



FINANCIAL INSTITUTION FRAUD UNIT

FINANCIAL CRIMES SECTION

# FINANCIAL INSTITUTION FRAUD AND FAILURE REPORT



**FISCAL YEAR**  
**2005**

# **THE FEDERAL BUREAU OF INVESTIGATION FINANCIAL INSTITUTION FRAUD AND FAILURE REPORT**

**For Fiscal Year (FY) 2005  
Ending September 30, 2005**

The Federal Bureau of Investigation's (FBI) mission in the area of Financial Institution Fraud (FIF) is to identify, target, disrupt, and dismantle criminal organizations and individual operations engaged in fraud schemes which target our nation's financial institutions. Additionally, the FBI seeks to identify, undertake, and promote prevention measures, where available, to reduce the opportunity for fraud to take place within the financial institution arena. Within white-collar crimes, FIF investigations are among the most demanding, difficult, and time-consuming cases undertaken by law enforcement. Efforts by the FBI and the Department of Justice have attained extraordinary results since the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989.

Areas of primary investigative interest relative to FIF include financial institution failures, insider fraud, check fraud, counterfeit negotiable instruments, check kiting, and mortgage and loan fraud. FIF investigations related to emerging technologies and computer-related banking are taking on added significance among the nation's financial institutions.

Since the 1992 peak of the savings and loan crisis, the FBI has been able to refocus its investigative efforts from failed financial institution cases to other high-priority FIF matters. At the close of FY 2005, the total number of pending FIF investigations for the FBI was 5,041. Of this total, 62 failure cases, or less than 1 percent, involved criminal activity related to a failed financial institution. This statistic reflects a 92 percent reduction in failure investigations since the July 1992 peak of 758 cases.

However, as the number of failure investigations has declined, the number of major FIF investigations has remained substantial. As of FY 2005, the FBI was investigating 4,135 major cases, or 82.0 percent of all pending FIF cases.<sup>1</sup> This is significant in view of the fact that convictions related to major case investigations have remained constant since FY 1995, surpassing total convictions for major cases during the 1992 peak.

During the late 1980s and early 1990s, approximately 60 percent of the fraud reported by financial institutions related to bank insider abuse. Since then, external fraud schemes have replaced bank insider abuse as the dominant FIF problem confronting financial institutions. The pervasiveness of check fraud and counterfeit negotiable instrument schemes, technological advances, as well as the availability of personal information through information networks, has fueled the growth in external fraud. In many

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<sup>1</sup>A major case is defined as an investigation pertaining to a failed financial institution, or where the loss or loss exposure to the financial institution exceeds \$100,000.

instances, the international aspects associated with many of these schemes have increased the complexity and severity in the fraud being committed.

For the period of April 1, 1996, through September 30, 2005, the FBI received 436,522 Suspicious Activity Reports (SARs) for criminal activity related to check fraud, check kiting, counterfeit checks, and counterfeit negotiable instruments. These fraudulent activities accounted for 46.3 percent of the 941,993 SARs filed by U.S. financial institutions (excluding Bank Secrecy Act violations), and equaled more than \$10.7 billion in losses.<sup>2</sup>

The FBI continues to concentrate its efforts on organized criminal groups involved in these activities. These organized groups are often involved in the sale and distribution of stolen and counterfeit corporate checks, money orders, payroll checks, credit and debit cards, U.S. Treasury checks, and currency. Furthermore, the organized groups involved in check fraud and loan fraud schemes are often involved in illegal money-laundering activities in an effort to conceal the proceeds from their crimes.

Criminal activity has become more complex and loan frauds are expanding to multitransactional frauds involving groups of people from top management to industry professionals who assist in the loan application process. These professionals include loan brokers, appraisers, accountants, and real estate attorneys. Such transactions are sometimes hidden against a backdrop of genuine transactions which give them an appearance of legitimacy. Due to the complexity of these crimes, more FIF investigations are being initiated than ever before. These cases target large-scale fraud operations, often involving hundreds of subjects in multiple jurisdictions.

Other fraud matters affecting the nation's financial institutions are being classified and worked by the FBI as Corporate Fraud, Cyber Fraud, and Terrorist Financing. The results of these cases are not included in this report.

The lines between traditional banking services and other financial services now offered by these institutions are fading. As financial institutions become less regulated and provide more financial services to the public through the sale of insurance, securities, investment products, and on-line banking, the nature of FIF will change in terms of the potential impact to the nation's financial institutions.

The FBI has responded to these trends by providing proactive deterrents to assist the nation's banking infrastructure in combating FIF. The FBI and the Office of the Comptroller of the Currency published Check Fraud: A Guide to Avoiding Losses, (revised in 1999 by the FBI) to assist financial institutions in identifying check fraud-related schemes. Another publication produced in 2001 by the FBI entitled: "How Financial Institutions Can Help the FBI" can assist financial institutions in preventing and reporting financial crimes as well as bank robberies.

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<sup>2</sup> These statistics are derived from the Suspicious Activity Report database, which is owned by the five Federal banking regulatory agencies, and is maintained by the U.S. Treasury Department's Financial Crimes Enforcement Network.

**I. FINANCIAL INSTITUTION FAILURE INVESTIGATIONS AND PERCENT OF INCREASE (DECREASE) FROM PRIOR YEAR**

Since February 1986, the FBI has tracked the number of financial institution failure investigations. From a peak of 758 cases in July 1992, failure investigations have steadily declined. Since the 1992 peak, failure investigations have decreased 92 percent. The matrix below illustrates the number of failure investigations and corresponding percentage change by fiscal year.

<b>FISCAL YEAR REPORT DATE</b>	<b>FAILURE INVESTIGATIONS</b>	<b>% CHANGE FROM PRIOR YEAR</b>
9/93	651	(-14.1%)
9/94	531	(-18.4%)
9/95	395	(-25.6%)
9/96	247	(-37.5%)
9/97	200	(-19.0%)
9/98	142	(-29.0%)
9/99	129	(-09.1%)
9/00	99	(-23.3%)
9/01	97	(- 2.1%)
9/02	71	(-26.8%)
9/03	67	(-5.6%)
9/04	60	(-10.4%)
9/05	62	(+3.3%)

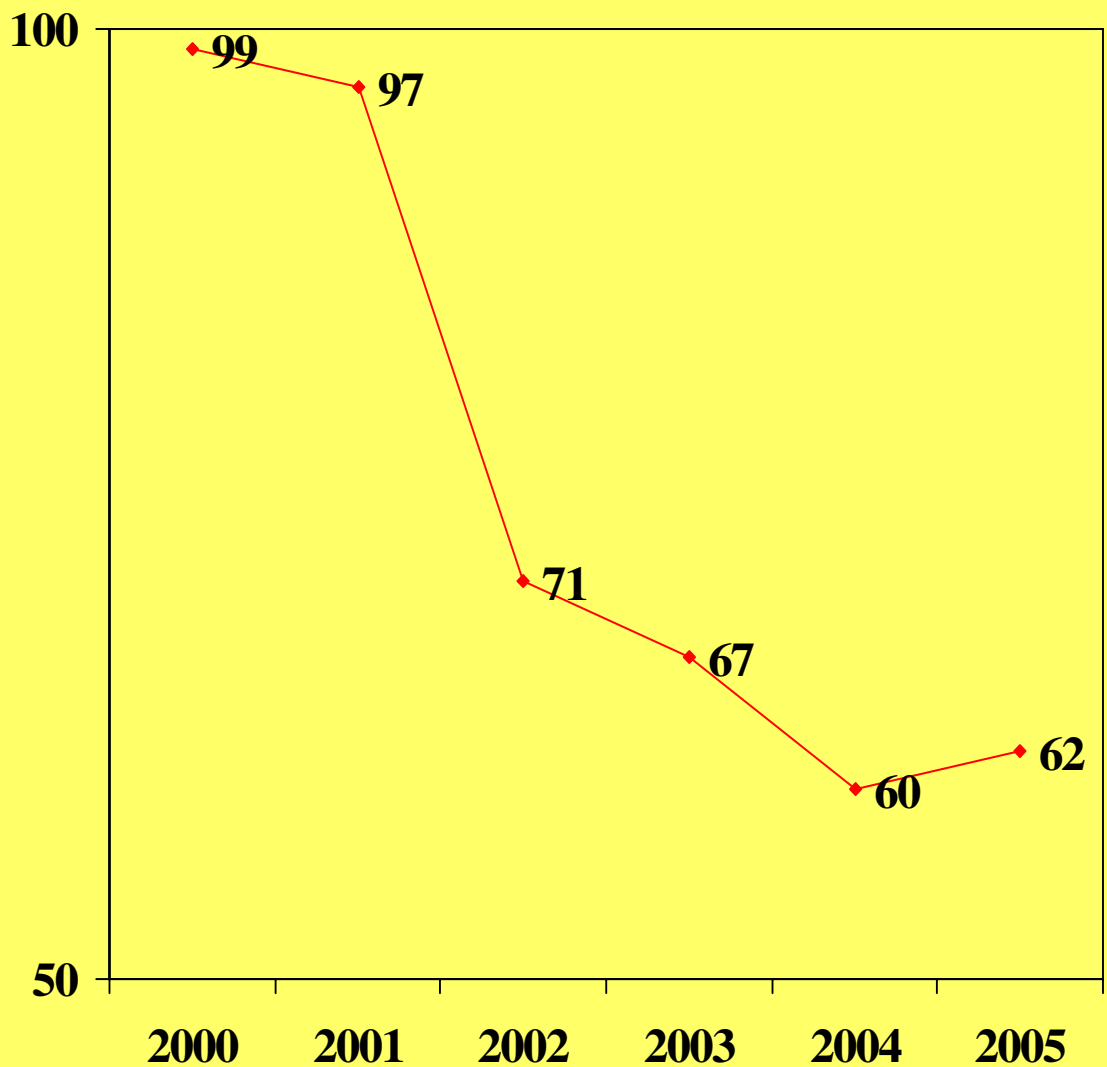
The chart and graphs which follow exhibits:

- (a) Financial Institution Failure Investigations by Field Office and Category, during FY 2005;
- (b) Financial Institution Failure Investigations for 2000 - 2005;
- (c) Number of FDIC-Insured "Problem" Institutions for 2000 - 2005; and,
- (d) Assets of FDIC-Insured "Problem" Institutions for 2000 - 2005.

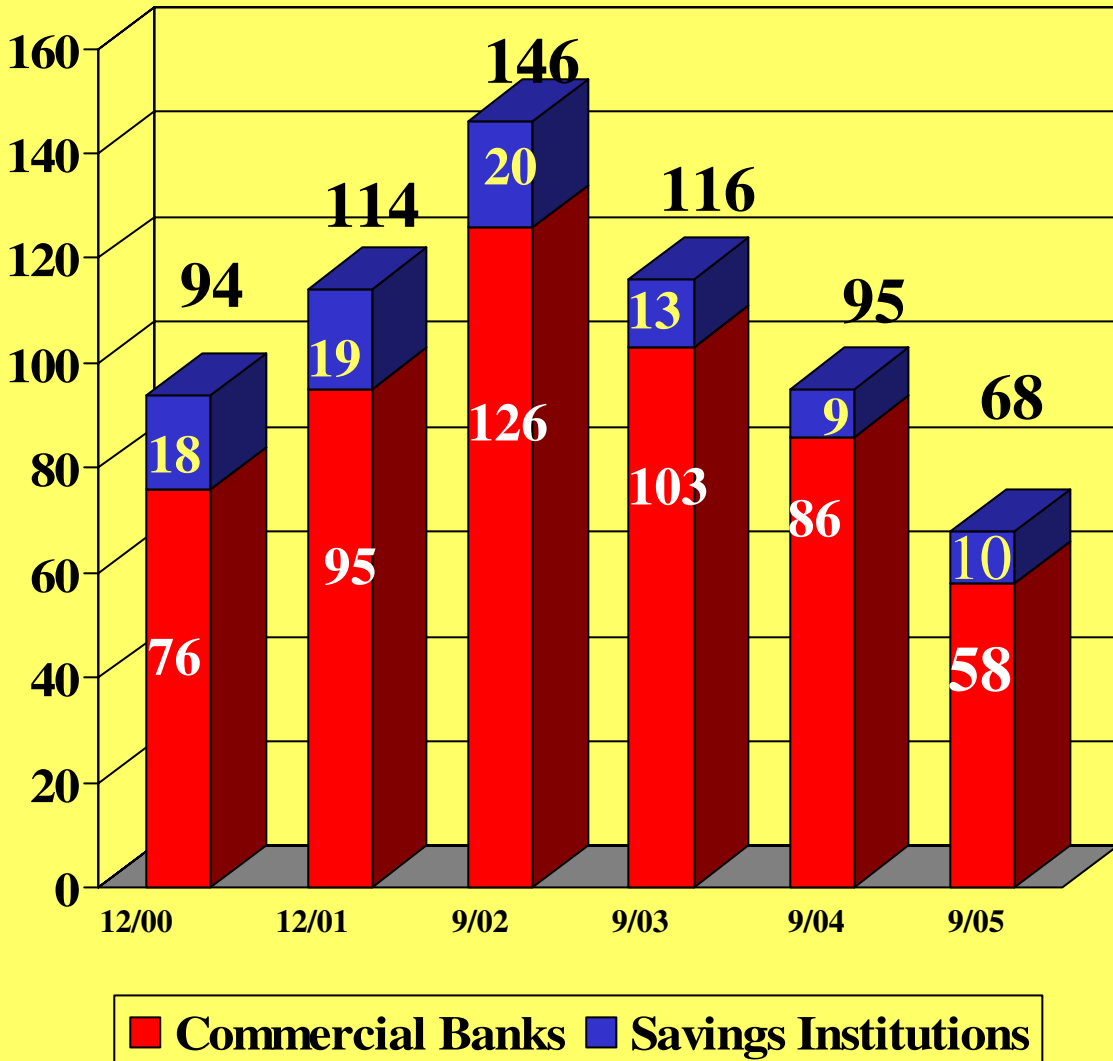
**FINANCIAL INSTITUTION FAILURE INVESTIGATIONS  
BY FIELD OFFICE AND CATEGORY  
FISCAL YEAR 2005**

