



LANSING CHAPTER OF THE ASSOCIATION OF CERTIFIED FRAUD EXAMINERS



Former FBI Special Agent Vic Hartman is presenting at our Fall Conference on November 16th. Mr. Hartman’s presentation will include ethics, corruptions, money laundering, investigations, interviewing, and more! Join us for an exciting virtual conference!



Officer positions were elected at our October 5th meeting, with the following results:

Mark Lee – president, Bethany Verble – vice president, Chris Arsenault – treasurer, Melanie Marks – secretary, and Molly Jeltema – training director

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Fraud Talk Podcast

The Insane, Real-Life Story of Crazy Eddie Antar - Gary Weiss - Fraud Talk - Episode 124

Eddie Antar founded the Crazy Eddie electronics retail chain in Brooklyn, New York, which rose to prominence across the New York-New Jersey area throughout the 1970s. Operating undetected for years, Eddie’s business practices were grounded in fraud from the very beginning. In Episode 124 of Fraud Talk, Gary Weiss, author of “Retail Gangster: The Insane, Real-Life Story of Crazy Eddie,” discusses this wide-ranging fraud case and ultimate unraveling with ACFE Chief Training Officer John Gill, J.D., CFE.

UPCOMING EVENTS

LOCAL:

Lansing Chapter of the ACFE

Webinar on "The Truth About Fraud"

Presented by Vic Hartman, of The Hartman Firm, LLC

November 16, 2022

8:15 – 4:30 pm

Learn more: http://www.lansingacfe.com/?page_id=90 and see info below!



The Twin Cities and Georgia ACFE Chapters present a seminar to discuss the psychology of a fraudster, the importance of data in healthcare, and cognitive biases to set the stage for the "Bad Blood" story

Zoom Seminar

November 9, 2022

11:00 – 4:15 pm

When registering, LACFE Members should select the Other ACFE Chapter (or other participating organization) Member Ticket and enter the name of their Chapter or participating organization.

Learn more: <https://twincitiescfe.org/meetinginfo.php?id=63&ts=1656693218>

ACFE South Florida Chapter #11 presents Annual Year-End Fraud Event

Webinar on Ponzi schemes, money laundering, and overseas fraud

November 10, 2022

8:30 – 3:30 pm

The LACFE will receive a 40% allocation of revenue for our members that attend this event!

Learn more: <https://acfesouthflorida.org/event-4829253>

Maryland Chapter of the ACFE Meeting/Training Event

Virtual - Root Cause Analysis: Getting to Know the Root of the Matter

November 18, 2022

8:00 am – 12:10 pm

Learn more: <https://www.cfemd.org/md-fraud-conference>

NATIONAL:

ACFE – Free Webinar for ACFE Members

Insider Fraud in Banks: The Post-COVID Threat Landscape

November 10, 2022

9:00 am EST

Learn more: [Insider Fraud in Banks Event Details \(acfe.com\)](https://www.acfe.com/insider-fraud-in-banks-event-details)

If you have an event that you would like posted in our newsletter or if you wish to share an article, please contact Jennifer Ostwald at jenny1661@hotmail.com

*The Lansing Chapter of the
Association of Certified Fraud Examiners*



Fall Fraud Conference

Wednesday, November 16, 2022

Virtual Conference



CONFERENCE DETAILS	
Registration/Sign On:	8:00 am – 8:15 am
Conference:	8:15 am – 4:30 pm
Conference Fee:	\$160 members, \$195 non-members
Registration:	Through Friday, November 11, 2022
CPE Credit:	8 Hours
Dress:	Business Casual*

** Please note this is a virtual conference*

Lansing Chapter of the ACFE

Fall Fraud Conference – November 16, 2022

The Honest Truth About Fraud

Presented by Vic Hartman

Vic Hartman is a licensed Attorney and Certified Public Accountant in the State of Georgia and a graduate of Emory University School of Law. He holds the credentials "Certified in Financial Forensics" by the American Institute of Certified Public Accountants and "Certified Fraud Examiner" by the Association of Certified Fraud Examiners. He is the author *The Honest Truth About Fraud - A Former FBI Agent Tells All*.

