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KEY EVENTS NATIONALLY

ATM-Related Legislation

- 1) Developments On The New York City ATM Security Proposal - The second public hearing on the New York City ATM security proposal was held on April 10. Representatives from the New York financial services industry and professional banking organizations showed two recently-produced ATM security videos and proposed a public-private partnership to improve ATM security. Voluntary ATM security guidelines were proposed as opposed to legislatively-mandated ATM standards. Improved police ATM crime record-keeping and ATM customer safety education were other components

of the proposed public-private partnership. Council members reportedly left the session unimpressed with the arguments and proposals of the financial services industry.

One argument heard from a supporter of the bill was that the ATM security improvements, estimated to cost \$51 million for New York financial institutions "won't cost the banks anything" after tax credits and deductions. With no prior notice to the financial institutions represented, a new draft of the New York ATM security proposal was introduced at the April 10th hearing. Copies of the new bill, Proposal 82-A, were made available to hearing participants on their way out of the meeting.

Features of the New Bill

Proposal 82-A differs from the earlier New York City Council Proposal 187A in that: A) The ban on new outdoor ATM locations in New York City was dropped, B) a list of ATMs operated by each New York financial institution must be submitted to the New York Police Department (NYPD), including each ATM's hours of operation, methods of security, methods of surveillance, etc.; and the NYPD is required to maintain in a separate and distinct category statistics of crimes associated with ATMs. These statistics will be provided by the NYPD semiannually to every bank that indicates it has ATMs in New York.

Editor's Note: The provisions of Bill 82-A are endorsed by 44 of the 51 New York City Council members and are worthy of your close review. This bill likely will become a model for future ATM security legislation around the country. A copy of 82-A, which seems certain to pass the New York City Council in the next few months, is included as ***Bonus*** at the end of this issue of **ATM Crime and Security Newsletter**.

Since the April 10th hearing, lawyers representing the New York financial institutions have met with Council members regarding amendments to Bill 82-A. Other recent developments in New York include:

- A) The NYCE Network is incorporating MagicLine-style ATM security guidelines into its network rules. These guidelines do not have penalties attached for noncompliance.
- B) One more public hearing may be held on the New York ATM security proposal, probably at the end of July, 1992.
- C) The New York ATM security bill has been bogged down by the Council's consideration of the current city-wide budget crisis. However, the bill probably will be voted on by the full Council before the end of summer 1992, according to Council member Walter McCaffrey.
- D) The bill to be voted on will likely have the surveillance camera and recorder mandate, and bank card-specific card access door opener requirements, despite arguments from the financial services industry that the technology to make such bank card-specific door openers operable over all ATM networks is not available

at any price.

- E) Arguments about the cost (estimated by New York Cash Exchange to be \$51 million to retrofit existing ATM locations in New York City with the required security upgrades) have not made an impact on the deliberations of the Public Safety Committee of the Council.

The pending New York legislation was mentioned in the February 6 *Riverdale Press* from the Bronx; in an editorial from *The Western Queens Gazette*, February 9, "this legislation, when enacted will affirmatively obligate banks to provide a minimum level of security including surveillance cameras, locked doors, reflective mirrors, adequate lighting, customer education and warning posters;" and *The Woodside Herald* of March 6, which noted that 43 of the 51 city council members have joined together in support of the proposed ATM security legislation.

- 2) Legislator Reflects On Failed Pennsylvania ATM Security Bill - Pennsylvania legislator Charles Nahill, who sponsored one of the first state-wide ATM security laws about four years ago, was described in *The Landsdale (Pennsylvania) Reporter* March 16 as follows: "While talking about a defunct (and wise) bill that would have required emergency phones and closed-circuit cameras at all (Pennsylvania) ATMs, Nahill said, 'The banking industry was so totally against it, I never bothered reintroducing it.'" Editor's Note: This is an interesting insight into the influences on the decision-making of ATM security legislation sponsors. (Gary Stewart, reporter).
- 3) California Senator Charles Calderon Comments On Senate Bill 1463 - *The Daily News* of Whittier California reported February 28 that California Assembly Bill 244, America's first state-wide set of ATM security specifications, was "viewed... as a first step (in reducing ATM crime but the) problem has not gone away." The current bill before the California Assembly (SB 1463) "would allow local police and sheriffs' departments to either close down ATMs at night or require banks and S&Ls to station armed security guards at ATM location where three or more crimes have occurred during the past year. The bill also would increase the penalty for ATM robberies from a maximum of four years to six years in state prison." Calderon says, "It's the crime of the '90's. ATMs have become an attractive target for criminals because of a lack of security and the virtual guarantee that the victim is carrying cash. Banks protect themselves inside with cameras and guards, but refuse to do the same for their customers outside." One banker replied that "each (ATM location) should be evaluated independently rather than being forced to close down because of three robberies."
- 4) Electronic Funds Transfer Association (EFTA) Convenes First Meeting Of Commission On ATM Customer Safety - The first meeting of the 1992 EFTA Commission on ATM Customer Safety was held in Reston, Virginia on April 21. About 14 members of banks, ATM networks and academe met to discuss appropriate financial services industry responses to the comprehensive and expensive ATM security requirements recently proposed by legislators. The tentative mission statement of the 1992 EFTA Commission on ATM Customer Safety follows. Please note this draft has not yet been officially adopted by the Commission:

- 1) To identify currently available ATM security devices and policies and to evaluate their effectiveness in improving ATM user safety.
- 2) To collaborate with related occupations and professional organizations concerned with ATM user safety in developing enforceable minimum standards for ATM user safety, based on a quantifiable security risk assessment on a site-by-site basis.
- 3) To distribute these minimum ATM security standards throughout the financial services industry and in related occupations along with support documentation and suggested methods of enforcement of these standards.
- 4) To proactively educate members of the financial services community, ATM users, the general public, the media and public policy makers about ATM security devices and practices currently in use and the efforts of the industry to minimize ATM crime.

The Commission acknowledged that the ATM customer safety problem is very real in some locations, and is more a question of public and media perception in other locations. Both problems need to be addressed. The Commission recognized that most financial institutions are diligent in their efforts to make ATM locations safe. However, a few lax institutions create a perception problem which the industry needs to address. Consideration was given to the notion of establishing model ATM security legislation which could be adopted and enforced by federal, state or other regulatory agencies. However, this notion was dismissed as being less effective and responsive to change than the industry desires.

Generally, the Commission is in favor of national minimum ATM security standards, with some method of enforcement, probably at the network level, and a penalty for noncompliance. It was noted that networks have and enforce compliance with data security standards, and have the capability of enforcing physical security standards at ATMs as well.

An important part of the Commission's initial action on the ATM customer safety problem will be preparation of educational tools with example policies, guidelines and procedures for improving ATM security, as well as the mandated requirements of ATM-operating institutions to meet minimum security standards. The next meeting of the EFTA Commission on ATM Customer Safety is scheduled for late June, 1992.

- 5) ATM Security Featured As Cover Story of April 1992 Security Management Magazine - An article by F. Barry Schreiber titled "Tough Trends For ATMs" was featured on the cover of the April 1992 *Security Management* magazine, the publication of the American Society For Industrial Security for its 14,000 security professional members. The full text of the copyrighted article is featured as a **Bonus** at the end of this issue of **ATM Crime and Security Newsletter**. In the article, Schreiber describes six trends facing ATM security in the 1990's: 1) ATM security legislation, 2) the expansion of quantifiable data about ATM-related offenses, 3) the expanded use of litigation in ATM

customer robberies where injury occurs, 4) improved security at and around on-premises, vestibule-protected and off-premises ATMs, 5) new threats to ATM customers such as the ATM specialist robber and drug-related robbers who may be difficult to deter from ATM crime, 6) the need for expanded cooperation between public law enforcement, private security and financial service industry security officials in combatting ATM crime.

ATM - Related Litigation

- 6) \$5 Million Lawsuit Filed in California - The survivors of California abduction and murder victim Cinthia Wanner, 35, have filed a lawsuit against Wells Fargo Bank. The suit asks for damages exceeding \$5 million, which occurred because the bank allegedly failed to promptly report to police that Wanner's ATM card was used hours after her disappearance on November 21, 1991; and that crucial ATM video pictures of the card user were inadvertently erased by the bank. (The incident describing the abduction and murder of Cindy Wanner is described in the February 1992 Newsletter, Item 14).

Shortly after Wanner's disappearance, police asked the bank issuing her ATM card to "put a hold on the card, but someone didn't pass it on." The card was used to withdraw \$40 at an Am/Pm Minimart ATM less than four hours after Wanner's abduction, but police detectives did not find out about the transaction until nine days later because of a bank error in notification. By the time detectives got to the Am/Pm Minimart where the card had been used, the image of the Wanner card ATM transaction had been taped over in the routine recycling of ATM camera videotapes. Investigators now believe that Wanner was kidnapped and kept alive for more than a week before she was strangled and dumped in a woods northeast of Sacramento.

The suit accuses the bank of "despicable conduct" for not immediately contacting authorities after Wanner's ATM card was used at the convenience store, several hours after she vanished from her sister's home. Wells Fargo Bank had no comment on the suit which was filed the last week of March. (*Sacramento* [California] *Union*, March 27, George Kostyrko, reporter; and *The Sacramento Bee*, April 1, Edgar Sanchez, reporter).

- 7) Bunn Lawsuit Against Meridian Bank, NCR and Yerodeen Williams Noted - *The Trenton* (New Jersey) *Times* on February 20 noted the filing of the lawsuit by the mother of slain New Jersey prosecutor Rick Barbour. In the same issue, *The Trenton Times* had an editorial which stated "The murder of the young man was a terrible tragedy. But this lawsuit makes no sense. Wouldn't a man whose business it was to prosecute crimes know that a money machine in an urban area after midnight was a high-risk place to be?... When a random, seemingly pointless act of violence like the ATM murder takes place, sorrowful survivors are understandably tempted to try to rationalize it by finding culprit whose negligence or error can be blamed. We can sympathize with the mother's grief and anger. But how could a lawyer lend credence to such a futile reaction as this lawsuit?" *The Philadelphia* (Pennsylvania) *Enquirer* reported on February 20 that Gerald Gervasi, the plaintiff's attorney, stated that ATMs "should be fitted with security mechanisms for hazardous locations so out-of-towners are warned. He said a red light

could be installed to alert patrons to the dangers of withdrawing money during hazardous hours or a guard and dog could be placed near the machine at night."

Theft Of Entire ATM Machines

- 8) Pick A Pair? ATMs Stolen From Two Nebraska Stores - The theft of an ATM was reported January 23 from the Milford Supermarket, and January 28 at the Pleasantdale Quick Shop in Nebraska. The alarm systems of the businesses apparently were disabled before the two to three hundred pound ATMs were taken from the buildings and removed in some type of motor vehicle. (*The Milford Times*, February 12; *The Fairbury Journal News*, February 14; *The Lincoln [Nebraska] Journal*, February 18).
- 9) Play It Again, Sam? Two Little Rock, Arkansas ATMs Stolen - Two men allegedly stole a tow truck and used the vehicle about 4:00 a.m. to jerk a drive-through ATM at Metropolitan National Bank in Little Rock off of its moorings. Less than a week later the two men allegedly involved in the theft, Robert Moyer, 29, and Timothy Charles Schlesier were arrested. However, neither the ATM valued at approximately \$35,000 nor the estimated \$23,000 which was inside it were recovered. (*Arkansas Democrat-Gazette*, March 6 and 13).

Both men were out of jail on bond when the same tow truck was stolen a second time on April 21, and was used in the 4:00 a.m. theft of an ATM from First Jacksonville Bank. Police responded to bank alarm and discovered the ATM missing. The wrecker with the ATM still attached was found about 6:00 a.m. in a wooded area about a mile from the bank. Editor's Note: Any hunches about suspects, armchair Sherlock? (*Arkansas Democrat-Gazette*, April 22).

ATM Scams

- 10) ATMs Involved In Deposit Slip Scam - *The Adirondack* (Old Forge, New York) *Express* reported a recent scam in which a fraudster opens a bank account and on the way out of the bank picks up a handful of blank deposit slips from the bank's writing desk island. Once away from the bank, the scam artist prints his or her own new account number on the bank deposit slips, returns to the bank and surreptitiously inserts the freshly numbered slips into the bank's supply of writing island deposit slips. Unsuspecting bank customers fill them out and unwittingly deposit their money into the scam artist's accounts. ATMs are used to withdraw the money before the scam is discovered. (March 24, David Morgan, reporter).
- 11) Oakland Police Report The "Jamaican Switch" Is Being Used Frequently In Bay Area - *The Oakland* (California) *Tribune* reported March 23 that the century-old "Jamaican switch" is being used often in the Bay area. In the typical scam, a woman with a Jamaican or other foreign accent claims to have a large sum of windfall money such as a winning lottery ticket or inheritance and is willing to share it with an honest U.S. national (the ATM customer) who is asked to give a small amount of "good faith money"

as a test of the victim's integrity. The money is then shuffled between two con artists in bandannas or envelopes, and they flee leaving the victim with worthless paper instead of the cash they had offered as their "good faith money." (Yasmin Anwar, reporter).

