

STOLEN STUDENT LOANS

WHAT IS IT?

This is a form of fraud in which bank account details are amended with the intent of diverting funds from the intended recipients.



POSSIBLE INDICATORS

- Suspicious credits outside of normal salary credits
- High value vehicles and immovable property
- Use of third party accounts, often family members

CASE STUDY



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The FIC received a suspicious transaction report regarding an employee working in the finance department of a university.

The employee was diverting tuition payments from student loans into his personal bank account after advising the donor of a change in the university's banking details.

The FIC established that the subject made payments into various bank accounts, including his family members' accounts, and purchased luxury vehicles. This information was shared with law enforcement agencies in a detailed report, substantiated with a flow of funds analysis.

The FIC issued intervention directives on various bank accounts, securing more than R4.6 million, and the matter was referred to law enforcement agencies.

This financial intelligence assisted the Asset Forfeiture Unit to obtain a preservation order for funds in the subject's bank account and movable as well as immovable property. ■