

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 83-86

July 7, 1983

FRAUDULENT WIRE TRANSFER OF FUNDS

TO ALL DEPOSITORY INSTITUTIONS IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

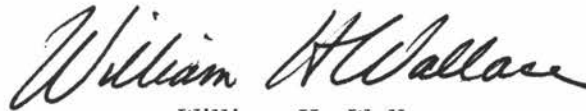
The Federal Reserve Bank of Dallas has been alerted to several incidents of fraudulent wire transfer of funds activity which have occurred recently involving Eleventh District financial institutions and their correspondent institutions. A scheme used last month in such an attempt was similar to those used in previous successful incidents earlier this year. In each incident, proper call-back verification procedures between the financial institution and its correspondent institution were not carried out, causing the institution to lose substantial amounts of funds.

All financial institutions should exercise caution in all transfer of funds transactions, using proper verification procedures to prevent this type of fraudulent activity from occurring in the future.

Questions concerning the material in this circular should be directed to Phillip E. Sellers, 651-6320.

Additional copies of this circular will be furnished upon request to the Public Affairs Department, Extension 6289.

Sincerely yours,



William H. Wallace
First Vice President