

In the shadows

Risks associated with bogus firms

November 2014



Contents

Executive summary	3
Introduction	5
Types of bogus activity	6
Identity theft of a regulated firm or individual	6
Case study 1: Genuine firm's website cloned to operate inheritance scam	7
Case study 2: Fraudster sets up bogus branch office to steal money	8
Identifiable firm or individual posing as a solicitor	9
Case study 3: Struck-off solicitor conducts reserved legal activities.	9
Fictitious firm or individual posing as a solicitor.	10
Case study 4: Fraudster uses false identity to operate immigration scam.	10
Negative effects	11
Trends and characteristics.	12
How to spot a bogus firm	15
Protecting yourself and your clients	17
Actions we are taking	19
Conclusion	20

Executive summary

This paper highlights the risks posed by individuals that operate through bogus law firms or by illegally presenting themselves as solicitors.

What are 'bogus firms'?

This term describes any situation where a firm or individual, that is not regulated by us, pretends to be entitled to provide reserved legal activities or call themselves a solicitor.¹ There are criminal offences associated with this behaviour.

Trends and characteristics

The number of reports we receive about bogus firms is rising. In 2013 we received 548 reports on bogus firms, a 57 percent increase on 2012. We have already received 454 reports in the eight months to August 2014, indicating that the number of reports received this year is likely to exceed those in 2013.

Bogus firms increasingly use online methods to conduct activity. Almost half (46 percent) of all reports of bogus firms received this year involved the identity theft of a law firm or solicitor. This often involves the cloning of a genuine firm's website. We have also noted an increase in individuals sending bulk emails, asking for money and confidential information, under the guise of being a solicitor or working for a genuine firm.

Negative effects

One of the key risks to consumers is the loss of money or confidential information. They may also suffer by receiving poor advice and representation. This is of particular concern because victims of bogus activity are not covered by the normal regulatory protections that apply when dealing with a regulated firm, such as access to the Solicitors' Compensation Fund.

Access to legal services and public confidence may also be damaged if concerns about bogus firms deter consumers from seeking professional advice and support with legal matters.

The key risk to firms is reputational damage from being cloned by a bogus firm. This may lead to the loss of potential future clients and income. There is also the possibility that firms may be held liable for losses attributed to having dealt with a bogus firm.

How to spot a bogus firm

Both firms and consumers need to be aware of the potential indicators of bogus firms.

Principle 10 of the SRA Handbook places a duty on regulated firms to protect client money and assets. A firm's failure to take reasonable steps to verify the identity of those they deal with can place client money and assets at risk.

Indicators that a firm or solicitor may be bogus include:

1. Reserved legal activities are legal services that only regulated firms and individuals are allowed to provide. There are six types of reserved legal activity. An outline of each is provided here: [What activities are regulated under the new framework?](#), Legal Services Board, 2014. Immigration services are protected under section 84 of the Immigration and Asylum Act 1999: [Immigration and Asylum Act 1999](#), HM Government, 1999

- the firm, branch office or individual is not recorded on the Find a Solicitor web page²
- unsolicited correspondence, or correspondence that contains errors in spelling, grammar or terminology
- inconsistencies in the spelling of the name of the firm in bank details, letterheads and other correspondence
- the firm only uses mobile telephone numbers or free webmail addresses.

Protecting your firm

Firms must take reasonable steps to prevent their identity being used by criminals. They must also take reasonable steps in their dealings with other firms to ensure that neither they or their clients fall victim to bogus firms. This is consistent with Principle 8 of the SRA Handbook, which requires firms to run their business in accordance with sound risk management principles.

Sensible steps to do this are set out in this report and include:

- performing regular internet searches using the names of your firm, your partners and staff to check whether anyone is using your details without authorisation
- ensuring your details on the Find a Solicitor web page are accurate and up to date
- reading the scam alerts and warnings about bogus activity on our website.³

Reporting

If you would like information to help you confirm whether a firm or individual is regulated by us, please call our Contact Centre on 0370 606 2555.⁴

If you have reason to suspect that a law firm or solicitor is not legitimate, please notify us of your concerns by emailing report@sra.org.uk. Please set out your concerns clearly, provide any identifying details of the individuals or firm you think may be bogus, and any supporting evidence you have. Please do this as a matter of extreme urgency as some frauds involving bogus firms are carried out very quickly.

If you have evidence that a crime has been committed, you must contact the Police. To report fraud or internet crime to the Police and obtain a police crime reference number, contact [Action Fraud](#). Call 0300 123 2040 or [report online](#).⁵

2. [Find a Solicitor](#), The Law Society, 2014

Please note that the Law Society's Find a Solicitor database should never be used as a definitive guide as to whether or not a firm or individual is genuine. To read the Law Society's disclaimer, please refer to: [Legal – Find a Solicitor](#), The Law Society, 2014

3. We issue scam alerts where we identify cases of bogus activity that are likely to have a wide impact.

4. If you are a solicitor and require advice on the SRA Handbook, please call our professional ethics helpline on 0370 606 2577.

