The email uses “in your jurisdiction”. This is a very common phrase among scammers.
- The email will often begin “My name is”.
- The scammer will not be located in New Zealand. They will often be working in another country (“on assignment” is one commonly-used phrase).
- The email will almost invariably contain bad grammar and quaint phrases (“Top of the day to you”, “My best regards”).

- The scammer will never pay a retainer or fees in advance. The lawyer is also asked to deduct fees from the payment which is owing.
- The scammer is usually unavailable on the phone because of time differences or because they are travelling.

WHAT ARE THE SCAMMERS WANTING TO ACHIEVE?

The following elements are common if an email scam is allowed to progress:

- Someone needs a lawyer to complete or formalise a relatively straight-forward process (such as collecting a loan, collecting a payment from a divorce settlement, settling a house purchase).
- The matter is usually uncontested and appears to present no real problems. The debt is usually accepted and acknowledged by the debtor and may be evidenced by a signed agreement.
- Relatively large sums of money are usually involved – usually several hundred thousand dollars.
- The lawyer is invariably asked to ensure their fees are deducted.
- After a number of preliminary emails, the matter inevitably becomes urgent. The scammer often says they need immediate medical attention or the money is needed to pay someone else.
- Almost all scams end with the arrival of a cheque drawn on a real bank. The lawyer deposits the cheque in a trust account and remits the money owing to the scammer (after deduction of legal fees). The cheque bounces.

PROVISION OF IDENTIFICATION

Often the would-be thief provides identification documents. The scammers have a pool of stolen and forged documents and identities which they use to “prove” their bona fides. Scams use the names and addresses of real individuals who are not involved in any way. They also use the name and websites of genuine companies. Other scams use false websites which have been copied from genuine websites in other countries.

SOME QUICK TESTS

- Do an internet search on the name used by the possible scammer and add “scam” after it (eg, “Zaira Hoshiko scam”).

- Check the details of the scams we list on my.lawsociety (at http://my.lawsociety.org.nz/in_practice/practice_management/email_scam_information).
- The Scamwatch website at www.consumeraffairs.govt.nz/scams contains a lot of information on all sorts of scams which have been reported.
- The Department of Internal Affairs provides monthly summaries of the scams which are reported, at www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Anti-Spam-Email-Scams.
- Check the Lawyerscam site at <http://lawyerscam.blogspot.com/>. This is a United States site, but many of the scams identified have been sent to New Zealand lawyers.
- Contact the Law Society (geoff.adlam@lawsociety.org.nz or webmaster@lawsociety.org.nz). We have a growing collection of email scams and may be able to help in identifying one.
- Is it too good to be true?

TYPES OF SCAMS WHICH TARGET NEW ZEALAND LAWYERS

Breach of lease: Seeks assistance for a breach of lease of equipment “but they have since fallen short of the executed agreement”.

Business loan: Seeks assistance in recovering unpaid portion of a loan made to a business or person “living in your jurisdiction”.

Collaborative loan agreement: Seeks assistance in recovering a matrimonial settlement which is documented by a collaborative law agreement.

Husband acting strangely: Seeks assistance in enforcing an agreement to pay alimony.

Legal representation: Seeking a lawyer to represent a company (often Chinese) doing business in North America.

Litigation of a loan: Wants legal assistance in possible litigation over a loan.

Loan agreement and promissory note: Seeks assistance in chasing repayment of a well-documented loan.

New Zealand house purchase: Seeks assistance with purchase and payment for a house in New Zealand.

SCAMMER NAMES

Because many scams involve the production of false or stolen identification, scammers tend to use the same name many times. Some scams use the names of famous people (Rupert Murdoch and

Paul McCartney have both been used in New Zealand) in a bid to counter any Google search seeking to find examples of a fraud related to that name.

The table lists some of the names which have been used by scammers in emails to New Zealand lawyers. Note that most of these names may belong to a completely innocent individual whose identity is being used by the scammers. Scammers also change names frequently.

NAME	SCAM ASSOCIATED WITH
Abel Jones	New Zealand house purchase
Adams Cavendish	New Zealand house purchase
Alfred Odwod	Litigation of a loan
Alice Wood	Legal representation
Allen Hoshiko	Divorce settlement
Andre Kitaya	Divorce settlement
Anthony J Earl	New Zealand house purchase
Anthony Johnson	Litigation of a loan
Brenda Blumenkrantz	Collaborative Law Agreement
Brett Abraham	Litigation of a loan
Brian Smith	Litigation of a loan
Christina Freitag	Litigation of a loan
Crystal Masaru	Collaborative Law Agreement
Daichi Nakamura	Litigation of a loan
David Yap Chung	Legal representation
Donna Lynn Chipman	Collaborative Law Agreement
EDL Legal	False identity fraud
Elizabeth Yamashita	Loan agreement and promissory note
Emmanuel Wilson	New Zealand house purchase
Eric Muller	Litigation of a loan
Gerald Hines	New Zealand house purchase
Hachirou Hasfa	"Contempt petition"
Hak Wah Lau	Legal representation
Hans Hubert Lienhard	Litigation of loan agreement
Harmony Young	Child support payments
Henriet M Kazuo	Collaborative Law Agreement
Isabella Minoru	Collaborative Law Agreement
Itsuki Hiroyuk	Merger assistance required

