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- According to the article, "Using data analytics to find fraud under those shells," shell companies:
 - Have physical addresses.
 - Have no employees and generate little, if any, independent value.
 - All are illegal.
 - Are mostly controlled by drug kingpins.
- According to the article, "Using data analytics to find fraud under those shells," a fraud-risk statement *doesn't* include:
 - The location of the person committing the scheme.
 - The occupation of the person committing the scheme.
 - The type of shell company.
 - The fraud action.
- According to the article, "Moral equilibrium":
 - Moral compensation gives you permission to deviate from your ethical norms.
 - Moral licensing is your conscious or subconscious compulsions to seek out an action or behavior to offset your violation.
 - Moral persuasion is a desire to convince someone that your action or behavior falls within normal parameters.
 - Moral equilibrium is a psychological phenomenon that's best described as a behavioral mental accounting ledger.
- According to the article, "Moral equilibrium":
 - Certainly, this idea of moral equilibrium doesn't suggest that everyone who donates to charity is a fraudster.
 - Dennis Kozlowski, former CEO of Tyco, tried to reach moral equilibrium by donating \$3 million to United Way.
 - When fraudsters donate time and money to charity, they ultimately receive only one benefit: tax write-offs.
 - David Mobley, a convicted hedge fund manager, gave a \$2.6 million donation to a church.
- According to the article, "Dual citizenship, single focus," Lisa Osofsky said:
 - "The SFO partners with similar investigative offices around the globe."
 - "I'm so glad I can combine U.K. and U.S. sensibilities in our investigative efforts."
 - "The SFO is judiciously using deferred prosecution agreements and unexplained wealth orders in specific cases."
 - "Some of the investigative techniques into serious and organized crime are every bit as valid in the white-collar space."
- According to the article, "Dual citizenship, single focus," Lisa Osofsky said, "In the U.K., there is no statute of limitations, so we can investigate crimes where the U.S. has already had the door shut due to time lapses."
 - True.
 - False.
- According to the article, "Lessons from 1MDB," 1MDB:
 - Was structured unusually with no board of directors.
 - Was wholly owned by the Ministry of Finance.
 - Received funds from Russia.
 - Was taken over by a private corporation that cleaned it up.
- According to the article, "Lessons from 1MDB," 1MDB's board of advisors:
 - Performed adequate due diligence on 1MDB.
 - Was disbanded by the government.
 - Shirked its duties and failed in its oversight role.
 - Was comprised totally of the prime minister's cronies.

- According to the article, "The synthetic ID you can't see":
 - To create a CPN, a fraudster finds a 10-digit number that has a dormant credit profile.
 - CPNs aren't legal when used to apply for credit.
 - Those selling CPNs coach would-be fraudsters to use old phone numbers and addresses inside their counties.
 - Organized crime is now committing most of the CPN fraud.
- According to the article, "The synthetic ID you can't see," a CPN is a manufactured product sold as a false promise of hope to those seeking a new financial start or those seeking a way to commit fraud.
 - True.
 - False.

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reduce their losses, and banks can report those who don't honor their debts. When a CPN is used, however, both of these avenues of recourse are stripped away. Assets are difficult to locate because addresses tend to be vacant properties or are of no relation to the debtor, and only a nonexistent person's reputation is tarnished.

A long-term solution will have to come from a partnership between the credit bureaus and the SSA to validate the new credit files, on which the banks rely so heavily. In the law enforcement community we can use government records to identify the true SSN of a subject, which makes our task a bit simpler. In the financial sector, investigators and fraud examiners will have to pool their resources and use investigative skills to connect the dots and find new ways to combat this plague. ■ **FM**

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