5. [Report Fraud and Cyber Crime](#), Action Fraud, 2014

Introduction

We highlighted bogus firms as a current risk in the Risk Outlook 2014/15.⁶

This paper shares our experience of this risk and includes:

- the types of activity bogus firms undertake
- the harm they can cause
- how to spot a bogus firm
- tips on how firms and consumers can protect themselves.

What are ‘bogus firms’?

We use the term ‘bogus firms’ to describe any situation where a firm or individual, that is not regulated by us, pretends to be entitled to provide reserved legal activities or call themselves a solicitor.⁷

This is a criminal offence under the Solicitors Act 1974 and the Legal Services Act 2007. It is usually motivated by the prospect of financial gain. Individuals often carry out bogus activity by setting up a bogus law firm or cloning the identity of a genuine law firm, such as setting up a bogus branch office.⁸

Although bogus activity exists in other markets, using the brand and identity of a law firm adds particular legitimacy to transactions. This makes it easier to gain the public’s confidence and perpetrate crime. The increasing presence of bogus firms in the legal services market may be due to ineffective systems and controls in genuine firms and the general rise in cybercrime across the UK.⁹

The perpetrators of bogus activity are not regulated individuals. This means that our powers over them are limited. It also means that those affected by bogus activity are not covered by the normal regulatory protections that apply when dealing with a genuine firm or solicitor, such as the compulsory insurance scheme, the Solicitors’ Compensation Fund or the Legal Ombudsman. Therefore, both law firms and consumers of legal services should take an active role in managing the risks posed by bogus firms.

6. [Risk Outlook 2014/2015: The SRA's assessment of key risks to the regulatory objectives](#), Solicitors Regulation Authority, 2014

7. Please note that non-solicitors are entitled to provide unregulated legal advice. An outline of the six reserved legal activities is provided here: [What activities are regulated under the new framework?](#), Legal Services Board, 2014. Immigration services are protected under section 84 of the Immigration and Asylum Act 1999: [Immigration and Asylum Act 1999](#), HM Government, 1999

8. Throughout this paper, we will use the terms ‘genuine individual’ and ‘genuine firm’ to refer to solicitors and solicitors’ firms that are authorised, licensed and regulated by us –and therefore entitled to provide reserved legal activities.

9. Since the start of the ‘age of cyber fraud’ in 2008, over 100,000 confirmed cases of fraud have been recorded each year since 2009. [Fraudscape: Depicting the UK's fraud landscape](#), CIFAS –The UK’s Fraud Prevention Service, 2014

Types of bogus activity

The types of bogus activity we see range from highly sophisticated and targeted identity-related crimes to unsolicited emails or telephone calls to large numbers of recipients, requesting money and confidential information.

Some bogus firms target consumers directly. They may do this by offering to act as their legal representative, and in some cases induce them to make fraudulent claims.

Other bogus firms target genuine law firms by, for example, claiming to represent a client on the other side of a property purchase.

Bogus firms are not restricted to any particular areas of law. However, reserved activities within the areas of probate, civil litigation, immigration and residential conveyancing law are common targets.

We have identified the need to distinguish between different groups of bogus activity. Consequently, since January 2014, we are using the following sub-categories to group bogus activity by type:

- the identity theft of a genuine firm or solicitor
- an identifiable firm or individual posing as a solicitor
- a fictitious firm or individual posing as a solicitor.

Each are explained in more detail in this section, with case studies to illustrate how bogus activity can be carried out and the harm that may result.¹⁰ The case studies are anonymised, but are based on real events.

Identity theft of a regulated firm or individual

This is where criminals steal the identity of a genuine law firm or solicitor and use it to perpetrate fraud. They may do this by:

- cloning the website of a genuine law firm
- sending communications that claim to be from a genuine firm or solicitor when they are not¹¹
- using the details of a genuine firm or solicitor on the website of a bogus firm
- setting up a bogus branch office of a genuine firm
- taking over the identity of a closed genuine firm.

Of all reports on bogus activity since the start of 2014, almost half (46 percent) involved the identity theft of a genuine law firm or solicitor. This is in line with trends in identity fraud across the broader economy, where this type of fraud made up 49 percent of all types of fraud recorded in 2013. This is equivalent to 108,500 frauds.¹²

Scam emails, which are emails that claim to be from a legitimate sender, are a common type of bogus activity. They are impossible to prevent, so recipients must always be on their guard.¹³ When in doubt, either simply delete the email or contact the purported sender by using an alternative, established email address or some other means to confirm its legitimacy.

