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State halts bogus checks

By ROBERT GREEN
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CRYSTAL LAKE - State officials Tuesday clamped down on two Chicago firms accused of issuing bogus money orders at Mexican-American and other northwest suburban communities.

The victims of the alleged scam are the groceries, customers who bought the money orders, and a Chicago bank, said Assistant Illinois Attorney General **Lawrence LaSusa**.

"We're hoping to recover the money and get full restitution for the victims," LaSusa said.

Attorney General Neil Hartigan obtained a court order Tuesday freezing the assets of Chicago-Mexico Money Exchange Corp., and U.S.A. Money Order Corp., both located at 1036 N. Ashland Ave., Chicago.

A Cook county Circuit Court order also bars the firms from selling or issuing any more money orders.

LaSusa and assistant attorney general John J. Madden said in recent months the Chicago companies did not have sufficient bank funds to cover the money orders, thus many have been returned to the buyers or the stores.

"We have a lot of cases of people who were paying their rent with money orders and who had them returned," LaSusa said.

He said the victims were primarily Mexican American workers who commonly use money orders to pay bills because they don't have bank accounts.

To help out their customers, the two McHenry County stores have chosen to reimburse anyone who bought a bogus money order.

The two stores are La Mexicana Buena Vista, 406 Virginia St., Crystal Lake, and Fiesta Foods, 13 W. Front St., Harvard.

"I can't afford to lose any of my customers," said La Mexicana owner Juan Figueroa, who estimated he may have sold several thousand dollars in bogus money orders.

Fiesta Foods owner James Gonzales said he has already given back \$6,000 to customers.

Both storeowners hope that the attorney general can help them recover the money owed them by the Chicago firms and their agents, listed as Carlos Trevino, Yvonne Trevino, Julia Lopez and Juan Lopez.

The attorney general estimates hundreds of bogus money orders have been sold by the two Chicago firms, and the total value may exceed "hundreds of thousands of dollars."

Other Mexican American stores victimized were in Palatine, Arlington Heights and Elgin.

LaSusa said the money orders were issued from Metropolitan Bank and Trust Company in Chicago.

The defendants established satellite bank accounts in their names near the grocery stores that sold money orders. In recent months, the Chicago bank received notice from the satellite banks that that there wasn't sufficient funds to cover the money orders.

LaSusa said his office and the state Department of Financial Institutions are investigating, and it's possible the defendants may face criminal charges.

"We need to sort out what the defendants did with all the money," LaSusa said.