



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, DC 20429

Division of Supervision

SPECIAL ALERT

FIL-64-2000
September 19, 2000

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: *Nigerian Advance Fee Schemes*

Nigerian Advance Fee Schemes have been around for a number of years and continue to proliferate. The Central Bank of Nigeria has issued a number of press releases warning the public against involvement in the schemes (sometimes also known as "4-1-9" fraud after the Nigerian penal code section that addresses fraud schemes). A copy of one such press release is attached, which may also be found at www.expdisc.com/cbn.htm (Inactive).

Institutions need to remain vigilant about the risks posed to them and to their customers from these schemes. Some estimates place the weekly volume of solicitations that Americans receive from "Nigerian officials" at 10,000. This is an international scheme, and there are no estimates of the total volume of communications to intended victims worldwide.

Solicitations received from "Nigerian officials" offer promises of great wealth in return for a few simple acts on the recipient's part. The solicitations come by mail, fax or e-mail, and may be addressed personally to an addressee or generically to an officer of a company. All of the schemes typically involve a request from the "Nigerian official," stating he is with the government and needs help in moving funds from Nigeria to the addressee's bank account. Several scheme variations are described in the attached press release, and a sample solicitation letter is also included for your information.

A new variation of the scheme has recently come to our attention. In the new scenario, an intended victim is contacted and requested to deposit into his or her bank account checks that are issued by supposed customers or contractors. Once these checks are deposited, the perpetrator will ask for an advance against the checks. The checks will eventually turn out to be fraudulent; in the meantime, the victim may have provided the Nigerian with an advance and up-front fees.

If a bank or one of its customers receives one of these communications from Nigeria, the bank or customer should immediately notify the nearest U. S. Secret Service office or U. S. Postal Inspection Service office. If the bank is the intended victim, a Suspicious Activity Report (SAR) should also be filed.

For your reference, all FDIC Financial Institution Letters published since January of 1995 may be found on the FDIC's Web site at www.fdic.gov under "News, Events & FOIA."

James L. Sexton
Director

Attachments: Press Release [no longer available online], [Nigerian Letter](#) PDF Format (13 Kb - [PDF Help](#) or [Hard Copy](#))

Distribution: FDIC-Supervised Banks (Commercial and Savings)

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (800-276-6003 or (703) 562-2200).

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