NAME	SCAM ASSOCIATED WITH
James Campbell	Breach of loan agreement
James Cole	New Zealand house purchase
James Gilliard	Breach of loan agreement
Joe van Hae	Litigation of a loan
John Becker	New Zealand house purchase
Joseph Gasper	New Zealand house purchase
Kathryn Wordeman (genuine non-scammer)	Breach of loan agreement
Kato Sasaki	Merger assistance required
Kazuo Miyoko	Collaborative Law Agreement
Kenneth Dean	Litigation of a loan
Kiyoshi Yukio	Breach of lease
Kodansha Ltd	Merger assistance required
Larry Leroy	Litigation of a loan
Linda Kirk	Litigation of a loan
Luis Davis	False identity fraud
Lynda W Cheng	Collaborative Law Agreement
Marina Kitaya	Divorce settlement
Marybeth Fordam	Loan agreement and promissory note
Matsui Tatsuyuki	Litigation of a loan
Maxwell Logan	Legal representation
Michel Susan Patrick	Collaborative Law Agreement
Mid River Steel	Breach of contract
Mike Garry	New Zealand house purchase
Mona Kismat	Investment assistance sought
Nan Yhang	Breach of lease
Nguyen Minh-Tam	Breach of contract
Nissha Printing Co Ltd	Merger assistance
NPI Lease Company Ltd	Breach of lease
Omega loan	Litigation of a loan
Pamela Wong	Breach of lease
Peters Anderson	New Zealand house purchase
Rich Robertson	Litigation of a loan
Robert Otermat	Litigation of a loan
Robinsons Solicitors (genuine non-scammer)	Mistaken identity fraud

NAME	SCAM ASSOCIATED WITH
Rupert Murdoch	Business loan
Sain Young	“Contempt petition”
Samuel Bendikson	Litigation of a loan
Sanitra Mary Jacob	Loan agreement and promissory note
Sara Mary Berkley (Ms)	Husband acting strangely
Sara Mary Chandis (Mrs)	Husband acting strangely
Sheila Shquingzhou	New Zealand house purchase
Silva Lawson	Litigation of a loan
Sin Lain Glass Industries	Investment assistance sought
Stafford S Mark	Loan agreement and promissory note
Steve Maughan	New Zealand house purchase
Strong Mark	New Zealand house purchase
Terry Cole	New Zealand house purchase
Tim Clark (genuine non-scammer)	Mistaken identity fraud
Zaira Hoshiko	Collaborative Law Agreement

WHAT TO DO IF YOU GET AN EMAIL WHICH MIGHT BE FRAUDULENT?

If you receive an email from someone who is unknown to you and which asks you to provide legal services, you should treat it with some caution, particularly if it comes from outside New Zealand. Unless you are totally certain that it is genuine, it is recommended that you do not respond.

REPORTING EMAIL SCAMS

The New Zealand Police have advised the Law Society that a lawyer who actually loses money in an email scam should report it to the Police. This should be done by giving a statement and other information to the nearest Police station, rather than to the Financial Intelligence Unit or the Financial Crime Group.

If you are the recipient of an email which attempts to defraud you, the Police recommend providing information to the Department of Internal Affairs (forward the email to scam@reportspam.co.nz) or to the Ministry of Consumer Affairs (go to www.theorb.org.nz/forms/scam-or-fraud/ and follow the instructions).

The New Zealand Law Society maintains information on scams targeting lawyers, and reports of

current scams are welcomed and will be posted to assist other lawyers. Send the information to geoff.adlam@lawsociety.org.nz.

ETHICAL CONSIDERATIONS

Rule 4.1 of the Conduct and Client Care Rules (refusing instructions) lists when a lawyer has good cause to refuse instructions. When faced with a potential scam, a lawyer may wish to inquire first about the basis of the introduction – given that the approach will have been unsolicited.

Lawyers need to adopt a balancing act between being available to act, with a healthy amount of scepticism, to avoid becoming a victim of an email scam.

SUGGESTED COURSE OF ACTION ON RECEIVING A SCAM EMAIL

If you think a matter might be a scam, check out the [my.lawsociety](http://my.lawsociety.org.nz) or other scam-listing websites, or contact the Law Society. If the scam is confirmed, decline to act. If a scam turns out to be a genuine instruction and ends up being a complaint, a lawyers standards committee would be more inclined to view the matter in your favour if you have taken some identifiable steps to support your suspicion.

If you wish to stop communications after a scam is detected and there has been an exchange of emails and supply of a letter of engagement, the following wording is suggested.

“Dear recipient

“We have made further inquiries and it appears that you are not the person who you say you are and your request for legal services is not bona fide. We understand that you have been impersonating [name used by scammer] and that you have used her/his name to try and defraud members of the legal profession and possibly others.

“We no longer represent you and the engagement letter we have provided is withdrawn.

“We have reported your activities to New Zealand organisations which maintain details of activities such as those carried out by yourself.”

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