<b>FBI FIELD OFFICE</b>	<b>FAILED BANKS</b>	<b>FAILED S&amp;Ls</b>	<b>FAILED CREDIT UNIONS</b>	<b>TOTALS</b>
ALBANY	0	0	0	0
ALBUQUERQUE	1	0	0	1
ANCHORAGE	0	0	0	0
ATLANTA	0	0	1	1
BALTIMORE	0	0	0	0
BIRMINGHAM	0	0	0	0
BOSTON	1	0	1	2
BUFFALO	1	0	0	1
CHARLOTTE	2	0	0	2
CHICAGO	0	1	0	1
CINCINNATI	0	0	0	0
CLEVELAND	3	0	1	4
COLUMBIA	0	0	0	0
DALLAS	0	0	1	1
DENVER	1	0	0	1
DETROIT	2	0	0	2
EL PASO	1	1	1	3
HONOLULU	1	0	0	1
HOUSTON	0	2	0	2
INDIANAPOLIS	1	0	0	1
JACKSON	2	0	0	2
JACKSONVILLE	0	0	0	0
KANSAS CITY	0	0	0	0
KNOXVILLE	0	0	0	0
LAS VEGAS	1	0	0	1
LITTLE ROCK	0	0	0	0
LOS ANGELES	3	0	1	4
LOUISVILLE	0	0	0	0
MEMPHIS	1	0	0	1
MIAMI	1	1	0	2
MILWAUKEE	1	0	0	1
MINNEAPOLIS	2	0	0	2
MOBILE	0	0	2	2
NEWARK	0	2	0	2
NEW HAVEN	1	0	0	1
NEW ORLEANS	0	1	0	1
NEW YORK	3	1	0	4
NORFOLK	2	1	0	3
OKLAHOMA CITY	0	0	0	0
OMAHA	1	0	0	1
PHILADELPHIA	2	1	1	4
PHOENIX	0	0	0	0
PITTSBURGH	1	0	0	1
PORTLAND	0	0	0	0
RICHMOND	0	0	1	1
SACRAMENTO	0	0	0	0
SAINT LOUIS	0	0	0	0
SALT LAKE CITY	1	0	0	1
SAN ANTONIO	1	1	0	2
SAN DIEGO	0	0	0	0
SAN FRANCISCO	0	0	1	1
SAN JUAN	0	0	0	0
SEATTLE	0	0	0	0
SPRINGFIELD	0	0	0	0
TAMPA	0	0	0	0
WMFO	0	0	2	2
<b>TOTALS</b>	<b>37</b>	<b>12</b>	<b>13</b>	<b>62</b>

# FINANCIAL INSTITUTION FAILURE INVESTIGATIONS 2000 – 2005



# FDIC - INSURED “PROBLEM INSTITUTIONS” 2000 - 2005

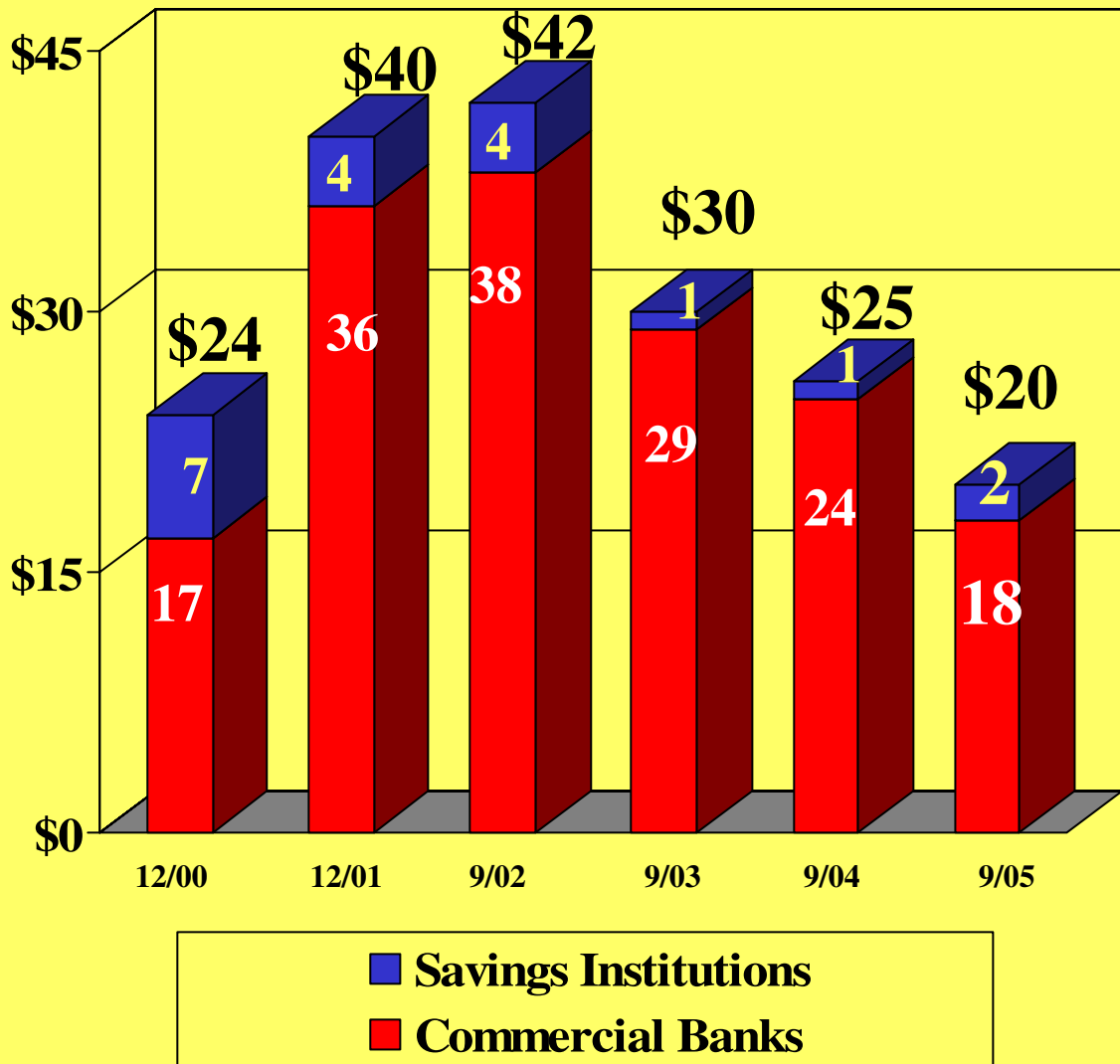


“ Problem Institutions” –those with financial, operational, or managerial weaknesses that threaten their continued viability.

Source: FDIC Quarterly Banking Profile through Third Quarter 2005

# ASSETS OF FDIC - INSURED “PROBLEM INSTITUTIONS” 2000 - 2005

\$ Billions



“ Problem Institutions” –those with financial, operational, or managerial weaknesses that threaten their continued viability.

Source: FDIC Quarterly Banking Profile through Third Quarter 2005



**II. FINANCIAL INSTITUTION FRAUD AND MAJOR CASES  
UNDER INVESTIGATION BY THE FBI BY FISCAL YEAR**

Following the 1982 deregulation of the savings and loan industry, and in conjunction with more speculative lending practices, the FBI initiated criminal investigations of hundreds of failed financial institutions throughout the United States. Since the July 1992 peak, the number of failure investigations has steadily declined. However, total FIF and major case investigations have leveled off to pre-1992 figures. At the close of FY 2005, the total number of pending FIF and major case investigations continue to exceed levels at the beginning of the savings and loan crisis. The following matrix reflects total pending FIF and major case investigations reported during FY 2000 through FY 2005.

<b>FISCAL YEAR</b>	<b>NUMBER OF PENDING FIF CASES</b>	<b>% CHANGE FROM PRIOR YR</b>	<b>NUMBER OF MAJOR CASES</b>	<b>% CHANGE FROM PRIOR YR</b>	<b>PERCENT MAJOR TO PENDING CASES</b>
2000	8,638	- 1.9%	4,081	+ 5.8%	47.2%
2001	8,184	- 5.3%	4,383	+ 7.4%	53.5%
2002	7,305	-10.8%	4,287	-2.2%	58.7%
2003	5,869	- 19.7%	4,027	- 6%	68.6%
2004	5,125	-12.7%	3,915	- 3%	76.3%
2005	5,041	-1.7%	4,135	+ 5.6%	82.0%

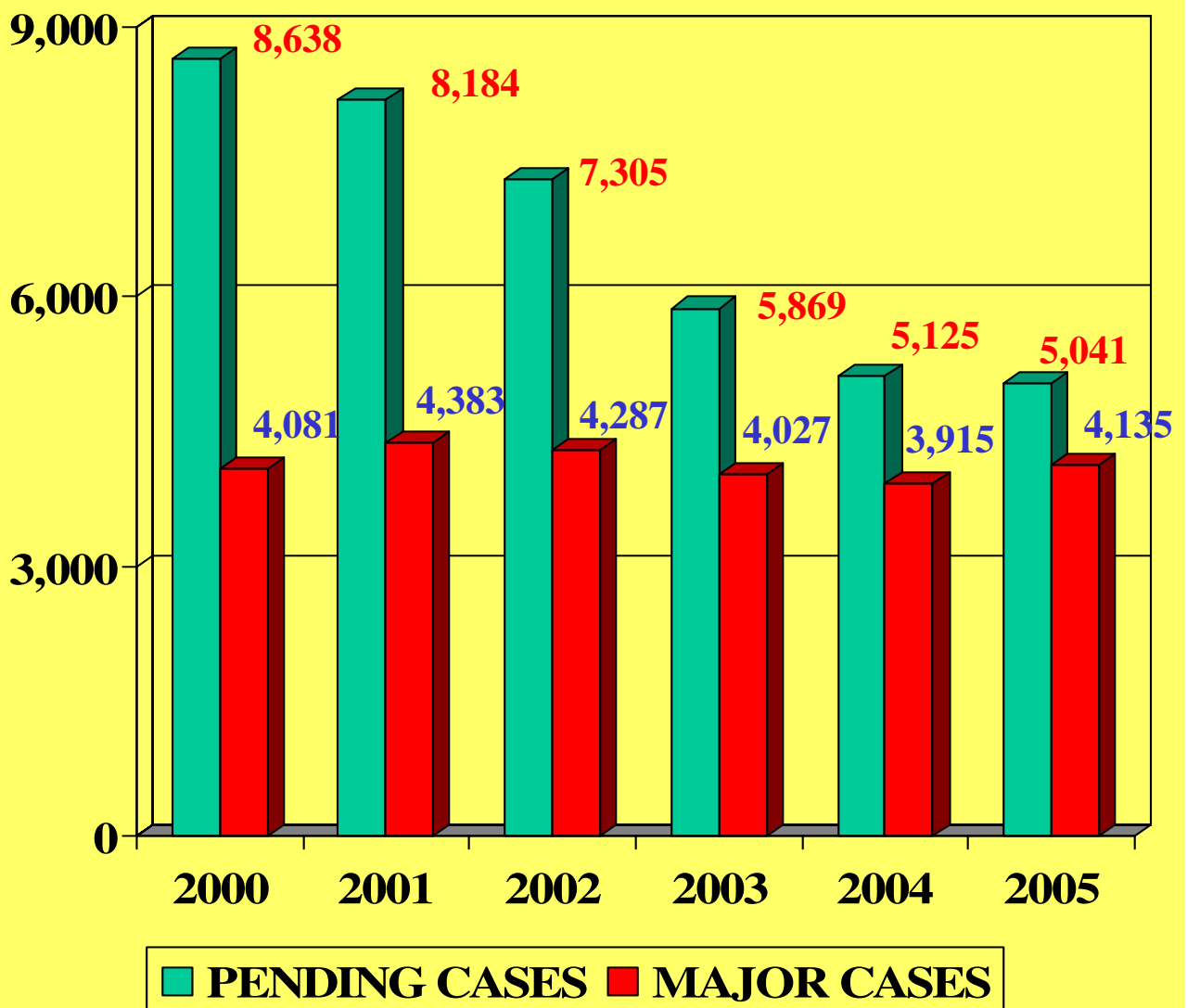
The chart and graphs which follow exhibits:

- (a) Pending Cases by Institution Type and Major Cases for FY 2005;
- (b) Pending and Major Cases for FYs 2000 - 2005; and
- (c) Pending Caseload by Institution Type and Dollar Loss for FY 2005.

