

JUSTICE NEWS

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Justice Department Announces Compensation Process for Western Union Fraud Victims With Funds Recovered Through Asset Forfeiture

Acting Assistant Attorney General Kenneth A. Blanco of the Justice Department's Criminal Division announced today that the United States has begun the remission compensation process to provide recovery for Western Union Company (Western Union) fraud victims from the \$586 million civil forfeiture.

As part of agreements with the Department of Justice (DOJ) and the Federal Trade Commission (FTC) filed earlier this year in the Middle District of Pennsylvania, Western Union, a global money services business headquartered in Englewood, Colorado, agreed to forfeit \$586 million. According to admissions contained in the deferred prosecution agreement (DPA) and the accompanying statement of facts, between 2004 and 2012, Western Union processed hundreds of thousands of transactions for Western Union agents and others involved in an international consumer fraud scheme. As part of the scheme, the perpetrators of fraud schemes contacted victims in the United States and falsely posed as family members in need or promised prizes or job opportunities. Victims were then directed to send money through Western Union to purportedly help their relative or claim their prize. Various Western Union agents were complicit in these fraud schemes, often processing the fraud payments in return for a cut of the fraud proceeds.

Through the remission process, victims of fraud who sent a money transfer through Western Union between Jan. 1, 2004, and Jan. 19, 2018, may be eligible for compensation for their losses. The Department of Justice will send petitions for remission to over 500,000 potential victims. These petitions will provide information and instructions regarding making a claim for compensation online or through the mail. Individuals who believe they may be victims but who do not receive a petition may obtain a petition form online at www.WesternUnionRemission.com. The deadline for filing a petition is Feb. 12, 2018.

"Knowing that its agents were involved in fraudulent schemes – and knowing that it had a legal obligation to detect and report this criminal conduct to the authorities – Western Union failed to act, leading to massive victim losses," said Acting Assistant Attorney General Blanco. "Returning forfeited funds to these victims and other victims of crime is one of the Department's highest priorities. I want to commend our prosecutors, the FTC, and our law enforcement agent partners for their hard work that led to vindicating the rights of these victims."

"American consumers lost money while Western Union looked the other way," said Acting Chairman Maureen K. Ohlhausen of the FTC. "We're pleased to start the process that will get that money back into consumers' rightful hands."

"The U.S. Postal Inspection Service has been at the forefront of protecting consumers from fraud schemes for many years," said Inspector in Charge Daniel B. Brubaker of the United States Postal Inspection Service's Philadelphia Division. "While enforcing the laws that protect the innocent victims of these crimes, we are honored and take pleasure in returning the proceeds of international mass marketing fraud activity to their rightful owners, the victims, whenever possible. We would like to thank the victims who reported the fraudulent activity and worked with us during the investigation. We would also like to thank our law enforcement and regulatory investigative partners,

particularly the U.S. Attorney's Office for the Middle District of Pennsylvania, the Department of Justice's Money Laundering and Asset Recovery Section and the FTC for their contributions to this collaborative effort.”

More information regarding the remission process, including eligibility criteria, updates, and frequently asked questions is available at www.WesternUnionRemission.com or by calling (844) 319-2124. Gilardi & Co. LLC is serving as the remission administrator in this matter. Neither Gilardi & Co., LLC nor DOJ will ask for any payment in order to participate in this remission process. For more information on how to protect yourself from fraud, please visit www.consumer.ftc.gov or www.postalinspectors.uspis.gov.

The U.S. Postal Inspection Service conducted the criminal fraud investigation. The FTC conducted the civil fraud investigation. Since fiscal year 2000, the Money Laundering and Asset Recovery Section, which will oversee the remission process, has successfully used its specialized expertise to return \$5.1 billion in forfeited assets to victims of crime.

Component(s):
Criminal Division

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