

## Risk Management: Fraudulent Law Firms



### Introduction

Fraudulent law firms remain a serious and continuing risk to the public. This arises from the activities of criminals and criminal gangs who are setting up bogus law firms and/or bogus branch offices, using the details of genuine law firms, with the intention of stealing monies.

With the change to remote working, virtual firms have become more commonplace, and we are used to dealing with them remotely. With no physical premises, these firms can be easier for criminals to replicate, so it is vitally important to check them out thoroughly.

If you become suspicious about a law firm you are dealing with for any reason, please contact the appropriate regulator immediately since some frauds are carried out very quickly.

You may come across these frauds in different contexts, so you must keep an eye on any indication that your firm is being targeted or its name is being used improperly. As a CILEX Authorised Entity, if you discover this, you should contact CILEx Regulation and your insurers. If there is any evidence of a crime having been committed, you should also inform the police.

### Practical actions you can take

- Search your firm's name on the Internet from time to time, since that might bring up a false office. It may be worth considering doing the same with the names of some of your partners or staff;
- Check your firm and individual details on the CILEX Authorised Entity Directory in case someone has misused your name to set up a false office.
- Be alert to suspicious incidents such as transactions that others seem to think your firm is dealing with when you are not.
- Look out for alerts and warnings on the CILEx Regulation website, other regulators' websites and their social media platforms regarding bogus law firms.
- Make sure as a CILEX Authorised Entity you are using the CILEx Regulation digital logo.

### Factors giving rise to suspicion

- Errors in letterheads: in one case the bogus office had a letterhead which misspelt the name of the town in which it was supposedly based.

- No landline telephone number: why would a firm only have mobile telephone numbers?
- Inconsistent telephone or fax numbers with those usually used by the firm.
- Telephone calls being diverted to a call back service.
- Email addresses using generic email accounts: most law firms have addresses incorporating the name of their firm.
- A new firm with no obvious connection to the area or known to anyone.
- A firm opening a branch office far from its head office for no obvious reason.
- A firm based in one part of the country supposedly having a bank account in another part of the country: this is a strong indicator.
- A firm concealing where it operates from and having little details about its ownership.
- A client account apparently overseas: this is a major red flag.
- A strange or suspicious bank account name: such as the account not being in the name of the law firm you are supposedly dealing with either at all or by some variation.

If you become concerned because of the possibility of the theft of the identity of a genuine lawyer, you should try to speak to the lawyer concerned. But make sure you verify their contact details first.

You should check the individual registers of the regulators as sometimes bogus law firms have not sought registration and will not appear there. However, keep in mind that the nature of identity theft is that fraudsters may have obtained some form of registration by fraudulent means and therefore an entry should not be taken as verification that the firm is genuine.

In those cases, you should seek independent verification of the accuracy of any information contained in a register, confirming for yourself that an organisation or individual is regulated by the appropriate regulator and that they are who they say they are. You should take such legal and/or professional advice as you consider necessary.

## Useful contacts

[Find a CILEX Authorised Entity](#)

[Find a CILEX Authorised Practitioner](#)

[Find a Solicitor](#)

[Find a CLC Lawyer](#)

[Find a Barrister](#)

[Find a Notary](#)