- 12) St. Petersburg Teenager Nabbed After High-Tech Telephone Rats On Him - A St. Petersburg, Florida teenager, Donaldson Edwards, 16, accused of shooting a beauty shop operator was arrested after Edwards called a man, Thomas Pyla, whose pickup truck the youth had recently stolen. On the phone, Edwards claimed to be a sheriff's deputy and asked Pyla for his ATM PIN number. Pyla, acting on the advice of his police officer father, gave the caller a relative's phone number and asked that he be called back there. At that telephone, Pyla said, the caller's number can be displayed. When Edwards called back, "zingo, we had him." The call was traced to a Hillsboro apartment where police arrested the 16-year-old youth huddled beneath a blanket in a closet. (*The St. Petersburg [Florida] Times*, February 21, Jackie Ripley and Wes Platt, reporters).

ATM Camera Success Stories

- 13) ATM Camera Photo Released In Abduction And Murder Of 41-Year-Old Chiropractor In Florida - Dr. Ruth A. Haut, a chiropractor, was abducted from her Kissimmee, Florida office on the evening of February 26. Police found an office telephone line cut but no signs of a struggle in the office. Her body was spotted in a grove about 8:15 a.m. the next morning. Police investigators released an ATM camera photo which shows a hooded figure using a bank card issued to Dr. Haut. The unidentified suspect is described as slightly-built man or woman between 5'2" and 5'4" tall. (*The Orlando [Florida] Sentinel*, March 7, Henry Pierson-Curtis, reporter).



Haut

Suspect

- 14) Nevada Bank Burglars Photographed By ATM Surveillance Camera - Bank burglars hit three Nevada banks on the night of February 12, including the First Interstate Bank in Reno. At that location, ATM surveillance cameras captured images of two clean-cut men driving up to the back of the bank in a light-colored 1988 or 1989 Dodge Dakota pickup truck around 11:00 p.m. The skinnier of the two burglars was seen in the videotape walking up to the bank with what appears to be a long bar. He was estimated to be in the bank for 20 minutes during which no alarms went off. The burglar's partner, a six foot tall white male in his late 30's, about 240 pounds with a beer belly, was standing near the ATM acting as if he was making a transaction. About 30 minutes after they started the burglary, the two men are shown in the videotape taking a trash-can full of

cash out of the bank and loading it in the back of their truck. The video image of the second man follows. (*The Sparks* [Nevada] *Daily Tribune*, February 21, Joshua B. Good, reporter).



- 15) ATM Camera Photographs Man Who Is Suspect In Office Abduction, Sexual Assault And Murder Of 35-Year-Old California Sexual Assault Counselor - Sexual Assault Counselor Nancy Willem was killed February 4 at her Rialto office of Behavioral Health Services. She had been tied up and sexually assaulted before she was murdered. A composite drawing of a man believed be her murderer was made based on ATM camera photos of the man using the victim's card to withdraw cash from her account after the slaying. The composite drawing follows. The suspect is believed to be responsible for at least two other rapes and a robbery in San Bernadino County since January 21. (*The Riverside* [California] *Press-Enterprise*, February 29 and March 11, David Ogul, reporter; and *San Bernadino Sun*, March 27, Cassie McDuff, reporter).



Drawing of suspect

- 16) NASA Enhancement Of Pennsylvania ATM Photo May Decide Murder Case - Robert D. Auker is on trial for abducting his estranged wife, Lori Ann from a Susquehanna Valley Mall on April 24, 1989. Ms. Auker, 19, was found dead along a remote road three weeks after she disappeared. A mall parking lot cash machine captured a fuzzy background image police believe may show the moment of Lori Auker's abduction. The image of a figure entering a car in a parking lot was computer-enhanced using a process

developed by NASA and presented as evidence that Ms. Auker was abducted in a 1984 Chevrolet Celebrity similar to that owned by Mr. Auker. The actual image in question and a pre-enhancement enlargement of the figure entering the automobile in question are reproduced below. (*The Harrisburg [Pennsylvania] News*, March 20, Ted Anthony, reporter; *Sunbury [Pennsylvania] Item*, March 22, David Hilliard, reporter).



- 17) Prolific Pennsylvania Thief Caught By MAC ATM Camera Photo - Michael Freeborn, 18, was arrested on theft and related charges as a direct result of his being identified using a stolen ATM card and being captured by a MAC machine surveillance camera. The photo was carried in *The Primos (Pennsylvania) Daily Times* March 12, in an article describing the theft of stereos and tools totalling more than \$12,000 during a series of break-ins in a condominium neighborhood. Freeborn admitted stealing a wallet with credit cards and a MAC card which he used on three occasions to obtain a total of about \$180. Less than a week after his surveillance camera photo ran in the newspaper, he was identified and arrested by police. (*Primos [Pennsylvania] Daily Times* March 12 and 19)
- 18) Brooklyn Rapist And ATM Card Thief Convicted, Faces Up To 50 Years In Prison - Gary Jacques, 22, born in Haiti, was convicted of three separate sexual assaults in which he climbed through windows to attack women in their apartments. After sexually assaulting his victims, he demanded their cash machine cards, PIN numbers and money. Several photos of Jacques from ATM cameras contributed to what the prosecutor called "crushing" evidence in the case. (*Woodbridge [New Jersey] News Tribune* April 3).
- 19) Charleston Office Building Purse Thief Nets ATM Cards - *The Charleston (North Carolina) Post and Courier* reported March 2 that several women had been victimized by having their purses and wallets and stolen from unattended locations in their offices by a well-dressed man wearing a pin-striped suit and carrying a leather attache case. An ATM camera photograph of a man using an ATM card stolen in this manner was taken within hours after the purses were taken. The transaction camera photo was prominently displayed with the article in the March 2 *The Charleston (North Carolina) Post and Courier*. (See following photo at top of page 10).



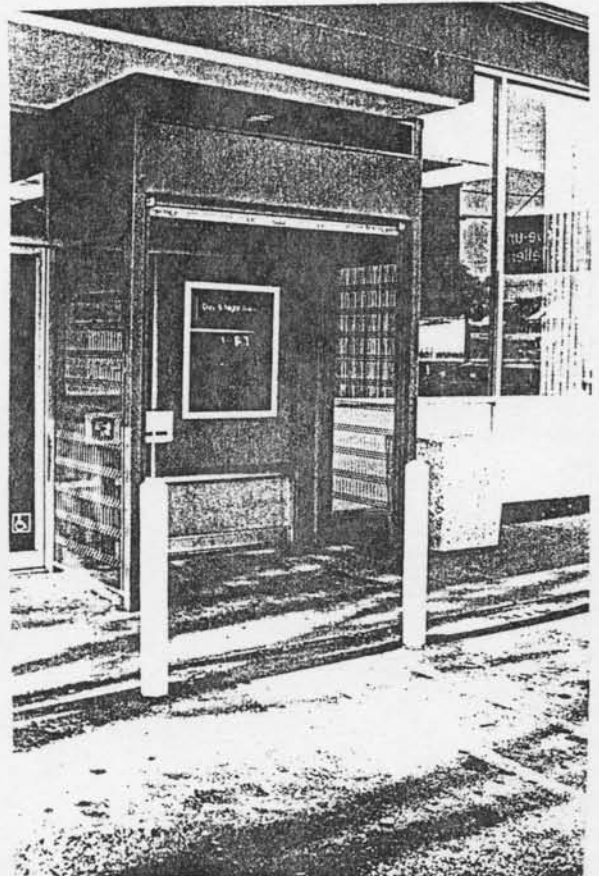
- 20) Atlanta ATM Captures Photo Of Rape Suspect - An ATM security camera captured a photo of a man suspected in the rape of two elderly Atlanta residents. The man was using an ATM card stolen from a 69-year-old victim to withdraw cash from her account when the photo was taken. The man is also suspected in an earlier attack on a 77-year-old woman who lived in the same apartment complex. The photo was included in *The Atlanta [Georgia] Journal* article of March 3.

Other National Events

- 21) Can An ATM Have Too Much Security? Sacramento Demands Less Security At Midtown First Interstate Bank Branch - In a curious reversal of recent trends for government to require stricter security precautions at ATMs, some Sacramento community organizers and city government officials are criticizing the decision of a midtown Sacramento First Interstate branch to install gates blocking its parking lot and a metal cage to be lowered around its ATM after normal banking hours (March 1992 Newsletter, Item #10). Branch manager Joe Bradley (916/449-2209) said the moves were proactive to prevent future crimes on bank property.

During the last year, Bradley said, a brutal murder was committed in the alley near the bank after hours, and a woman who had parked her car in the bank parking lot while visiting a neighboring bar after bank hours was raped. The Sacramento Old City Association described the parking lot barriers as creating a "siege mentality." An April 5 *Sacramento News and Review* article was titled "Fort Interstate - Midtown Bank Circles The Wagons." A local Sacramento newspaper, *Neighbors*, reported March 19th that "the (bank) parking lot is used after bank hours by patrons of local night clubs and restaurants. Some of those businesses make up the heart of Sacramento's gay community, known as Lavender Heights." Bank spokespersons said, "We take no pleasure in constructing barriers at that branch... Minimal prudent action is required to insure customer safety... This issue has nothing to do with the gay community."

Joe Bradley provided the following photos of the parking lot barriers and ATM machine protective cage which can be lowered after hours to limit access to bank property.



- 22) New Citibank Credit Cards Bear Photo Of Card Holder - Citibank, the nation's largest issuer of bank credit cards with more than 30 million card customers, recently became the first major card issuer to offer credit cards with the cardholder's photo embossed on the rear of the plastic card. The move has been the subject of a national Citibank media campaign, including television spots, newspaper ads and magazine ads. The photo credit cards will likely cut down on the fraudulent use of stolen and lost cards, and offer customers another form of photo identification. Cambridge Trust Company, a small Massachusetts bank, was among the first small card issuers to utilize photo credit cards 20 years ago.
- 23) American Bankers Association (ABA) Supports Renewal Of Current Data Encryption Standard - The Data Encryption Standard (DES), developed in 1977 by the National Bureau of Standards, is widely used in the banking industry to protect sensitive information such as PIN numbers at ATMs, and electronic funds transfers. The DES is up for renewal next January. The ABA supports recertification of the current standard, which it says is a proven and adequate method for protecting data. The government is considering other data security standards to apply to the \$2 trillion each day which is moved via wire transfers throughout the world.
- 24) North Carolina Man Arrested In New York After Stealing \$200,000 Via Unauthorized ATM Withdrawals - Michael Hyland of Leland, North Carolina was arrested after an FBI investigation into unauthorized withdrawals totalling \$200,000 from numerous Citibank customer accounts. Hyland allegedly used stolen or altered credit cards at New York and New Jersey ATMs between December 1991 and March 1992 to fraudulently

withdraw funds from Citibank cardholders' accounts. Hyland and a female accomplice face 30 years in jail and/or a fine of a million dollars if convicted. (*The Daily Challenge* [New York, New York], March 16).

- 25) Four Year Investigation Into ATM-Related Abduction And Murder of Female New York Physician Detailed - *Newsday* (Long Island, New York) featured a news magazine piece on "How They Solved the Murder of Esther Lim" on March 22nd. The efforts of New York police detective Thomas O'Donnel, and others were detailed in the 1988 Memorial Day Weekend disappearance of Dr. Esther Lim, who was abducted from a Chemical Bank ATM after withdrawing \$50. Police believe she was brutally beaten to death because she refused to reveal her PIN number to her abductors. Two Great Neck men, Barry Johnson, 29, and his 25-year-old brother, Clarence, were recently arrested on charges of kidnapping, robbery and murder of the 66-year-old physician, who was raised in China and immigrated to this country in 1951. (Arnold Abrams, reporter).
- 26) Another Atlanta Woman Abducted, Raped And Driven to ATMs - A 32-year-old Sandy Springs woman was getting baggage out of her car at 1:38 a.m. when she was abducted by two men at gunpoint. One of the abductors drove away with the woman in her Honda while the second man followed in another car. The woman was told to keep her head down and was at times blindfolded so she could not identify her attackers. She was taken to several ATMs and was told to withdraw cash. Then she was taken to an abandoned house near Hartsfield International Airport where she was raped by both men during the 3½ hour ordeal. Police believe this abduction was related to the abductions of three other women from their metro Atlanta homes earlier in the month. All four victims were abducted after midnight by two men in ski masks; all were taken in their own cars to ATMs in the College Park area; and all were held from two to four hours. (*The Atlanta [Georgia] Journal*, March 22 and 23, Susan Laccetti and David Corvette, reporters; and *Atlanta Constitution*, March 24, Richard Greer, reporter).
- 27) ATM Ski Mask Bandits Strike 20 Times In San Francisco Bay Area - Two men are believed involved in robberies of ATM customers between South San Francisco and San Jose over the past two months. Investigators believe a six-foot-tall, slender-built white male in his early 20's and a slightly shorter black male, also in his early 20's, are responsible for a string of ATM robberies. The two are believed to be partners in crime, although witnesses have only rarely reported seeing both work together. Both suspects reportedly wear hooded jackets and have alternated between wearing a ski mask, a full face motorcycle helmet and goggles to conceal their faces. The robbers wait until customers begin an ATM transaction, typically between 7:00 and 11:00 p.m., and then make their robbery demand holding what is believed to be a large caliber handgun. One of the victims was a 75-year-old Camarillo man who was robbed of \$40 and struck across the face with what was believed to be a gun in mid-March. The elderly man was treated for a bruised ankle, a strained neck and for a cut mouth following the incident. A police sketch of one of the robbers follows. (*Saratoga [California] News*, March 11, *Cupertino Courier*, March 11, Rob Bhatt, reporter; *Los Altos [California] Town Crier*, March 11, Cristal Guderjahn, reporter; *Palo Alto Times Tribune*, March 12, Cristal Guderjahn, reporter; *The Camarillo Daily News*, March 17 and 21, David Kravets, reporter).