10. The following are not classified as a bogus firms as they fall within our regulatory powers: a solicitor practising without a valid practising certificate; unknown to us but genuine branches of genuine firms; a genuine firm, recorded as closed, continuing to operate as if open; and individuals working within a genuine firm inappropriately calling themselves solicitors or carrying out reserved activities.

11. Past communications from bogus firms or individuals include letters printed on false letterhead paper, forged or false signatures and scam emails.

12. [Fraudscape: Depicting the UK's fraud landscape](#), CIFAS –The UK's Fraud Prevention Service, 2014

13. For further information about scam emails, including how to spot them and the risks involved, please read: [Spam & scam email](#), Get Safe Online, 2014

.....

Earlier this year, many solicitors received a scam email claiming to be from us. While the content of the email appeared to be legitimate, the fact that the email was a scam was given away by the sender's email address, which did not end in '@sra.org.uk'.¹⁴ However, this is not a guaranteed test as it is possible to falsify a sender's address on an email. In addition, the email contained an

attachment that, if opened, could install malicious software (malware). The malware had the ability to take control of the system to steal information or carry out other criminal activities. All of the information needed by the fraudster for this scam was freely available in the public domain.

Case Study 1:

Genuine firm's website cloned to operate inheritance scam

Firm A, a large City law firm, contacted us to report suspected bogus activity. A routine 'clone search' by their web team had found a website where a number of web pages were almost identical to their own. For instance, in the 'Meet the Team' section, the profiles and photos of the individuals displayed had been copied from Firm A's website, although the names of the individuals had been altered.

The suspicious website alleged to relate to a firm of solicitors called Firm B. It claimed to be authorised and regulated by us and even displayed an SRA identification number.

We checked our records and found no evidence to suggest that we regulate, or had ever regulated, Firm B. The SRA number provided on the website was found to be non-existent. The contact details did not match any on our records.

Following this, we contacted Firm B's web provider to advise them of the matter and ask them to close down the website immediately. We also issued a scam alert on our website.

A few days later, a member of the public, Mrs C, contacted us to advise that she had received an email from Firm B a week ago. The email advised that Mrs C had been left a substantial inheritance by a previously unknown relative. It asked for a relatively small, upfront payment, which would be used to process her claim to the purported inheritance. Mrs C had ignored the email at the time, but later decided to report it after seeing the scam alert.

It is not known how many other individuals this email was sent to, or whether Firm B had succeeded in obtaining any funds.

14. [Scam email purporting to be from Solicitors Regulation Authority](#), Solicitors Regulation Authority, 2014

.....

Case Study 2:

Fraudster sets up bogus branch office to steal money

Mr and Mrs A instructed ABCD Solicitors in the purchase of an empty, buy to let house. Mr Z of WXYZ Solicitors contacted ABCD Solicitors to advise that he was acting for the owner of the house.

Prior to completion, Mr Z contacted ABCD Solicitors with details of his firm's client bank account and asked ABCD Solicitors to transfer the purchase funds of £175,000. ABCD Solicitors made the transfer and subsequently attempted to contact Mr Z concerning post completion formalities. Mr Z failed to respond.

ABCD Solicitors became concerned and reported the matter to us. Our subsequent investigations revealed that the owner of the house, Mr C, had no knowledge of the supposed sale and had not instructed a solicitor. It transpired that WXYZ Solicitors, a genuine firm, had never heard of Mr Z. Mr Z had used the firm's identity to set up a fake branch office, using forged notepaper, in order to impersonate Mr C and steal Mr and Mrs A's purchase funds. Mr Z had then disappeared without trace.

Although the name of a real law firm was used, some key information had been changed, such as the telephone number and details of WXYZ Solicitors' client bank account. A more careful check would have revealed that the name of the client bank account (WXYZ Holdings) did not match the name of the firm (WXYZ Solicitors), as it should have done.

Mr and Mrs A were left out of pocket as a result of losing their funds, without the house they had hoped to buy, and were very distressed.

The mortgage lender was successful in recovering its financial loss from ABCD Solicitors. In the subsequent civil proceedings, it was acknowledged that ABCD Solicitors had taken steps to check that WXYZ Solicitors were a genuine firm by checking the Law Society's website. However, ABCD Solicitors were found to have failed to verify that Mr Z worked for WXYZ Solicitors, and to notice that the client bank account name was incorrect.

The case was reported in the local media, and the critical press coverage had a negative impact on the reputation of ABCD Solicitors. This led to a significant reduction in the number of property transactions undertaken by them.