An international speaker on the topic of fraud, Vic has been a keynote speaker and developed and presented anti-fraud training programs for organizations. He has also jointly presented with other national speakers, including C-suite executives that he investigated when he was a Special Agent with the Federal Bureau of Investigation. Please join us for Vic's exciting presentation covering:

Behavioral Ethics: Mindset of a Fraudster

Corruption

Nonoccupational Fraud

Money Laundering

Fraud Prevention/Detection

Investigations

Interviewing Skills

Ethics for CFE's

Register online at www.lansingacfe.com

For more information or for additional registration options, please contact: president@lansingacfe.org or vicepresident@lansingacfe.org.

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2022 International Fraud Awareness Week Events Spotlight

October 19, 2022

<https://www.acfeinsights.com/acfe-insights/2022/10/19/2022-international-fraud-awareness-week-events-spotlight>

ACFE Public Relations Specialist, Stefanie Hallgren

Since 2000, organizations around the world have joined the fight against fraud during [International Fraud Awareness Week](#), or Fraud Week. Every year, the Association of Certified Fraud Examiners (ACFE) creates new educational resources for organizations to use to spread the word about fraud prevention and awareness, but groups are encouraged to create their own activities to make the yearly event their own.

Fraud Week 2022 will be held November 13-19, and several organizations have events and activities planned to show the world they won't stand for fraud. From virtual film festivals to Twitter chats, podcasts to webinars, there's something for everyone to participate in, even if you aren't connected to the Supporting Organization hosting the event.

You can find a list of various Fraud Week events being held around the world at [FraudWeek.com/Events](https://www.fraudweek.com/events), but here's a brief rundown of what you can expect and additional details from some of the event organizers:

Whistleblower Summit and Film Festival Encore – all week

The 10th Annual Whistleblower Summit and Film Festival was held in July 2022. In honor of Fraud Week, organizers will be hosting a virtual encore presentation of the event all week at [WhistleblowerSummit.com](https://www.whistleblowersummit.com).

Organizer Michael McCray describes the event as "unique, because it lies at the intersection of law/policy, culture and entertainment." McCray says, "Tipsters (whistleblowers) are the most effective tool for fraud detection. ... We decided to hold an Encore Presentation during Fraud Week so that we can share our message about the importance of whistleblowers and whistleblower protections to a new audience of fraud professionals."

For more details, head to [WhistleblowerSummit.com](https://www.whistleblowersummit.com).



November 13-19, 2022

ACFE Lebanon Chapter Podcasts – all week

The Training and Education Director of the ACFE Lebanon Chapter, Soltan Hassanieh, CFE, is putting the spotlight on the 7-episode inaugural season of his [“Let’s Talk Fraud” podcast](#). There is a podcast for you to listen to every day of Fraud Week, covering a wide range of topics.

- Sunday, November 13, tune in to the [Phishing Email Podcast](#). Hassanieh will “delve deep into understanding how fraudsters use the phishing email scam.”
- Monday, November 14, tune in to the [Fake Charities Podcast](#), which will help you “arm yourself with the skills and tools to be able to tell if a charity is legitimate.”
- Tuesday, November 15, tune in to the [Jobs and Employment Podcast](#). This podcast focuses on how scammers trick victims into “handing over your money by offering you a ‘guaranteed’ way to make fast money or a high-paying job for little effort.”
- Wednesday, November 16, tune in to the [Ponzi Scheme Podcast](#), where the host breaks down these “illegal investment operations that promise quick, easy, and significant returns with little or no risk.”
- Thursday, November 17, tune in to the [Dating & Romance Podcast](#), which exposes romance fraudsters.
- Friday, November 18, tune in to the [Cyber Crimes Podcast](#), which highlights the evolution of these crimes over the years.
- Finally, on Saturday, November 19, tune in to the [Online Shopping Podcast](#), where the host discusses “scammers pretending to be legitimate online sellers.”