Police sketch of man who committed numerous robberies at ATMs.

Editor's Note: Shortly before press time, a major California bank confirmed that suspects have been arrested in the ATM Ski Mask Bandit Robberies.

- 28) Four California Teenage Women Abduct, Beat and Run Over Teenage Female Victim With Car - Dunia Gailani, 19, was walking out of a shopping mall parking lot at 7:00 p.m. when a teenage woman held a knife to her throat and commandeered her gold 1987 Volvo. The four suspects got into Gailani's car and forced her to drive to an apartment complex where they blindfolded her and beat her with a wooden club. The suspects took her ATM card, forced her to reveal her PIN and attempted to withdraw cash from her bank account at three banks, but got no money. When they stopped for gas, Gailani escaped from the car, but the woman driving Gailani's car ran her down and the car rolled over Gailani's leg. Three of the women were arrested in the stolen car shortly after the incident. One was picked up by police later. Two of the women were 17-year-olds and two were 18-year-olds. (*The San Bernardino [California] Sun*, March 25, Kelly Smolen, reporter; and *The Ontario Inland Daily Valley Bulletin*, March 25).
- 29) Conviction Obtained in New York Of Shooter Of District Attorney David Breen In 1991 Brooklyn ATM Holdup - Assistant District Attorney David Breen was robbed last July at an ATM near the municipal building in Brooklyn. As the Breen fled the robbery, Kenneth Martinez, 18, allegedly shot him. A jury convicted Martinez of the shooting after an 11 hour deliberation at the conclusion of a one week trial. Martinez faces a prison term of 8½ to 25 years. (*New York [New York] Daily News*, April 11).

- 30) Chicago Bank Offers \$25,000 Reward In ATM Murder Of Chicago Firefighter "Woody" Woods - *The Chicago (Illinois) Sun-Times* and *The Chicago Defender* reported March 3rd that the Heritage Pullman Bank and Trust has offered an additional \$25,000 reward for information leading to the apprehension and conviction of those responsible for the death of Chicago city firefighter Woody Woods, who was found shot in the head and slumped over the steering wheel of his car near the drive-through ATM at Heritage Pullman Bank and Trust. The \$25,000 reward is in addition to about \$1,000 raised so far by Woods' fellow firefighters. Police report no new leads in the investigation.
- 31) Nine-Year-Old California Boy Provides Testimony Which Sends Three ATM Service Team Robbers To Prison - A nine-year-old Garden Grove, California boy provided key testimony in the robbery and shooting in the head of a Wells Fargo security guard who was delivering money to an ATM machine inside a 7-11 store. Christopher Ibarra provided testimony against three men which was "the vital link" in the case. The man who shot the security guard twice in the head was sent to prison for 26 years. The other two men were sentenced to nine years each. The boy was honored by police at an elementary school assembly. (*The Orange County News* [Garden Grove, California], March 20, John Seymour, reporter).
- 32) Presto! Albuquerque ATM Burglary Turns Into ATM Robbery - An ATM servicer received a call about 8:00 p.m. that there was a problem with an Albuquerque, New Mexico ATM but found nothing wrong when he arrived. A second call was received about 10:30 p.m. and the servicer decided to take a security guard with him. When they arrived at the SunWest Bank branch, they noticed a few things were awry, such as a door open and a light on. As they were looking around inside the building they were confronted by a man who put a gun to the security guard's head. The gunman took the guard's revolver and pistolwhipped him with it. A few currency bills the gunman apparently dropped as he fled across the parking lot were recovered. The incident was described as an ATM burglary which turned into a bank robbery with the arrival of the ATM servicer and security guard. (*The Albuquerque [New Mexico] Journal*, March 2).
- 33) Massachusetts ATM Servicer Charged With Theft - A Bay Bank employee, Thomas J. David, 24, was arrested with \$630 in currency on his person on a charge of larceny. Bay Bank security personnel allegedly caught David in the act of "fixing" an ATM at a Purity Supreme Store so it would dispense him cash. The man was due to be arraigned in District Court. (*The Brockton [Massachusetts] Enterprise*, April 3).
- 34) Tennessee Fraud Scheme Involves Bank Insider - *The Nashville (Tennessee) Banner* reported March 12 that receipts left by ATM customers were used to identify account numbers in a fraud scheme. The account numbers were delivered to a customer service employee for First American Bank, Christopher M. Welch, 23. A phony bank identification card bearing the name of the account would be created by the insider. An informant set up a meeting at which Welch received an envelope containing \$1,500. Welch threw it to the floor as police walked up. ATM customers are encouraged to destroy or take their ATM receipts with them after a transaction. (Sharon Curtis-Flair, reporter).

- 35) MagicLine Reports Thousands Of Showings Of Its 30-Second ATM Customer Safety Public Service TV Announcement In One Month - Al Ruggirello of Michigan's MagicLine ATM network (313/441-0510) has reported that MagicLine's 30-second video ATM customer safety Public Service Announcement (PSA) was shown in Michigan cable TV markets 3,019 times during the first month it was released. The PSA was shown multiple times in all major markets of Michigan except Detroit. Ruggirello reports being very pleased with this frequency of showings. The expected "shelf life" of a PSA being shown is two years.
- 36) ATMs of the Future? Long Beach, California Uses ATM Technology To Process Traffic Fines - An ATM-like machine dubbed an "auto clerk" has been installed at the request of Long Beach Municipal Clerk James H. Weaver. The 24-hour machine accepts checks, credit and bank cards in payment of traffic or parking fines to help citizens avoid the usual long lines inside the courthouse. Citizens also can enter a not guilty plea, schedule hearing dates, sign up for traffic school and even provide proof a faulty muffler has been repaired. A one year pilot program is being tested for the "auto clerk." Thus far the machine has only been averaging about one transaction per hour. (*California Lawyer*, April 1992, page 18).
- 37) Video Link For Future ATMs? - *Bank Technology News* of February 1992 reports that for approximately \$5,000 per machine a video link can be added from a bank Customer Service Representative (CSR) to most ATMs. Huntington Bancshares, with the help of NCR, is planning on deploying video-enabled ATM terminals throughout its market in 1992. ATM customers will be able to see and talk to a CSR. The CSR will hear but not see the ATM customer. Today, video images can travel over regular telephone lines, rather than the more expensive ISDN or satellite links. (Chris Costanzo, reporter).



IN THE NORTHEAST

- 38) Female Robber Abducts Woman and Forces ATM Withdrawal in Massachusetts - *The Lowell (Massachusetts) Sun* reported March 10 that a tall blond woman wearing a long black coat and brandishing a knife confronted a 27-year-old female victim getting out of her car at work at 9:30 a.m. and forced the victim to drive around the city for about 30 minutes before demanding a \$70 ATM withdrawal and releasing the victim. The victim stated, "I thought after she took my money and got everything she wanted, she would just kill me. I can't believe this happened. I couldn't believe I got away." The same newspaper reported on March 18th that Louise Blake, 36, was arrested on a warrant in connection with this abduction and robbery. Blake is also awaiting trial in connection with a separate armed robbery last August. (Reporter Marcia Cassidy).
- 39) Pennsylvania Man Admits \$150 Fraud on Empty Envelope Deposits - *The Easton (Pennsylvania) Express-Times* reported March 10 that Eric Ginder, 24, pled guilty to bilking an Automated Teller Machine out of \$150 after making two \$5,000 empty envelope deposits in the machine. He was fined \$400 and placed on six months of probation. (Reporter Janice Blake-Piccotti).

- 40) Second Pennsylvania Man Charged In Empty Envelope Deposit Scheme - Craig Lagasse, 29, used his ATM card fraudulently to obtain \$790 from his savings account at Commonwealth Bank when the account only contained \$12. Lagasse allegedly made empty envelope deposits, then withdrew funds from his savings account. Lagasse also is awaiting sentencing on separate charges for running up a \$23,000 telephone bill to 900-line numbers on a cousin's telephone. (Reported in *Bloomsburg (Pennsylvania) Press-Enterprise* March 14, David Ralis, reporter; and *The Sunbury (Pennsylvania) Item* March 19, Joe Sylvester, reporter).
- 41) New Jersey Lawyer Believes Elderly Disabled Woman Bilked of \$565,000 - Attorney Michael Bolton said he has determined that about \$565,000 of a disabled 62-year-old woman's funds were spent by Alfreda Smitka and her husband Joseph, who were caretaker's for the invalid woman and had received her power of attorney. Among the items discovered by attorney Bolton were ATM cards about which he said the elderly woman "doesn't know what an ATM is, has never used one and does not know the identification number for the accounts." (*Newark (New Jersey) Star-Ledger* March 18, Bill Riley reporter).
- 42) Philadelphia Woman Robbed of \$40 - A 25-year-old Philadelphia woman was robbed of \$40 about 7:35 p.m. Monday evening. As the machine dispensed her cash, two men approached her from either side, and one of the men placed an object against her side and said "Give me the money or I'll shoot." The woman gave the man the money. The two men fled to a nearby auto driven by a third man. (*Ardmore (Pennsylvania) Main Line Times*, February 13, Mark Ward reporter).
- 43) Three Robberies in Two Months at King of Prussia ATMs - A 22-year-old woman was robbed about 10 p.m. at a walkup MAC ATM in King of Prussia, Pennsylvania on February 10. After withdrawing \$50, she returned to her car and was confronted by a man who grabbed the car door and demanded her money. The suspect drove from the area in a dull red car. This was the third robbery in two months at King of Prussia ATMs. (*Wayne (Pennsylvania) Suburban* February 20).
- 44) Pennsylvania Man Believed Involved in at Least Six ATM Robberies is Apprehended After Foot Chase and Gun Shots - A Pennsylvania woman was robbed by a man at gunpoint who took money from her purse and then made her drive to a Duquesne bank where she was forced to make an ATM withdrawal. West Mifflin detectives are investigating three similar ATM-related robberies in their jurisdiction. On February 25, a Munhall police officer was changing a tire on his patrol car at 8:11 p.m. when a woman approached him, reporting she had been attacked by a man in a nearby parking lot where she had stopped to use a payphone. The man, believed to be the ATM robber, had pointed a gun at her and grabbed her by the neck before she was able to break away and run for help. Officers patrolling the neighborhood spotted Harvey Broadus, 34, while on patrol in the neighborhood and gave chase on foot. Broadus reportedly fired four shots at them during a foot chase before police apprehended him. No injuries were reported. (*McKeesport (Pennsylvania) News* February 24 and 26, Jeff Vavro, Jan Margo, and Carolyn Clossin, reporters).

