

## **SAR Leads to Break-Up of Stolen Check Ring**

An individual walked into a Pennsylvania bank and opened one individual account and two business accounts. The individual then walked across the street to a different bank and opened three additional accounts. Unbeknownst to the individual, these two banks were in the process of merging and his behavior caught the attention of the bank security officer. The accounts were monitored and a SAR was filed when another subject attempted to negotiate a large third party check and the bank discovered that the address used to open the accounts was fictitious.

IRS-CI initiated an investigation based on this SAR. During the course of the investigation, it was discovered that these individuals were part of a ring that was stealing checks, written on U.S. banks, out of the mail in a foreign country and sending the checks to the United States to be negotiated. It was also discovered that the ring had opened up similar accounts at numerous other banks. Eleven individuals were identified as participants in the ring and they conducted over \$1 million dollars in transactions at various banks. All were indicted on money laundering charges and seven have been convicted and sentenced to prison sentences. Four of the individuals involved are fugitives and believed to be out of the country.

(Source: IRS/Criminal Investigation)

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