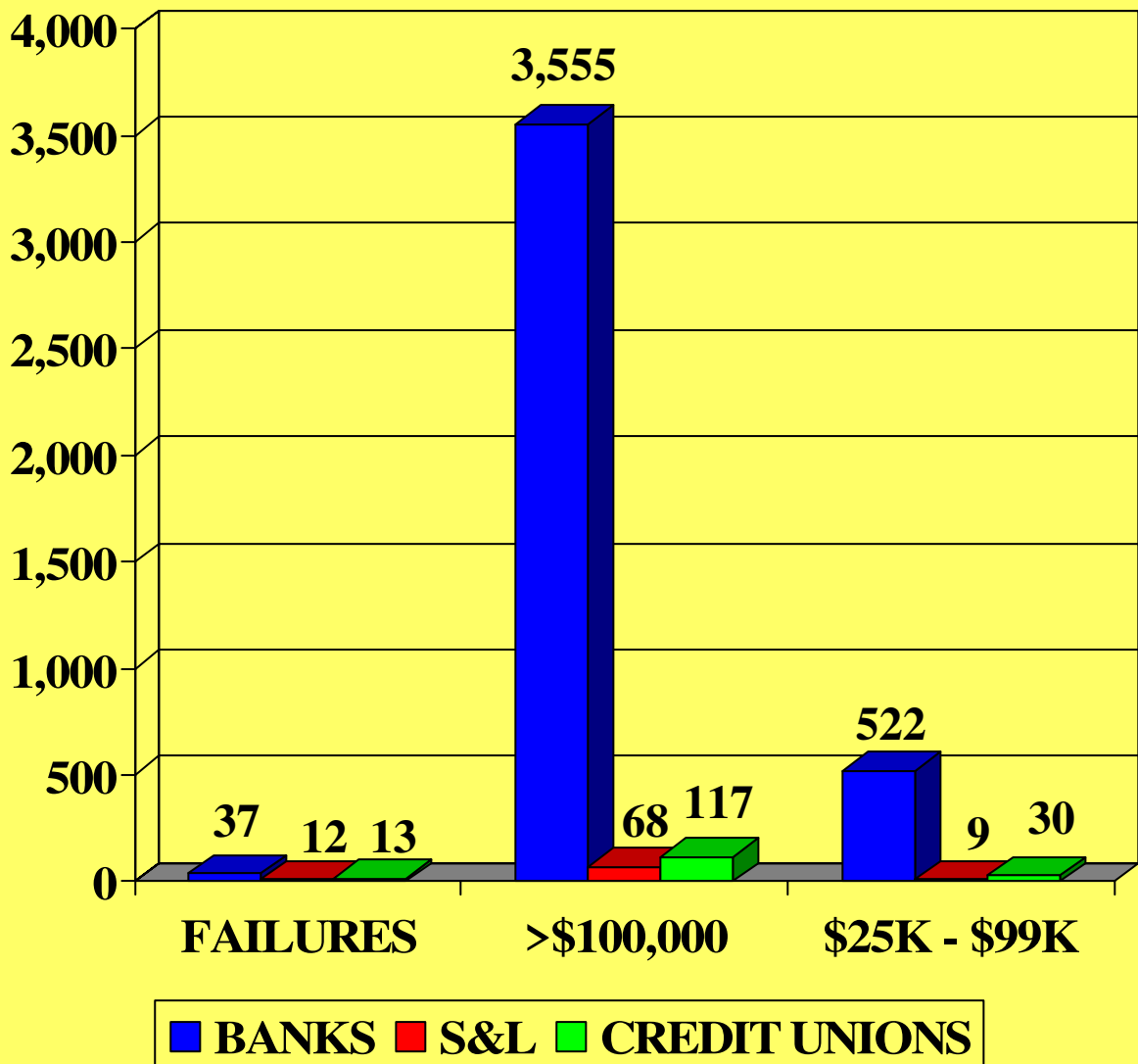
**FINANCIAL INSTITUTION FRAUD CASES  
BY INSTITUTION TYPE AND MAJOR CASE  
(PENDING AS OF SEPTEMBER 30, 2005)**

<b>FBI FIELD OFFICE</b>	<b>TOTAL FIF CASES</b>	<b>TOTAL MAJOR CASES &gt; \$100,000 NON-FAILURE</b>	<b>BANK FAILURE CASES</b>	<b>THRIFT SAVINGS FAILURE CASES</b>	<b>CREDIT UNION FAILURE CASES</b>	<b>TOTAL FAILURE CASES</b>
ALBANY	43	30	0	0	0	0
ALBUQUERQUE	48	34	1	0	0	1
ANCHORAGE	15	14	0	0	0	0
ATLANTA	164	145	0	0	1	1
BALTIMORE	88	79	0	0	0	0
BIRMINGHAM	45	36	0	0	0	0
BOSTON	103	78	1	0	1	2
BUFFALO	30	25	1	0	0	1
CHARLOTTE	120	105	2	0	0	2
CHICAGO	236	217	0	1	0	1
CINCINNATI	140	94	0	0	0	0
CLEVELAND	148	109	3	0	1	4
COLUMBIA	57	43	0	0	0	0
DALLAS	229	207	0	0	1	1
DENVER	84	67	1	0	0	1
DETROIT	195	167	2	0	0	2
EL PASO	34	25	1	1	1	3
HONOLULU	65	48	1	0	0	1
HOUSTON	69	59	0	2	0	2
INDIANAPOLIS	53	44	1	0	0	1
JACKSON	58	39	2	0	0	2
JACKSONVILLE	26	22	0	0	0	0
KANSAS CITY	109	98	0	0	0	0
KNOXVILLE	40	28	0	0	0	0
LAS VEGAS	50	40	1	0	0	1
LITTLE ROCK	77	66	0	0	0	0
LOS ANGELES	285	277	3	0	1	4
LOUISVILLE	78	57	0	0	0	0
MEMPHIS	130	107	1	0	0	1
MIAMI	119	107	1	1	0	2
MILWAUKEE	83	56	1	0	0	1
MINNEAPOLIS	95	80	2	0	0	2
MOBILE	51	30	0	0	2	2
NEWARK	108	104	0	2	0	2
NEW HAVEN	39	36	1	0	0	1
NEW ORLEANS	126	86	0	1	0	1
NEW YORK	250	222	3	1	0	4
NORFOLK	29	27	2	1	0	3
OKLAHOMA CITY	81	65	0	0	0	0
OMAHA	79	66	1	0	0	1
PHILADELPHIA	161	139	2	1	1	4
PHOENIX	50	36	0	0	0	0
PITTSBURGH	101	77	1	0	0	1
PORTLAND	58	34	0	0	0	0
RICHMOND	82	61	0	0	1	1
SACRAMENTO	46	39	0	0	0	0
SAINT LOUIS	95	51	0	0	0	0
SALT LAKE CITY	67	64	1	0	0	1
SAN ANTONIO	63	52	1	1	0	2
SAN DIEGO	51	44	0	0	0	0
SAN FRANCISCO	62	46	0	0	1	1
SAN JUAN	5	3	0	0	0	0
SEATTLE	75	49	0	0	0	0
SPRINGFIELD	52	44	0	0	0	0
TAMPA	61	60	0	0	0	0
WMFO	133	97	0	0	2	2
<b>TOTALS</b>	<b>5,041</b>	<b>4,135</b>	<b>37</b>	<b>12</b>	<b>13</b>	<b>62</b>

# PENDING AND MAJOR CASES 2000 - 2005



# PENDING CASELOAD BY INSTITUTION TYPE AND DOLLAR LOSS FISCAL YEAR 2005



**FAST TRACK = 315    <\$25K IN LOSSES = 163    TOTAL CASES = 5,041\***

**\* Includes Mortgage Fraud Non-Financial Institution and Mortgage Fraud Government Programs Cases not reflected in the chart.**

**III. STATISTICAL ACCOMPLISHMENTS FROM FBI INVESTIGATIONS  
IN FINANCIAL INSTITUTION FRAUD AND FAILURE MATTERS**

**A. CONVICTIONS/PRETRIAL DIVERSIONS**

Total FIF convictions, excluding local convictions, continued to decrease. However, the percentage of convictions in major cases continued to increase. The matrix below is illustrative of this trend.

<b>FISCAL YEAR</b>	<b>NUMBER OF CONVICTIONS*</b>	<b>NUMBER OF MAJOR CONVICTIONS*</b>	<b>% OF MAJOR TO TOTAL CONVICTIONS</b>
2000	2,783	1,394	50.1%
2001	2,702	1,363	50.4%
2002	2,397	1,328	55.4%
2003	2,053	1,286	62.7%
2004	1,728	1,265	73.2%
2005	1,537	1,218	79.2%

\* - includes PreTrial Diversions and excludes local convictions.

The charts and graphs which follow exhibits:

- (a) Convictions and PreTrial Diversions for FYs 2000 - 2005;
- (b) Types of Subjects Convicted During FY 2005;
- (c) Total Convictions, "Outsiders vs Insiders" for FYs 2000 - 2005; and
- (d) Convictions and PreTrial Diversions by Institution Type and Amount for FY 2005.

**FINANCIAL INSTITUTION FRAUD CONVICTIONS AND PRETRIAL DIVERSIONS  
(DOES NOT INCLUDE LOCAL CONVICTIONS)**

<b>FBI FIELD OFFICE</b>	<b>FISCAL YEAR 2000</b>	<b>FISCAL YEAR 2001</b>	<b>FISCAL YEAR 2002</b>	<b>FISCAL YEAR 2003</b>	<b>FISCAL YEAR 2004</b>	<b>FISCAL YEAR 2005</b>
ALBANY	28	27	19	22	20	6
ALBUQUERQUE	3	4	10	6	7	7
ANCHORAGE	6	31	8	24	8	6
ATLANTA	109	77	78	79	64	43
BALTIMORE	43	36	27	31	31	13
BIRMINGHAM	31	47	71	38	24	16
BOSTON	43	58	33	27	13	17
BUFFALO	29	24	22	17	5	10
CHARLOTTE	48	39	42	28	48	34
CHICAGO	74	96	103	88	36	52
CINCINNATI	40	51	39	47	80	37
CLEVELAND	105	103	96	151	119	75
COLUMBIA	36	46	32	36	44	27
DALLAS	185	141	120	107	84	84
DENVER	55	42	27	19	25	17
DETROIT	129	110	93	58	39	52
EL PASO	7	14	11	2	3	5
HONOLULU	22	33	27	18	22	12
HOUSTON	115	84	64	22	16	32
INDIANAPOLIS	27	25	17	16	10	13
JACKSON	27	22	25	24	15	16
JACKSONVILLE	23	15	10	13	14	12
KANSAS CITY	51	34	29	46	34	26
KNOXVILLE	26	15	20	17	12	10
LAS VEGAS	38	32	34	25	11	7
LITTLE ROCK	36	47	51	32	29	38
LOS ANGELES	103	67	79	70	47	64
LOUISVILLE	44	39	37	22	32	21
MEMPHIS	28	69	70	37	26	34
MIAMI	56	49	56	31	25	25
MILWAUKEE	39	52	39	34	23	32
MINNEAPOLIS	47	42	45	35	28	25
MOBILE	37	30	29	27	11	20
NEWARK	47	53	38	28	38	49
NEW HAVEN	10	15	7	10	22	19
NEW ORLEANS	52	87	52	65	61	43
NEW YORK	144	110	141	113	111	90
NORFOLK	12	42	22	11	19	16
OKLAHOMA CITY	60	46	42	24	26	35
OMAHA	31	32	26	23	37	23
PHILADELPHIA	109	105	83	74	58	45
PHOENIX	14	7	0	11	8	18
PITTSBURGH	39	38	31	31	17	13
PORTLAND	54	32	45	20	21	17
RICHMOND	49	50	44	35	18	10
SACRAMENTO	40	42	14	11	10	13
SAINT LOUIS	59	61	58	67	48	55
SALT LAKE CITY	28	41	42	37	18	12
SAN ANTONIO	33	51	31	32	17	25
SAN DIEGO	37	27	31	6	8	15
SAN FRANCISCO	39	24	11	26	26	5
SAN JUAN	4	25	12	7	12	24
SEATTLE	116	77	89	40	45	30
SPRINGFIELD	44	47	40	54	23	23
TAMPA	25	23	20	19	26	29
WMFO	47	66	55	60	54	40
<b>TOTALS</b>	<b>2,783</b>	<b>2,702</b>	<b>2,397</b>	<b>2,053</b>	<b>1,728</b>	<b>1,537</b>