- 45) Philadelphia Woman Robbed of \$200 At ATM - *The Olney* (Pennsylvania) *Times* reported February 27 that a woman depositing a check at an ATM at 7:16 p.m. was approached from behind by a man who stuck what felt like a gun in her back. He told her to withdraw \$200. After getting the cash the man fled. No injury was reported.
- 46) Two Baltimore Robbers Force Older Male Victim to ATM - Two men, one believed armed with a handgun, accosted a 61-year-old Baltimore man shortly after he had left a First National Bank branch. The robbers took the man's wallet containing \$50 and his ATM card and then forced him to accompany them to a nearby ATM. As the victim walked into the ATM vestibule, he ran into the main lobby of the bank and had bank officials notify the police. The pair of robbers fled. (*Baltimore* (Maryland) *Sun* February 27, Roger Twigg, reporter).
- 47) Teenage Connecticut Thug Charged In Abduction of 20-Year-Old Woman To ATM Machines For Robbery - Edward Smith, 19, of Derby, was charged with kidnapping and robbery in the February 8 abduction of a 20-year-old woman from the Wicke Health Centel where she worked. Smith allegedly forced the woman to make ATM withdrawals before releasing her. Smith was already being held on charges of kidnapping, attempted murder and attempted sexual assault in connection with a February 14 incident where he abducted a woman in her car and tried to sexually assault her while stabbing her several times. (*Bridgeport* (Connecticut) *Post* March 3).
- 48) Stolen MAC Card With PIN Written On It Results In \$400 Loss In Pennsylvania - Joel Deems, 22, was charged with receiving stolen property, theft and unlawful use of a computer after he received a stolen ATM card in August with the PIN written on it. Deems withdrew about \$400 from 10 different ATM locations. The victim was unaware of the losses until he received his bank statement the following month. (*Doylestown* (Pennsylvania) *Intelligencer* March 5).
- 49) 20-Year-Old Pennsylvania Man Steals His Mother's ATM Card To Buy Drugs - Philip Natal, 20, was charged with stealing his mother's ATM card and using it to withdraw \$275 to buy drugs. He surrendered to police. (*Levittown* (Pennsylvania) *Courier-Times* March 8).
- 50) Hartford Connecticut Man Hit On Head, Robbed of \$40 - A 26-year-old local man was hit on the head and robbed of the \$40 he had withdrawn from an ATM in a 7:45 p.m. incident. Two robbers fled on foot. (*The Hartford* [Connecticut] *Courant*, March 14).
- 51) Wrestling Robber Grabs Pennsylvania Woman - A 21-year-old female ATM customer was "wrestled" to the ground by an unidentified man who approached her from behind and grabbed her in a "bear hug." The robber wrestled her to the ground, grabbed her money and fled, in the 12:45 a.m. robbery. (*The Carlisle* [Pennsylvania] *Sentinel* March 19).
- 52) New Jersey Woman's MAC Card Stolen While On Visit To Brother-In-Law's Home - A Haddon Heights woman reported that her credit cards and MAC card were stolen from her purse while she and her husband were visiting at her husband's brother's home for

about seven hours. The woman discovered the cards missing the next day. Another woman present at the house is thought to be responsible for the theft. The victim's MAC card was used at various locations to withdraw \$3,160. (*The Gloucester [Woodbury, New Jersey] County Times*, March 20).

- 53) ATM Card Forgotten In New Jersey ATM Is Used For Fraud - A 32-year-old woman inadvertently left her MAC card in a Chemical Bank ATM in Princeton, New Jersey. Police report \$50 was withdrawn using the card, but a second \$200 withdrawal attempt was denied. The stolen card has not been recovered. (*The Princeton [New Jersey] Town Topics* March 25).
- 54) Virginia Man Robbed Of Cash At ATM, And Is Shot At Twice - A gunman robbed a Williamsburg, Virginia man as he used an ATM about 11:00 p.m. The robber instructed the victim to withdraw a large sum of money, but settled for a smaller amount of cash. Before the robber fled, he shot at the left front tire of the victim's car and shot once into the passenger door. No injuries were reported. (*Newport News [Virginia] Daily Press* March 28).



IN THE SOUTH

- 55) High School Basketball Star Found Guilty of Using Coach's ATM Card For \$4,955 Fraud - Chesapeake Virginia high school athlete Rudy Turner, Jr., was found guilty in juvenile court of using his basketball coach's ATM card without permission. A total of \$4,955 was withdrawn from the coach's account without his permission. The coach, Harry Rest of Deep Creek High School, invited Turner to live with him at the end of the 1991 school year so the teen could finish the year at the high school after his family had moved to another school district. The teenager's defense included allegations that the coach made sexual advances on him. (*The Virginian [Norfolk, Virginia] Pilot* April 8, Matthew Bowers, reporter).
- 56) West Virginia Man Chills in Jail After Using Mom's ATM Card To Withdraw More Than \$1,000 - Martinsburg, West Virginia police arrested Timothy Newell, 23, for using his mother's bank card to withdraw more than \$1,000 from ATMs throughout the city. Newel is being held in jail in lieu of bond. (*Martinsburg [West Virginia] Morning Journal* March 6).
- 57) North Carolina Man Abducted From ATM And Forced To Make Withdrawals - A Charlotte man said he was abducted from a Wachovia Bank ATM late at night when two suspects walked up to him. One of the two pulled a gun and forced the victim to withdraw some cash. The robbers then forced the victim into a car and took him to an unknown location from which the man said he was taken to an ATM seven times before he was able to escape. (*Gastonia [North Carolina] Gaston Gazette* February 29; *Rock Hill [South Carolina] Herald*, February 29).

- 58) North Carolina College Student Robbed At ATM - A male Methodist College student was robbed at an ATM at the BB&T Bank branch in Fayetteville, North Carolina at 12:05 a.m. The 23-year-old victim was struck from behind and suffered bruises and lacerations to his face. The victim's wallet containing \$20 was taken. (*Fayetteville* [North Carolina] *Observer-Times* March 1).
- 59) South Carolina To Test Electronic Benefits Transfer For Food Stamps - A new Electronic Benefits Transfer (EBT) program is planned for the state of South Carolina to deliver its food stamps benefits. The program would use plastic cards similar to ATM bank cards and could save the state up to \$18.5 million in administrative costs. One of the problems to be resolved is the policy for dealing with lost or stolen EBT cards. (*Charleston* [South Carolina] *Post and Courier* March 26, Steve Piacente, reporter).
- 60) Tennessee Woman Charged With Fraud For Depositing Bad Checks At ATM - Charlestra Harris, 35, was charged with passing two bad checks at Oak Ridge National Laboratory ATMs in late November 1991. The checks were for \$400 and for \$800. The woman was released after posting bond. (*Oak Ridge* [Tennessee] *Oak Ridger* March 6).
- 61) ATM Service Team Robbery Investigated In Tennessee - Smyrna, Tennessee police said two men armed with a firearm met a male bank clerk as he was entering the First City Bank ATM about 2:58 p.m. The two suspects reportedly had been watching the bank for about 10 minutes from their car parked next to the bank. No cash loss or injuries were reported in the article. Smyrna police and FBI were requesting help in solving this robbery. (*Murfreesboro* [Tennessee] *Daily News Journal* March 7, Lisa Marchesoni, reporter).
- 62) Georgia Police Arrest Two Men Using Stolen ATM Card - Cartersville, Georgia police reported arresting two men on February 16 for using a stolen card to withdraw money from an ATM. James Edwin Morris, 21, and Donnie Ray Brewer were arrested. (*Cartersville* [Georgia] *Daily Tribune News* February 18).
- 63) Seventeen-Year-Old Dallas Man Arrested In Kidnapping and ATM Robbery - *The Grand Prairie* (Texas) *News* reported February 13 that a 17-year-old Dallas man was arrested in connection with the January 14 abduction and forced ATM withdrawal of a 24-year-old Grand Prairie woman. The abduction began about 7:00 p.m. and involved two perpetrators forcing the woman to withdraw \$200 from an ATM. The men also stole a purse and its contents valued at \$200, a diamond ring valued at \$5,000 and the woman's 1991 Honda Accord valued at \$18,000. (Reporter Gene Abrahamson).
- 64) Eighteen-Year-Old Texas High School Student Jailed On ATM Card Theft Charges - Miguel Vega, 18, of Killeen, Texas turned himself into police after being charged with felony debit card abuse in connection with the theft of a number of ATM cards. The specific charge against Vega stems from the theft of a Gold Key ATM card used to withdraw \$400 from a local bank. An ATM camera photo taken during the transaction led police to the suspect. (*Temple* [Texas] *Daily Telegram* March 5).

- 65) Houston Police Seek Two Men Who Staged Car Accident To Abduct, Sexually Assault, and Use ATM To Rob Female Victim - A 21-year-old woman was driving in Houston about 3:00 a.m. on Saturday, March 7, when her car was bumped by another vehicle. Thinking it was an accident she stopped to exchange information. The woman opened her car window only a few inches but the other vehicle's driver and his accomplice used pistols to break the window, to pull her out of her car and to force her into their car. They drove her to another location and sexually assaulted her and then drove her to a bank and attempted to make her withdraw money from the ATM. While at the ATM, a surveillance camera photographed one of the men. (*Houston [Texas] Chronicle* March 19).
- 66) Attempted ATM Burglary In Carrollton, Georgia - The Trust Company Bank reported to the Carrollton police that someone had tried to break into its teller machine. No further details were available. (*The Times-Georgian* [Carrollton, Georgia], February 25).



IN THE MIDWEST

- 67) Gunman Shoots At Two Customers In Separate ATM Robberies In Gary, Indiana - Angela Kincaid, 25, of Gary was shot about 2:15 a.m. in her car at a Bank One ATM in Merrillville, Indiana. When Kincaid saw a man walking up to her car muttering something indiscernible she became concerned and decided to flee. As she began to accelerate her car, the passenger window exploded with a bullet striking her left shoulder. In a separate incident Claude Standifer, 32, of Gary was shot about 3:40 a.m. outside a Gainer Bank ATM in Gary by a man brandishing .357 caliber gun. Standifer chased the robber briefly but when the robber started firing shots at him, Standifer broke off the chase. The same robber is believed involved in both incidents. (*The Hammond [Indiana] Times* March 17, Debra Gruszecki, reporter.) In a separate article in the same issue of this newspaper, Aileen Dodd, reporter, noted that Bank One has had three attacks locally on customers using ATMs in the 12 years machines have been operating. The president of Calumet National Bank, which has 11 cash machines, stated "drive-up machines can give customers a false sense of security."
- 68) Indianapolis ATM Robbery Detailed - A woman was robbed about 3:30 p.m. on Saturday, February 1, at the ATM at Indiana National Bank in Indianapolis. After the victim completed her transaction at the machine, a man grabbed her from behind and demanded the cash she had withdrawn. She handed the money to the robber, who demanded she withdraw more money. The victim stated she had no more in her account. The suspect fled on foot across the parking lot. (*Indiana Herald* March 21; and *Indianapolis Recorder* March 21, Mike Ramey, reporter). Indianapolis police believe that a second robbery which took place at the same ATM about two weeks later was perpetrated by the same offender.
- 69) Detroit ATM Used In Extortion Plot Which Resulted In Stabbing Death Of 61-Year-Old Grandmother - Betty Ellen Guthrie, 61, was stabbed to death in her home after an extortion plot hatched by a relative backfired. Her husband, Theodore, was taken to an

ATM in an attempt to force him to withdraw \$1,000 to satisfy a debt for a relative who was brought to the couple's home at 11:00 p.m. by two other men. One of the men, a 17-year-old, took Guthrie's relative and Theodore Guthrie to the bank while the second man, a 21-year-old, held Betty Guthrie at her home. Arriving at the ATM, Theodore Guthrie drew a pistol from his pocket and shot at his 17-year-old abductor. The youth shot back but no one was injured. The youth then fled. Theodore Guthrie then called the police, told them his wife was being held hostage. Police arrived at the home and arrested the 21-year-old suspect, who was trying to drive away in Betty Guthrie's car. Her body was found inside the home. (Rosalva Hernandez, reporter).