Identifiable firm or individual posing as a solicitor

This is where the firm or individuals involved can be identified using our own records or information from a credible, external source. The perpetrators of this type of bogus activity are not connected with any genuine firm that is regulated by an approved regulator of legal services. For example:

- an individual who has been struck off the roll of solicitors

- a firm registered with Companies House but not authorised by us or other approved regulator to carry out reserved legal work

- an unadmitted individual.¹⁵

This means that consumers are deprived of the normal regulatory protections that they are covered by when dealing with genuine firms and solicitors. It may also mean they receive sub-standard legal advice or services.

Case Study 3

Struck-off solicitor conducts reserved legal activities

Mr A practised as a solicitor and was the principal of PQR Solicitors until he was struck off in 2008 for dishonesty.

Following his strike off, Mr A set up PQR Law, based at the same address as his former firm. His office sign proclaimed his professional status as a 'lawyer', advising on company law, which he was entitled to do.

A few years later, he appeared at Court opposite a solicitor, Mr B of B & Co, in a contested court case. Mr B became suspicious of Mr A and decided to check whether he was entitled to conduct litigation, which is a reserved legal activity.

A quick search on the Law Society's Find a Solicitor webpage returned no records for Mr A. A further search on our website revealed that Mr A had been struck off for serious misconduct. This prompted Mr B to report Mr A to us.

Our investigation found that Mr A had held himself out as a solicitor and had regularly conducted reserved legal activities, including representing a client in court on four occasions in the preceding six weeks. This was a serious criminal offence under the Solicitors Act 1974. Although his office sign proclaimed his profession as a lawyer, his work had not been restricted to non-reserved activities.

We are in the process of bringing a criminal prosecution against Mr A which could result in a fine or a period of imprisonment.

15. An unadmitted individual is a person who is not authorised to call themselves a solicitor or work as a solicitor in England and Wales.

.....

Fictitious firm or individual posing as a solicitor

This describes a situation where a firm or individual assumes a made up identity in order to call themselves a solicitor or carry out reserved legal activities. There is no connection to a genuine solicitor or firm. They may do this by:

- setting up a fake website for the fictitious firm
- sending communications, such as scam emails, using fictitious details about a non-existent solicitor or firm.

Case Study 4

Fraudster uses false identity to operate immigration scam

A member of the public, Mr A, reported a Mr B of B Solicitors to us. Mr A was living in the UK on a valid temporary work visa. He had recently received an unexpected email from Mr B, of whom he had never heard before. Mr B claimed to be acting for a potential employer. In the email, Mr B asked Mr A to provide some identity documents and make a small, upfront payment to his firm. This was to be used to complete paperwork which would enable a permanent visa to be issued to Mr B as a prerequisite of the offer of employment.

Believing that the firm was genuine, Mr A made the requested payment online. Afterwards, all attempts to contact Mr B failed. This prompted Mr A to report the matter.

The email address used by the sender was bsolicitors@gmail.com. A mobile contact number and a misspelt office address were also provided. The email stated that Mr B was authorised and regulated by us and provided an SRA identification number.

Upon investigation, we found that none of the details relating to Mr B and B Solicitors existed in our records. Neither the office address nor the SRA number had any relation to a regulated firm or individual.