To see the entire list of episodes of the “Let’s Talk Fraud” podcast, go to the [Apple Podcasts page](#).

Liberty Fraud Webinar and Other Staff Activities

On Wednesday, November 16, [Liberty financial services company](#) in South Africa will be hosting an all-day employee event in honor of Fraud Week. Company officials say they have invited one of their external stakeholders for a fraud webinar for staff members. According to Desiree Maringa, Liberty Senior Fraud Prevention Specialist, this webinar guest will “share information on the latest fraud trends and how our staff members can protect themselves, the customer and the organisation against fraud and corruption.”

When asked about her organization’s participation in Fraud Week, Maringa said “Liberty is a proud supporter” every year, offering praise to the ACFE. She went on to say the “ACFE has done so much in this space. They have constantly ensured that forensic practitioners are on the same page in terms of global fraud trends. Initiatives such as Fraud Week are key, and much needed to further this cause.”

2nd Annual International Insurance Fraud Twitter Chat

On Thursday, November 17 at 1 p.m. EST, the [Coalition Against Insurance Fraud](#) and the [New York Alliance Against Insurance Fraud](#) are joining forces for the [2nd Annual International Insurance Fraud Twitter Chat](#). Head to [Twitter.com/Insurance_Fraud](#) to follow along during the conversation between several insurance fraud experts.

If you'd like to participate in the chat, email elijah@insurancefraud.org or sign up [here](#).

ACFE Maryland Chapter #21 Training Event (in-person and online)

On Friday, November 18, the ACFE Maryland Chapter #21 is opening up its November chapter meeting/training to anyone who would like to attend. Mary Breslin, CFE, CIA, who spoke at the *33rd Annual ACFE Global Fraud Conference*, will be delivering the training event titled "Root Cause Analysis: Getting to Know the Root of the Matter." The training event will define what root cause analysis is and how it can be used in fraud investigations.

Attending the training event earns you four Continuing Professional Education credits. It costs \$25 for both members and non-members and will be held in-person in Baltimore as well as virtually.

For more details, head to www.cfemd.org/md-fraud-conference.

This year's Fraud Week may be quickly approaching, but you still have time to sign up as a Supporting Organization and plan a fraud education event. Head to FraudWeek.com and click on "Sign Up to Support" on the top-right portion of your screen. To submit an event to be listed on the Fraud Week website, click on the Events tab at FraudWeek.com, scroll down to "Submit Your Fraud Week Event," and fill out the form.

And don't forget to use the hashtag #FraudWeek on social media so the world can see how you and your organization are helping fight fraud in your community for the ACFE's International Fraud Awareness Week.

How Detroit man hid ‘catastrophic losses’ from 100+ investors who put \$27 million into fraud company

October 19, 2022

by Derick Hutchinson

<https://www.clickondetroit.com/news/local/2022/10/19/how-detroit-man-hid-catastrophic-losses-from-100-investors-who-put-27-million-into-fraud-company/>

DETROIT – A 30-year-old Detroit man who was once considered a “child prodigy” convinced at least 100 investors to spend millions of dollars on a fraudulent company and hid the fact that it was experiencing “catastrophic losses,” officials said.

Andrew H. Middlebrooks, 30, was named in a court document filed Oct. 11.

Fraud scheme

Officials said from May 2017 through May 2022, Middlebrooks ran a scheme to trick people into investing money into a fund he created.

Middlebrooks created “EIA” in May 2017 and marketed it as a private, pooled investment fund. He said it used a unique and proprietary investment system that made it more likely to yield unusually high rates of return.

Investors quickly began purchasing limited partnerships in the company, and Middlebrooks used their money to trade in various global equity markets, according to authorities.

