



Bangko Sentral ng Pilipinas

CIRCULAR-LETTER
Series of 2005

TO : All Banks and Non-Bank Financial Institutions

Subject : Counterfeit/Spurious Customized Corporate Checks and Money Transfers to Fictitious Accounts

It has come to our attention of the growing incidence of cases involving the production by unknown parties of counterfeit or spurious customized corporate checks.

Based on the information we received, these counterfeit checks are printed on security paper, bear one or more of the corporate's security features, and bear the check serial numbers pertaining to unissued checks. It also appears that the signatures thereon are scanned from genuine specimen signatures of the corporate's authorized signatories and then precisely printed on the checks using blue and black ink, thus, rendering it difficult, if not impossible, to detect them as facsimiles during signature verification. The payees of these checks are reportedly persons using false names and identification papers.

There have also been reports of forgery through computer of signatures of US-based check issuers. Signatures are copied from the check sent to Manila. Money transfers are made to fictitious accounts set up in the Philippines. Said money transfers are successfully withdrawn by perpetrators.

Apparently, there is an increase in the ability of fraudsters to take advantage of technological means in the commission of their crimes, including their ability to open accounts and pass the "Know-Your-Customer" (KYC) scrutiny with fraudulent identification documents.

Banks and non-bank financial institutions are, thus, enjoined to be extra vigilant by strictly implementing the KYC policy and for concerned parties to faithfully discharge their duties and responsibilities.

For your guidance.


ALBERTO V. REYES
Deputy Governor

5 April 2005

PANANALAPING MATATAG, BANSANG PANATAG