

**BANKING ISSUANCE**

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Comptroller of the Currency  
Administrator of National Banks

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Type: Banking Circular

Subject: Suspicious Transactions

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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); District Administrators; District Counsel and Examining Personnel.

Information is being received by the Office of the Comptroller of the Currency that some telemarketing entities have successfully obtained customer deposit account numbers and by presenting worthless drafts have caused banks to suffer substantial losses. In some instances reported, banks have opened deposit accounts for purported businesses which in fact are bogus entities of the telemarketer.

Sound banking practices dictate that careful verification occur on each new account relationship before activity is permitted and that drafts received should not be paid against uncollected funds nor without proper written authorization on file.

Any information which you may have concerning this matter should be brought to the attention of:

Office of the Comptroller  
of the Currency  
Enforcement & Compliance Division  
Washington, D.C. 20219

Robert B. Serino  
Deputy Chief Counsel (Policy)