

# PENN ATTORNEYS

## TITLE ALERT

**DATE: 06/25/10**

**RE: Title Alert 2010-09 Check Fraud Scam**

Penn Attorneys has been alerted to a revival of an old scam: The settlement agent receives a check from a "purchaser" representing funds for a closing. Often the check is for nearly the full amount of the purchase. The buyer sends funds well ahead of closing and then will call to say s/he/it has canceled the transaction in the hopes that the closing attorney/title company will send the buyer's escrow money (in the form of a wire) before it is discovered that the check for the deposit is bogus and no money has been credited to the escrow account.

There appears to be a number of attempts by the same individual(s) to perpetrate this scheme across the country. A buyer (who is conveniently out of the country) has a check drawn on a Canadian bank sent to a closing attorney/title company for the stated purpose of purchasing a property. He states that, in his absence, his primary contact is a financial advisor in Canada. The check and instructions look bona fide but are counterfeit. The perpetrator generally contacts a legitimate realtor who sends the check to the closing attorney/title company to deposit the funds in anticipation of a closing. In all cases, no one ever has the opportunity to see the would-be purchaser.

Attached is a sample of the check and instructions that were provided to one of First American's South Carolina agents who was able to spot the fraud and alert their South Carolina state office. There have also been reports of very similar attempts in Ohio.

Please be alert to any funding situation that seems questionable and if in doubt, contact Josie Lubiejewski or Tracy Chipoletti.

*Title Alerts from 1997 to present are available on our website at: <http://www.pennattorneys.com>*

***Penn Attorneys, a Division of  
Ohio Bar Title Insurance Company***

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BANQUE ROYALE DU CANADA/ROYAL BANK OF CANADA  
1, Place Ville-Marie, Montreal, QC Canada, H3C 3A9

19517791

DATE 2010 06 07  
A/Y M/M J/D

Payez/Pay \*\*\*FOUR HUNDRED FIVE THOUSAND AND 00/100 US DOLLARS\*\*\*

\*\*\*\*405,000.00USD

À l'ordre de/ To the order of

Salle Law Firm  
9 Caldeon Court, Suite A  
Greenville, SC 29615

*Wa 2010*

⑈ 19517791 ⑈ ⑆00801⑆003⑆ 100⑆000⑆9⑆ 43



Detached the above check before deposit

Disbursement Centre  
Tel: 1-416-857-2876

Ref No: 008811-A2

Agent: Kay H. Sipe, Realtor  
Keller Williams Realty

Enclose Draft/Check is been sent to you from our office on behalf of Mr. Otake Iwao we advice you to send email to [pauljackson@financier.com](mailto:pauljackson@financier.com) immediately after you have receive and deposit this payment notify our verification department. Failure to notify us via email will render this instrument void. We prefer communication via email-notification and acknowledgments of the payment received in English.

Paul Jackson  
Account Manager  
Tel: 1-416-857-2876

THIS CHECK IS VOID WITHOUT A PATTERNED BACKGROUND ON THE FRONT  
ENDORSE HERE

X

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE