

Fake \$2 coins

Available for 5¢ on Alibaba



PHOTO PASCAL RATTHÉ, SPECIAL COLLABORATION

Samples of counterfeit \$2 coins made in China

They may already be in your pockets. Chinese counterfeiters sell batches of thousands of counterfeit \$2 coins with impunity on the Internet, at 5¢ each. *La Presse* has learned that the authorities have made a record seizure of 26,500 pieces acquired by a large importer in Sorel, Quebec. But the producers remain untouchable.

Updated July 12



It was only for fun, he pleaded.

Arrested by investigators from the Canada Border Services Agency (CBSA) who burst into his residence on February 7, Jean-François Généreux constantly offered the same defense.

Yes, it was he who ordered a UPS package from China that was intercepted at customs in January, in which 12,000 counterfeit \$2 coins were discovered.

Yes, he was the owner of the additional 8,000 counterfeit coins found in his shed during a search. Yes, the 1,800 counterfeit coins found in a Walmart bag, the other 300 stored in a Ziploc bag and the additional 4,422 found in a boiler at his residence all belonged to him. Yes, he also held nearly \$5,000 in counterfeit American bank notes and around thirty American gold coins of dubious authenticity.

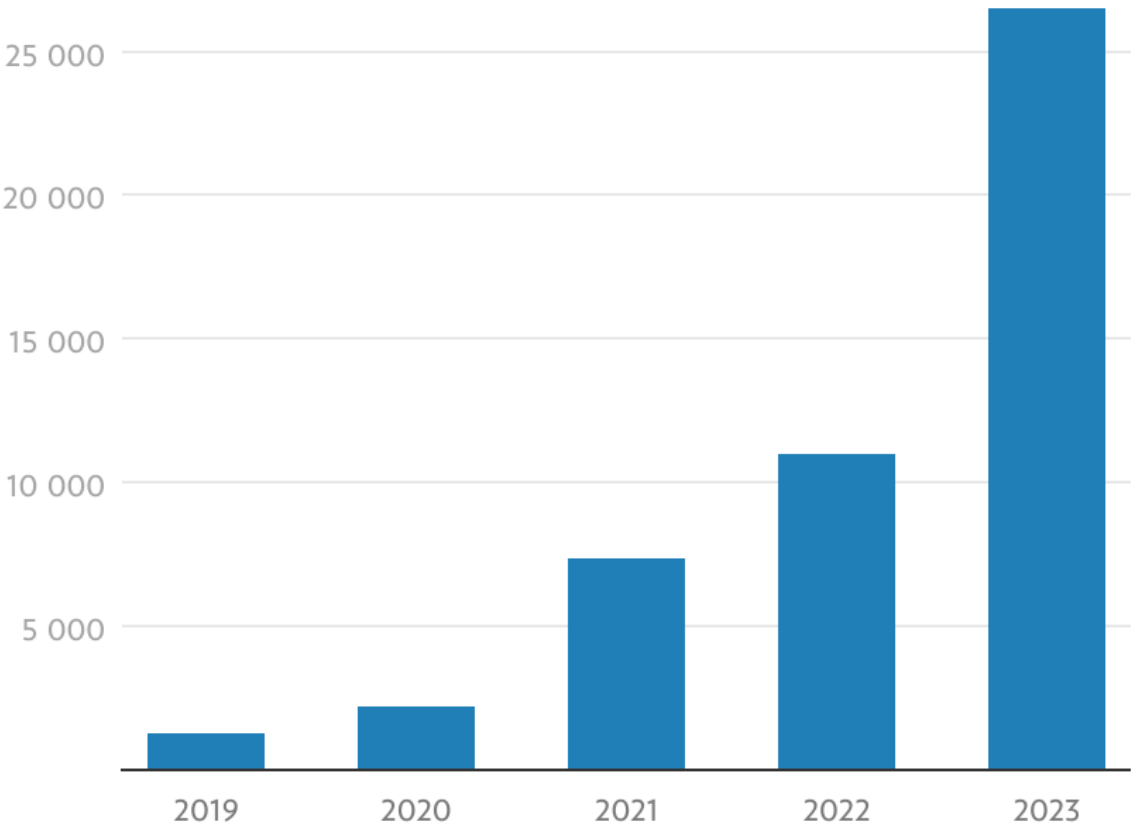
But he never planned to sell all that on the market, he repeated. In a summary of the suspect's interrogation filed at the Montreal courthouse, a CBSA investigator summarizes Mr. Généreux's position as follows: "The purchase of the \$2 CAD coins was made at Tim Hortons with the friend's laptop. He had no criminal intentions, he did not want to pass them on in transactions. »

