Mitigate the Silent Threat of Money Mule Networks

Money Mules Play a Dangerous Role in Fraud and Financial Crime Schemes

Money mules facilitate the movement of fraudulent funds, which can threaten the stability and integrity of organizations at a global level and impact consumers' trust and willingness to conduct business with an institution.

Fraudsters also use mule accounts to test organizations' fraud resilience, as a means of finding loopholes and conducting other fraudulent activities.

The Flow of Fraudulent Funds Through a Money Mule Network

Fraudulent Activity

Illicit funds that flow through mule accounts are often obtained through a variety of fraudulent activities including account takeover or social engineering scams.

Placement of Fraudulent Funds

Fraudulent funds are introduced into the banking system. Fraudsters either use stolen or synthetic identities to create new accounts that cannot be traced back to them or they leverage mule accounts.

Layering of Funds Through Mule Accounts

Fraud networks attempt to hide their activity through a series of transactions.

Money is transferred between mule accounts held across several banks in multiple locations. Sometimes the money is converted to cryptocurrency.



Once 'cleaned', the source of the funds becomes harder to trace and fraudsters can use those funds while more easily avoiding detection.

Types of Mules Based on Their Knowledge and Intentions

Money mules can be categorized based on their knowledge and intentions.



Purposely Opened Mule

Accounts set up specifically for mule activity by the fraudsters themselves or by complicit individuals.



Recruited Mule

Legitimate accounts whose owners knowingly begin to engage in mule activity.



Genuine accounts whose owners have been unwittingly scammed into conducting mule activity. They are completely unaware that they are involved in criminal activities.



The Gold Standard for Money Mule Detection: A 360-Degree View of Identities

Forward-thinking organizations should adopt the following three steps to develop a 360-degree view of consumers' identity through multiple touchpoints on the customer journey:

1 Link Insights Across Multiple Dimensions

Multi-dimensionality is an important differentiator for effective fraud prevention strategies. A more effective approach should look beyond payments or transfer of funds and use broader data to intercept mule accounts more efficiently and help prevent the flow of fraudulent funds.



2 Leverage Global, Cross-Industry Knowledge

Collaboration through knowledge-sharing initiatives can enhance organizations' ability to make better informed risk assessments. Through collaborative data networks, organizations can gain better visibility of mule operations spanning multiple institutions and detect mule accounts more efficiently.

Optimize Identifying Suspicious Patterns Across Broad Data Sources with Advanced Machine Learning

Continuous pattern analysis, rule modelling and optimization through a machine learning mule model connects insights from an incredibly diverse network of intelligence to help predict the likelihood that an account is being used for mule activity, helping ensure organizations can make the most of the data-driven solutions at their disposal.



Drive Results That Can Take Your Fraud Prevention to New Heights

Forward-thinking organizations across the globe are making strides in detecting more mule accounts and protecting consumers with LexisNexis® Risk Solutions.





The LexisNexis[®] Risk Solutions Advantage: Intercept Money Mules More Efficiently, Tackle Fraud Risks and Build Trust with Genuine Customers

Support a more flexible and effective posture to address money mule activities by taking advantage of multiple layers of complementary capabilities powered by robust intelligence.

Take proactive steps to help protect consumers against fraud by mitigating the mule networks facilitating fraudulent transfers and eroding the stability of the global financial system.





For more detailed insights, download the ebook Hunting Money Mules with a 360-Degree View of Identities

About LexisNexis® Risk Solutions

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