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WOMAN CONVICTED OF COMMITTING CHECK 'KITE' THROUGH UNAUTHORIZED COMPUTER ACCESS

SACRAMENTO - United States Attorney John K. Vincent announced today that LYNN BOOKER, 34, of Sacramento, pleaded guilty September 16, 2002 before U.S. District Court Judge Edward J. Garcia, to committing a check "kite" through unauthorized computer access to customer account information from a financial institution.

BOOKER admitted that between December 20, 2001 and January 2002, she commenced a check "kite" involving two accounts. One account belonged to her and the other belonged to another person for which she was originally a co-signer, but was subsequently removed from the account. Investigators learned that defendant BOOKER forged checks on the other person's account and deposited the forged checks into her account. BOOKER then deposited checks drawn on her account to the other person's account to sustain the check "kite". BOOKER used Co-Op ATMs which provided additional float time for the check "kite," since they were not proprietary ATMs of the original credit union. On a number of occasions, BOOKER also conducted unauthorized computer transactions through computer home banking, and transferred funds between the two accounts. At the time of the transactions, BOOKER had no authority to make these transactions on the other person's account. A "check kite" is a fraudulent scheme in which a bank customer utilizes the time it takes for checks to clear to create artificially high balances of nonexistent funds through a systematic exchange of checks among accounts. According to Assistant U.S. Attorneys Mark L. Krotoski, who is prosecuting the case, BOOKER faces a maximum sentence of not more than five years of incarceration; a three year period of supervised release; a fine of $250,000, and a special assessment of $100. Additionally, under the terms of the plea agreement, BOOKER will be barred from employment at any federally insured financial institution for ten years, pursuant to Title 12, United States Code, Section 1829(a). In the plea agreement, BOOKER also agreed to pay restitution in the amount of $25,510.97 following a presentence report.

BOOKER's sentencing was set before Judge Garcia on November 25, 2002 at 8:30 a.m.

U.S. Attorney Vincent added that the prosecution of computer crimes remains a high priority of the U.S. Attorney's Office. In March, the United States Attorney's Office established a Computer Crimes Section to prosecute high-technology and intellectual property offenses, including computer intrusions, denial of service attacks, virus and worm proliferation, Internet

fraud, and telecommunications fraud. No credit union customers lost any funds as a result of these prosecutions. All customer funds were federally insured by the National Credit Union Association. The case was investigated by the Federal Bureau of Investigation office in Sacramento. A copy of this press release may be found on the U.S. Attorney's Office's website at: http://www.usdoj.gov/usao/cae/text_version/text_pressindex.htm.

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