

# Consumer Education

## Credit Muling



### CONSUMER EDUCATION

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**Communications Fraud Control Association**  
Version 1.0

# Credit Muling

Providing insights, knowledge and learning when it comes to fraud.



## **DEFINITION:**

This is a form of First Party Fraud where the perpetrator uses their credit to obtain financing for a purchase with a minimal down payment and then sells the merchandise or turns it over to an organizer or aggregator for a portion of the profits or a flat fee. This practice is often associated with individuals who are financially stressed and are willing to sacrifice their credit in order to obtain some short-term gain from being paid to use their credit.

## **MOTIVATION:**

The motivation for this type of fraud is to obtain devices using an accomplice's genuine credentials to obtain financing or service with no intent to pay for the merchandise or services and reselling for a profit. In many instances, the person whose credit is used is a victim of circumstances and needs money and is willing to sacrifice their credit for a small amount of compensation. Generally, there is little you can do to prevent this as the debtor is genuine and does not disclose their intentions but poses as a bonafide customer.

## **ADVICE TO CONSUMERS:**

Be cautious of individuals who offer to assist you in making money by using your credit.

## **SOLUTIONS:**

Do not respond to offers of this type.

Communications fraud is the use of telecommunications products or services with no intention of payment. Fraud negatively impacts everyone, including residential and commercial customers. The losses increase the communications carriers' operating costs. Although communications operators have increased measures to minimize fraud and reduce their losses, criminals continue to abuse communications networks and services. Therefore, communications operators tend to keep their actual loss figures and their plans for corrective measures confidential. Due to the sensitive nature of this topic, CFCA used a confidential opinion survey of global communications operators to support the global fraud loss study.

### **About CFCA**

CFCA is a not-for-profit global educational association that is working to combat communications fraud. The mission of the CFCA is to be the premier international association for revenue assurance, loss prevention and fraud control through education and information. By promoting a close association among telecommunications fraud security personnel, CFCA serves as a forum and clearinghouse of information pertaining to the fraudulent use of communications services. For more information, visit CFCA at [www.CFCA.org](http://www.CFCA.org).

Correspondence should be sent to [fraud@cfca.org](mailto:fraud@cfca.org)

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