

## **SARs Connect Multiple Subjects to Large Scale Investment Scam**

In April 2002, predicated by numerous SAR filings by two large banks, the FBI initiated an investigation into an investment scam. The SARs were filed on numerous personal and business accounts with no obvious relationships to one another. Bank personnel eventually linked all accounts through the identification of common depositors and/or individuals making withdrawals. For example, in a single month, one account received between \$200,000 and \$600,000 in wire deposits, money orders, and checks. The funds were then withdrawn daily in cash or used to send wire transfers. Additional funds were used for purchases of money orders and money grams, and to send other Fed wires. Over a two-year period, between \$10-20 million moved through the account. The source of the funds was allegedly from a fraudulent insurance bond investment scheme involving dozens of subjects. Many of the victims were financially ruined, losing their homes and businesses.

In early 2003, 22 search warrants were executed in three states. To date, eight criminal complaints and eight indictments have been filed resulting in seven arrests and one notice to appear. In addition, this case has generated asset seizures of \$2.4 million in currency and bank accounts thus far. Additional arrests, indictments and seizures are anticipated.

(Source: FBI)

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