

NEWS RELEASE

# Luther Strange

Alabama Attorney General



FOR IMMEDIATE RELEASE

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For More Information, contact:

Joy Patterson (334) 242-7491

Claire Haynes (334) 242-7351

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## **AG STRANGE SAYS VICTIMS OF SCAMS WITH FUNDS SENT THROUGH MONEYGRAM MAY BE ELIGIBLE FOR COMPENSATION; DEADLINE TO FILE CLAIMS WITH JUSTICE DEPARTMENT IS NOV. 15**

MONTGOMERY – Attorney General Luther Strange wants Alabama consumers to know that they have until November 15 to file for possible compensation if they suffered losses from scams in which funds were directed to be sent through MoneyGram International Inc. between 2004 and 2009.

“MoneyGram has admitted responsibility in fraudulent transactions that harmed many who could least afford to suffer losses,” said Attorney General Strange. “We do not know how many Alabamians were victimized, so it is important to get the word out to those who may be eligible for compensation. Those who think they may be eligible should contact the Justice Department’s information hotline or webpage and make claims by November 15.”

The Alabama Attorney General’s Consumer Protection Section has previously received complaints from about 28 consumers who engaged in about 48 transactions. These complaints have been referred to the Justice Department. Additional claims for compensation through this agreement should be made directly to the Justice Department.

MoneyGram, a global money services business headquartered in Dallas, Texas, has agreed to forfeit \$100 million to the United States as part of a deferred prosecution agreement with the U.S. Justice Department. The agreement arose from MoneyGram’s involvement in mass marketing and consumer fraud which caused tens of thousands of victims to lose money from advance fee schemes and similar scams. According to the Justice Department, the company admitted it aided and abetted wire fraud and that it failed to maintain an effective anti-money laundering program. The Justice Department has set up a procedure to return funds through its Victim Asset Recovery Program.

According to the Justice Department, the scams, which generally targeted the elderly and other vulnerable people, were committed by falsely promising victims that they would receive large cash prizes, falsely offering high-ticket items for sale over the internet at deeply discounted prices, falsely promising employment opportunities as “secret shoppers” and placing distressed phone calls falsely posing as the victim’s relative and claiming to be in trouble and in urgent need of money. In each case, the perpetrators required the victims to send them advance money through MoneyGram in order to receive a promised product or service that was never received.

Those who believe they may be eligible for compensation should make claims directly through the Justice Department’s recovery program. Information is available by calling toll-free 1-877-282-2610 or through the website at <http://gilardi.com/moneygram>. Victims must submit forms along with any available supporting information by November 15.

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501 Washington Avenue • Montgomery, AL 36104 • (334) 242-7300  
[www.ago.state.al.us](http://www.ago.state.al.us)

