



Public Service Announcement

FEDERAL BUREAU OF INVESTIGATION



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U.S. LAW FIRMS CONTINUE TO BE THE TARGET OF A COUNTERFEIT CHECK SCHEME

The IC3 continues to receive reports of counterfeit check schemes targeting U.S. law firms. The scammers contact lawyers via e-mail, claiming to be overseas and requesting legal representation in collecting a debt from third parties located in the U.S. The law firms receive a retainer agreement and a check payable to the law firm. The firm is instructed to deposit the check, take out retainer fees, and wire the remaining funds to banks in China, Korea, Ireland, or Canada. After the funds are wired overseas, the checks are determined to be counterfeit.

In a slight variation of the scheme's execution, the victim law firm receives an e-mail from what appears to be an attorney located in another state requesting assistance for a client. The client needs aid in collecting a debt from a company located in the victim law firm's state. In some cases, the name of the referring attorney and the debtor company used in the e-mail were verified as legitimate entities and were being used as part of the scheme. The law firm receives a signed retainer agreement and a check made payable to the law firm from the alleged debtor. The client instructs the law firm to deposit the check and to wire the funds, minus all fees, to an overseas bank account. The law firm discovers after the funds are wired the check is counterfeit.

Law firms should use caution when engaging in transactions with parties who are handling their business solely via e-mail, particularly those parties claiming to reside overseas. Attorneys who agree to represent a client in circumstances similar to those described above should consider incorporating a provision into their retainer agreement that allows the attorney to hold funds received from a debtor for a sufficient period of time to verify the validity of the check.

If you have been a victim of an internet scam or have received an e-mail that you believe was an attempted scam, please file a complaint at www.IC3.gov.