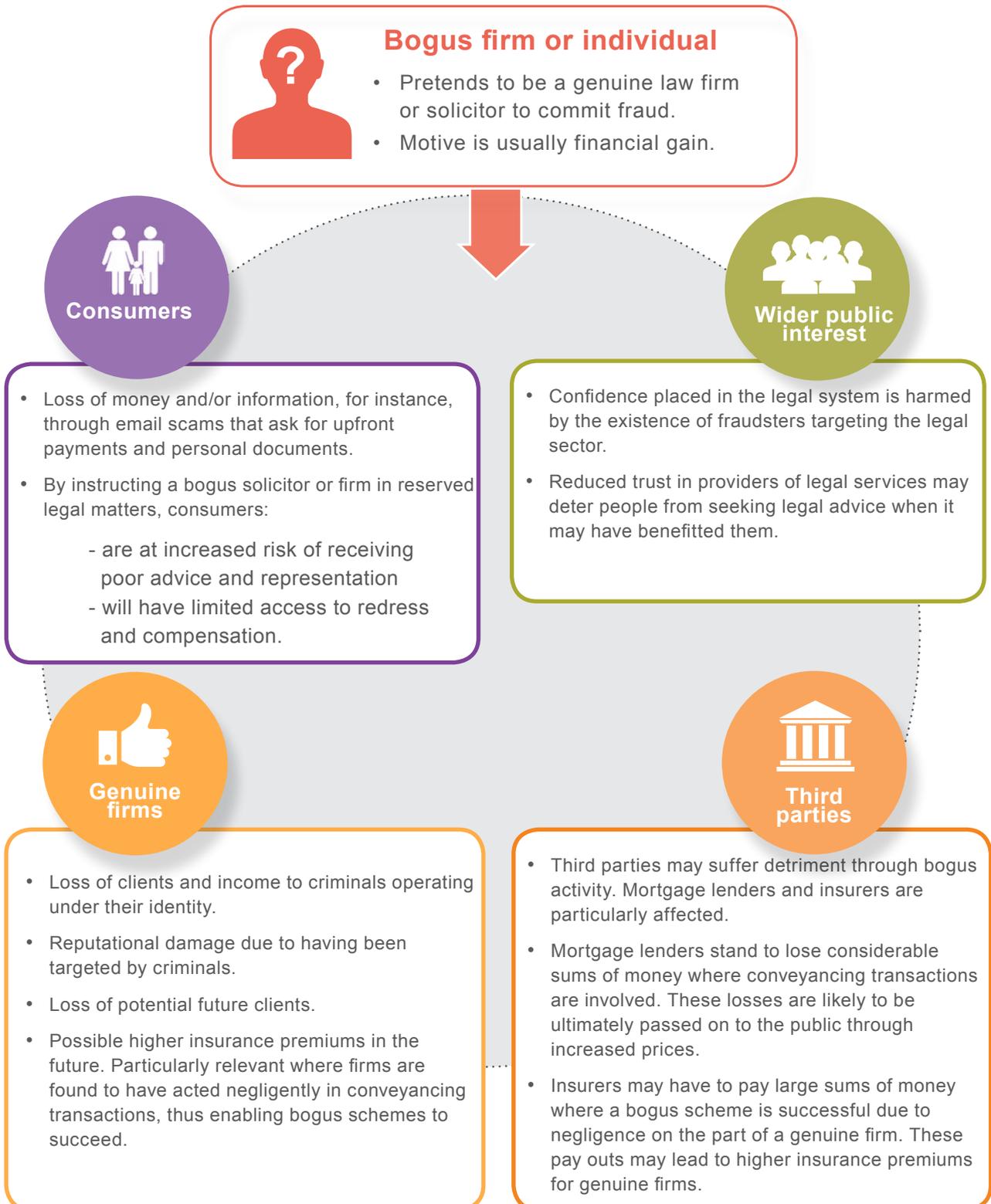
We were unable to find any trace of the individual claiming to be Mr B. Mr A had to accept there was no prospect of compensation from the Solicitors' Compensation Fund as Mr B is not regulated by us.

After determining that Mr A had fallen victim to a fraud, we issued an urgent scam alert on our website to advise the public of the fraudulent scheme.

Negative effects

Bogus activity can have a very significant effect on consumer interests, as well as other stakeholders. The type and victims of harm vary from case to case.

The negative effects to key stakeholders are presented in the diagram below.