**TYPES OF SUBJECTS CONVICTED IN  
FINANCIAL INSTITUTION FRAUD CASES  
FISCAL YEAR 2005\***

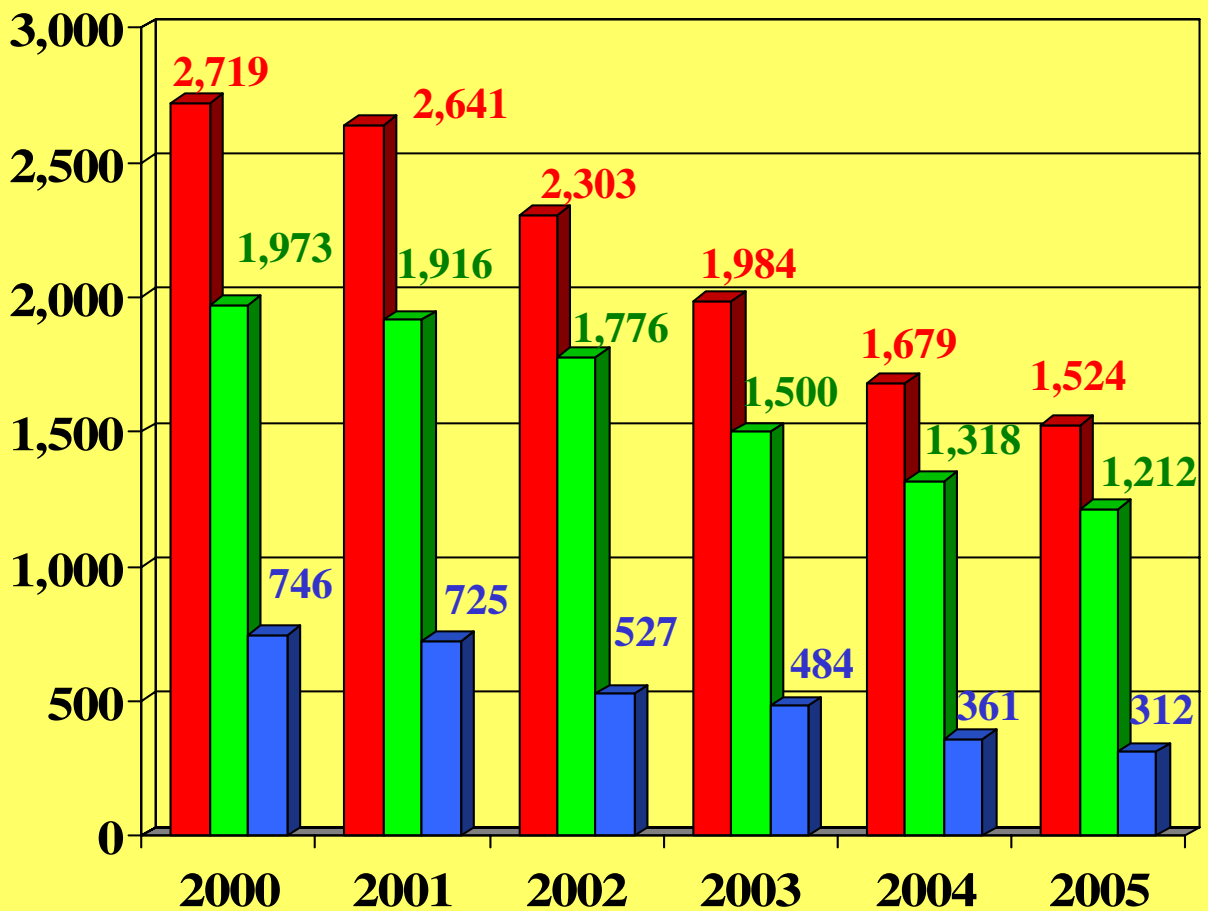
SUBJECT TYPE	NUMBER OF SUBJECTS
All Other Subjects	1,138
Bank Employee	220
Bank Officer	92
Illegal Alien	22
Company or Corporation	11
Legal Alien	9
All Others	5
Business Manager	3
Top Con Man	2
Federal Employee - GS 12 & Below	2
Boss	2
Local Law Enforcement Officer	2
Mayor	2
State Legislator	1
State - All Others	1
Clerk	1

\* Does not include PreTrial Diversions or local convictions

# CONVICTIONS “OUTSIDERS VS INSIDERS”

2000 – 2005

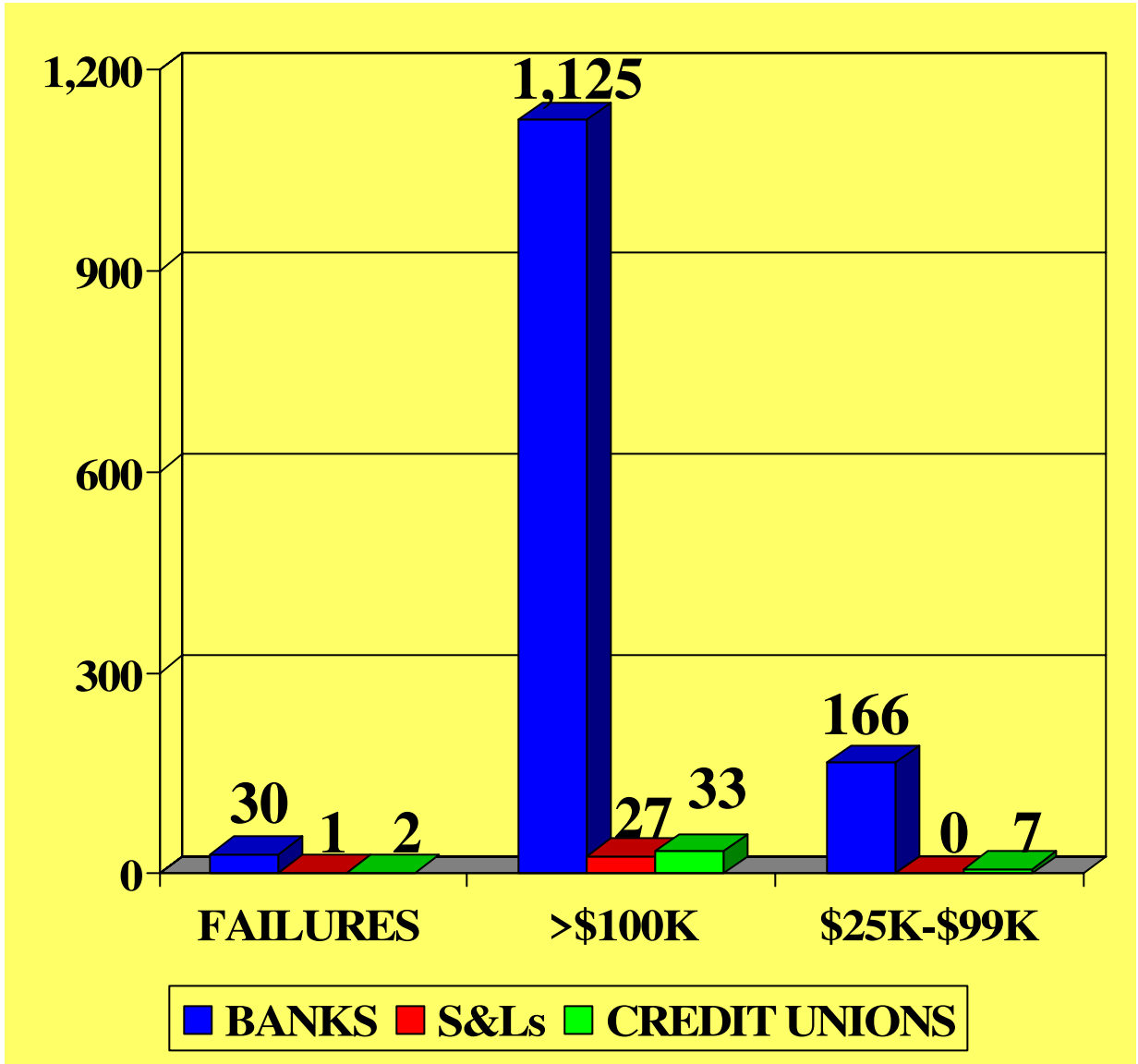
(no pretrial diversions or local convictions)



■ TOTAL CONVICTIONS ■ OUTSIDERS  
■ BANK INSIDERS



# CONVICTIONS & PRETRIAL DIVERSIONS BY INSTITUTION TYPE & AMOUNT FISCAL YEAR 2005 (No State or Local Statistics)



**\*FAST TRACK = 121    \*<\$25K IN LOSSES = 25**  
**(\*NOT TRACKED BY INSTITUTION TYPE)**

**B. INDICTMENTS AND INFORMATIONS**

For FY 2005 the total number of defendants charged by indictment or information decreased 15.31 percent from FY 2004. The following matrix illustrates this trend.

<b>FISCAL YEAR</b>	<b>INDICTMENTS/INFORMATIONS*</b>
2000	2,877
2001	2,738
2002	2,471
2003	1,918
2004	1,822
2005	1,543

\* Does not include subjects charged in state or local jurisdictions.

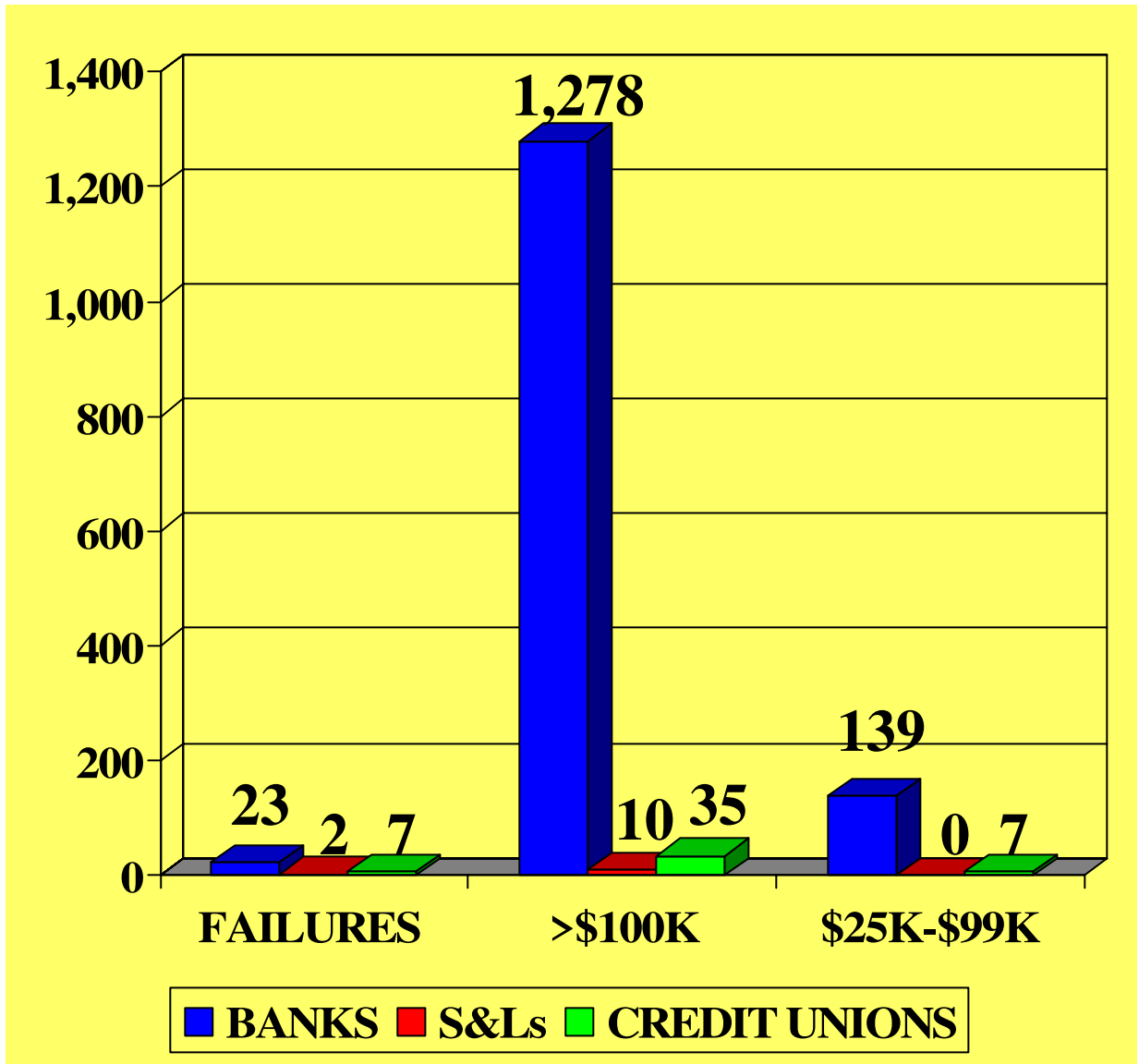
The chart and graphs which follow exhibits:

- (a) Total FIF Indictments and Informations for FYs 2000 - 2005; and
- (b) Indictments and Informations by Institution Type and Dollar Loss for FY 2005.

**FINANCIAL INSTITUTION FRAUD INDICTMENTS/INFORMATIONS  
(DOES NOT INCLUDE LOCAL INDICTMENTS/INFORMATIONS)**

<b>FBI FIELD OFFICE</b>	<b>FISCAL YEAR 2000</b>	<b>FISCAL YEAR 2001</b>	<b>FISCAL YEAR 2002</b>	<b>FISCAL YEAR 2003</b>	<b>FISCAL YEAR 2004</b>	<b>FISCAL YEAR 2005</b>
ALBANY	38	20	21	20	11	6
ALBUQUERQUE	5	8	7	5	6	14
ANCHORAGE	7	32	4	18	11	7
ATLANTA	94	87	56	71	67	28
BALTIMORE	54	35	44	45	16	11
BIRMINGHAM	30	38	78	35	29	7
BOSTON	49	49	32	25	26	33
BUFFALO	22	30	11	11	9	7
CHARLOTTE	46	70	40	22	56	69
CHICAGO	91	84	122	78	44	82
CINCINNATI	40	48	41	46	62	45
CLEVELAND	111	125	203	57	123	74
COLUMBIA	38	54	40	52	40	32
DALLAS	189	159	145	112	80	86
DENVER	46	38	22	24	24	12
DETROIT	111	84	57	43	63	33
EL PASO	12	12	7	8	4	5
HONOLULU	39	32	35	9	26	10
HOUSTON	130	105	41	32	14	12
INDIANAPOLIS	26	16	20	10	13	27
JACKSON	31	38	23	27	19	14
JACKSONVILLE	27	12	12	16	20	22
KANSAS CITY	48	39	52	47	32	30
KNOXVILLE	21	18	21	12	9	15
LAS VEGAS	45	39	18	23	10	9
LITTLE ROCK	46	56	32	26	38	43
LOS ANGELES	130	60	113	49	83	86
LOUISVILLE	44	39	44	32	24	31
MEMPHIS	33	81	82	25	38	41
MIAMI	74	55	55	19	54	12
MILWAUKEE	40	46	48	33	23	11
MINNEAPOLIS	57	40	37	38	23	23
MOBILE	37	23	23	33	10	8
NEWARK	49	41	52	29	38	61
NEW HAVEN	6	18	8	14	34	5
NEW ORLEANS	58	95	35	83	68	59
NEW YORK	128	115	136	116	123	86
NORFOLK	19	35	25	12	24	14
OKLAHOMA CITY	58	49	29	25	28	34
OMAHA	29	35	21	32	25	20
PHILADELPHIA	126	79	103	60	55	33
PHOENIX	5	3	6	26	8	2
PITTSBURGH	45	44	24	38	9	18
PORTLAND	46	43	30	26	21	30
RICHMOND	59	55	29	40	11	21
SACRAMENTO	42	36	21	7	8	13
SAINT LOUIS	42	39	39	28	38	41
SALT LAKE CITY	24	47	38	35	20	11
SAN ANTONIO	34	37	32	33	22	38
SAN DIEGO	32	27	8	6	6	5
SAN FRANCISCO	32	27	35	40	14	6
SAN JUAN	3	30	3	17	15	26
SEATTLE	113	71	85	23	47	36
SPRINGFIELD	43	47	52	42	19	23
TAMPA	33	22	18	28	17	30
WMFO	40	71	56	55	65	44
<b>TOTALS</b>	<b>2,877</b>	<b>2,738</b>	<b>2,471</b>	<b>1,918</b>	<b>1,822</b>	<b>1,601</b>

**INDICTMENTS AND INFORMATIONS  
BY INSTITUTION TYPE & AMOUNT  
FISCAL YEAR 2005  
(No State or Local Statistics)**



**\*FAST TRACK =88**

**\*<\$25K IN LOSSES = 21**

**(\*NOT TRACKED BY INSTITUTION TYPE)**

C. RECOVERIES, RESTITUTIONS, AND FINES

For FY 2005, statistical accomplishments for recoveries, restitutions, and fines continue to demonstrate the FBI's investigative efforts in addressing FIF. The matrix which follows illustrates actual dollar amounts recovered for FYs 2000 - 2005.

