



riskINSIGHTS

Scammers Take Aim at Lawyers Via Emails

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"People contact me all the time on the website," said Gene Goldenziel, a personal-injury attorney in Scranton who prosecutors say was targeted by Mr. Ehkator's alleged ring but didn't send it any money. "In hindsight it sounds like you're stupid if you got trapped, but while you're in it, it's very sophisticated."

His encounter, he said, began with an email in January 2010 from a person who claimed to have been injured while working for a Pennsylvania trucking company, according to Mr. Goldenziel and court documents.

Posing as a Vietnamese woman who lived in South Korea, the would-be client asked for help collecting a \$400,000 insurance settlement. Mr. Goldenziel could take whatever he wanted off the top and then wire her the rest. Soon a \$ 400,000 cashier's check arrived at his law office. "The check looked very legitimate," Mr. Goldenziel said. "The insurance policy looked very legitimate."

He called the insurance company to verify, using a number the client supplied, then spoke with a person at the bank who was supposedly handling the matter. Prosecutors said the bank call was routed to one of the scammers who posed as a bank employee vouching for the check's validity.

Mr. Goldenziel, who remained suspicious, said he told the client to collect the check at her embassy but the response was an angry note asking for the check back. Soon after, a U.S. postal inspector contacted him to say he had been the target of an Internet scam.

Such schemes can take weeks to pull off. Some scammers set up foreign bank accounts and obtain high-grade counterfeits of cashier's checks from large national banks, while others blast out solicitations tailored for certain practice areas and locations.

"I got one last week -- a guy from England saying he had a judgment for some money from a company in Rhode Island and that he would be sending over a check," said William J. Delaney, a Rhode Island lawyer and former president of the state bar association, which sends out email warnings to lawyers each time a new variation sweeps the state.

The attorney collection scams first came to light in 2007 and hit a peak in 2010, according to the Internet Crime Complaint Center. Lawyers have filed nearly 750 fraud complaints, 167 of them since 2011, according to the center, which is a partnership between the FBI and the National White Collar Crime Center, a nonprofit federally funded group.

Law firms that have been duped are sometimes reluctant to admit the fact and may opt to quietly replace the missing money instead of reporting it to the authorities, Mr. Di Rienzo said. "Let's face

it," he said. "You don't want your clients hearing that."

Most of the firms named in the complaint against Mr. Ekhatov either declined to discuss the matter or didn't respond to requests for comment.

Some lawyers who have been bilked in the past blame the banks for telling them bogus checks from the scammers had "cleared" when they later turned out to be counterfeit.

Milavetz, Gallop & Milavetz, P.A., a personal-injury law firm with offices in Minnesota and Wisconsin that said it was snared by Mr. Ekhatov's alleged ring, sued Wells Fargo Bank N.A. in April over its handling of a counterfeit check. The lawsuit said the bank failed to halt a \$396,500 wire transfer of client funds to Kowloon, Hong Kong, in 2009 -- a transfer the firm said was contingent on the check passing muster with the bank.

"Obviously, any attorney would see some red flags -- we contacted Wells Fargo to verify the validity of the check," said Robert Milavetz, the law firm's founder. "We're a longtime customer; we relied on them."

Attorneys for Wells Fargo didn't reply to a request for comment.

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