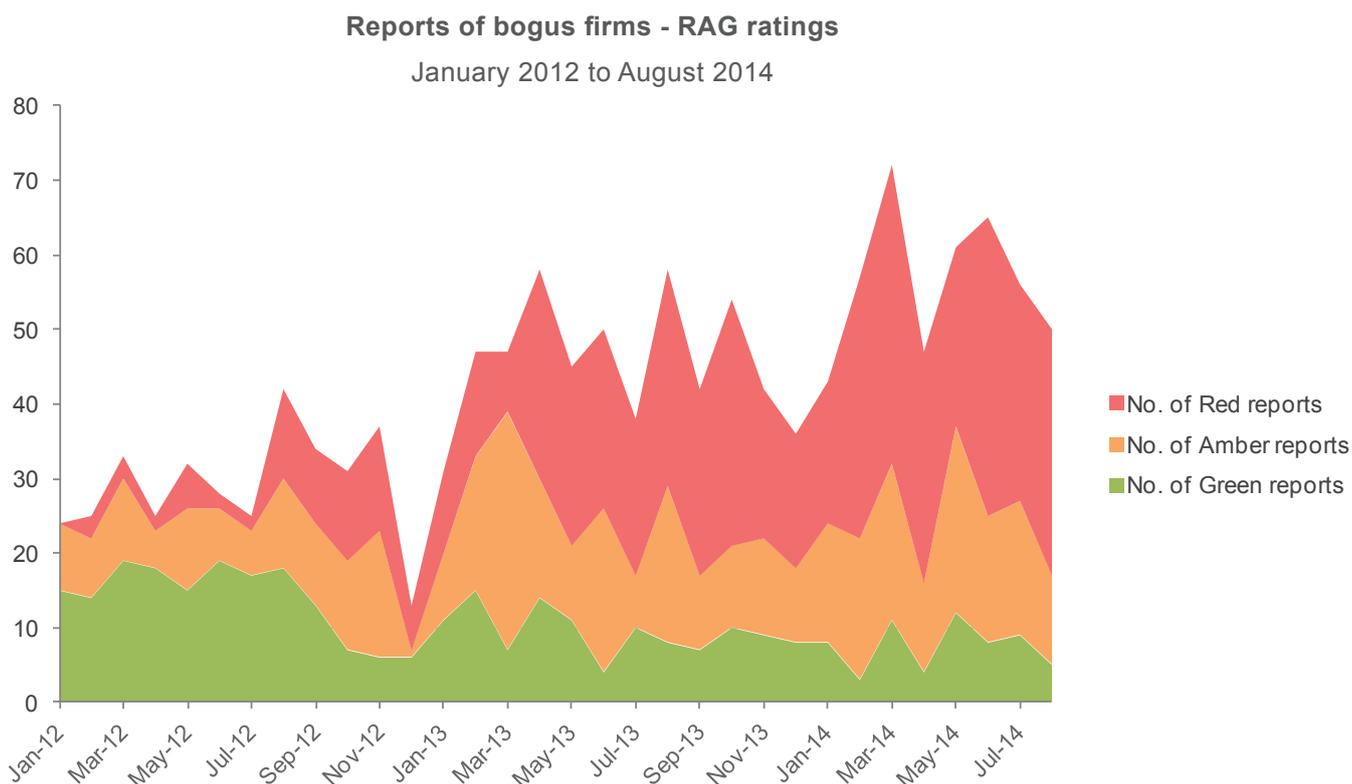


Trends and characteristics

In 2013, we received 548 reports of bogus firms. This represents a 57 percent increase on 2012. This high level of reported bogus activity has continued into 2014.

The trends we are seeing in the legal services market appear to be considerably greater than the pace of overall reported fraud across England and Wales, which increased by 17 percent year on year according to the Office for National Statistics.¹⁶

When we receive reports of bogus firms, we carry out a risk assessment.¹⁷ This takes into account a number of factors, including the number of consumers that might be at risk and the size of the potential negative impact. The assessment leads to a red, amber or green (RAG) rating depending on the seriousness of the risk identified.¹⁸ In addition to seeing an increase in overall reports relating to bogus activity, there is also a marked trend in the proportion of red and amber rated cases coming to our attention. This is shown below:



16. Note that this figure is for the year ending March 2014. [Crime in England and Wales, period ending March 2014](#), Office for National Statistics (ONS), 2014

17. This assessment process is applied to all risks that are reported to us. For further details on our methodology, please see: [Incoming reports – risk assessment methodology](#), Solicitors Regulation Authority, 2014

18. Green rated incidents are less likely to present a direct and immediate threat to clients. Reports where there is little reliable supporting evidence may also result in a green rating.

The increase in red and amber rated reports indicates a shift towards sophisticated identity-related crimes and the use of online methods to commit fraud. These matters are given high risk ratings because they usually present an immediate risk to clients.

In the following diagram, we display further indications of the significantly increased risk of bogus activity – both in terms of incidence and potential impact.

The upward trend is consistent with the rise in cybercrime across the UK. As cybercrime is expected to continue to increase, it is reasonable to expect online bogus activity to also increase. Firms may find it useful to read our paper on cybercrime, published in March 2014.¹⁹

Increased awareness of this risk may have led to better reporting to us. This may be driving the trend to some extent. Nonetheless, the extent of the increase in recent years is concerning.

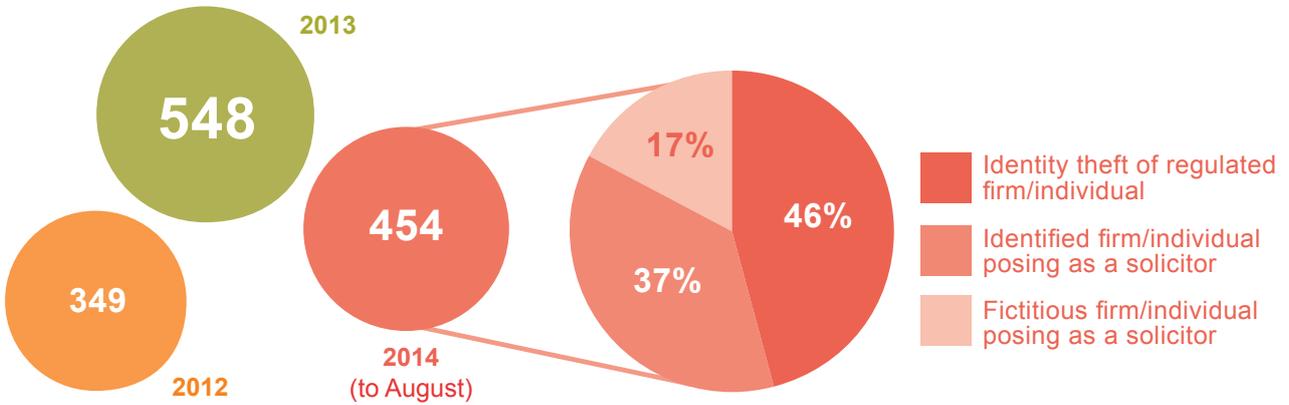
19. [Spiders in the web: The risks of online crime to legal businesses](#), Solicitors Regulation Authority, 2014

