

SAR Filing Uncovers Additional Counterfeit Check Fraud

In a Florida case, a SAR filing led to the identification of additional fraud perpetrated by a subject already under investigation by special agents within the U.S. Secret Service's (USSS) Tampa Field Office. From December 1996 through May 1997, investigators identified an individual who deposited counterfeit commercial checks into various bank accounts opened under aliases and then almost immediately wired the funds from the accounts to Nigeria. Since these checks were drawn against true bank accounts, several days would pass before the counterfeit checks were detected. In some cases, the counterfeit checks actually cleared the bank that the checks were drawn upon. In total, the subject had deposited and collected on \$400,000 in counterfeit commercial checks.

In June of 1997, a financial institution filed a SAR form stating in part that the subject (using an alias) had opened an account at the bank using a small amount of money. Just a few days later, \$85,000 in commercial checks was deposited into the account. A short time later, the subject attempted to wire a large portion of the \$85,000 to Nigeria via a bank in New York City. Personnel within the original bank inquired about the sporadic account activity and the wire transfer, and as a result, did not wire the funds and identified the commercial checks as counterfeit. This information was included on the SAR form filed by the financial institution. The USSS investigators then learned that the subject used the name identified by the bank as an alias. As a result of this SAR filing, investigators were able to make the necessary link and attribute additional fraud losses to the defendant. The defendant was arrested, convicted and sentenced to 48 months in prison.

(Source: U.S. Secret Service)

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