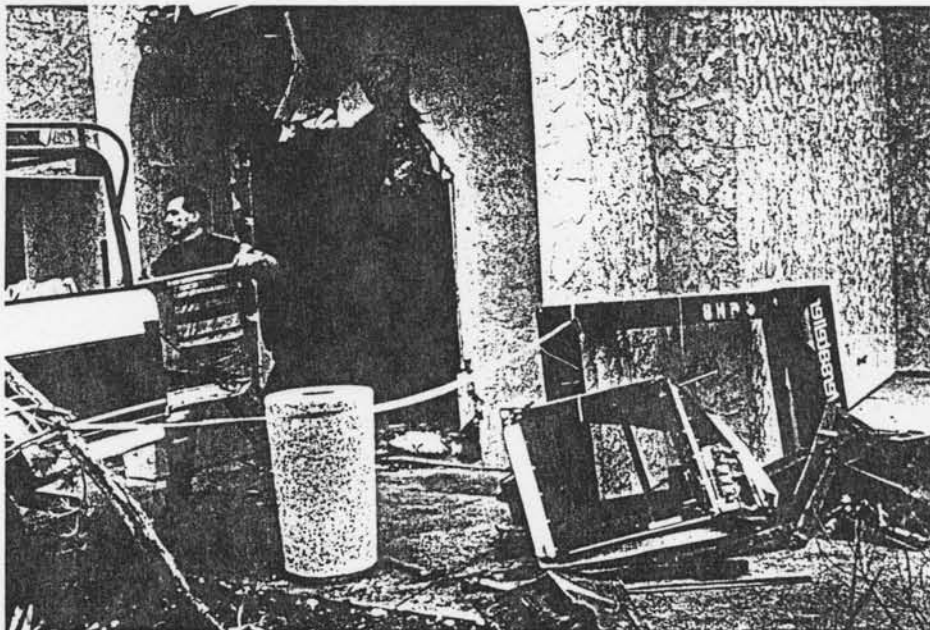
- 70) Burglars Fail In Attack Clinton, Michigan ATM - An ATM at the Clinton office of United Bank and Trust was attacked by burglars over the weekend, sometime between 3:00 p.m. Friday, and 8:50 a.m. Monday. About \$950 damage was caused to a door in the ATM's vault. Thieves broke a door and lock at the bank to get at the ATM and then broke the handle and combination wheel off the ATM vault in an attempt to get inside. No cash was lost. (*The Adrian [Michigan] Daily Telegram* February 19).
- 71) Convicted Chicago Burglar Changes Story In Feitler Murder Testimony - David Toles, 26, earlier testified that while in jail with Lee Harris, 36, Harris told Toles while playing cards in November of 1989 that Harris acknowledged killing Feitler. Toles now states he "did not remember telling the grand jury that Harris had said he 'snatched' Feitler off a Gold Coast street and drove her to near Belmont, where he shot her and dumped her body in an alley." Several police officers in the case have testified that Harris admitted being with Feitler the night she was shot, but denied he shot her. Harris has never signed a confession. (*Chicago [Illinois] Sun-Times* March 6, Leon Pitt, reporter).
- 72) Young Bank Employee Charged In Illinois ATM Thefts - Jamie Vogelmann, 20, an employee of First American Bank in West Dundee, Illinois was arrested for repeatedly stealing cash from the "error bin" of the bank's ATM. It was Ms. Vogelmann's job to service the ATM every morning. Over a number of weeks \$515 in cash shortages had turned up. A bank officer purposely used his ATM to withdraw \$100, but he left the currency in the bill dispenser long enough that the machine rolled the cash back into its error bin. The following morning before employees arrived, the bank officer and a second bank official counted the money in the error bin. Then they watched from a parked car as Vogelmann emptied the error bin of the ATM. When Vogelmann reported the error bin contained \$80 less than the executives had counted, the bank officers asked police to arrest her. (*Elgin [Illinois] Courier News* March 11).
- 73) St. Louis Experiences Another Attack On a Drive-Through ATM - After a widely-publicized theft of a St. Louis ATM (see March Newsletter items Nos. 6 and 7) attacks on ATM machines continue in St. Louis. On March 25, *The St. Louis Post-Dispatch* carried a large photo of bank employees and a security guard removing cash from a damaged Commerce Bank drive-through ATM which two men wearing ski masks and wielding drills tried to burgle about 4:00 a.m. They did not get any money, although the machine was damaged.
- 74) Minneapolis Columnist Calls ATM "The True Bully" - Regular *Minneapolis Star Tribune*

columnist Jim Klobuchar wrote a column January 7 titled, "Bank and Customer Tussle But ATM is the True Bully." The New Years Eve dispute of Christopher Anderson of Minneapolis and the Ridgedale State Bank was described. Anderson claims his ATM withdrawals were denied when sufficient funds existed in his account, and he was angry with the bank for not offering an explanation. The bank explained he used his card New Year's Eve during a time of high usage and the system was overloaded, so the machine "memo posted." Each time Anderson tried to withdraw the money, the bank said he debited his account by \$20 without actually receiving the cash. Anderson has closed his account at the bank and the bank complained about Anderson's belligerent behavior toward a teller.



IN THE WEST

- 75) Photo Released of Damage Done In Backhoe ATM Machine Theft Attempt - A photo of the damage caused by an unsuccessful attempt to steal a Bank of America Versateller ATM by thieves using a backhoe to dig it out of the branch bank wall at 4:15 a.m. has been released. The ATM was lying on the ground near where it had been ripped out of the branch bank wall when police arrived. Apparently the burglars were unsuccessful in loading the ATM into their getaway vehicle quickly enough. (Reported in March 1992 Newsletter, Item #9).



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76) California Jury Finds Four ATM Robbers, Including One Service Team Member, Guilty In Eight Service Team Robberies - *The Torrance (California) Daily Breeze* reported March 27 that a federal jury returned guilty verdicts against Trina DeVay Harper, 21, an ATM servicer; Norma Lee Riley, 43; Tony Eugene McGee, 25; and Eric Roy Barnes, 22, on charges of conspiracy to commit armed bank robbery, attempted bank robbery and use of a firearm in connection with attempted robbery (the case was detailed in the January 1992 Newsletter, Item #6). From June to November, 1991, technicians servicing Bank of America ATMs were robbed after being called out to service malfunctioning ATMs. The servicers were then forced at gunpoint to open the ATM cash vault. About \$200,000 was taken in the eight service team robberies. Each defendant faces a maximum penalty of 31 years in prison and a fine of \$750,000. (Reporter Larry Altman).

77) Three Men Abduct Woman From San Jose Shopping Center, Rape Her And Steal Cash From ATM Account - About 7:00 p.m. on March 10 a female employee of Valley Fair Shopping Center in San Jose was confronted by a gunman and a 14-year-old accomplice as she got into her car in the mall parking lot. The woman was forced into the back seat and was driven across town where she was forced to get into a second vehicle driven by a third abductor. The woman was sexually assaulted and then forced to give her ATM card and PIN number to her assailants. After withdrawing money from her bank account, the woman was driven around the East Bay and raped again.

The incident received significant media coverage in San Jose and San Francisco because two of the three male abductors were taken into custody by suspicious Oakland police on a separate charge while sitting in a car outside a motel. The two suspects were arrested on misdemeanor weapons charges. Unbeknownst to the police, the third suspect was inside the motel with the victim trying to rent a room. The third man fled when he realized the police were arresting his companions. (*San Jose [California] Mercury-News*, March 20 and 24; Rodney Foo and Betty Barnacle, reporters, and *San Francisco Chronicle*, March 21, Dan Turner, reporter).

78) Modesto Woman Robbed of Small Sum At ATM - A 22-year-old Modesto woman was robbed at gunpoint on January 16 after she used a Bank of America Versateller to make a cash withdrawal about 8:00 p.m. After she removed money from the machine, she heard someone running toward her, looked up and saw a man with a blue steel handgun. The man demanded money and fled on foot. One witness followed the fleeing suspect's automobile and saw something tossed from the vehicle. The witness stopped his own car and retrieved a plastic toy handgun, which apparently was the one used in the robbery. (*Ceres [California] Courier*, January 24).

79) Former California Bank Employee Charged In \$11,350 ATM-Related Forgery Scheme - A young couple from Pleasanton is charged with six counts of forgery related to withdrawals from the bank account of a 52-year-old man. Todd Strong, 20, a former teller at Wells Fargo Bank, told police he got the victim's account number from an ATM receipt on the ground near the ATM machine and then made fraudulent withdrawals from his victim's account which were deposited into the bank account of his partner, Lehua Stroube, 19. Six checks amount to \$11,350 were withdrawn from the victim's Wells

Fargo bank account between October and December. (*Tri-Valley Herald*, Pleasanton, California, February 14).

- 80) Three "Stooges" Bank Robbers Bungle ATM Robbery, Roll Getaway Car, And Are Nabbed On Beach By Police Helicopter - Three clean-cut white males, ages 17 through 20, allegedly knocked down an ATM customer in an 8:00 a.m. robbery and then fled in a small sedan with an unknown amount of cash. California Highway Patrol officers and Sheriff's deputies responded to a call that a vehicle, probably the suspects' getaway car, had rolled over on Highway 1 near Cambria. Fleeing on foot, the three suspects ran through thick brush in shorts and tee-shirts toward the ocean. A state park ranger, sheriff's canine units, Highway Patrol officers, park rangers and nearby residents joined in the search through the brush for the suspects. The bungling robbers were arrested around 9:50 a.m. by a Sheriff's helicopter which cornered them on the beach on Cambria's south side. (*Santa Maria [California] Times*, Times).
- 81) San Diego Man Found Guilty of Kidnapping ATM Customer For Ransom And Robbery; Faces Two Life Sentences - Gary Joe Wiley, 35, kidnapped Kevin Crowder for ransom at an ATM machine. Crowder let the machine take his card at the 6:30 a.m. holdup but then Wiley ordered Crowder at gunpoint to drive to his home. At the residence, the robber took the ATM card of Crowder's wife and forced Crowder to accompany the kidnapper to another bank. Deputy sheriffs were notified and Wiley was arrested. Crowder was not hurt. (*Los Angeles [California] Times*, March 11).
- 82) Motorcycling Robbers Take \$160 From San Mateo Man - A 31-year-old San Mateo man was making a withdrawal about 10:00 p.m. from a Wells Fargo ATM when two suspects drove up on a motorcycle. One suspect got off the bike, punched the victim in the face, demanded the \$60 the victim had just withdrawn and threatened the victim's life while demanding and receiving an additional \$100. (*The Time Tribune [Palo Alto, California]*, March 17, Matt Richtel, reporter).
- 83) Oregon Woman Victim of Afternoon ATM Robbery By Deranged Man - A man described as being "emotionally disturbed or under the influence of drugs" assaulted and robbed a woman at a Eugene, Oregon ATM. The woman told police she was using the ATM at Liberty Federal Bank about 3:05 p.m., when the man approached her, kicked her and took her money. He then fled to the Greyhound bus station nearby. Police were unable to locate the suspect. ([Eugene, Oregon] *Register-Guard*, March 12).
- 84) Vallejo Man Robbed of Cash and Car By Rifle-Wielding Gunman - A Vallejo, California man was robbed of a small amount of cash about 5:55 a.m. at Wells Fargo Bank. As he turned to leave the ATM, one of two suspects pointed a small rifle at the victim and demanded he withdraw \$200 more. The victim did as he was told; the man with the gun took the money and then the two robbers climbed into the victim's truck, locked the doors and drove away. (*Vallejo [California] Times-Herald*, March 19).

California ATM Scams Abound

- 85) Tulare ATM Customers Bilked of \$480 - A Bank of America ATM customer, Fannie Parrish, 18, told police a woman approached her at a Versateller machine about 6:10 p.m. and asked to transfer \$200 into Parrish's account and then withdraw it. However, the woman did not put any money into Parrish's account before withdrawing the \$200. Police reported a similar incident occurred at the same machine two week earlier when a woman told Dean McClain that she was having trouble with her card and wanted to use his account to access her money. In the earlier incident the woman inserted a false deposit slip and took out \$280. (*Tulare* [California] *Advance-Register*, February 7).
- 86) Female Scam Artist Strikes Porterville ATMs - Porterville, California police report two incidents in which a woman convinces ATM customers to let her use their cards to access her account. The suspect is white, about 30, with curled blonde hair. She approaches ATM customers asking for help because her card is "lost, broken or left at home" and she needs to make a deposit. She asks to borrow the victim's card to make the deposit, looking away while the card owner enters the PIN. Then she blocks the card owner's view while she transacts her "deposit." In reality, she is making a withdrawal from the victim's account. The suspect has been seen driving away in a grey Buick Le Sabre, but has used other vehicles. (*Porterville* [California] *Reporter*, February 28).
- 87) Stolen Card Used With PIN Number Tricked Out of Card-Holder - On March 3rd a Tahoe Forest Hospital employee put her purse in a desk drawer and later received a call from a woman who said she worked at a bank and that someone had stolen the hospital employee's ATM card. The employee checked her purse, found her wallet was indeed missing. Then the female caller said the card theft suspect was in custody and the bank needed her PIN number to verify it was indeed her card. The unsuspecting hospital employee gave the caller the PIN number. The caller then went to an ATM nearby, withdrew \$300 and then \$200 from the victim's account. The March 3rd victimization was almost identical to one that occurred nearly one year earlier to a Tahoe Forest Hospital employee. (*Sierra* [California] *Star-Oakhurst*, Barbara Baré, reporter, and *Tahoe World*, Tahoe City, California, March 26).
- 88) Palo Alto Woman Victim of ATM Card Theft and PIN Number Extraction - On October 15 a Palo Alto woman had her wallet stolen. Shortly thereafter the victim got a phone call from a woman identifying herself as a Wells Fargo Bank employee who said the bank had a suspect in custody. The caller asked for the card-holder's PIN number and of course the robber cleaned out the victim's ATM account. (*Palo Alto* [California] *Weekly*, February 26).



INTERNATIONAL REPORTS

- 89) British Banks Face Class Action Suit On "Phantom" (Unauthorized) Withdrawals From ATMs; and Reverse Reimbursement Policy - An incident publicized in the January 5th *London* [England] *Sunday Times*

(February, 1992 Newsletter Item #116) reported the case of an elderly couple who claimed they were bilked of £400 in an unauthorized ATM withdrawal from their bank account. A lawyer, Dennis Whalley, says in March 22nd *London Sunday Times* that since the publication of the initial incident, he has received "hundreds of similar complaints" and is convinced that "the vast majority, if not all of these complaints, are genuine and valid." He is planning to begin a "multi-plaintiff action" in the High Court and he says "we will be asking the court to decide as a preliminary point that the ATM cash machine systems in the UK are easily susceptible to fraud by bank employees, and by members of the public with only a limited technical knowledge." Whalley reports having lined up for his technical experts the British Consumers Association.