“From the beginning of the scheme, Middlebrooks’s investments failed to produce the returns investors anticipated, resulting in catastrophic losses,” court records say. “Rather than admitting that EIA’s fund was losing money, Middlebrooks, with intent to defraud, continued to solicit money and lied to investors about EIA’s investment performance.”

Hiding results from investors

Officials said Middlebrooks used “an elaborate web of false and fraudulent material representations and promises” to hide the company’s losses from investors until the spring of 2022.

Investors were given access to an internet portal to track the performance of their investments through EIA. But Middlebrooks created false information to be included in monthly statements that were uploaded to the individual investment accounts.

“Middlebrooks knew that if investors were given truthful information about their investments they would take their money out of EIA’s fund,” court records say. “This would not only deplete the money Middlebrooks had access to, but it would also make it difficult for him to obtain new investors.”

As a result, investors were “lulled into believing they were making money.” That often led to them investing even more into the company, officials said.

Even though EIA suffered significant losses every year, Middlebrooks created documents claiming the company's performance was exceptional, according to authorities.

For example, one document created in the fall of 2019 claimed EIA's track record included a return of 476.81%, with 81.82% of monthly trading showing a profit.

Middlebrooks also created false monthly performance sheets that claimed EIA had positive returns, court records show. The goal was to solicit new investors and keep existing investors in the dark about the money they were losing, officials said.

For example, in February 2021, Middlebrooks reported positive returns of 135.74% in 2020, even though EIA had lost more than \$13 million.

Middlebrooks told investors that their money would be used exclusively for trading. Money used for fees and expenses would be disclosed in accordance with an investment agreement, Middlebrooks claimed.

In reality, he took money from the fund for living expenses and transferred money to his wife's business, according to court documents.

Officials said Middlebrooks even paid more than \$9 million back to investors, claiming the money represented returns from EIA trades. That money had actually come from new investors, authorities said.

"By the spring of 2022, Middlebrooks's scheme to defraud began unraveling, and EIA's fund collapsed," court records say. "Losses to at least 100 investors exceeded \$27 million."

Charge

Middlebrooks is facing a charge of wire fraud, according to the information document.

If convicted, he will have to forfeit any property derived from the scheme. Any proceeds that can't be seized by the court will be forfeited in the form of substitute property, officials say.

Video of the Month

[The World's Most Complex Catfishing Scam | Investigators - YouTube](#)

Over sixty characters, thousands of messages and eight years of lies and exploitation - this could be one of the world's most sophisticated catfishing scams.



ACFE Launches Government Resources Hub Highlighting Focused Trainings and Materials

October 11, 2022

<https://www.acfeinsights.com/acfe-insights/2022/10/11/acfe-launches-government-resources-hub-highlighting-focused-trainings-and-materials>

The Association of Certified Fraud Examiners (ACFE) is excited to announce a new resource focused on aiding anti-fraud professionals working alongside government entities at local, state, national and international levels to continue enhancing their fraud-fighting toolkits.

Now available at [ACFE.com/Government](https://www.acfe.com/Government), this new hub offers multiple forms of content for government and public administration professionals to expand their knowledge base and continue developing skills essential to the prevention and detection of fraud at various levels of government.

“The challenges anti-fraud professionals working for government organizations experience are similar to those faced in any industry, broadly speaking; namely, adapting quickly to evolving business operations and fraud vulnerabilities,” says Mason Wilder, Research Manager at the ACFE. “Fraudsters are adapting their tactics more quickly than ever to fit new government benefit programs and constantly hunting for new vulnerabilities to exploit. If government organizations aren’t taking proactive approaches to managing fraud risks, they are going to suffer worse fraud impacts from evolving fraud schemes.”

This new home for government fraud resources includes a collection of articles published in *Fraud Magazine* and *ACFE Insights*, episodes of the *Fraud Talk* podcast and infographics detailing the latest findings discovered in [Occupational Fraud 2022: A Report to the Nations](#). These resources come in addition to the dozens of self-study courses and online webinars available for ACFE members to earn CPE credits and continue their career growth and professional development as the fight against fraud evolves in a post-pandemic world.