<b>FISCAL YEAR</b>	<b>RECOVERIES</b>	<b>RESTITUTIONS</b>	<b>FINES</b>
2000	\$48,513,930	\$588,927,165	\$8,012,361
2001	\$45,759,496	\$754,182,929	\$15,248,483
2002	\$28,164,377	\$1,983,796,156	\$7,614,787
2003	\$15,145,174	\$3,128,016,099	\$35,642,324
2004	\$30,561,112	\$3,132,922,982	\$18,104,071
2005	\$31,742,313	\$3,601,154,263	\$19,233,834

The charts and graphs which follow exhibits:


- (a) Recoveries by Office for FYs 2000 - 2005;
- (b) Recoveries for FY 2005;
- (c) Recoveries for FYs 2000 - 2005;
- (d) Restitutions by Office for FYs 2000 - 2005;
- (e) Restitutions for FY 2005;
- (f) Restitutions for FYs 2000 - 2005;
- (g) Fines by Office for FYs 2000 - 2005;
- (h) Fines for FY 2005; and
- (i) Fines for FYs 2000 - 2005.

**FINANCIAL INSTITUTION FRAUD RECOVERIES  
FISCAL YEARS 2000 - 2005**

<b>FBI FIELD OFFICE</b>	<b>FISCAL YEAR 2000</b>	<b>FISCAL YEAR 2001</b>	<b>FISCAL YEAR 2002</b>	<b>FISCAL YEAR 2003</b>	<b>FISCAL YEAR 2004</b>	<b>FISCAL YEAR 2005</b>
ALBANY	\$73,654	\$131,656	-\$0-	\$533,000	\$265,840	-\$0-
ALBUQUERQUE	-\$0-	\$609,099	\$361,633	-\$0-	-\$0-	-\$0-
ANCHORAGE	\$25,000	-\$0-	\$1,949	-\$0-	-\$0-	-\$0-
ATLANTA	\$327,896	\$712,784	\$318,658	\$21,902	\$59,650	\$105,750
BALTIMORE	\$243,900	\$242,963	\$36,900	\$187,164	\$29,379	\$137,500
BIRMINGHAM	\$333,521	\$82,915	\$61,000	\$237,607	\$51,342	\$25,000
BOSTON	\$788,779	\$20,334	\$236,086	-\$0-	\$240,424	\$7,180,000
BUFFALO	\$2,430,982	\$4,450	\$8,250	-\$0-	\$4,200	-\$0-
CHARLOTTE	\$193,000	\$3,065,459	\$152,462	\$242,932	-\$0-	\$66,589
CHICAGO	\$3,470,842	\$2,841,700	\$290,372	\$1,206,647	\$2,510,585	\$1,075,439
CINCINNATI	\$7,760,789	\$470,738	\$65,803	\$284,556	-\$0-	-\$0-
CLEVELAND	\$290,599	\$165,937	\$785,077	\$753,099	\$175,063	\$64,400
COLUMBIA	\$22,723	\$304,709	\$24,674	-\$0-	-\$0-	\$115,300
DALLAS	\$6,069,730	\$4,462,303	\$873,644	\$893,585	\$806,127	\$398,222
DENVER	\$25,400	\$274,111	\$8,714,188	-\$0-	-\$0-	\$82,894
DETROIT	\$128,702	\$151,417	\$158,566	\$2,376,036	\$298,923	\$376,931
EL PASO	-\$0-	-\$0-	\$102,000	-\$0-	-\$0-	\$176,836
HONOLULU	\$4,258	\$3,000	\$288,172	\$25,669	\$1,500	\$218,852
HOUSTON	\$471,495	\$612,348	\$88,505	\$51,437	\$31,396	\$25,000
INDIANAPOLIS	\$190,003	\$15,647	\$6,185	-\$0-	-\$0-	\$30,250
JACKSON	\$10,000	\$65,767	-\$0-	-\$0-	-\$0-	-\$0-
JACKSONVILLE	-\$0-	\$25,532	\$10,075	\$165,900	\$151,836	\$24,000
KANSAS CITY	\$1,977,558	\$2,400	\$167,006	\$141,407	-\$0-	\$88,000
KNOXVILLE	\$146,800	\$19,720	\$3,100	\$99,334	-\$0-	\$138,312
LAS VEGAS	\$552,583	\$22,850,495	-\$0-	-\$0-	\$542,500	\$2,225,000
LITTLE ROCK	\$144,989	-\$0-	\$792,900	\$11,334	-\$0-	-\$0-
LOS ANGELES	\$38,024	\$210,612	\$5,210	\$130,799	\$131,919	\$282,539
LOUISVILLE	-\$0-	\$20,524	-\$0-	-\$0-	\$63,426	-\$0-
MEMPHIS	\$377,880	\$114,008	\$483,507	\$145,763	-\$0-	-\$0-
MIAMI	\$367,210	\$82,556	\$3,722,589	-\$0-	\$95,487	-\$0-
MILWAUKEE	\$579,093	\$147,825	\$744,710	\$1,627,969	\$24,542	\$112,129
MINNEAPOLIS	\$28,400	\$28,135	\$4,000	\$330,075	\$70,000	\$81,733
MOBILE	\$135,783	\$6,020	\$39,000	\$148,085	\$3,430,666	-\$0-
NEWARK	\$514,504	\$1,383,688	\$1,550,531	\$55,000	\$18,485,902	-\$0-
NEW HAVEN	-\$0-	-\$0-	-\$0-	\$658,000	-\$0-	-\$0-
NEW ORLEANS	\$370,261	\$425,350	\$718,333	\$274,646	\$57,019	\$50,723
NEW YORK	\$16,344,737	\$1,663,022	\$1,347,872	\$51,342	\$178,649	\$1,258,721
NORFOLK	\$57,785	\$88,787	\$23,000	\$157,100	\$24,435	\$36,664
OKLAHOMA CITY	\$3,036,952	\$397,335	\$1,496,976	\$1,315,712	\$953,600	\$4,001,788
OMAHA	-\$0-	\$251,334	\$2,000	-\$0-	-\$0-	-\$0-
PHILADELPHIA	\$164,406	\$657,873	\$201,068	\$889,917	\$14,900	\$2,897,135
PHOENIX	\$9,000	-\$0-	\$68,000	-\$0-	\$29,593	\$124,088
PITTSBURGH	-\$0-	\$162,650	-\$0-	-\$0-	\$166,500	-\$0-
PORTLAND	-\$0-	\$351,900	\$101,183	-\$0-	-\$0-	-\$0-
RICHMOND	\$211,826	\$70,451	\$8,800	\$238,376	\$583,538	\$2,301
SACRAMENTO	-\$0-	-\$0-	-\$0-	-\$0-	\$435,000	-\$0-
SAINT LOUIS	\$152,675	\$2,400	\$1,048,643	\$168,476	\$2,200	-\$0-
SALT LAKE CITY	-\$0-	\$154,252	\$17,495	\$18,000	\$109,067	-\$0-
SAN ANTONIO	-\$0-	\$91,088	\$2,000	-\$0-	-\$0-	\$110,170
SAN DIEGO	\$126,980	\$2,000	\$313,808	-\$0-	\$417,000	\$7,454,898
SAN FRANCISCO	\$83,635	\$283,111	-\$0-	-\$0-	\$10,000	\$423,212
SAN JUAN	\$33,250	-\$0-	\$99,331	-\$0-	-\$0-	-\$0-
SEATTLE	\$40,600	\$860,118	\$1,928,854	\$50,000	\$41,722	\$1,500
SPRINGFIELD	-\$0-	-\$0-	\$50,000	\$216,584	-\$0-	\$83,845
TAMPA	\$104,259	\$1,126,558	-\$0-	\$1,310,862	\$13,937	\$6,500
WMFO	\$53,467	\$42,415	\$640,262	\$126,859	\$53,245	\$2,004,426
<b>TOTALS</b>	<b>\$48,513,930</b>	<b>\$45,759,496</b>	<b>\$28,164,377</b>	<b>\$15,145,174</b>	<b>\$30,561,112</b>	<b>\$31,486,647</b>

# RECOVERIES FOR FISCAL YEAR 2005

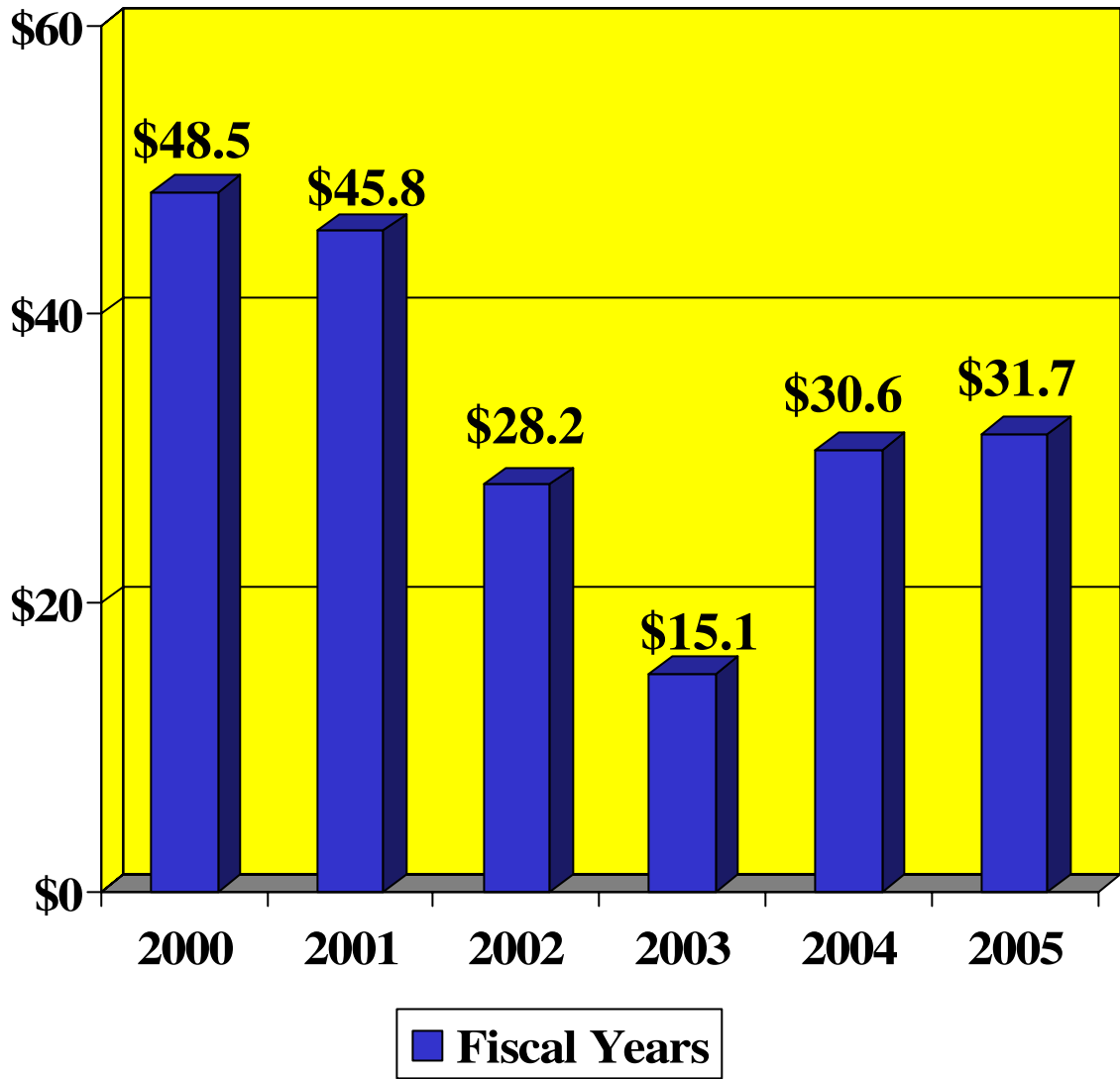
**(DOES NOT INCLUDE FAST TRACK AND BELOW \$25,000)**