British banks' position on disputed "phantom" ATM withdrawals has never changed. "The banks have always stated that there can, strictly speaking, be no such thing as a phantom withdrawal," said Richard Tyson-Davies of the Association of Payment Clearing Services. "To get any cash, you need the card and the correct personal identification number."

However, under a very recently installed Code of Banking Practice in Great Britain, the burden of proof has shifted from the customer to the bank to prove that the customer either acted fraudulently or with "gross negligence" before the bank can refuse to reimburse cardholders' unauthorized withdrawal losses. Under the new code cardholders may still be liable for the first £50 in cases where cards have been stolen if withdrawals are made before the theft is reported. (Diana Wright, reporter).

Canada Battles ATM Fraudsters

- 90) Sarnia, Ontario Marks 80% Rise In ATM Fraud - Sarnia, Ontario police report ATM frauds have increased by 80% as of February 29th. Most frauds are thefts which were accomplished through NSF checks deposited to cover account deficits or fraudulent ATM withdrawals. New police policies have been established to describe what priorities will be when investigating these fraud claims. Police will not, for example, begin an investigation where an account holder has given another person their ATM card, PIN and permission to make withdrawals, even if more money has been withdrawn than was agreed upon. (*Sarnia [Ontario] Observer*, March 27, Neil Bowen, reporter).
- 91) Sixteen-Year-Old Bilks ATM Out Of \$800 - *The Brantford (Ontario) Expositor* reported March 10 that a 16-year-old youth deposited a number of empty envelopes into an ATM, then took out \$500 the first day and \$300 the second day. He was described as "a very frustrated young man" because neither he nor his family had any money, according to his lawyer. The youth was placed on probation for two years and was ordered to provide 80 hours of community service. He reportedly spent all the money on video games and some food for himself and his friends.

- 92) Edmonton Bank Loan Officer Steals \$181,900 From False Accounts Using ATMs - *The Edmonton (Alberta) Journal* reported March 12 that 43% of all bank frauds committed in Canada are perpetrated by bank employees. In Edmonton, a Bank of Montreal loans officer, Verna Brosinski, opened accounts under assumed names and approved loans for a cast of 21 fictitious characters. Using ATMs, Brosinski stole a total of \$181,900 from accounts. "This is insider manipulation, this is big time," says an Edmonton police detective. Brosinski plead guilty to the charges and was sentenced to 27 months in jail. More common ATM frauds are empty envelopes, including one in which there was a folded piece of wrapping paper with a note scribbled on the back "Ho, Ho, Ho. Merry Christmas." In the last eight months, Edmonton police have investigated 44 cases of empty envelope deposits, involving \$43,856 lost.

News of ATM scams has caught the attention of some organized criminals. A ring of offenders is ripping off banks in eight major Canadian cities through ATMs. Edmonton police have arrested five people and have warrants out for another two suspects currently. One police official notes "the nice thing... for criminals is there are no witnesses. You may deposit checks in a mechanical device. It provides anonymity." (Corinna Schuler, reporter).

- 93) Ottawa Newspaper Reports On Empty Envelope Epidemic - *The Ottawa Ontario) Citizen* reported March 31st that Ottawa area police get about 10 reports of ATM ripoffs each week. ATMs are involved in kiting schemes and blatant empty envelope frauds on new accounts. One police detective reported "we had one bank that let people open accounts with a \$5 deposit and gave them a bank card and PIN the same day." Scam artists opened accounts there on a Friday, ran phony deposits and took out \$400 daily on Saturday and Sunday. One organized ring of such empty envelope fraudsters operated near Ottawa during 1991. Young people were recruited, some right in their schools, to open up accounts either in their names or with fake IDs which were provided to them. At least seven fraud rings are operating out of as many Canadian cities. "They know where the weaknesses are - which banks, even which branches, are more likely to give them a no-holds-barred (ATM) card." (Alana Kainz, reporter).

- 94) Winnipeg ATM Camera Photographs Lead To Arrest of Two Face-Slashing ATM Robbers - A 38-year-old woman walking down a Winnipeg street at 4:30 a.m. in December was slashed in the face by an Xacto knife by a man who jumped her from behind. When the woman fought back, the robber forced her into a nearby bus shelter, leaving her with a 10.5 centimeter gash on her face, and a piece of the knife blade broken off and embedded in her face. The two assailants stole her purse that contained cash and her Toronto Dominion Green Card and PIN. The perpetrators proceeded to several different ATM locations, conducting numerous transactions with the woman's stolen card. Three of the locations used by the perpetrators were equipped with covert Green Machine ATM camera systems. Law enforcement had absolutely no leads as to the culprits' identities but ATM camera photographs provided to the police by Toronto Dominion Bank Security positively identified two 18-year-old native males. The men were subsequently charged with numerous offenses, including robbery, forgery, fraud and assault. (*Winnipeg [Ontario] Free Press*, December 29, 1991, and details provided by Jerry W. Anderson, Toronto-Dominion Bank security officer).

CONSUMER EDUCATION

- 95) Ohio Credit Union League Offers Seven ATM Safety Tips - Reported in the *Wooster [Ohio] Daily Record*, February 24, *The Loraine [Ohio] Westlaker Times*, March 12; and *The New Carlisle [Ohio] Sun* on February 26. All three articles noted the pending New York City ATM Security proposal and reported on several of the seven ATM safety tips suggested by the Ohio Credit Union League.
- 96) University of Southern California Daily Trojan Editorial - An editorial in the student newspaper of the USC campus in Los Angeles noted that ATMs at banks in the neighborhood "need to participate to make sure their customers are not robbed. All too often, the lights outside the ATMs are broken, the machines are surrounded by shrubbery... or the video cameras inside the ATMs... are broken or missing... Students... who use these local banks need to ... demand more safety from their banks." February 27.
- 97) Biloxi, Mississippi ATM Users Cautioned - *The Biloxi [Mississippi] Sun-Herald* cautioned customers on March 23rd to be aware of ATM crime. Mississippi police are reported to have said ATM robberies are on the increase as part of a trend toward thefts of cash rather than property. Stolen property must be sold to raise cash and the stolen property only draws a fraction of its full value. The problem of unauthorized withdrawals of ATM cash being explained as thefts was also described. A list of 12 ATM safety tips was included in the article. (Betty Attaway, reporter).
- 98) Gainesville, Georgia ATM Tips Offered - *The Gainesville [Georgia] Times* reported March 23rd that ATM theft near Gainesville is not a common problem yet, but will be in "a matter of time." Gainesville police suspect ATM customers are less vulnerable in your car. Other ATM safety tips are listed as well. (A.J. Banks McKirby, reporter, in her "Crime and You" column).
- 99) ATM Safety Suggestions From Palo Alto Citizens - *The Palo Alto [California] Times-Tribune* offered brief comments from several citizens regarding ATM safety improvements. Among the suggestions offered were: 1) rearview mirrors on ATMs allowing customers to see behind them, 2) ATM cameras being required by law, 3) locking ATMs up at sunset, 4) motion-activated security lighting within 25 feet of ATMs, 5) locating ATMs at the front of banks, 6) installing panic buttons with silent alarms connected to police stations, 7) getting rid of all ATMs. (compiled by Frank A. Bravo and Bob Moricz).
- 100) San Diego State University Students Cautioned - *The Daily Aztec* of San Diego State University (SDSU) reported on March 26th of the drive-through ATM victimization of an SDSU senior named Brian one Saturday evening in January. Brian inserted his card in the ATM and withdrew \$40. After completing his transaction, his car door opened and before he knew it a gun was held to his head. The robber demanded \$300 and took abducted Brian in his own car. As the gunman drove Brian's car through San Diego, he

told Brian to put his head between his legs and not to look at him. The student said "I thought he was going to take me out and execute me." Bill Robinson, senior public information officer with the San Diego Police Department, stated overall robberies in San Diego rose 23% in 1991. "Most of the people are feeding drug habits, and people have been murdered at these machines when they try to resist." (Robbin Korenthal, reporter).

- 101) Maryland Soldiers Warned About Lost Card Reporting Responsibilities - *Sound Off*, a military publication in Columbia Maryland, reported March 26th about the responsibilities of credit card and ATM card holders to report card losses under the Fair Credit Billing Act and the Electronic Funds Transfer Act. Limits on losses and reporting responsibilities were detailed in this article.
- 102) Dallas ATM Customers Cautioned - *The Dallas [Texas] Morning News* reported April 8th on several steps to maximize ATM customers' safety. These suggestions came from the Dallas Police Department and recommended: 1) using drive-up ATMs. "You're more protected when you stay in the car," 2) not leaving keys in the car as you complete walk-up ATM transactions, 3) staying alert during ATM transactions and using the "exit" button to cancel transactions if necessary, 4) restricting ATM usage to daytime hours, 5) taking ATM receipts with you, 6) not counting cash at the ATM, 7) protecting the PIN number.

NEWS OF WEIRD ATM CRIMES

- 103) California Woman Finds New Way Out of ATM Robbery Situation - Rialto, California police reported a 22-year-old woman was robbed of \$100 at an ATM by a man armed with a semi-automatic handgun. The woman complied with the robber's demand and promptly fainted. She had recovered by the time police had arrived and required no medical attention, in the process discovering a new way of dealing with the high stress situation of being an armed robbery crime victim. (*The San Bernardino [California] Sun*, March 31).
- 104) ATM Crime Doesn't Pay In North Carolina - A Fayetteville man, Richard Sanborn, 22, drove up to a Wachovia Bank ATM at 3:10 a.m. and withdrew \$5, when he noticed a van had pulled in behind his car. A man got out of the vehicle, pointed a pistol at Sanborn and said "Give it up." Sanborn handed the robber the \$5. The robber then said "I want it all." Sanborn then handed him his wallet which contained a drivers license and other documents but no money. The robber then left, according to police, with \$5 for his felonious effort. (*Fayetteville [North Carolina] Observer-Times*, March 8).
- 105) New Jersey Man Claims Cash Machine Robs Him Of \$300 - A Piscataway, New Jersey man claims he went to the Dime Savings Bank of New Jersey ATM about 5:15 p.m. to withdraw \$300. The man told police the cash dispenser drawer opened and he saw the cash in the drawer but before he could get hold of it, the drawer snapped shut. The ATM machine at that point flashed a message that no more cash would be dispensed. The man claims he has a "witness" to this robbery of his \$300 by the ATM, another

customer waiting in line to use the machine. Bank officials were reported trying to determine the cause of the malfunction. (*Bridgewater* [New Jersey] *Courier-News*, April 3).

- 106) Angry Florida ATM Customer Charged With "Injuring A Computer" After Smashing ATM With A Sledgehammer - A cleaning man at First Union Bank called police about 12:20 a.m. Friday and reported a loud banging near the ATM in the building which he was cleaning. He reported a man was swinging something at the machine. Shortly thereafter, police arrested Michael Stelogeannis, 29, who admitted swinging a sledgehammer at the machine after his cash was not dispensed. The man was charged with felony criminal mischief and "injuring a computer." A bank spokeswoman said of ATMs "they're sensitive. We've had eggs thrown at them. People get mad at them when they don't work and it doesn't take much to hurt one." Editor's Note: At this point it is not clear whether sensitivity training is in order for angry ATM customers, or assertiveness training for "sensitive ATMs". (*Ocala* [Florida] *Star-Banner*, March 21).
- 107) California Man Shakes A Leg, Then Bashes ATM With His Fake Leg - A frustrated Encinitas, California ATM customer took off his prosthetic leg and used it to bash an ATM after it declined his ATM transaction. An ATM camera mounted behind a smoked glass shield recorded the activity at a Union Bank ATM about 8:45 a.m. Tuesday. "A white male with a tank top with Mickey Mouse on it had attempted to withdraw \$40 from the ATM," an investigating police sergeant said. "The transaction was denied. The suspect bent forward and when he straightened up again he had a prosthesis in his hands. He hit the machine three times with the leg. Then he bent forward again and when he straightened up he used a crutch to pry at the machine." The ATM suffered cracked glass and other minor damage. Police said the suspect is wanted on suspicion of vandalism, but no arrest had been made in the case. (Editor's Note: If this man continues his peculiar *modus operandi* of ATM attacks, is he more likely to be named "The Captain Ahab of ATM Vandalism," or "The Mickey Mouse Masher?").

CLOSING NOTES

The full text of A) the New York City Council ATM Security Proposal 82-A and B) Schreiber's April 1991 *Security Management* magazine article follow as **BONUSES** for this April 1992 issue of **ATM Crime and Security Newsletter**.

