

Contact:
Marilyn Chastain
Bureau Chief
Securities Bureau
(208) 332-8004

NEWS RELEASE

For Immediate Release

May 13, 2002

IDAHOANS WARNED: NIGERIAN SCAMS PROLIFERATE FRAUDULENT MAIL AND NOW E-MAIL SCHEMES CONTINUE

Similar Schemes Also Coming From Other Countries

Boise, Idaho.... Gavin Gee, Director of the Idaho Department of Finance, warned Idaho residents today that the so-called "Nigerian letter" financial opportunity fraud is cropping up in Idaho at a brisk pace. These schemes are expanding to on-line forums such as "spam" email and other direct electronic communications. More importantly, the underlying story and the countries of origin these con-artists use are now changing regularly in order to entice potential victims. The Director urged Idaho residents not to fall for these fraudulent mail, fax or e-mail schemes.

According to Gee, the Department has seen a recent resurgence in inquiries from Idaho businesses, individuals and even government agencies regarding these appeals. A review of the more current letters show that the story lines that accompany these fraudulent enticements are changing rapidly.

The traditional Nigerian scam emanates from a supposed government official seeking to spirit huge sums of money out of Nigeria. The official promises to share a portion of these riches with the victim for assisting in the transfer of these funds to the United States. However, these schemes are growing more complex and perhaps believable to unsuspecting Idahoans. Recent pitches include appeals from purported bank officials, bank auditors, petroleum interests and deposed royal families, dictators or presidents. The alleged locations, agents or stories pertaining to these schemes have expanded to include Africa, the Congo, Abidjan, India and elsewhere. Finally, these creative scam artists are even playing on the fact that Nigerian scams are a problem, but that they are the "real deal". These swindlers are persistent and innovative.

Gee reported that various federal agencies are maintaining an active interagency task force whose mission is to prosecute Nigerian con artists operating both in the United States and abroad. In addition, an association of advance fee fraud victims and near-victims has organized a website on the Internet called "The 419 Coalition". The number "419" represents the Nigerian criminal code which deals with financial fraud. The Internet address for the coalition is <http://home.rica.net/alphae/419coal/index.htm> . It provides links to the U.S. federal agencies that are working to stop these operations including the Secret Service and the State Department.

Any persons who have been contacted by someone perpetrating a Nigerian letter type scheme – i.e., representatives soliciting any type of "business arrangement" -- are encouraged to contact the Department of Finance at (208) 332-8002 or toll-free in Idaho at 1-888-346-3378.

...