

**FEDERAL RESERVE BANK  
OF NEW YORK**

[ Circular No. **10223** ]  
[ January 22, 1988 ]

**Attempted Fraudulent Transfers**

*To All Depository Institutions, and Others Concerned,  
in the Second Federal Reserve District:*

In recent weeks we have become aware of several attempts to defraud banks. Some of the attempts involved recurring patterns that banks should be aware of. These events demonstrate the importance of security in funds transfer operations discussed in this Bank's January 7, 1988 circular letter.

The first pattern involved two banks in two apparently unrelated incidents. In each instance, a bank received a letter or telex signed by one M.M. Rasheed purporting to be from the Central Bank of Nigeria. Each bank was advised to expect a transfer of \$8,948,272.00 made by the Central Bank of Nigeria on behalf of the Nigerian National Petroleum Corporation to be credited to a named account on the bank's books. The transfers were said to be "through special payment arrangement" with the Federal Reserve Bank of New York.

The Central Bank of Nigeria has advised that it has no knowledge of the transactions and that the letters and telexes did not emanate from the Central Bank of Nigeria. The Federal Reserve Bank of New York has set up no special payment arrangements of the type indicated. Banks that have received similar communications are advised to contact Special Agent Ron Jaco at the New York office of the Federal Bureau of Investigation (Tel. No. 212-553-2700).

Questions on this first matter may be directed to Frank Reischach, Manager, Foreign Relations Department (Tel. No. 212-720-5679).

The second series of incidents may be related to the escape of Tanya Marie Smith from a West Virginia prison where she was serving a sentence for wire fraud, among other things. We have been advised of two attempts at fraud that followed the pattern of earlier frauds perpetrated by Ms. Smith. In the past, Ms. Smith often made numerous telephone calls to the wire room of a depository institution to familiarize herself with the names of the employees and to obtain information about the wire transfer procedures. In the current frauds, if the perpetrator is successful, he or she will attempt to have funds paid to an individual upon presentation of specific identification.

This Bank's circular letter of January 7, 1988 on the security of Fedwire operations was sent to the chief operating officer and the General Auditor of each depository institution in the Second Federal Reserve District. Additional copies are available upon request. If you or members of your staff have any questions concerning Fedwire security and control procedures, please contact Andrew Heikaus, Manager, Funds Transfer Department (Tel. No. 212-720-5561), or Patricia Hilt-Lupack, Manager, Securities Transfer Department (Tel. No. 212-720-5379).

E. GERALD CORRIGAN,  
*President.*