Proposed Int. No. 82-A

By Council Members Eldridge, McCaffrey, Cerullo III, Fisher, Eisland, Spigner, Alter, Ognibene, Millard, Malave-Dilan, Foster, Pagan, Wooten, Abel, Berman, Castaneira-Colon, Clarke, Cruz, DeMarco, DiBrienza, Duane, Fields, Freed, Fusco, Harrison, Horwitz, Koslowitz, Linares, Marshall, McCabe, Michels, O'Donovan, Pinkett, Powell IV, Robinson, Robles, Ruiz, Sabini, Ward, Warden, Watkins, White, Williams and Maloney.

A LOCAL LAW

To amend the administrative code of the City of New York, in relation to requiring security measures at automated teller machine facilities located within the City.

Be it enacted by the Council as follows:

Section one. Chapter one of title ten of the administrative code of the city of New York is hereby amended by adding thereto a new section 10-158 to read as follows:

§10-158. Security measures at automated teller machine facilities.

a. Definitions. For purposes of this section:

(1) "Access code" means a series of numbers or letters, unique to each banking customer, which when entered into an automated teller machine, grant the customer entry to the customer's account records.

(2) "Automated teller machine" means a device, linked to a financial institution's account records, which is able to carry out transactions, including, but not limited to: account transfers, deposits, cash withdrawals, balance inquiries, and mortgage and loan payments.

(3) "Automated teller machine card" means an instrument authorized by a bank, which, when inserted into an automated teller machine, permits the customer to utilize the machine.

(4) "Automated teller machine facility" means the area comprised of one or more automated teller machines, and any adjacent space which is made available to banking customers after normal banking hours.

(5) "Bank" means any institution, as defined in section 11-640 of the administrative code, which operates, owns, or controls an automated teller machine facility in the city of New York.

(6) "Adequate lighting" with respect to an open and operating automated teller machine facility located on the outside of a building, and any defined parking area, means lighting during nighttime hours according to the following standards:

(i) a minimum of 10 candlefoot power at the face of the automated teller machine and extending in an unobstructed direction outward five feet;

(ii) a minimum of two candlefoot power within 50 feet from all unobstructed directions from the face of the automated teller machine. If such machine is located within 10 feet of the corner of the building and the automated teller machine facility is generally accessible from the adjacent side, there shall be a minimum of two candlefoot power along the first 40 unobstructed feet of the adjacent side of the building.

With respect to defined parking areas, "adequate lighting" means a minimum of two candlefoot power in that portion of the parking area within 60 feet of the automated teller machine facility.

With respect to an automated teller machine facility located inside a building, "adequate lighting" means lighting, on a 24-hour basis, which permits a person entering the facility to readily and easily see all persons occupying such facility, and which permits a person inside the facility to readily and easily see all persons at the entry door of such facility.

(7) "Defined parking area" means that portion of any parking area open for bank customer parking which is (i) contiguous to any paved walkway or sidewalk within 50 feet of an automated teller machine facility; (ii) regularly, principally and lawfully used for parking by users of the automated teller machine facility while conducting transactions at such automated teller machine facility during nighttime hours; and (iii) owned or leased by the operator of the automated teller machine facility, or owned or otherwise controlled by the party leasing the automated teller machine facility site to the operator. The term does not include any parking area which is not open or regularly used for parking by the users of the automated teller machine who are conducting automated teller machine transactions during nighttime hours. A parking area is not open if it is physically closed to access or if conspicuous signs indicate that it is closed. If a multiple level parking area satisfies the conditions of the subdivision,

and would therefore otherwise be a defined parking area, only the single parking level deemed by the operator of the automated teller machine to be most directly accessible to the users of the automated teller machine shall be the defined parking area.

(8) "Nighttime hours" means the period of time beginning at sunset and ending at sunrise.

(9) "Candlefoot power" means the light intensity of candles on a horizontal plane at 36 inches above ground level and five feet in front of the area to be measured.

b. Security measures. A bank shall maintain the following security measures in each of its automated teller machine facilities:

(1) a surveillance camera or cameras, which shall view and record all persons entering, exiting, and moving within or about an automated teller machine facility. Such camera or cameras need not view and record banking transactions made at the automated teller machine. The recordings made by such cameras shall be preserved by the bank for at least seven days;

(2) entry doors with locks which require an automated teller machine card or access code to enter, and a one-step release door or similar device to exit the automated teller machine facility after regular banking hours;

(3) adequate lighting;

(4) at least one exterior wall made substantially of untinted glass or other untinted, transparent material, which

provides an unobstructed view of the automated teller machine or machines within the automated teller machine facility;

(5) reflective mirrors or surfaces at each automated teller machine which provide the user a rear view;

(6) a reflective mirror or mirrors placed in a manner which permits a person present in the automated teller machine facility to view areas within such facility which are otherwise concealed from plain view; and

(7) a clearly visible sign, which at a minimum, states:

(i) the activity within the automated teller machine facility is being recorded by surveillance camera;

(ii) customers should close the entry door completely upon entering if the automated teller machine facility is located inside a building;

(iii) customers should not permit entrance to any other person at any time in which entrance is limited by an automated teller machine card or an access code if the automated teller machine facility is located inside a building;

(iv) customers should place withdrawn cash securely upon their person before exiting the automated teller machine facility; and

(v) complaints concerning the safe operation of the automated teller machine facility should be directed to the department of consumer affairs, together with a telephone number for such complaints.

Paragraphs (2), (4) and (6) of this subdivision shall not apply to any automated teller machine facility located outside of a building.

Paragraph (4) of this subdivision shall not apply to any automated teller machine facility located in (i) a landmark building or within an historic district, if compliance with paragraph (4) would require the approval of the Landmarks Preservation Commission, and such approval has been sought and denied; or (ii) any building, if compliance with paragraph (4) would require the removal of a load-bearing wall as defined in section 27-232 of the administrative code.

c. List of facilities. Any bank which operates an automated teller machine shall file a list of such facilities with the police department, including the street addresses, intersecting streets, hours of operation, method of security, and method of surveillance at each facility. The police department shall distribute to each police precinct a list of all automated teller machine facilities in the precinct which are available to banking customers.

d. Violations and penalties. (1) With respect to any individual automated teller machine facility, a bank found to be in violation of any provision of subdivision (b) of this section shall be subject to a civil penalty of not more than \$250. Each violation of any provision of subdivision (b) of this section shall be considered a separate violation thereof.

(2) Any bank found to be in violation of any provision of subdivision (b) of this section shall correct the violation within three days of such finding. Failure to correct the violation within three days shall be subject to a civil penalty of not less than \$500 or more than \$1,000. Failure to correct such violation beyond said three-day period shall be punishable by a civil penalty of \$250 per day for each day such violation continues.

e. Consumer safety information. Upon the original issuance or reissuance of an automated teller machine facility access card or code, or any other means or device permitting access to an automated teller machine facility, the issuing bank shall provide its customer with written information concerning safety precautions to be employed while using an automated teller machine facility.

f. Enforcement; statistics. 1. The police department, the department of consumer affairs and the department of buildings shall have jurisdiction to enforce this section.

2. The police department shall compile and maintain in a separate and distinct category, statistics of crimes associated with the use of automated teller machines. Such statistics shall be provided at least semi-annually to each bank that has filed a list of facilities with the police department pursuant to subdivision c of this section.

g. Exemptions. The provisions of this section shall not apply to any unenclosed automated teller machine located in any building, structure or space whose primary purpose or function is

unrelated to banking activities, including but not limited to supermarkets, airports and school buildings; provided, however that such automated teller machine shall be available for use only during the regular hours of operation of the building, structure or space in which such machine is located.

§2. This local law shall take effect 180 days after its enactment into law.

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AMERICAN SOCIETY FOR INDUSTRIAL SECURITY

Security Management[®]

APRIL 1992



Tough Times for
ATM Security

APRIL 1992



ON THE COVER

ATMs pose some challenging trends for security professionals in the '90s. Read what they are, beginning on page 26.

*Photograph by
Jeffrey Newbury*

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DISASTER MANAGEMENT

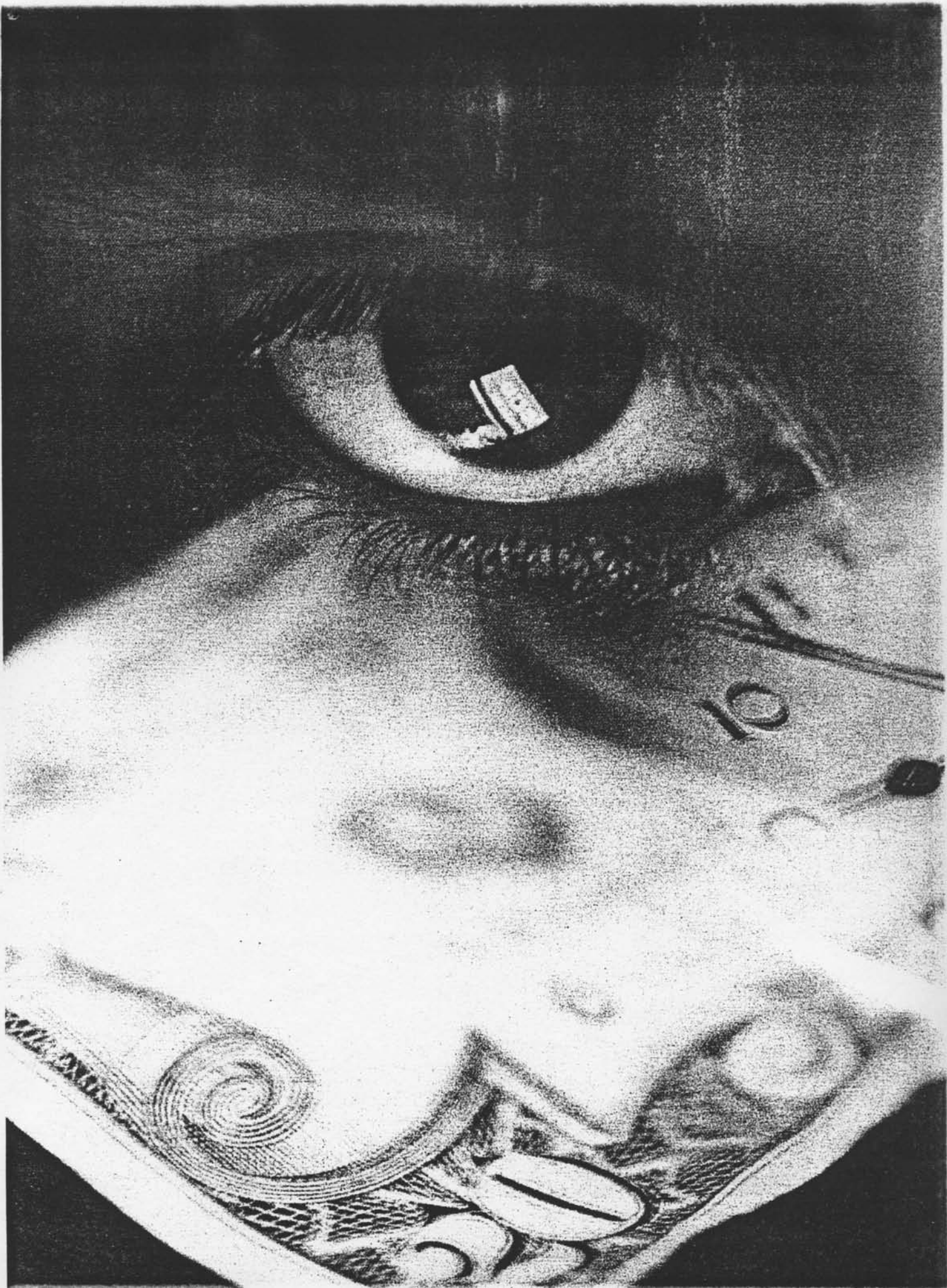
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Tough Trends for ATMs

Three days after Christmas at 2:00 am in midtown Manhattan Sergeant Keith Levine, a 27-year-old New York City police officer, was off duty and driving home with two friends. With a practiced police officer's eye, Levine glimpsed a man and a woman robbing an ATM customer on 57th Street. ♦ Levine stopped his car, told his friends to remain in the vehicle, and chased one of the suspects on foot. Levine and the male robber exchanged gunshots. Levine, hit in the chest and stomach, fell to the pavement. He died within the hour. ♦ Levine's death was an ATM-related crime tragedy. It was later revealed that the man who was being robbed at the ATM was attempting to use a stolen ATM card. ♦ Levine's beyond-the-call-of-duty death added dramatic impetus to one of six major trends for ATM security in 1990s—legislatively mandated ATM security standards. In October 1991, the New York City Council received a proposal cosponsored by 26 of 51 council members that, if adopted, will become America's most demanding ATM security law on the books at this time.

