

Case Ref: 08008
Distribution: Unrestricted
Chapter: Fraud related activities

Mr. L, a foreigner residing in Eastern Europe, opened a current and a securities account with a bank in Country A. Immediately after it was opened the current account was credited with amounts between 20 and 70 EUR. These were payments for articles sold on an auction site. The payments were mostly by order of persons from Western Europe. The communications referred to the sale of luxury brands. The money was subsequently transferred to Mr. L's account in his country of residence. Over the course of a few months, the total sum amounted to several thousand Euros. There was no economic justification for opening bank accounts in Country A nor for the transactions being performed there as the individuals did not have any ties with the Country.

Searches on the auction site revealed that Mr. L used a different name and that the buyers had posted negative comments about him, mentioning that the goods offered by him were counterfeit.

The amounts deposited on Mr. L's account to pay for the articles on the auction site were particularly low for luxury items and this was mentioned in the communications accompanying the payments.

All these elements indicated that the person was involved in counterfeit trade through an auction site and the proceeds were laundered through more than one account.

Indicators:

- Use of foreign bank accounts