

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. **10597**
December 1, 1992]

**FRAUDULENT SCHEMES INVOLVING PERSONS CLAIMING
TO REPRESENT NIGERIAN ENTITIES**

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

Recently, a number of banking institutions around the country have reported the existence of various schemes designed to entice their corporate customers to divulge confidential bank account information to persons claiming to be representatives of Nigerian companies or Nigerian government ministries.

These individuals present the corporation with a proposal that will result in a deposit of several million dollars into its bank account for the Nigerian entity. In return, the corporation is to receive a commission of 35-40% of the total amount transferred. The corporation is requested to provide the "Nigerian representative" with specific bank account information, blank company letterhead, and invoices. The intent of this scheme is to entice the corporation, or its employees, to disclose confidential information in what appears to be a no-risk arrangement to obtain a commission of several million dollars. In reality, it appears to be a scheme to provide the perpetrators with confidential information and material to defraud the company or its bank.

You may want to alert your customers to this scheme and remind them of their responsibility to follow sound security procedures in their treasury operations. Questions regarding this matter may be directed to Andrew Heikaus, Manager, Funds Transfer Department (Tel. No. 212-720-5561).

E. GERALD CORRIGAN,
President.