BY F. BARRY SCHREIBER

Photograph by Jeffrey Newbury



The requirements of the bill (Int. No. 787-A) are as follows:

- no new outdoor ATM locations in New York City
- adequate lighting around existing outdoor ATMs, their parking lots, and the interior portions of buildings where ATMs are accessible after hours
- a surveillance camera and recorder at every New York City ATM
- card access entry doors to outdoor ATMs for after-hours use
- at least one glass exterior wall at all ATM enclosures
- reflective mirrors mounted above ATMs to allow the customer a rear view of the surrounding area
- a sign stating the following: the ATM is monitored for security, customers must close the entry door completely before using the machine, customers must pocket their cash securely before leaving the ATM, and where complaints about ATM safety should be directed
- each ATM cardholder be given a written copy of basic ATM safety information
- penalties of up to \$500 for a first violation of rules, up to \$1,000 for a second violation, and a minimum of \$2,000 for a third and subsequent violations (Banks would be given three days to correct a violation.)

ATM security legislation is just one of the six major trends facing ATM security in the '90s. It became a reality in August 1990 when California became the first major US jurisdiction to establish legislatively required ATM security standards. California Assembly Bill 244 set technical standards for lighting at the machine's face (10 footcandles), up to 50 feet away from the machine (2 footcandles), and in the nearest parking area designated for ATM users (2 footcandles).

The bill also required ATM customer safety education, excellent visibility of the ATM from the nearest street or sidewalk, and operator consideration of violent crimes in the immediate neighborhood around the ATM.

Less than six months after California Assembly Bill 244 was passed, Nevada copied the California ATM security legislation and adopted Nevada Senate Bill 267. California and Nevada

clearly established the precedent of mandating ATM security standards through legislation.

The New York bill mentioned earlier would dramatically extend the power of local government to regulate security in a banking enterprise, going far beyond what any federal banking regulation currently requires for ATM security.

Interestingly, almost every ATM se-

frequency and characteristics of ATM crimes in the jurisdiction begin.

A SECOND MAJOR ATM SECURITY TREND for the '90s will be the expansion of quantifiable data about ATM-related offenses. The majority of quantifiable, detailed research about ATM crime has come from parallel national surveys of bank security records conducted by the



After receiving a distress call from an unarmed female ATM servicer in Greenville, SC, police forced open the ATM door to find the woman mortally wounded. Threats on servicers are expected to increase in the '90s.

curity legislation proposal in America has followed the "ATM crime crisis cycle." In this cycle, four distinct phases occur:

Phase I. An ATM crime incident occurs, often involving a legislator, a legislator's staffer, or a legislator's constituent as the ATM robbery victim. For example, council member Ronnie Eldridge, one of the New York bill's cosponsors, had been victimized at an ATM less than a year prior to the bill's introduction.

Phase I of the cycle may involve an ATM-related crime tragedy that receives intensive media coverage, such as the murder of Dana Feitler near an ATM in Chicago in June 1989.

Phase II. A legislative remedy, frequently involving physical security improvements at ATMs, is introduced.

Phase III. Both broadcast and print media demonstrate a heightened interest in and coverage of any ATM-related offense occurring locally.

Phase IV. Hearings, fact-finding efforts, and quantifiable research on the

Bank Administration Institute (BAI)¹ and the American Bankers Association (ABA)² in 1987 and again in 1989.

These surveys have provided invaluable data about the incidence of ATM crime and several of the characteristics of ATM crimes as well. Consider the following examples:

- Ninety-six percent of the crimes involve a single ATM customer victim.
- About 50 percent of the crimes occur between 7:00 pm and 12:00 am.
- Most of the crimes began as the customer was using the ATM (54 percent) or leaving the ATM (33 percent).
- Customers refused or resisted the perpetrator in 13 percent of the incidents.
- Customers were injured in about 14 percent of the crimes.

In addition to ATM crime data from bank security records, major police departments have now begun subcategorizing robberies by ATM type.

The Los Angeles police department recently has begun such record keeping, and the New York City police department has recorded 632 ATM crimes

in the 21 months following its start of ATM crime record keeping in January 1990. These data should provide critical details about the anatomy of the typical ATM crime and suggest effective countermeasures.

Other quantifiable research using law enforcement and other public agency records is expected to appear in the 1990s. My research detailing characteristics of more than 450 ATM crimes reported to law enforcement agencies in America will soon be released.

The New York City Council Legislative Oversight and Investigation Unit recently completed a survey of 231 24-hour ATM sites in New York.³ The following are a few of the survey's findings:

- Lighting inside ATM facilities was considered good at 95 percent of the locations, but 26 percent of indoor ATM locations had broken or faulty vestibule entry locks, allowing access to the facility to anyone who wanted access.

- Only 22 percent of the 231 ATM facilities surveyed had security cameras trained on the ATM machine, but 75 percent of the ATM sites had a telephone or intercom providing access to bank personnel.

- Ten of the ATM sites surveyed had uniformed security officers adjacent to the ATM machine.

The expansion of quantifiable data in the 1990s will be a necessary part of understanding ATM crime and will

shape the number and type of ATM crime countermeasures that will be deployed in the future.

A THIRD ATM-RELATED TREND FOR THE '90s will be the expanded use of litigation in ATM customer robberies where injury occurs.

A telling statistic was revealed in the first and second national surveys of

blanket or site-specific basis depending on documented need.

Blanket security improvements may occur due to ATM security legislation, the major banks' policies, or the adoption of ATM network safety standards. The first ATM network safety standards have just appeared, adopted by Magic Line⁴ based in Michigan. Other networks will no doubt follow suit during the remainder of the '90s for protection.

Site-specific ATM security improvements may come based on ATM crime incidents or a quantifiable assessment of crime risk in the immediate (one-block radius) neighborhood around each ATM. Site-specific risk assessment data may come from financial institution security records, law enforcement reported crime data, or crime risk analyses projected by private companies from the US Census and other demographic data for each ATM location.⁵

Improved ATM security will likely come from three major factors:

- **Physical security devices.** Improved lighting will present a deterrent to some would-be ATM robbers and allow ATM customers to make a better assessment of the crime risk at ATMs during after-hours transactions that they make.

Better lighting also will enhance many ATM transaction and surveillance camera photographs. ATM camera photos have been dramatically helpful in apprehending ATM robbers.

Quality ATM photographs of crime perpetrators have been used by the police and media in many states, including California, Alabama, and Florida, to provide identification of an ATM offender. Although questionable as crime deterrents, ATM crime photos have proven a useful aid in investigating crimes that occur at and around the ATM.

- **Operational policies and procedures.** These is a second major area in which improved ATM security will occur. For example, policies may respond to



This dramatic ATM security camera photo of an ATM robbery near Orlando, FL, appeared on TV and in local newspaper and led to identifying the robber.

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ATM crimes by BAI. The 1987 BAI survey showed less than 1 percent of ATM crimes reported to bank security involved litigation. By 1989, 11 percent of the incidents reported to bank security involved litigation.

The largest of all known ATM litigation settlements to date is \$1 million and went to Anthony Verran. He was shot in the head on February 20, 1986, at approximately 11:30 pm while making a deposit adjacent to a Florida bank ATM site.

Litigation prevention will provide another motivation for identifying the characteristics of ATM crime and taking effective countermeasures against it.

A FOURTH ATM SECURITY TREND FOR THE '90s will be improved security at and around on-premises, vestibule-protected, and off-premises ATMs. A major question remains whether these security improvements will be made on a

ATM security camera photos have been dramatically helpful in apprehending ATM robbers.

¹ATM Crimes Bulletin Number 2 (Rolling Meadows, IL: Bank Administration Institute, 1987); M. Van der Velde, M. Chiappetta, and J. Shields, *Second National Survey on ATM Security* (Rolling Meadows, IL: Bank Administration Institute, 1989).

²ATM Crime Survey Report (Washington, DC: American Bankers Association, 1987); *ATM Crime Report 1989* (Washington, DC: American Bankers Association, 1990).

³J. Drapkin, C. McAlevey and R. Berger, *Report on ATM Security to the Council of the City of New York Committee on Public Safety* (New York: The Council of the City of New York Legislative Oversight and Investigation Unit, December 9, 1991).

⁴ATM Security Principles for Consideration (Dearborn, MI: Magic Line Inc., January 1992).

⁵One such quantifiable risk analysis for ATM sites is done by CAP (Crimes Against Persons) Index (King of Prussia, PA), using demographic, geophysical, and population data to predict crime risk vulnerability at specific address locations.

ATM crime by after-hours closure of specific ATMs where security problems have occurred. Proactive security policies also may be adopted, such as regular monitoring of lighting and security hardware at ATMs to ensure they are functioning properly.

■ **Customer safety education.** Customer safety education is the third major factor in which ATM security will be improved. A number of items have already been identified for making customers aware of their security at and around ATMs. These include ATM safety "statement stuffers" included with monthly account information mailed to ATM cardholders, safety reminders printed on ATM card jackets, receipts, and deposit envelopes, security reminders on signs posted at ATM sites, and reminder messages on the screens.

In addition, one ATM network is producing a public service announcement for television to remind customers of the risks and appropriate security actions to take when using ATMs.

A FIFTH TREND FOR THE '90S IS IN NEW threats to ATM customers, ATM service teams, and ATMs themselves.

ATM security planners will have to be aware of the ATM specialist robber. In Los Angeles, for example, Curtis Taylor, a 34-year-old alleged cocaine addict, is believed to have robbed more than 50 people at Los Angeles-area ATMs. Taylor was apprehended and convicted on 37 ATM robbery and attempted robbery charges and received a 28-year prison sentence. Obviously, ATM specialist robbers such as Taylor can account for a significant share of ATM crime in any one city.

A second troublesome finding for ATM customers comes from the National Institute of Justice research on drug use of arrestees in America. In a January-March 1991 study,⁶ 60 percent or more of all male booked arrestees in

Atlanta, Washington, DC, Los Angeles, Manhattan, Chicago, San Diego, and Philadelphia tested positive for drug use at the time of their arrest.

Assuming ATM robbers are similar to other street offenders, a majority of ATM robberies may be perpetrated by people under the influence of drugs. The deterrent effect of any system of ATM security devices on a perpetrator in desperate need of drugs or feeling high on drugs is unknown but may be minimal in the overall problem

Threats on ATM service teams come from a variety of sources. Two Wells Fargo ATM maintenance and repair

A majority of ATM robberies may be perpetrated by people under the influence of drugs.

technicians from North Carolina were arrested in September 1991 at a Colorado ski resort after they were caught stealing more than \$700,000 from ATMs in North Carolina to which the pair had access codes and vault keys. The men, who were well regarded by their employers, had

taken money from about 16 ATMs in the Raleigh-Chapel Hill, NC, area during a Labor Day weekend.

In the Los Angeles area, a female ATM technician was one of five persons arrested in connection with eight recent ATM service team robberies that netted \$200,000. Insider information, insider theft, and staged robberies of service teams will continue in the '90s.

Much more tragic is the loss of life of ATM servicers. Angie Drake, a 23-year-old unarmed Pinkerton security officer, was shot to death in Greenville, SC, in November 1991 as she was about to service an ATM. She was killed by a single perpetrator.

The perpetrator was seen walking calmly into the woods nearby after the shooting. Six hours later, after a hunt involving officers on foot and a police helicopter with infrared sensors, a 17-year-old man matching the suspect's description was found about one mile from the crime scene lying on his back with a 9-millimeter automatic to his head. Police eventually shot the gun out of his hand. The man was arrested and taken to the hospital. In conclusion, no money was lost during what appears to have been an at-

tempted ATM service team robbery.

The theft of entire ATM machines will continue. The work of a New England ATM gang who stole ATMs after store hours from supermarkets in Massachusetts and New Hampshire for more than a year beginning in 1990 seems to have ended with the arrest of three men in late September. The men are believed to have been involved in more than a dozen thefts of entire ATM machines.

Publicity in *The Wall Street Journal* and other prominent media sources has suggested the possibility of theft of off-premises ATMs to thieves in several states. Similar thefts of ATM machines have been reported in Illinois, Pennsylvania, Minnesota, and Missouri. The issue of anchoring and appropriately alarming off-premises ATMs is highlighted.

THE SIXTH TREND IN ATM SECURITY IS continued and expanded cooperation between public law enforcement and private security officials. The timely sharing of information regarding ATM crimes against customers, service teams, and ATM machines is vital to apprehending offenders.

This public and private sector partnership, such as suggested in the Operation Cooperation program of the American Society for Industrial Security, is recommended.

One example of this cooperation was the 1990 publication of the first *ATM Crime Training Bulletin* by the Chicago police department for its in-service officers.⁷

With more than 90,000 ATMs in service in America and more than 500,000,000 ATM-usable cards, threats to and attacks on this electronic funds transfer system are inevitable.

Close cooperation between the public and private sectors in the 1990s will maximize the security of millions of ATM cardholders and minimize the success of criminal threats. ■

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⁶C. DeWitt, *Drug Use Forecasting Research Update—First Quarter 1991* (Washington, DC: National Institute of Justice, November 1991).

⁷L. Martin and R. Watson, "Automatic Teller Machines (ATMs)," *Chicago Police Department Training Bulletin* (Chicago: Chicago Police Department, [undated]).