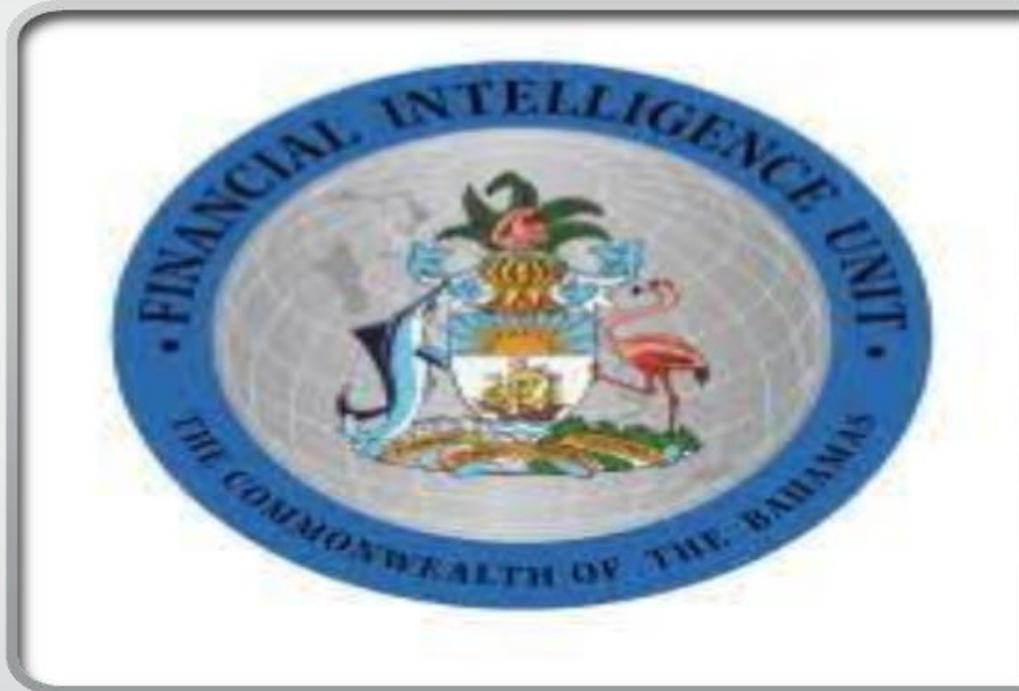


OECD CASE STUDY – THE BAHAMAS

The Financial
Intelligence Unit
(FIU)



CASE STUDY OVERVIEW

A local financial institution received a complaint from an official of a Government department who reported that while conducting its reconciliation for 2019, cheque number 001 was processed against the account for **two (2)** different amounts nearly a month apart:

1. The legitimate cheque of **\$255.30** payable to a local company, and
2. The fraudulent cheque of **\$1,200,000.00** payable to a **local Law Firm (Company 1)**, which was owned by **Subject A and his mother, Subject B**.

As a result, the initial financial institution and several other institutions filed a number of **STRs** with the FIU with respect to this matter.



CASE STUDY CONT'D



After the fraudulent **\$1,200,000.00** cheque was deposited to **Company 1's** account, the following cheques were disbursed in the name of **Subject A**, and deposited to the joint personal account of **Subjects A and B**:



1. **\$58,000.00**

2. **\$512,000.00**

3. **\$604,500.00**



Aside from withdrawals, drafts and transfers were made from the joint account to **three (3)** persons of interest (**Subjects E – G**) and **Company 2**, which received **\$465,000.00**.

ASSISTANCE REQUESTED & PROVIDED BY THE FIU

A government agency filed an inter-agency report and requested the FIU to exercise its powers to:

- To obtain account opening documents and account statements for the **four (4)** accounts of interest, and
- To freeze the **four (4)** accounts.

All of which were executed by the FIU on the same day.

The **four (4)** accounts were frozen with a collective balance of approximately **\$432,000.00.**

The account opening documents and account statements were received by the FIU and forwarded to the government agency.



CASE STUDY CONT'D



The government agency then filed a Production Order through the Supreme Court to permit the local institutions to produce the information for legal use in the investigations.

a Search Warrant was executed on **Subjects A and B's** residence where they seized a **2020 BMW vehicle** believed to have been financed by the proceeds of crime.

A Search Warrant was also executed for **Subjects A and B's Law Firm** where the agency retrieved documents including but not limited to:

Cheque books

Banks statements

The original cheque deposit receipt for **\$1,200,000.00**

CASE STUDY CONT'D



Company 2 was revealed to be owned by **Subject C** and his wife **Subject D**. Upon tracing the **\$465,000.00** received by **Company 2** from **Company 1**, the following transactions were observed:

