

AML Typologies

John Davidson
Global Head of AML
E*TRADE Financial

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A Participant in Health Care Fraud

- Customer flowed through over \$1M in a 4 month period from Amazon payments.
- 25 incoming ACHs in increments of \$20,000+.
- All went out immediately (some same day) via wire.
- Claimed to be seller of over-the-counter health and beauty items at discount rates.
- Reach out to customer uncovered that 75% of business was sales of Diabetic test strips.
- Review of Amazon found those prices to be >50% above market price.

Matched Trading at Multiple Broker Dealers

- Over a month period, Customer matched trades in OTCBB energy and mining companies between two E*TRADE accounts.
- A Customer reach out revealed our customer was intending to “pump the price up so that he could get rid of his stock at a higher price.”

According to the customer: if you can make it appear that there’s a ton of activity, and you’ve got a stash of stock to sell, then yours will sell.

- He also disclosed that he traded at multiple broker dealers – because there’s no way the government can know that he’s with E*TRADE and XX.
- Customer was >7% of the daily volume in the stocks.

Wyoming Corporate Services

- **Physical address and a lawyer – “we’re in business.”**
- **700 shelf companies – shell companies left on the “shelf” to season and then sold for those looking for bank loans or to bid on contracts.**
- **Customers with no discernable business, source of funds or association with Wyoming Corporate Services.**
- **Our customer had a one page website for their LLC “internet domain name and real estate business.”**
- **“Global” cell number for one partner who appeared to be offshore.**
- **Other partner worked out of an RV.**

Chinese Reverse Mergers/Manipulation

- **Group of China based customers open numerous accounts.**
- **Buy large quantities of only one stock ; a Chinese company that reverse merged into a US shell onto the NASDAQ.**
- **Company is an auto finance and service provider.**
- **Customers were related to the company: employees/officers and family.**
- **Trade with each other from one device or a group of devices.**
- **Inflate the price and volume of the stock.**
- **Create a trading frenzy.**