

Federal Deposit Insurance Corporation

FRAUD Alert

Autumn, 1995

Volume 5, Number 2

Americans Losing Lives in Nigerian Money Scam

Americans and their money are disappearing in Nigeria.

They are victims of a fraud scheme that has proven effective to the surprise and dismay of law enforcers in this country and abroad. And now they are growing deadly.

These scams are not only durable but they are growing. The U.S. State Department estimated that Nigerian scams are grossing more than \$250 million a year and the amount is rising by the month.

There are a couple of variations, but the scam is basically an advanced fee fraud.

In the Nigerian scams, the victim is asked to put up some money at the beginning in order to reap millions of dollars in the end.

The victims generally receive poorly written letters by fax from writers who usually claim to represent either the Nigerian National Petroleum Corporation or the Central Bank of Nigeria.

The gist is the same: Contractors were over-invoiced and millions

of dollars are available to be sent out of the country.

But the writer, as a civil servant, cannot have a foreign bank account. The potential victim is asked to provide bank account information, business letterhead, and sometimes Social Security number, date of birth and driver's license number.

Using this information, some victims' bank accounts have been tapped, but have not been depleted from Lagos. The personal identifying information is used mainly to create phony charge cards.

The letter goes on to tell the potential victim that he or she will get up to 30 percent of the money, after the money has been transferred into the victim's account.

But first, the victim will be required to pay various types of government and legal fees in order to get the money out of Nigeria.

"At no time is it fully explained just where or how these large amounts of available funds were located or why they are to be

transferred into a foreign personal bank account," a U.S. Secret Service alert points out.

The scam has been around for about five years, and in some law enforcement circles the belief was that few people would be gullible enough to fall for it.

The chilling fact is that people around the world are not only falling for it, they are losing their lives because of it. More than 60 Americans went to Nigeria in the first half of 1994 because of the scam.

Two Americans have already been murdered and seven Japanese have disappeared in Lagos, Nigeria, while involved in the scam.

According to the United States Embassy in Lagos, by late last year, 16 countries have reported 350 victims who lost money in the scam. And in all but 14 cases, the Secret Service said, there was some violence associated with the scam.

In addition, the Nigerian government has issued a decree that any foreigner traveling to Nigeria in

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pursuit of an advanced fee fraud can be arrested and confined.

More than a year ago, the Secret Service's Financial Crimes Division began to track the letters and faxes. The division asked law enforcement agencies and consumer and business groups to forward the letters to the Secret Service.

So far, more than 15,000 of these letters have been sent in and the agency gets a couple of hundred each week.

By collecting all of the pertinent information on the letters (the sender's phone and fax numbers and name), the agency says, they have found that all of the letters originated in Lagos.

The *Fraud Alert* is published quarterly by the Federal Deposit Insurance Corporation, 550 17th Street, N.W. Washington, DC 20429

This newsletter is produced by the Office of Corporate Communications, FDIC.

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The agency considers the scam to be run by Nigerian organized crime.

Among other things, the Nigerian government blames the problem on unemployment, and a get-rich-quick mentality, the Secret Service notes.

Those who are lured to Lagos arrive with "official Diplomatic invitation visas," which do not exist. The victims bypass customs and immigration officials who have already been bribed, the Secret Service says.

The victims are taken to buildings that would appear to be the offices of the Nigerian National Petroleum Company or the Central Bank of Nigeria, and if a victim calls the phone number on the letter, the phone is answered as if it were a legitimate enterprise. All of this is part of the elaborate scheme.

Also, the physical and mental intimidation begins soon after the victim arrives in Lagos.

According to the Secret Service, one American executive reportedly had already wired \$1 million to Nigeria, but when he refused to make additional payments, his captors tortured him, set him on fire and dumped him in front of a hotel.

Potential victims are told to come to Lagos, the agency says, because it will be easier to do

business face-to-face.

In some cases, victims in the U.S. have had their bank accounts drained without leaving the country. In one instance, in Florida, the victim had wired tens of thousands of dollars to the thieves. When he ran out of money, the criminals told him that if he sent more money they would help him get back what he had lost.

While the money may eventually make its way to Lagos, a victim may be asked to wire it anywhere in the world.

This is where banks can help the Secret Service and law enforcement agencies around the world. The Secret Service has found that victims are told to wire money so it passes through several foreign banks. Bankers should be alert to wire transfers in which it appears the recipient may be part of an advanced fee fraud, such as the one described in this article.

Furthermore, banks should contact the Secret Service in Washington if they receive such a wire transfer request or one of the letters from Nigeria. At the Secret Service, phone: Rich Caruso, special agent, or Craig Spraggins, assistant special agent in charge, at (202) 435-5850.

Also, if your institution receives one of the letters contact your local U.S. Postal Inspection Service office and your primary federal regulator. Δ