



Small Business Loan Fraud To Watch Out For in 2020



PayRoll Inflation

Business inflates their payroll or employee count to extract more funds on the paycheck protection program.



Shell Company Loan Fraud

Shell companies will be created with the express purpose of obtaining fraudulent small business stimulus loans.



Business Account Takeover Loan Fraud

With so much at stake, fraudsters will attempt to take over small businesses bank accounts or identities to be able to receive fraudulent loans.



Business Identity Theft Loan Fraud

Perpetrators will act as the owners of the business and will create forged documentation to apply for a loan using the brand of the business.



Loan Agent Fraud

Loan agents will manipulate the transactions to siphon funds by shotgunning the loan, charging excessive fees or assist the borrower in obtaining the loans through fraud.



Small Business Borrower Loan Fraud

False equity injection, income misrepresentation, undisclosed liabilities and debts, collateral inflation, failing to disclose criminal records.



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