This initiative follows the growth of the ACFE Law Enforcement and Government Alliance (LEGA) program, which partners with law enforcement, government agencies and non-government organizations (NGOs) to provide access to a variety of training discounts and benefits at no additional cost. As of October 2022, the ACFE proudly serves more than 5,000 active LEGA members and more than 15,000 active members across the organization’s global membership whose work specializes in law enforcement, government or non-profit organizations.

To become a LEGA partner and learn more about the program, visit [ACFE.com/LEGA](https://www.acfe.com/LEGA).

Visit [ACFE.com/Government](https://www.acfe.com/Government) to explore the new home for government fraud resources and check back for updates as new content and materials are developed.

Cheating scandal at Ohio tournament rocks competitive fishing world

October 3, 2022

By Zoe Sottile

https://www.cnn.com/2022/10/02/sport/ohio-fishing-tournament-cheating-scandal-trnd?cid=external-feeds_iluminar_msn

There's something fishy going on in the competitive fishing world.

The would-be winners of almost \$29,000 at an Ohio fishing tournament were disqualified on Friday, after it was discovered their fish were stuffed with lead weights and fish fillets.

Jason Fischer, director of the Lake Erie Walleye Trail tournament, told CNN he was immediately suspicious when one team's fish weighed almost twice what he expected they would at the Cleveland championship weigh-in.

The walleye in the bucket looked like they should each weigh around 4 pounds, but the total weight indicated they would have to be at least 7 pounds each, he said.

"I thought, there's just no way," he said. "I could also hear the crowd grumbling, like 'no way, there's no way.' "

"I physically felt the fish, I could feel hard objects inside the fish," he said.

The moment when Fischer discovered the alleged cheating was documented in several now-viral videos posted on social media, showing Fischer, surrounded by competitors, slice open the fish with a knife and pull out what he said was a lead ball. Jacob Runyan, one member of the two-person team who allegedly cheated, stood by silently watching in one video Fischer shared with CNN.

"We got weights in fish," Fischer shouted. The crowd lobbed insults at Runyan.

"You just lost everything," one person is heard saying to the angler. The video also shows Fischer telling Runyan to leave and telling the crowd not to touch him.

Runyan and his teammate, Chase Cominsky, were set to win a \$28,760 prize, Fischer told CNN. The prize money at each tournament he hosts comes from the entry fee each angler pays to compete.

Fischer hosts around eight tournaments over the course of the year, drawing competitors from Ohio, Indiana, Illinois, Michigan, Pennsylvania and Wisconsin, he said. Competitors face off to see who can achieve the highest total weight for a bucket of five walleyes caught in Lake Erie.

Neither Runyan nor Cominsky responded to CNN's request for comment.

Fischer said tournament officials are in touch with local authorities.

Stephanie O’Grady, media and outreach specialist at the Ohio Department of Natural Resources, told CNN the department collected evidence Friday and is preparing a report for the Cuyahoga County Prosecutor’s Office.

“As this is an open investigation, we have no further comment at this time,” she wrote in an email to CNN.

Fischer was “absolutely disgusted” when he discovered the alleged cheating, he said. “This is a family atmosphere,” he said. “We all take pride in this sport.”

“Everyone sacrifices so much” to stage and compete in tournaments, he said.

Orchestrating the large event takes precious time away from his family, he added. “For someone to essentially cheat them out of not only money but family time, I can’t believe that they would.”

Fischer said he knew Runyan and Cominsky from other tournaments, noting they won several tournaments previously.

But he said they won’t be competing at the Lake Erie Walleye Trail tournament again anytime soon.

“They would never be able to fish at mine,” he said.

Quote of the Month

“Time is but the stream I go a-fishing in. I drink at it; but while I drink I see the sandy bottom and detect how shallow it is. Its thin current slides away, but eternity remains.”

— Henry David Thoreau, poet and philosopher; author of *Walden*