	BANKS	SAVINGS & LOANS	CREDIT UNIONS
FAILURES	-\$0-	-\$0-	-\$0-
>100K	\$30,996,685	-\$0-	\$82,894
\$25K-\$99K	\$477,385	-\$0-	-\$0-

# RECOVERIES

## 2000 - 2005

In Millions






**FINANCIAL INSTITUTION FRAUD RESTITUTIONS  
FISCAL YEARS 2000 - 2005**

<b>FBI FIELD OFFICE</b>	<b>FISCAL YEAR 2000</b>	<b>FISCAL YEAR 2001</b>	<b>FISCAL YEAR 2002</b>	<b>FISCAL YEAR 2003</b>	<b>FISCAL YEAR 2004</b>	<b>FISCAL YEAR 2005</b>
ALBANY	\$2,540,612	\$22,598,265	\$11,312,507	\$944,303	\$9,356,717	\$4,016,733
ALBUQUERQUE	-\$0-	\$761,270	\$586,106	\$2,565,093	\$846,070	\$88,260
ANCHORAGE	\$506,100	\$1,084,178	\$499,760	\$1,758,633	\$965,444	\$939,237
ATLANTA	\$99,022,661	\$28,405,185	\$48,953,228	\$273,084,188	\$13,431,838	\$20,369,310
BALTIMORE	\$3,154,008	\$3,521,279	\$18,166,924	\$694,701,811	\$54,103,859	\$5,144,744
BIRMINGHAM	\$13,841,516	\$1,533,885	\$21,799,928	\$8,285,970	\$18,209,471	\$2,886,101
BOSTON	\$23,707,038	\$5,061,464	\$2,929,969	\$2,029,355	\$6,082,676	\$8,910,393
BUFFALO	\$986,767	\$1,456,097	\$302,911	\$11,014,194	\$18,061,674	\$3,486,415
CHARLOTTE	\$6,613,148	\$12,840,558	\$12,844,936	\$37,809,022	\$2,688,851	\$288,916,866
CHICAGO	\$14,628,056	\$14,402,620	\$31,435,574	\$77,143,471	\$30,809,210	\$57,817,870
CINCINNATI	\$7,155,530	\$2,969,313	\$7,488,247	\$1,614,786	\$67,143,069	\$4,130,390
CLEVELAND	\$4,350,925	\$8,807,854	\$4,395,079	\$60,381,858	\$32,315,860	\$21,576,928
COLUMBIA	\$1,605,675	\$1,151,879	\$6,763,725	\$5,209,817	\$4,140,206	\$20,229,712
DALLAS	\$46,532,063	\$13,213,983	\$22,150,376	\$26,369,619	\$19,217,466	\$58,282,445
DENVER	\$5,277,399	\$111,897,964	\$2,743,222	\$14,952,272	\$3,142,330	\$75,462,956
DETROIT	\$12,565,518	\$6,526,381	\$26,969,365	\$10,860,548	\$5,648,662	\$4,728,759
EL PASO	\$29,991	\$1,485,987	\$630,323	\$1,257,410	\$147,054	\$105,103
HONOLULU	\$634,559	\$985,213	\$4,981,492	\$1,505,580	\$9,078,900	\$2,132,473
HOUSTON	\$3,945,801	\$169,758,548	\$15,702,375	\$20,088,102	\$28,231,008	\$15,008,882
INDIANAPOLIS	\$7,359,956	\$3,564,932	\$1,920,784	\$7,338,419	\$6,061,430	\$2,425,770
JACKSON	\$1,703,388	\$245,613	\$2,963,325	\$158,424,141	\$287,815	\$1,338,902
JACKSONVILLE	\$5,926,442	\$921,258	\$712,651	\$2,859,555	\$1,392,875	\$5,469,051
KANSAS CITY	\$6,655,288	\$3,571,000	\$2,310,880	\$16,835,743	\$375,676,323	\$6,537,176
KNOXVILLE	\$3,093,315	\$3,753,851	\$840,908	\$4,399,753	\$2,857,922	\$10,833,994
LAS VEGAS	\$1,415,794	\$6,620,797	\$5,997,581	\$2,000,917	\$1,949,382	\$10,971,044
LITTLE ROCK	\$2,526,365	\$4,847,964	\$5,568,148	\$15,169,291	\$1,561,984	\$11,231,719
LOS ANGELES	\$7,607,312	\$25,167,250	\$27,912,471	\$44,610,084	\$43,050,573	\$29,063,385
LOUISVILLE	\$1,332,049	\$7,534,820	\$3,271,780	\$472,095	\$22,709,365	\$2,651,743
MEMPHIS	\$5,159,927	\$2,140,819	\$5,192,691	\$10,181,502	\$4,995,365	\$5,812,275
MIAMI	\$8,266,800	\$18,188,727	\$4,550,765	\$28,029,624	\$555,123,560	\$195,905,848
MILWAUKEE	\$8,354,906	\$2,477,262	\$67,827,070	\$72,501,052	\$9,784,033	\$1,971,539
MINNEAPOLIS	\$2,702,742	\$31,632,365	\$2,412,448	\$14,655,008	\$26,055,079	\$2,475,753
MOBILE	\$1,402,015	\$853,357	\$1,739,125	\$5,790,465	\$1,445,148	\$259,663
NEWARK	\$7,975,914	\$20,269,442	\$5,863,109	\$16,217,624	\$21,820,014	\$31,573,654
NEW HAVEN	\$5,556,616	\$3,443,234	\$1,086,471	\$1,013,398	\$4,057,967	\$1,965,541
NEW ORLEANS	\$16,149,938	\$7,546,940	\$4,214,036	\$3,438,298	\$2,015,167	\$4,651,928
NEW YORK	\$124,258,634	\$40,323,392	\$127,861,261	\$122,753,742	\$1,600,914,476	\$2,558,054,617
NORFOLK	\$386,751	\$1,341,560	\$12,776,212	\$5,819,923	\$4,443,407	\$765,983
OKLAHOMA CITY	\$9,742,679	\$12,018,990	\$20,034,408	\$1,092,842,879	\$3,175,628	\$19,996,284
OMAHA	\$1,386,652	\$15,016,543	\$2,216,090	\$18,790,553	\$6,819,109	\$9,341,985
PHILADELPHIA	\$27,560,939	\$10,761,765	\$14,060,819	\$17,914,633	\$9,846,168	\$17,870,262
PHOENIX	\$1,360,794	\$581,061	\$1,448,602	\$314,357	\$656,135	\$4,415,727
PITTSBURGH	\$5,796,378	\$5,885,899	\$1,343,994,344	\$99,271,139	\$272,450	\$1,841,359
PORTLAND	\$2,129,837	\$74,835,401	\$7,177,980	\$5,239,573	\$770,115	\$829,438
RICHMOND	\$4,769,597	\$3,320,783	\$2,621,984	\$5,580,115	\$2,692,012	\$3,066,125
SACRAMENTO	\$7,677,294	\$1,583,162	\$1,183,884	\$1,195,146	\$1,636,777	\$5,839,100
SAINT LOUIS	\$11,496,024	\$4,186,514	\$2,913,067	\$24,030,677	\$9,774,691	\$4,875,958
SALT LAKE CITY	\$1,054,738	\$927,751	\$2,342,030	\$8,916,679	\$4,852,466	\$8,759,574
SAN ANTONIO	\$5,906,486	\$2,991,760	\$8,282,163	\$8,343,942	\$15,900,765	\$10,921,237
SAN DIEGO	\$666,258	\$6,733,807	\$17,107,309	\$1,486,626	\$1,963,539	\$1,277,892
SAN FRANCISCO	\$15,109,412	\$1,011,118	\$1,620,720	\$32,684,279	\$1,111,624	\$24,593,409
SAN JUAN	\$375,177	\$92,590	\$620,587	\$3,271,368	\$14,401,590	\$5,260,948
SEATTLE	\$7,937,440	\$7,059,910	\$13,762,511	\$2,569,620	\$5,288,427	\$5,846,598
SPRINGFIELD	\$14,103,727	\$3,098,546	\$5,627,217	\$4,017,072	\$811,508	\$6,163,811
TAMPA	\$4,051,445	\$5,819,302	\$6,566,898	\$3,704,793	\$4,636,093	\$1,679,773
WMFO	\$2,870,769	\$5,351,521	\$6,537,780	\$13,755,982	\$38,491,635	\$15,085,660
<b>TOTALS</b>	<b>\$588,927,165</b>	<b>\$754,182,929</b>	<b>\$1,983,796,156</b>	<b>\$3,128,016,099</b>	<b>\$3,132,922,982</b>	<b>\$3,625,858,302</b>

# RESTITUTIONS FOR FISCAL YEAR 2005

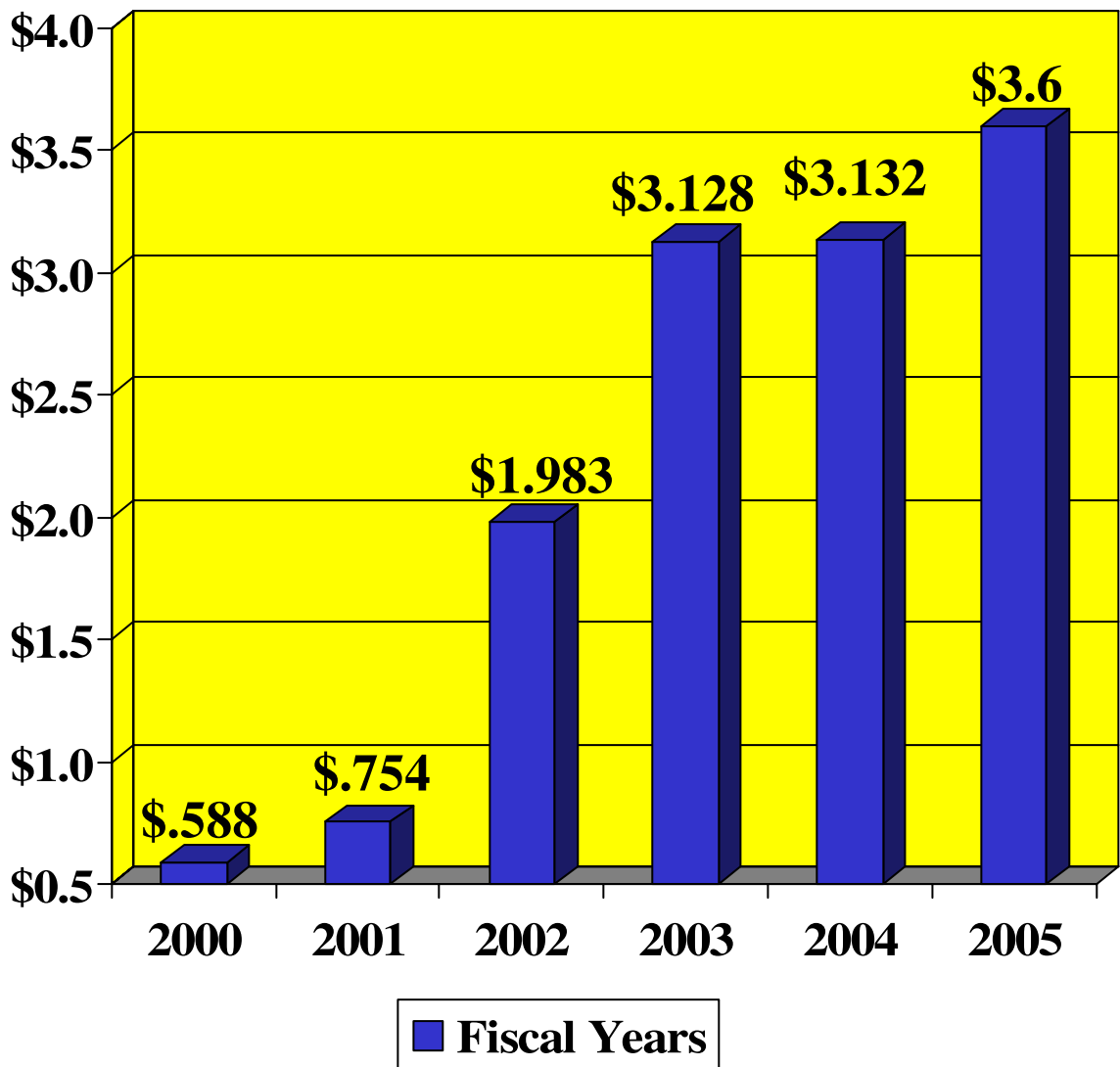
**(DOES NOT INCLUDE FAST TRACK AND BELOW \$25,000)**

	BANKS	SAVINGS & LOANS	CREDIT UNIONS
FAILURES	<b>\$3,903,819</b>	<b>-\$0-</b>	<b>-\$0-</b>
>100K	<b>\$3,570,176,818</b>	<b>\$4,275,370</b>	<b>\$7,893,484</b>
\$25K-\$99K	<b>\$12,465,175</b>	<b>\$22,483</b>	<b>\$816,802</b>