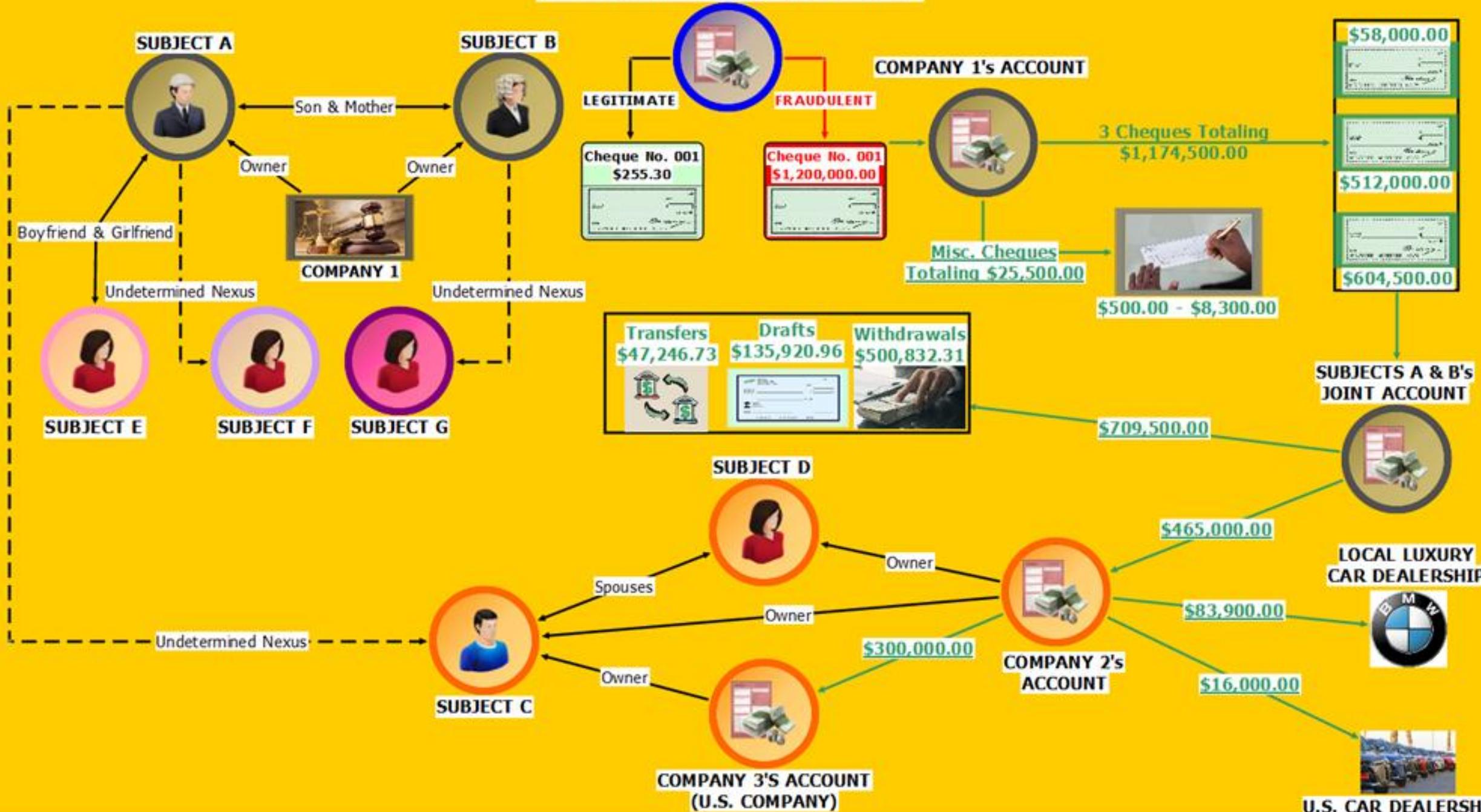
- 1.** **\$300,000.00** to **Company 3**, a U.S. company,
- 2.** **\$83,900.00** to a local luxury vehicle dealership, and
- 3.** **\$16,000.00** to a U.S. vehicle dealership.



A government agency requested the assistance of the Attorney General's Office for a U.S. MLAT to determine the owner of **Company 3**, and to obtain its bank account statements.

The same was successfully received, which revealed that **Company 3** is also owned by **Subject C**.

GOVERNMENT DEPARTMENT'S ACCOUNT



CRIMINAL CHARGES



SUBJECT A



SUBJECT B



Fraud



Forgery



Money Laundering

CRIMINAL CHARGES



SUBJECT C



Money Laundering

PROCEEDS OF CRIME

**FOUR ACCOUNTS FROZEN BY THE FIU WITH APPROX. \$432,000.00
& VEHICLE SEIZED BY FINANCIAL CRIMES INVESTIGATION BRANCH**



**COMPANY 1
APPROX. \$60,000.00**



**SUBJECT E
(SUBJECT A's GIRLFRIEND)
APPROX. \$7,000.00**



**SUBJECT F
APPROX. \$165,000.00**



**SUBJECT G
APPROX. \$200,000.00**



2020 BMW X4

SUCCESSFUL COOPERATION & COLLABORATION

Reports were received from a Government department who was defrauded of **\$1.2 million dollars** via a cheque.

Gov. Agency conducted investigations.

filed **two (2)** inter-agency reports with the FIU.

The FIU froze **four (4) accounts** which totaled approximately **\$432,000.00**, & obtained their account opening documents & account statements, then forwarded the same to RBPF/FCIB.

International Cooperation:
Confirmation of **Subject 3's** ownership of **Company 2** and its bank statements were received from the U.S. via the MLAT.

Gov. Agency arrested **Subjects A – C**, and seized cheque books, bank statements, the **\$1.2 million** deposit receipt, and a **2020 BMW X4**.

Subjects A & B were charged with Fraud, Forged Documentation, and **18** Counts of Money Laundering.

Subject C was charged with Money Laundering.

Matter is presently awaiting trial.



*Are There Any
Questions?*

