

# Staying alert to fraud

Beyond lockdown

## **Disclaimer**

This is MotoNovo's opinion of helpful financial crime protections and firms should make their own decisions on information available and their own legal/compliance advice.

# Introduction

Fraud is on the rise in all areas of business and dealers need to ensure they create and maintain appropriate processes and controls to avoid being defrauded and to comply with Anti-Money Laundering (AML) requirements. AML is part and parcel of everyday business, never be afraid to seek the information required to ensure you do not place your business at risk. Any potential vehicle purchaser who is reluctant to supply supporting information on their source of funds should be viewed with care.

Fraudsters will try and exploit the perceived relaxation of controls and new working conditions we all have to work with under the new guidance from the government. This document contains some important information for you and your dealership, to help counter this enhanced risk.

## Impersonation fraud

### What you need to know

Identity fraud was on the rise across the UK, even before Covid-19, but recent events have increased the potential risk and certain trends are emerging.

#### **Distance selling and remote selling models**

Non face-to-face dealings and home delivery heighten our exposure to fraud and there have been recent examples that point to the need for increased vigilance.

#### **Bounce Back Loans**

In the recent media there have been multiple stories of fraudsters taking advantage of the easy application process for bounce back loans to try and defraud dealers of large sums of money.

**Stay alert and control the risks**



# Steps to protect your dealership

## Things to watch out for:

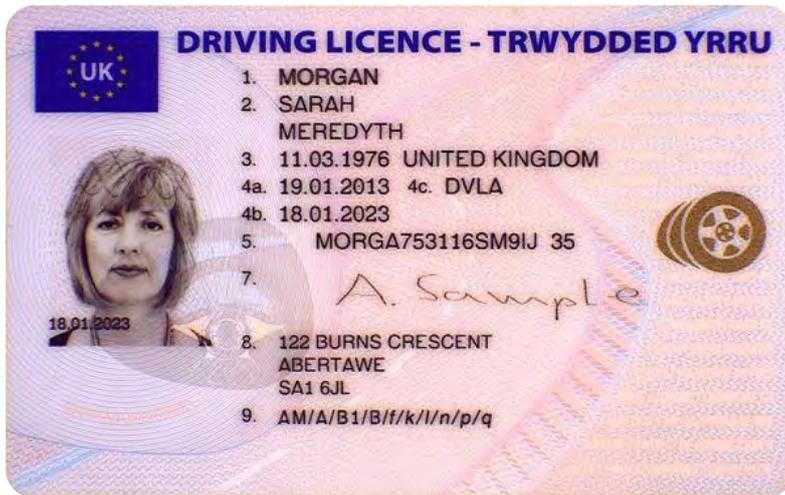
- Applications made over the phone or online that minimise face-to-face contact and attempt to avoid counter-fraud checks
- Requests to deliver vehicles to locations other than the hirer's home address
- Customers requesting delivery at home and then either diverting last minute to another location or being outside the property
- Non-UK proofs offered on German saloon vehicles with minimal deposits
- Cash deals where large sums are being offered via bank transfer on corporate deals
- Customers accompanied by a third party who does all the talking and then comes to collect the vehicle for the customer
- Customers not asking enough questions about the vehicle - as a large ticket item it's suspicious not wanting to know anything about the vehicle they're trying to purchase

## Control the risks:

- Make sure you take and retain a copy of the identity documents provided on every deal
- Ask for additional proofs such as passport or bank statement
- Always verify the identity documents are real (see our tips on acceptable documentation). Best practice is to verify the licence face-to-face with the customer where possible. Consider taking or requesting a 'selfie' of the customer and their licence as standard
- If you are unsure about a licence or proofs, you can send them to our Fraud Team to review. Email [fraudteam@motonovofinance.com](mailto:fraudteam@motonovofinance.com) or call **02920 768087**
- If you are suspicious about large bank transfers, call your bank and check the details
- For home deliveries, ensure that the individual has access to the house they say they live in
- If something seems too easy always ask more questions and make sure it's real and as it seems

# Acceptable documentation

## An example of a real driving licence



This example shows a Welsh licence which was first issued 06/03/2014

1. **Zeros** should have a **dot** in the middle of them. (0)
2. Certain letters such as **A, E** and **B** have things to look out for:
  - A**- Line across is very low
  - E**- Roof and floor longer than central line
  - B**- The curves inwards do not meet with the vertical back line
3. **DL Number**  
The driving licence will have a **'5'** in the month of birth for females and **'0'** for males
4. **Corners and Edges**  
Look out for any edges that do not appear straight. The corners should always be rounded

# Unacceptable documentation

## An example of a fake driving licence



1. All of the lettering is all the same **block, dark font**. There is no sign of Intaglio ink on the surname or driving categories
2. The letters **A, E** and **B** are all **standard print** and do not carry the characteristics of the special font used on a legitimate licence. **The start and end dates should not fall on the same day**, it should show the day before
3. The Microprint across the photo does not seem to show 'United Kingdom' only. There looks to be other words listed amongst this when you zoom in. This is also too big and bold rather than how it should be
4. The lines circling the photo appear to stop when it reaches the photo. Looking at the example of the legitimate licence, they go through the photo. The colour also stands out from the background of the licence



# Email compromise

## Unauthorised bank account changes and Phishing attempts

Recently we've seen a number of emails received into our business where a phishing link has been sent in response to a request for data by a MotoNovo employee - it appears a dealers inbox has been compromised and someone else is reading the emails and responding.

Cyber criminals and fraudsters are always looking for new ways to make a quick profit so be aware and don't fall foul.

### We recommend the following measures:

- 👉 Check the guidance from The National Cyber Security Centre on what you should be doing - <https://www.ncsc.gov.uk/collection/small-business-guide>
- 👉 Be understanding when we ask for extra verification for a change, especially for things like bank details for payments. This is a measure to protect both of our businesses.
- 👉 Be alert and keep an eye out for anything out of the ordinary in your inbox like unusual inbox activity or receiving unexpected emails in reply to emails you didn't send - it could be a sign that your inbox has been compromised.

## Useful links

### **PRADO - Public Register of Authentic travel and identity Documents Online**

<https://www.consilium.europa.eu/prado/en/prado-start-page.html>

### **Edison - Public Register of Authentic travel and identity Documents Online**

<http://www.edisontd.net/>

### **Coronavirus (COVID-19) information: how to stay safe**

<https://www.nhs.uk/conditions/coronavirus-covid-19/>

**Always remember - Don't disclose your suspicions to the customer and don't submit a customer for finance unless you are sure of their identity.**

# Contact us

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