# RESTITUTIONS

## 2000 - 2005

In Billions




**FINANCIAL INSTITUTION FRAUD FINES  
FISCAL YEARS 2000 - 2005**

<b>FBI FIELD OFFICE</b>	<b>FISCAL YEAR 2000</b>	<b>FISCAL YEAR 2001</b>	<b>FISCAL YEAR 2002</b>	<b>FISCAL YEAR 2003</b>	<b>FISCAL YEAR 2004</b>	<b>FISCAL YEAR 2005</b>
ALBANY	\$18,200	\$5,142	\$870,668	\$182,362	\$300	\$3,600
ALBUQUERQUE	-\$0-	\$100	\$100	\$700	\$500	\$300
ANCHORAGE	\$250	-\$0-	\$300	\$2,950	\$18,000	-\$0-
ATLANTA	\$56,368	\$267,700	\$130,295	\$68,850	\$82,328	\$133,800
BALTIMORE	\$760,428	\$91,005	\$82,900	\$835,300	\$36,246	\$40,100
BIRMINGHAM	\$5,500	\$19,950	\$8,450	\$29,057	\$4,750	\$184,194
BOSTON	\$32,475	\$202,025	\$31,528	\$210,726	\$5,300	\$7,200
BUFFALO	\$11,450	\$300	\$5,424	\$850	\$4,000	\$1,100
CHARLOTTE	\$14,122	\$34,987	\$2,000	\$500	\$1,900	\$19,400
CHICAGO	\$1,087,850	\$96,620	\$234,802	\$13,850	\$749,366	\$705,190
CINCINNATI	\$38,885	\$7,325	\$35,156	\$1,750	\$11,300	\$7,900
CLEVELAND	\$124,600	\$54,488	\$39,540	\$46,372	\$34,974	\$59,400
COLUMBIA	\$200	\$21,550	\$61,743	\$8,500	\$104,131	\$235,230
DALLAS	\$319,251	\$91,952	\$19,430	\$139,066	\$134,400	\$109,920
DENVER	\$14,206	\$62,489	\$7,050	\$331,158	\$114,323	\$3,700
DETROIT	\$458,445	\$338,696	\$31,600	\$48,751	\$25,825	\$29,319
EL PASO	\$72,370	\$400	\$2,000	-\$0-	\$5,000	\$1,200
HONOLULU	\$3,400	\$9,175	\$31,175	\$5,800	\$11,505,619	\$3,000
HOUSTON	\$87,035	\$65,705	\$74,047	\$30,100	\$958,489	\$15,100
INDIANAPOLIS	\$3,925	\$7,650	\$25,100	\$400	\$6,300	\$182,235
JACKSON	\$465,395	\$15,533	\$11,076	\$29,629	\$6,450	\$1,025
JACKSONVILLE	\$3,383	\$1,200	\$122,371	\$3,500	\$383,250	\$6,300
KANSAS CITY	\$8,275	\$316,723	\$28,995	\$1,800	\$1,007,100	\$1,825
KNOXVILLE	\$36,597	\$16,100	\$53,700	\$850	\$950	\$300
LAS VEGAS	\$16,936	\$2,350	\$218,752	\$2,975	\$675	\$5,000
LITTLE ROCK	\$13,750	\$6,500	\$27,268	\$113,284	\$1,900	\$44,797
LOS ANGELES	\$590,054	\$10,794,146	\$726,666	\$3,289,965	\$25,500	\$987,731
LOUISVILLE	\$3,100	\$33,725	\$266,472	\$15,789	\$4,550	\$4,900
MEMPHIS	\$5,375	\$447,691	\$263,854	\$383,083	\$23,922	\$62,314
MIAMI	\$50,000	\$29,400	\$23,850	\$110,000	\$26,300	\$55,200
MILWAUKEE	\$35,374	\$40,080	\$7,192	\$42,000	\$4,507	\$5,200
MINNEAPOLIS	\$513,050	\$144,782	\$1,179,900	\$9,975	\$3,600	\$1,600
MOBILE	\$24,462	\$550	\$57,982	\$2,000	\$700	\$20,250
NEWARK	\$132,680	\$39,150	\$805,371	\$9,700	\$244,826	\$220,700
NEW HAVEN	\$5,250	\$11,200	\$600	\$52,300	\$6,500	\$46,200
NEW ORLEANS	\$36,807	\$118,862	\$23,010	\$128,778	\$650,385	\$33,600
NEW YORK	\$400,525	\$574,050	\$63,500	\$779,591	\$343,323	\$40,050
NORFOLK	\$1,700	\$26,202	\$1,000	\$100	\$1,000	\$500
OKLAHOMA CITY	\$184,620	\$30,519	\$3,125	\$262,741	\$1,073,509	\$17,400
OMAHA	\$13,050	\$171,900	\$8,800	\$39,129	\$13,500	\$5,000
PHILADELPHIA	\$129,239	\$164,404	\$52,600	\$333,848	\$43,600	\$28,610
PHOENIX	\$637,585	\$13,097	-\$0-	\$425	\$1,978	\$6,600
PITTSBURGH	\$254,094	\$151,600	\$19,600	\$25,523,600	\$1,000	\$5,725
PORTLAND	\$3,025	\$9,100	\$500	\$2,884	\$525	\$400
RICHMOND	\$137,718	\$27,766	\$24,600	\$13,125	\$4,000	\$8,400
SACRAMENTO	\$117,375	\$5,400	\$33,600	\$129,000	\$100	\$14,325
SAINT LOUIS	\$69,700	\$9,100	\$400	\$22,485	\$55,222	\$10,051
SALT LAKE CITY	\$67,945	\$13,350	\$21,858	\$74,034	\$87,053	\$112,400
SAN ANTONIO	\$520,275	\$103,252	\$8,450	\$10,100	\$10,600	\$333,339
SAN DIEGO	\$8,160	\$12,999	\$1,625	\$75	\$20,569	-\$0-
SAN FRANCISCO	\$44,615	\$7,800	\$1,042,770	\$1,954,134	\$20,650	\$2,000
SAN JUAN	\$500	-\$0-	\$631,200	\$100	\$161,900	\$800
SEATTLE	\$119,800	\$116,925	\$123,905	\$53,510	\$52,063	\$15,270
SPRINGFIELD	\$26,500	\$394,173	\$62,212	\$255,950	\$7,188	\$1,100
TAMPA	\$221,837	\$4,050	\$2,500	\$12,998	\$6,875	\$1,400
WMFO	\$4,650	\$17,545	\$2,175	\$21,825	\$5,250	\$16,100,137
<b>TOTALS</b>	<b>\$8,012,361</b>	<b>\$15,248,483</b>	<b>\$7,614,787</b>	<b>\$35,642,324</b>	<b>\$18,104,071</b>	<b>\$19,942,337</b>

# FINES FOR FISCAL YEAR 2005

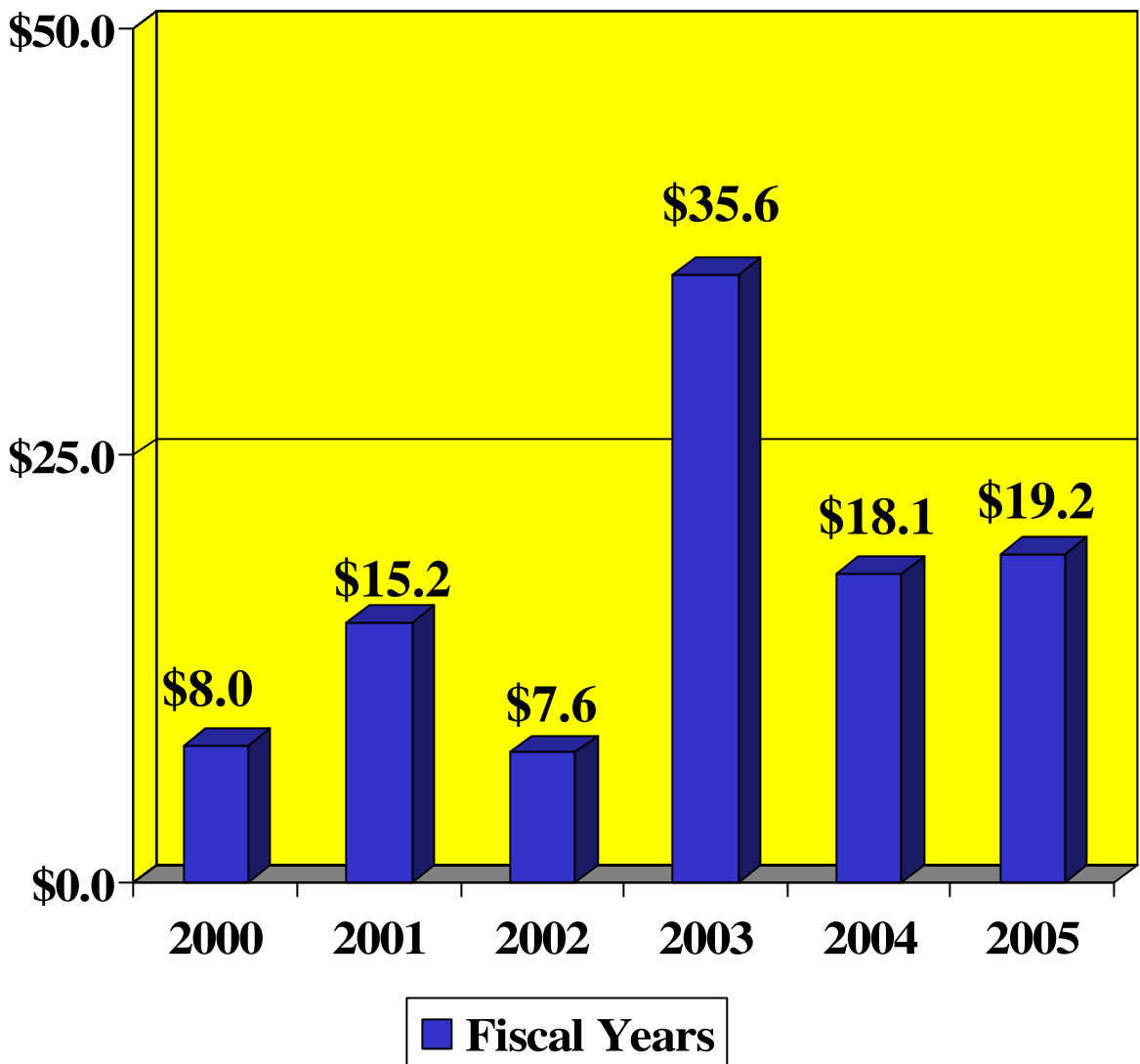
**(DOES NOT INCLUDE FAST TRACK AND BELOW \$25,000)**

	<b>BANKS</b>	<b>SAVINGS &amp; LOANS</b>	<b>CREDIT UNIONS</b>
<b>FAILURES</b>	<b>\$34,700</b>	<b>-\$0-</b>	<b>-\$0-</b>
<b>&gt;100K</b>	<b>\$18,498,386</b>	<b>\$61,350</b>	<b>\$8,225</b>
<b>\$25K-\$99K</b>	<b>\$512,417</b>	<b>-\$0-</b>	<b>\$400</b>

# FINES

## 2000 - 2005

In Millions



D. SEIZURES AND FORFEITURES

Forfeiture provisions were added to the ten banking-related violations in FY 1989. This investigative tool has aided immensely in the effort to address FIF. The matrix which follows demonstrates accomplishments in these areas for FYs 2002 - 2005 and represents actual dollar amounts recovered.

<b>FISCAL YEAR</b>	<b>SEIZURES</b>	<b>FORFEITURES</b>
2002	\$13,277,362	\$4,013,342
2003	\$7,703,435	\$3,407,971
2004	\$16,343,881	\$14,254,838
2005	\$23,746,365	\$4,241,535

The chart and graphs which follow exhibits:

- (a) Seizures and Forfeitures by Office for FYs 2002 - 2005;
- (b) Seizures for FYs 2002 - 2005; and
- (c) Forfeitures for FYs 2002 - 2005.


