



Financial Crimes Enforcement Network

A bureau of the U.S. Department of the Treasury

FinCEN news releases are available on the Internet and by e-mail subscription at www.fincen.gov.
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FOR IMMEDIATE RELEASE

March 5, 2010

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FinCEN PROVIDES HELPFUL ANTI-FRAUD INFORMATION FOR 12TH ANNUAL NATIONAL CONSUMER PROTECTION WEEK

VIENNA, Va. — FinCEN joins with other Federal, State and Local government agencies and consumer protection organizations to recognize the 12th Annual [National Consumer Protection Week \(NCPW\)](#), March 7-13. This coordinated consumer education campaign encourages individuals across the country to take full advantage of their consumer rights.

FinCEN provides a number of special resources to educate consumers, and the financial institutions that serve them, of potential fraud and scam attempts. FinCEN's rules help consumers by requiring financial institutions to be on the alert for illicit activity. Requirements that a financial institution know its customers can help both to provide better customer service and to prevent that customer from becoming a victim of fraud. Financial institutions are required to file Suspicious Activity Reports (SARs) with FinCEN when they know or suspect a financial activity to be illegal. In addition to their role in spotting money laundering and terrorist financing, **SARs provide information on seven types of fraud: check fraud, mortgage loan fraud, consumer loan fraud, wire transfer fraud, commercial loan fraud, credit card fraud, and debit card fraud.** FinCEN then analyzes this data and, among other things, breaks it down geographically to identify "hot spots" across the nation. This analysis better enables Federal, State and Local law enforcement to track down and stop the perpetrators.

Today's recognition of NCPW is in keeping with FinCEN's efforts to safeguard the U.S. financial system and protect its citizens from financial crime. FinCEN also participates in the Financial Fraud Enforcement Task Force (FFETF), an interagency group which President Barack Obama has established by Executive Order to strengthen efforts to combat financial crime. Attorney General Eric Holder, Treasury Secretary Tim Geithner, Housing and Urban Development (HUD) Secretary Shaun Donovan, and Securities and Exchange Commission (SEC) Chairwoman Mary Schapiro [announced its formation](#) on November 17, 2009.

The Bank Secrecy Act, which FinCEN administers, is a powerful anti-fraud tool. Record keeping and reporting requirements cover a variety of financial industry sectors. These include depository institutions; brokers or dealers in securities; mutual funds; futures commission merchants and introducing brokers in commodities; money services businesses (e.g., money transmitters; currency dealers and exchangers; and check cashers); insurance companies; casinos and card clubs; and dealers in precious metals, stones, or jewels. FinCEN's federal rulemaking applies to these industries nationwide. These rules help to stop fraud

and also help instill a higher, uniform level of regulatory compliance standards that ultimately benefit consumers.

“Industries that have strong anti-money laundering programs in place can help protect their customers and their businesses from threats posed by fraud and deceit,” said FinCEN Director James H. Freis, Jr. “Protecting your customers is good for business.”

FinCEN provides:

Information and “Red Flags” on Mortgage Fraud, Foreclosure Rescue Scams, and Insurance Products <http://www.fincen.gov/foreclosurerescue.html>, <http://www.fincen.gov/mortgagefraud.html>

- A homeowner, after receiving an overdue notice from his or her mortgage company, discovers that he or she made payments to a third party (in actuality, a con-artist), who will allegedly forward them to the lender or in some cases have been tricked into signing a quit claim deed for the benefit of the perpetrator.
- Borrowers who are in default are contacted by a third party who then charges up-front fees for foreclosure rescue or loan modification services or who accepts up-front payment only by official check, cashier's check or wire transfer.
- Homeowners who have paid someone to assist in getting help from the right Federal affordable housing program.
- Use of aggressive tactics to seek out the homeowner by telephone, e-mail, mail or in person or the use of a third party other than the mortgage lender, to pressure the homeowner to sign paperwork he/she didn't have an opportunity to read thoroughly or didn't understand.
- Scams that use investment funds to purchase insurance policies or variable annuities with death benefits on elderly individuals, sometimes without the knowledge of the insured.

Multilingual outreach materials: Outreach materials in seven foreign languages for money services businesses (MSBs) and their customers can be found on FinCEN's Web site at http://www.fincen.gov/financial_institutions/msb/materials.html. The outreach materials, available in Spanish, Chinese, Vietnamese, Korean, Arabic, Farsi, and Russian, help to ensure that consumers know their MSB's obligations under the Bank Secrecy Act (BSA).

Financial scam warnings: FinCEN alerts consumers to ongoing financial scams, using FinCEN's name or logo, that attempt to solicit funds from unsuspecting victims – <http://www.fincen.gov/alert.html>.

A list of external resources for financial crime victims: FinCEN provides a Web page for consumers to use as a resource for finding the appropriate Federal agency to address their needs – <http://www.fincen.gov/help4victims.html>.

For more information about NCPW, visit www.consumer.gov/ncpw.

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FinCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.