



GOVERNMENT OF ANTIGUA AND BARBUDA

Fraud Alert No. 1 of 2018

To: Attorneys-at-Law
From: The Supervisory Authority
Date: 13th February 2018
Subject: DEBT COLLECTION SCAM

The Office of National Drug and Money Laundering Control Policy has information that there is currently an ongoing scam targeting the vulnerabilities of attorneys. Our Financial Analysis Unit has identified some common characteristics of the scam:

Initial contact: The attorney receives an email from someone who claims to be in another country who needs help with a legal problem. The emails usually refer to an individual "in your jurisdiction" rather than specifying the state where the legal issue is based. Names that have been identified in these emails are: Emma Schmidt, Stefan Miller, Adaline Jackson, Alice Wang, Yan Wang.

The Legal Problem: The sender of the email requires your services in collecting on a contract, a judgment, child support payments or a divorce settlement.

Easy Work: The debt appears as being easy to collect by simply sending a demand letter with no litigation necessary. In some cases, the email sender says the debtor has already agreed to pay, and the attorney's job is simply to serve as the intermediary for the transaction.

No Face to Face Contact: The debtor, who supposedly resides in your jurisdiction, never presents himself to the attorney's office. He normally initiates contact with the attorney by email and is usually very apologetic.

Quick Payment: The debtor quickly pays the amount owed by cheque which the attorney receives via his post box and deposits to his bank account.

(2)

The attorney then takes his own fees from the proceeds and remits the balance to a foreign bank account using wire transfer details provided by the client.

Inconsistencies: The supporting documentation provided by the client may sometimes contain errors relating to the name of the parties involved. A cheque from the client in settlement of attorney's fees and a cheque from the debtor in settlement of debt are sometimes received in the same envelope and may be issued from the same account.

Desperate Client: After cheques are sent to the attorney, the client is generally anxious regarding when the funds will be wired.

Bad News: The attorney is contacted by his bank within a few weeks and is advised that the cheque has been returned as it was a counterfeit instrument. By now, the client has disappeared and ceases communication with the attorney. The account that the attorney wired the money to has either been closed or no longer has any funds in it. The attorney's account is substantially depleted of hundreds of thousands of dollars.

Practitioners are therefore asked to be vigilant against such a scam and to file a Suspicious Activity Report to the Supervisory Authority should your firm be targeted by this type of fraud. The Suspicious Activity Report Forms can be located on the ONDCP website, <http://ondcp.gov.ag/>. Reports can be filed via email at supervisory.authority@ondcp.gov.ag. or they can be hand delivered to the ONDCP office at Camp Blizard. Further information can be obtained from the Financial Analysis Unit of the ONDCP at 562-3255 or 460-7390.



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