



Mule Accounts for Money Laundering

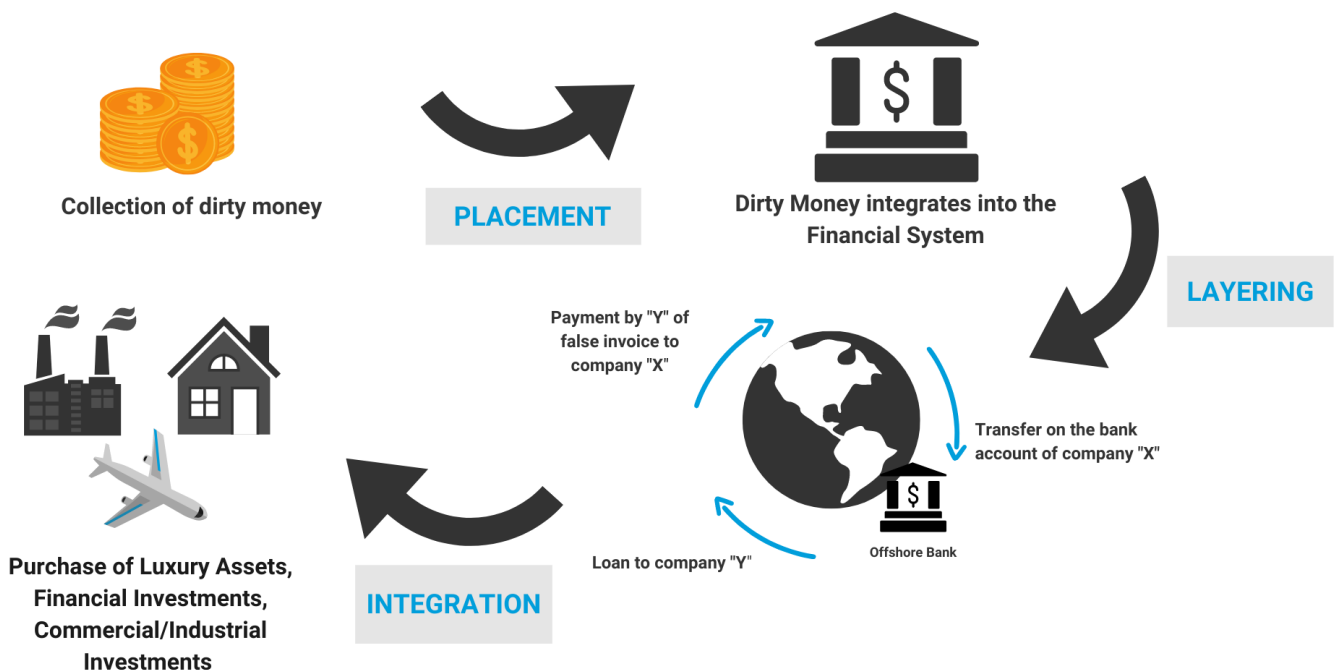
Source: [BS](#)

Recently, the Union **Ministry of Home Affairs** has issued an alert about **illegal payment gateways** like PeacePay, RTX Pay etc set up by **transnational cybercriminals** using **mule bank accounts** for **money laundering**.

- A mule account is a bank account used to **facilitate illegal activities**.
 - A money mule is someone who **transfers or moves illegally acquired money** on **behalf** of someone else.
- Transnational cybercriminals use accounts of **shell companies** and individuals as **mule accounts**, exploiting the **bulk payout facility** provided by banks.
 - A **shell company** is a company **without active business operations** or significant assets.
 - They are **not all necessarily illegal**, but they can be used **illegitimately to conceal business ownership** from law enforcement or the public.
- The **Bulk Payout facility** offered by banks allows businesses and organisations to **make multiple payments** to various beneficiaries in a **single transaction**.

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Money Laundering Cycle



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