

SAR Reveals Bank Fraud and Money Laundering Violations by Rv Dealer

An Alaska motor home dealer was sentenced to 36 months in prison and 5 years probation after being found guilty of bank fraud and money laundering charges. The dealer was also ordered to pay restitution to the bank.

The motor home dealer obtained loans using trade-in motor homes as collateral. The dealer would then sell the used motor homes to individuals and fail to notify or repay the bank. The dealer defrauded the bank of approximately \$500,000. Purchasers of the motor homes and RVs were told they would be mailed the title, which never happened because the banks held them.

The scheme was uncovered during an audit when the bank discovered that numerous motor homes pledged as collateral were no longer in the possession of the dealer. The bank filed a SAR detailing the fraud. The joint FBI and IRS-CI criminal investigation was initiated based on that SAR filing. During the investigation, approximately \$600,000 was seized from the dealer, including over \$490,000 in currency seized from a home safe.

(Source: IRS/Criminal Investigation)

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