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easily obtained on websites that are fully functional across the internet.

Apr. 10, 2022



For anyone who wants a phony pay stub or doctored tax return, an easy source is just a click away.

A website called banknovelties.com claims it can provide “fake bank statements” as well as “fake pay stubs,” “fake utility bills” and “fake US tax returns (1040).” They’re readily available for as low as \$50 each.

It may seem like a joke. But as the U.S. government pursues billions of dollars in fraud

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When Congress authorized as much as \$669 billion in forgivable pandemic loans from the Small Business Administration two years ago, a large chunk of that money disappeared into the hands of bad actors who claimed to run businesses in need of funds. The U.S. Justice Department is throwing more resources into identifying and prosecuting these fraudsters, with the Secret Service estimating that more than \$100 billion has been stolen from a range of programs under the Coronavirus Aid Relief and Economic Security Act.

The SBA's Paycheck Protection Program was particularly susceptible to fraud because banks were urged to quickly get money out to prevent the pandemic from causing an economic crisis. Under the administration's rules, lenders were "held harmless for borrowers' failure to comply with program criteria" as part of its goal of acting expeditiously.

Banks could thus suspend their normal due diligence, setting up "one of the top frauds of all time," said BJ Moravek, a former Secret Service agent and bank examiner.

"I haven't seen anything that overshadows this," Moravek, who started his career in the 1990s tracking down "prime bank guarantee" bonds, fictitious instruments peddled by con artists to gullible investors, said of CARES Act scams.

Few of the CARES Act court filings identify how the defendants secured their doctored paperwork. But Moravek, now a director at the Kaufman Rossin accounting firm, pointed to websites such as banknovelties.com as examples of just how easily these frauds are perpetrated.

The site promotes a range of paperwork, some touted merely as "educational financial novelties." It offers authentic-looking documents from scores of lenders to create bank statements that look like they originated from giants like Bank of

America Corp. and Wells Fargo & Co., as well as smaller institutions like Nevada State

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have offices in New York and London, but it doesn't provide a physical address or phone number. Bankus doesn't appear to be registered in New York state as a business.

All correspondence is via email, and payment is accepted in Bitcoin only. Banknovelties.com's IP address is listed as the Netherlands, and the sometimes stilted wording on the website suggests the people behind the business might not be native English speakers.

The company didn't respond to email requests for comment and for further information about its business practices. Banksy offers a "get in touch" button on its site for prospective partners next to a signature with a familiar name: Richard Nixon. And yes, the signature looks remarkably similar to that of former U.S. President Richard Nixon, who died in 1994.

Quick response

As a test last year, Moravek sent an inquiry to the site asking whether it could provide a handful "novelties" in the forms of fake IRS documents. The response came back within hours:

"Dear Customer: We can do all those 5 novelties at a total of \$500 USD as a standard order (3 business days completion) or as \$650 USD for 24 hours delivery. If you agree to proceed then send us all exact data to insert and we will send you payment instructions to proceed. Please advise."

While similar products might proliferate on the dark web, the banknovelties site is accessible to anyone. And it has competition. A quick Google search reveals multiple sites that create fake documents. Most state that their products are for educational or entertainment purposes, rather than any unauthorized use.

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criminally,” Frenkel said, adding that the chances of prosecution go way down if the site is operated outside of the country.

The last significant enforcement action against purveyors of phony documents in the U.S. took place in 2018, when the Federal Trade Commission shut down three homegrown sites that trafficked in fake financial documents:

Fakepaystubonline.com, noveltyexcuses.com and PaycheckStubOnline.com. The FTC charged each of the three owners with unfair trade practices.

The FTC didn’t respond to a request for comment about banknovelties.com.

Moravek shared his discovery of the website last year at a forensic accounting conference sponsored by the U.S. Treasury Department and Florida Atlantic University.

“The law-enforcement people at the conference were astonished,” he said. “They didn’t realize it existed.” And yet, one year later, it’s still in operation.

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