Bogus firms and individuals

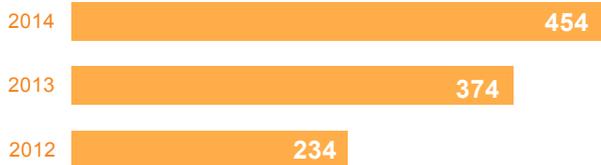
2012 - August 2014



Numbers and types of reports (2012 to August 2014)



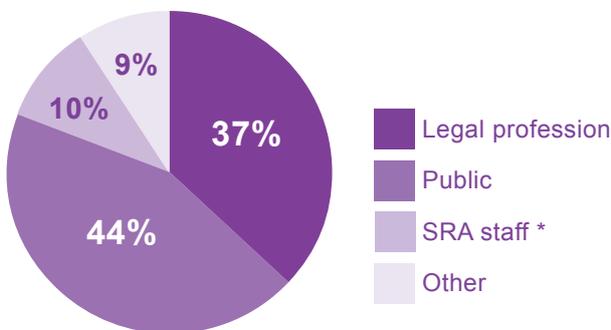
Reports received (January to August)



Scam alerts issued (January to August)



Sources of reports (January 2012 to August 2014)



Reports rated red/amber (January to August 2014)



* Suspected bogus activity reported internally by SRA employees

How to spot a bogus firm

Identifying a bogus firm is not straightforward. Principle 10 of the SRA Handbook places a duty on regulated firms to protect client money and assets. A firm's failure to take reasonable steps to verify the identity of those they deal with can put client money and assets at risk.

We have set out some possible indicators of bogus activity in the next diagram.

Please note that the existence of one or more of these factors does not automatically mean that a firm is bogus, but they can be a useful prompt to make further enquiries. This is particularly important when financial transactions are involved. It is sensible for both firms and consumers of legal services to be aware of these indicators.

Relying on a single method of verification could be insufficient – they must be used in combination with one another, as appropriate. For example, it is worth checking whether a firm is on the Law Society's Find a Solicitor web page. However, if you are being targeted by a bogus firm that has stolen the identity of a genuine firm, this check alone will be ineffective.²⁰

The following tips will help you make a more confident assessment as to whether you are dealing with a genuine firm.

20. Please note that the Law Society's Find a Solicitor database should never be used as a definitive guide as to whether or not a firm or individual is genuine. To read the Law Society's disclaimer, please refer to: [Legal – Find a Solicitor](#), The Law Society, 2014



How to spot a bogus firm

Please note that you cannot rely on a single check to verify whether a firm or individual is genuine –these checks must be used in an appropriate combination.



IDENTITY

- Is the individual, branch office and firm recorded on the Find a Solicitor web page? This check is a good starting point, but must not be used as a definitive guide.
- Is the firm's trading history consistent with any claims made by the individual you are dealing with? For example, the individual states that the firm specialises in conveyancing, but the firm's website does not list conveyancing as an area of legal work they undertake.
- Is the branch office you are dealing with a considerable distance away from the firm's head office and its other branches? Is there a reasonable explanation for this?
- Is the firm based in serviced offices? Many genuine small firms use serviced offices, so it may be worth making direct contact to ensure you know who you are dealing with.



LETTERS

- Was the letter unsolicited?
- Does the firm's logo in the letter match the one displayed on the website?
- Are there any errors in spelling, grammar or terminology?
- Does the letterhead state that it is authorised and regulated by us?
- Does the letterhead state the firm's unique SRA number?
- If the letterhead lists the names of the firm's partners or directors, are they consistent with those on the firm's website or other independent source?



EMAIL

- In addition to the points raised under 'Letters':
- Is the firm's email account with a free webmail provider (e.g. sample@hotmail.co.uk) or is it specific to that firm (e.g. someone@samplesolicitors.co.uk)?
 - Is the format of the email address consistent with those provided on the firm's website or other independent source? For example, if the genuine firm's email addresses are in the format someone@caseandsample.co.uk, did your email come from an address in the format of someone@casensample.co.uk or someone@case_sample.co.uk? Notice the subtle differences.



BANK DETAILS

- Is the firm's client bank account based overseas? Or is it based in a distant part of the country? For example, if the head office is based in the north and the bank account in the south.
- Is the name of the bank account unusual in any way? Does it exactly match the name of the firm you are dealing with? For example, if the firm you are dealing with is called XYZ Solicitors but the account is in the name of XYZ Holdings.



