

Short Minutes Transcript – Identity Theft: Beware the Man in the Middle

Fraudsters are finding new ways to steal identities. Consider this set of facts in a recent [ACT Supreme Court case](#).

Mrs Astell was the owner of a property in Canberra but at the relevant time she lived in South Africa. Her property was managed by a local agent and they usually communicated by email. A person pretending to be Mrs Astell emailed the agent notifying him of a change of email address on the basis that the old email address had been compromised. The agent changed Mrs Astell's email address to the fraudster's own address.

The fraudster then instructed the agent to sell the property and instructed a solicitor to act on the sale. The fraudster forged Mrs Astell's signature on the contract and transfer documents and the property was sold. Following settlement the solicitor and the agent were instructed by the fraudster to transfer the funds to a bank account in Jakarta. Neither the fraudster nor the money was seen again.

Unfortunately neither the agent nor the solicitor checked to ensure that their instructions were being provided by the real Mrs Astell. The solicitor clearly had a duty to ensure that his retainer was with the correct person.

This case is a good example of a clever ways that fraudsters are stealing identities to defraud individuals.

Solicitors are advised to be on the alert to these scams. Lawcover recommends that you:

- Always undertake identity checks on new clients
- Lawcover's ID checklist is on our website
- Retain the ID documentation indefinitely
- Be alert to clients changing their email address and other contact details
- Delete spam emails without opening them or attachments

Subscribe to the ACCC's Scamwatch for regular updates of the latest scams. A link to Astell's case and Scamwatch can be found below:

- [Astell v Australian Capital Territory \[2016\] ACTSC 238](#)
- <https://www.scamwatch.gov.au/news/subscribe-to-newsletter>

I'm Kerrie Lalich