

Arkansas Insurance Department

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Governor



Jay Bradford
Commissioner

NEWS RELEASE

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Title Agencies Advised to Be Aware of Scam

LITTLE ROCK, ARKANSAS (October 8, 2014) — State Insurance Commissioner Jay Bradford is advising title agencies in the state to be aware of a scam that has impacted at least one Arkansas title business. In the most recent scam a title agent was contacted by a purported buyer asking if the agency could handle an offer and acceptance, including closing on a property valued at \$75,000. The agency accepted as the buyer was a referral from an escrow officer in California.

Following the receipt of a cashier's check to cover the transaction, the title agency was instructed by the buyer to disburse \$45,000 to the seller, which it did. The next day the agency learned the cashier's check was counterfeit and it was out \$45,000.

"I urge title agencies in Arkansas to be on the lookout for this type of fraud," said Bradford. Title agents should use due diligence and verify that funds provided to them are considered "good" before making disbursements. "In this day and age it is easy to produce a cashier's check that looks legitimate, but turns out to be counterfeit," said Bradford.

The Arkansas Insurance Department is aware of approximately ten agencies in Arkansas that have been contacted. The common thread in each of these attempts to defraud appears to be the use of a cashier's check, a request for a partial disbursement, and a commercial property that does exist, but in actuality is not for sale.

Any title agency that feels it may have been targeted for this type of fraud should contact the Criminal Investigation Division of the Arkansas Insurance Department at 866-660-0888.

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