

## **TARP fraud, Bailout Program fraud, and other Financial Fraud**

The government is pouring nearly \$3 trillion into TARP and a dozen other new Bailout Programs. It is estimated that between 10 percent and 30 percent of these funds are lost to fraud. That means TARP fraud and bailout fraud exceed \$500 billion. The Department of Justice whistleblower reward program needs you to step forward if you have inside information to prove a company is cheating under TARP, Bailout programs, or any other misuse of federal government funds. In addition, the IRS is asking you to report companies that engage in financial trickery to significantly underreport taxes. Both the DOJ and IRS government reward programs pay up to 30 percent of what the government collects as a result. Below are examples of financial fraud.

### **Examples of TARP Financial Fraud**

- Using collateral already in default or that is from a fraudulent loan
- Lying about or overstating the value of property or debt rating

### **Examples of Balance Sheet Fraud under TARP or Bailout Programs**

- Claiming the balance sheet is only levered 30 to 1 when it is not
- Hiding assets off-shore or overseas
- Having a separate balance sheet offshore or overseas
- Using overseas "shell" banks
- Hiding liabilities through the use of Special Purpose Vehicles (SPVs)
- Hiding liabilities through the use of Structured Investment Vehicles (SIVs)
- Concealing contingent liabilities
- Overstating assets or understating liabilities

### **Examples of other Financial Fraud against the Government or Schemes to Underpay Taxes**

- Inflating earnings
- Disguising loans that should be classified as debt
- Booking ordinary expenses as capital expenses
- Mis-stating debt
- Stealing from government accounts
- Charging the government hidden fees that were not allowed

- Failing to credit the government with interest or gains
- Using fake capital loss transactions or back dating trades
- Selling fake capital loss transactions to corporate clients and high net worth individuals

Provided by: Joel D. Hesch, Esq.

Author of "***Whistleblowing: A Guide to Government Reward Programs (How to Collect Millions of Dollars for reporting fraud)***"

Author of "***Reward: Collect Millions for Reporting Tax Evasion ((Your complete guide to the IRS Whistleblower Reward Program)***"

Mr. Hesch represents whistleblowers filing for rewards. Visit his website at:

[www.HowToReportFraud.com](http://www.HowToReportFraud.com)

**TARP fraud, Bailout Program fraud, and other Financial Fraud**

**Whistleblower Rewards under the False Claims Act**