**FINANCIAL INSTITUTION FRAUD SEIZURES AND FORFEITURES  
FISCAL YEARS 2003 - 2005**

FBI FIELD OFFICE	SEIZURES				FORFEITURES		
	FISCAL YEAR 2003	FISCAL YEAR 2004	FISCAL YEAR 2005		FISCAL YEAR 2003	FISCAL YEAR 2004	FISCAL YEAR 2005
ALBANY	\$8,725	\$999,999	-\$0-		\$8,300	\$999,999	-\$0-
ALBUQUERQUE	-\$0-	\$3,175	-\$0-		-\$0-	-\$0-	-\$0-
ANCHORAGE	\$21,607	\$157,705	-\$0-		-\$0-	\$18,499	\$146,324
ATLANTA	\$1,315,000	\$28,167	\$553,201		-\$0-	\$15,000	-\$0-
BALTIMORE	\$315,000	\$111,468	\$66,966		\$15,525	-\$0-	\$162,348
BIRMINGHAM	-\$0-	-\$0-	\$27,225		-\$0-	-\$0-	-\$0-
BOSTON	-\$0-	-\$0-	-\$0-		\$210,000	-\$0-	-\$0-
BUFFALO	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
CHARLOTTE	\$326,900	\$287,139	\$4,130		-\$0-	-\$0-	\$183,209
CHICAGO	\$231,695	\$384,547	\$684,618		-\$0-	\$122,542	\$264,121
CINCINNATI	\$99,595	\$35,625	-\$0-		\$66,804	-\$0-	\$4,425
CLEVELAND	-\$0-	-\$0-	-\$0-		-\$0-	\$360,463	-\$0-
COLUMBIA	-\$0-	-\$0-	\$53,701		-\$0-	-\$0-	\$53,701
DALLAS	\$68,689	\$103,192	\$367,196		\$57,785	\$48,539	\$569,133
DENVER	-\$0-	\$74,330	-\$0-		-\$0-	-\$0-	-\$0-
DETROIT	\$335,943	\$199,893	\$4,059,363		-\$0-	-\$0-	\$52,283
EL PASO	-\$0-	-\$0-	\$179,755		-\$0-	-\$0-	-\$0-
HONOLULU	\$243,050	\$401,752	\$5,800		-\$0-	\$38,852	-\$0-
HOUSTON	\$22,300	-\$0-	-\$0-		\$123,300	-\$0-	-\$0-
INDIANAPOLIS	-\$0-	\$39,500	-\$0-		-\$0-	\$39,500	-\$0-
JACKSON	-\$0-	\$33,862	-\$0-		\$86,992	-\$0-	\$19,312
JACKSONVILLE	\$93,614	\$783,642	\$4,759,589		\$36,277	\$99,775	\$68,475
KANSAS CITY	\$279,659	\$54,897	\$85,250		-\$0-	\$101,117	-\$0-
KNOXVILLE	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
LAS VEGAS	\$27,611	\$1,267,436	-\$0-		-\$0-	-\$0-	\$948,471
LITTLE ROCK	-\$0-	\$57,450	\$8,900		-\$0-	\$860,300	\$37,450
LOS ANGELES	\$968,500	\$775,000	\$3,479,210		\$93,586	\$1,646,318	\$909,071
LOUISVILLE	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
MEMPHIS	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
MIAMI	\$2,891	\$25,003	-\$0-		\$11,440	\$383,973	-\$0-
MILWAUKEE	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
MINNEAPOLIS	-\$0-	\$472,197	-\$0-		-\$0-	-\$0-	-\$0-
MOBILE	-\$0-	-\$0-	-\$0-		\$224,125	-\$0-	-\$0-
NEWARK	\$611,188	\$3,137,110	\$135,096		\$128,135	\$3,555,928	\$19,935
NEW HAVEN	-\$0-	-\$0-	-\$0-		-\$0-	\$145,598	-\$0-
NEW ORLEANS	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
NEW YORK	\$1,361,754	\$418,933	\$4,739,474		\$110,000	\$404,354	\$6,380
NORFOLK	-\$0-	-\$0-	\$68,341		\$103,100	-\$0-	-\$0-
OKLAHOMA CITY	\$2,500	\$90,099	\$296,550		\$81,722	\$4,498,189	\$118,766
OMAHA	\$512,109	-\$0-	-\$0-		\$484,584	-\$0-	-\$0-
PHILADELPHIA	-\$0-	\$67,761	\$16,000		-\$0-	\$260,477	-\$0-
PHOENIX	\$90,361	-\$0-	\$319,748		-\$0-	-\$0-	-\$0-
PITTSBURGH	-\$0-	-\$0-	\$46,642		-\$0-	-\$0-	\$46,642
PORTLAND	-\$0-	\$150,450	\$59,825		\$681,984	-\$0-	-\$0-
RICHMOND	-\$0-	-\$0-	\$15,550		\$200,000	-\$0-	\$5,000
SACRAMENTO	-\$0-	\$68,938	\$46,477		\$16,739	\$73,938	-\$0-
SAINT LOUIS	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	\$339,300
SALT LAKE CITY	-\$0-	-\$0-	\$200,000		\$7,866	-\$0-	-\$0-
SAN ANTONIO	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
SAN DIEGO	-\$0-	\$4,687,473	-\$0-		-\$0-	-\$0-	-\$0-
SAN FRANCISCO	\$20,425	-\$0-	\$1,557,506		\$143,872	-\$0-	-\$0-
SAN JUAN	-\$0-	-\$0-	\$3,713		-\$0-	-\$0-	-\$0-
SEATTLE	\$473,117	-\$0-	\$1,757,340		\$6,375	\$290,352	-\$0-
SPRINGFIELD	-\$0-	-\$0-	-\$0-		-\$0-	-\$0-	-\$0-
TAMPA	\$15,332	\$20,512	-\$0-		\$328,029	-\$0-	\$104,113
WMFO	\$255,870	\$1,406,626	\$149,199		\$181,431	\$291,125	\$183,076
<b>TOTALS</b>	<b>\$7,703,435</b>	<b>\$16,343,881</b>	<b>\$23,746,365</b>		<b>\$3,407,971</b>	<b>\$14,254,838</b>	<b>\$4,241,535</b>




# SEIZURES FOR FISCAL YEAR 2005

**(DOES NOT INCLUDE FAST TRACK AND BELOW \$25,000)**

	<b>BANKS</b>	<b>SAVINGS &amp; LOANS</b>	<b>CREDIT UNIONS</b>
<b>FAILURES</b>	<b>\$179,755</b>	<b>-\$0-</b>	<b>-\$0-</b>
<b>&gt;100K</b>	<b>\$16,841,540</b>	<b>\$1,000,000</b>	<b>-\$0-</b>
<b>\$25K-\$99K</b>	<b>\$9,793</b>	<b>-\$0-</b>	<b>-\$0-</b>

# FORFEITURES FOR FISCAL YEAR 2005

**(DOES NOT INCLUDE FAST TRACK AND BELOW \$25,000)**

	BANKS	SAVINGS & LOANS	CREDIT UNIONS
FAILURES	-\$0-	-\$0-	-\$0-
>100K	\$3,502,386	\$550,000	\$8,499
\$25K-\$99K	\$9,793	\$13,681	\$35,000

E.      **DISRUPTIONS AND DISMANTLEMENTS**

As previously stated, part of the FBI's mission in combating FIF is to disrupt and dismantle criminal organizations engaged in FIF. The matrix which follows demonstrates accomplishments in these areas for FYs 2002 - FY 2005.

<b>FISCAL YEAR</b>	<b>DISRUPTIONS</b>	<b>DISMANTLEMENTS</b>
2002	4	9
2003	19	7
2004	43	28
2005	74	29

## F. FINANCIAL INSTITUTION FRAUD CASE SUMMARIES

Mortgage Fraud is one of the fastest growing white collar crimes in the United States. Mortgage Fraud is defined as a material misstatement, misrepresentation, or omission relied upon by an underwriter or lender to fund, purchase, or insure a loan. There are two types of Mortgage Fraud: fraud for property and fraud for profit. Fraud for Property, also known as Fraud for Housing, usually involves the borrower as the perpetrator on a single loan. The borrower makes a few misrepresentations, usually regarding income, personal debt, and property value, or there are down payment problems. The borrower wants the property and intends to repay the loan. Sometimes industry professionals are involved in coaching the borrower so that they qualify. Fraud for Property/Housing accounts for 20 percent of all mortgage-related fraudulent activities.

Fraud for Profit involves industry professionals. There are generally multiple loan transactions with several financial institutions involved. These frauds include numerous gross misrepresentations including: income, assets or collateral is overstated, the length of employment is overstated or fictitious employment is reported, and employment is backstopped by co-conspirators. The borrower's debts are not fully disclosed, nor is the borrower's credit history, which is often altered. Often, the borrower assumes the identity of another person (straw buyer). The borrower states he intends to use the property for occupancy when he/she intends to use the property for rental income, or is purchasing the property for another party (nominee). Appraisals almost always list the property as owner-occupied. Down payments do not exist or are borrowed and disguised with a fraudulent gift letter. The property value is inflated (faulty appraisal) to increase the sales value to make up for no down payment and to generate cash proceeds in fraud for profit.

Federal law enforcement is working with state and local law enforcement, regulators, and the financial institution industry to combat the problem. The Office of Federal Housing Enterprise Oversight (OFHEO) has passed a regulation requiring Freddie Mac and Fannie Mae to report suspicious mortgage fraud activity on a Mortgage Incident Notice (MFIN). FBI, OFHEO, and Financial Crimes Enforcement Network (FinCEN) are working to establish a reporting device similar to the banking industry's Suspicious Activity Report (SAR). This is in progress, but will likely take some time as regulations and possibly legislation will have to be passed. The FBI, HUD-OIG, USPS, and IRS conduct criminal investigations into Mortgage Fraud Activity with a goal of disrupting and dismantling mortgage fraud rings. We strongly support joint investigations to effectively utilize all of our limited resources while strengthening investigations by tapping into everyone's expertise.

For fiscal year 2005, the following stats are:

- 21,994 Mortgage Fraud SARs were filed (up from 17,127 Mortgage Fraud SARs filed during Fiscal Year 2004).
- 721 pending FBI Mortgage Fraud cases (up from 534 in Fiscal Year 2004).
- 1,020 pending HUD-OIG Mortgage Fraud cases (up from 920 in Fiscal Year 2004).
- 206 FBI indictments/informations (down from 241 in Fiscal Year 2004).
- 170 FBI convictions (consistent with 172 convictions in Fiscal Year 2004) -
- \$1,014,000,000 (FBI) reported loss (up from \$429,000,000 in Fiscal Year 2004).

The hot spots for Mortgage Fraud activity in 2004 (per capita) were: California, Nevada, Utah, Arizona, Colorado, Missouri, Illinois, Maryland, Georgia, and Florida.

On December 14, 2005, the Federal Bureau of Investigation (FBI) along with the Housing and Urban Development Office of Inspector General (HUD), Internal Revenue Service (IRS), the U.S. Postal Inspection Service (USPS) and the Department of Justice (DOJ) announced action against individuals in the takedown of the largest nationwide enforcement operation in FBI history directed at organized groups and individuals engaged in mortgage fraud.

“Operation Quick Flip” was designed to show that federal law enforcement recognizes the mortgage fraud threat. The FBI, HUD, USPS, IRS, and DOJ participated in this case round-up to provide information to the public regarding the federal government's efforts to combat mortgage fraud. The federal agencies involved are targeting mortgage fraud groups in order to disrupt and dismantle them permanently.

From July 5, 2005, until October 27, 2005, the FBI, HUD-OIG, USPS, IRS, in coordination with the DOJ, indicted 156 mortgage fraud subjects. A total of 81 arrests were made. A total of 89 convictions were obtained, and 60 subjects were sentenced during this time frame. The combined loss to the industry by the above-subjects is \$606,830,604.

### **OPERATION FALLING STAR**

In September 2003, FBI Charlotte initiated an undercover operation that culminated in the indictment of 31 subjects for conspiracy to commit mail fraud, wire fraud and bank fraud. On 6/22/2006, James Keating was sentenced to 36 months in federal prison. Co-conspirators Robert Stamper and Dennis Elliott were sentenced to 24 months and 12 months respectively. In addition, Keating, Stamper and Elliott were ordered to pay \$1.5 million each in restitution. Keating was the owner of Five Star Auto Mall, South Boulevard Auto Mall, and Monroe Auto Mall.

### **JACK ABRAMOFF**

On 1/04/2006, Jack Abramoff entered a guilty plea in U.S. District Court, Miami, FL to one count of bank fraud and conspiracy. Abramoff and a co-conspirator, Adam Kidnan, submitted false documentation to a finance company to purchase SunCruz cruise line. The transaction resulted in a loss of \$150,000. On 3/03/2006, Jack Abramoff was sentenced to 70 months confinement.

### **DWAN BROWN**

In May of 2005, Dwan Brown was sentenced in U.S. District Court to five years incarceration and ordered to pay \$1.9 million in restitution. Brown previously entered a guilty plea for his participation in a mortgage fraud scheme whereby duplex properties were purchased and then resold on the same day for double the amount of the initial sale in two non "arms length" transactions. The "flip sales" involved a variety of fraud and misrepresentations. The case was investigated by the FBI Memphis Field Office.

### **ROBERT JENKINS**

In 04/2005, Robert Jenkins plead guilty to wire fraud, mail fraud, and bank fraud, in the U.S. District Court, Northern District of Georgia for his involvement in a mortgage fraud scheme. Jenkins fraudulently eliminated the mortgages on over \$1.3 million in properties. These mortgages were fraudulently erased and recorded as such at the county courthouse.

### **CHALANA MCFARLAND; ET AL**

On 08/24/2005, Chalana McFarland was sentenced by U.S. District Court, Northern District of Virginia to 30 years in prison. McFarland and others engaged in a mortgage fraud scheme that resulted in \$20 million in losses. Eleven co-conspirators plead guilty in 11/2004-11/29/2004. On 4/27/2004, McFarland and 12 additional subjects were indicted on 158 counts of mortgage fraud related offenses. This was a joint investigation between the FBI and the U.S. Housing and Urban Development-Office of the Inspector General.

### **FRANK PETERS ET AL BIGHORN CORP LIMITED (BHC)**

On 10/22/2003, a grand jury indicted Frank Peters, Gregory Samer and Mark Hoffman on eighteen counts of forfeiture, money laundering, bank fraud, mail fraud, and wire fraud. Peters, Samer, and Hoffman misrepresented the value of collateral used to secure a \$11 million loan. It was alleged that for at least three years, the amount of collateral reported to the bank was substantially inflated. Samer plead guilty to conspiracy charges on 2/4/2005.

**ROSE M. ERWIN**  
**VERNON J. ERWIN**

From December 1998 until May 2004, Rose Erwin embezzled approximately \$2 million from her employers personal bank account. Erwin, who had power of attorney over her employer's bank account, wrote numerous checks from the account to her husband Vernon Erwin. In 09/2004, Rose and Vernon Erwin were indicted on chargers of mail and wire fraud. On 06/29/2005, Rose and Vernon Erwin were sentenced to 78 months in prison.

**RUMULO MORALES**  
**REMY AGBAYANI**

Remy and Cynthia Abayani (husband and wife) falsified the sale of their \$1.7 million residence to Romulo Morales. As part of the scheme Remy and Cynthia allegedly submitted a false mortgage loan application on behalf of Morales, who did not have the means to purchase the property. Morales did not reside in the property after the sale. Remy, Cynthia, and Romulo were indicted in the District Court of Hawaii.

**MOHAMED YOUSSEF**

Mohamed Youssef orchestrated a loan fraud scheme that resulted in approximately \$2 million in losses. Youssef used an inside contact at a financial institution to approve fraudulent loan applications for business credit lines. The credit lines were in the names of other co-conspirators. Once the credit lines were approved, fraudulent checks were deposited into the bank accounts causing phony inflated balances which allowed amounts in excess of the credit line to be withdrawn from the accounts. Youssef and his conspirators were arrested and have plead guilty to the bank fraud.