PHONE & FAX

- Does the firm have a landline number?
- Are the telephone and fax numbers consistent with those displayed on their website?
- Are your calls to the telephone number frequently diverted to a call-back service?

**If in doubt ...
call our Contact Centre**



0370 606 2555

We can provide information to help you confirm whether the firm or individual is genuine

Protecting yourself and your clients

Firms must be vigilant to prevent their identity being used by criminals. This is consistent with Principle 8 of the SRA Handbook, which requires firms to run their business with sound risk management principles. Firms should understand the risk of identity theft by bogus firms and take reasonable steps to protect against this risk.

Firms are responsible for assessing their own risk of becoming a victim of bogus activity. They must take steps that are appropriate to their individual characteristics and the type of work they engage in to protect against this risk. If firms fail to do this, they may be held liable for harm caused to consumers of legal services or members of the public. For example, in conveyancing matters, solicitors have been held liable for not attempting to verify the authenticity of the seller's purported solicitor, and for transferring funds over before the day set for completion.

The next page gives some practical steps firms should take to protect themselves and their clients from bogus activity. Firms should note that no one control will be effective in mitigating this risk.

Good practice *checklist*

✓ Search your firm name and the names of your partners/staff on the **internet** regularly to see if anyone is using your details 

✓ Ensure the information on the **Find a Solicitor** web page about your firm and partners/staff are accurate and up to date 

✓ Be alert to **suspicious circumstances** – such as transactions others think you are dealing with when you are not 

✓ Keep an eye on **alerts and warnings** on the SRA website about bogus firms 

When dealing with other law firms in conveyancing transactions:

✓ Ensure you are dealing with a **genuine solicitor** – perform verification checks even if you are familiar with the firm 

✓ After you have taken reasonable steps to verify that the firm and individual are genuine, transfer the **mortgage advance** you are holding in trust only when you have reached completion 



If you become suspicious about a law firm or solicitor contact us immediately via report@sra.org.uk

If you have evidence that a crime has been committed contact Action Fraud on **0300 123 2040** or www.actionfraud.police.uk/report_fraud

Actions we are taking

We can assist in the identification of bogus firms and, where possible, we take action. Usually the individuals behind a bogus firm fall outside our regulatory reach, and sometimes outside the jurisdiction of England and Wales.

Where the identity theft of a genuine firm is involved, we:

- engage with the genuine firm concerned to advise of the situation, ensure they have adequate controls in place and, if appropriate, suggest further measures they could take to protect themselves
- contact the internet service provider of the bogus website to request its removal (if applicable).

We share information with other regulators and anti-crime agencies to help build up a better picture of bogus activity. This sharing of intelligence is vital to ensure that agencies can work together to make it more difficult for criminals to operate in this way.

We have also published guidance and warning notices to raise awareness of the risks involved, and encourage firms to take steps to protect themselves.²¹ We encourage solicitors, solicitors' firms and members of the public to report any suspected bogus activity to us immediately, and have established channels by which this should be done.

If there is a risk of a wider impact to the public, we will publish warning notices ('scam alerts') on our website to alert both the public and the solicitors' profession.²²

However, we cannot remove the risk of bogus firms by ourselves.²³ It is important that we raise awareness of this issue and support firms and consumers in taking appropriate steps to protect themselves.

21. [Bogus solicitors](#), Solicitors Regulation Authority, 2014
[Warning notice: Bogus law firms and identity theft](#), Solicitors Regulation Authority, 2012
[Risk Outlook 2014/15](#), Solicitors Regulation Authority, 2014

22. You can subscribe to our 'Scam alerts feed' here: [Scam alerts feed](#)
You can search our database of all scam alerts issued since 2011 here: [Search scam alerts](#)
You may follow us on Twitter here: [@sra_solicitors](#)

23. Note that the SRA's regulatory remit extends to only genuine law firms and solicitors. When bogus activity is conducted by an unadmitted individual, it becomes a Police matter.

Conclusion

Bogus firms take a wide range of forms and conduct their activities with varying levels of sophistication. Over the last three years, the incidence of bogus activity in legal services has increased rapidly. As the presence of cybercrime and identity-related crimes are rising in the wider economy, we expect bogus activity in the legal market to also increase.

Bogus firms pose significant risks to the interests of consumers of legal services as well as the wider public. This is particularly important as the scope for obtaining redress or compensation for victims of bogus firms is limited.

Where a bogus firm takes advantage of ineffective systems and controls on the part of a genuine law firm, it too may be held liable.

We urge firms and consumers of legal services to consider the simple, practical steps suggested in this paper to help protect themselves from becoming victims of bogus firms.

