

ALERT 99-10
Type: Suspicious Transactions
Subject: Fictitious Sight Drafts

TO: Chief Executive Officers of all National Banks; all State Banking Authorities; Chairman, Board of Governors of the Federal Reserve System; Chairman, Federal Deposit Insurance Corporation; Conference of State Bank Supervisors; Deputy Comptrollers (Districts); Assistant Deputy Comptrollers; District Counsel and Examining Personnel.

RE: Fictitious Sight Drafts payable through the U. S. Treasury

It has been brought to our attention that certain individuals have been making and executing worthless paper documents which are titled "Sight Draft" (copy attached). These items state that they are payable through the U. S. Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC 20220. These instruments are being presented for payment at banks and other businesses throughout the United States. They have no financial value and no legal validity.

The documents have the following characteristics: (1) a statement printed on them--THIS DOCUMENT HAS A COLORED BACKGROUND & MICROPRINTING. THE REVERSE SIDE OF THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK; (2) the numbers encoded in the MICR style print along the bottom edge are not valid ABA routing numbers nor any other recognizable type of number used in the financial community to process or identify the item; (3) the person signing the document is not authorized by the U. S. Treasury to issue such documents. Any of these instruments that are presented to the U. S. Treasury for payment will be returned to the sender and copies will be provided to the appropriate law enforcement agencies.

If one of these instruments is presented to your institution for payment, or if you have any information concerning this matter, you should immediately bring it to the attention of your local office of the Federal Bureau of Investigation and

Office of the Comptroller of the Currency
Enforcement & Compliance Division
250 E Street, SW
Washington, D.C. 20219
(202) 874-4800 Fax (202) 874-5301.

Your institution should also prepare a Suspicious Activity Report, in accordance with 12 CFR 21.11. Under no circumstances should your institution honor one of these instruments or submit it for payment.

Daniel P. Stipano
Director
Enforcement & Compliance Division

Attachment