"It was just for the pleasure of having them," continues the summary of the importer's statements, obtained by *La Presse*.

In total, more than 26,500 counterfeit \$2 coins were seized in this case. The Royal Canadian Mounted Police (RCMP) forensic laboratory, which analyzed the coins, confirms that this is the largest seizure of counterfeit coins of which it is aware. Never seen.

Pièces de 2 \$ contrefaites saisies par les autorités canadiennes

Nombre de pièces contrefaites interceptées au pays
dans les dernières années



Données partielles pour 2023

Source : Gendarmerie royale du Canada



Jean-François Généreux, who has been convicted in the past for use of a counterfeit document, fraud, as well as in two other counterfeit currency cases, has not yet been charged in connection with the current investigation. The CBSA's allegations against him have not been tested in court. He did not respond to our request for an interview. The investigation continues, with the analysis of evidence seized from him as well as from UPS thanks to legal authorizations issued by judges.

The case made it possible to trace it back to Mr. Généreux's supplier: a Chinese company called Kunshang Longlife Gifts which did business openly on the Chinese e-commerce site Alibaba.com. Invoices seized by authorities show that Mr. Généreux would have paid 5¢ for the \$2 coin, according to an affidavit from a CBSA investigator presented to a judge to justify the seizure of equipment at UPS.

La Presse was able to note that the seller was offering \$2 CAD coins at low prices, in huge quantities. Its page on Alibaba.com displayed several comments from Canadian customers who had ordered tens of thousands of these parts recently. One of the buyers posted an angry comment accompanied by photos showing that on an electronic scale, the coins received did not display exactly 7.3 grams like the real ones. The seller responded by offering to send him a new batch.

Categories Ready to Ship Personal Protective E... Trade Shows Buyer Central Sell on Alibaba.com Help

Home / Gifts & Crafts / Crafts / Metal Crafts



Wholesale Cheap Price Metal Gold Coins Commemorative 2018 Canadian Coins
1 buyer

100 - 499 pieces	500 - 999 pieces	1000 - 9999 pieces	>= 10000 pieces
CA\$1.19	CA\$0.8723	CA\$0.7783	CA\$0.5771

Benefits: Quick refunds on orders under US \$1,000 [Claim now >](#)

Color 

Size Free \$1.18

Lead time: ⓘ

Quantity (pieces)	1 - 100	101 - 1000	1001 - 10000	> 10000
Lead time (days)	12	13	15	To be negotiated

Customization: Customized logo (Min. order 100 pieces)
Customized packaging (Min. order 100 pieces)
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SCREENSHOT TAKEN FROM ALIBABA.COM
The page of the seller, now deleted, with whom Jean-François Généreux did business

Executives at Kunshang Longlife Gifts did not respond to an interview request. Asked to react as part of this report, the giant Alibaba immediately deactivated their page on the transactional site.

"Alibaba.com prohibits the display and sale of circulating currencies and their counterfeit copies," said Cui Lingnan, a spokesperson for the company whose revenues exceeded 134 billion U.S. dollars last year.

"We immediately conducted a thorough verification of the seller and blocked the product

after the conclusion of our investigation,” assured the spokesperson.

The Canadian authorities, however, are unable to reach producers in Chinese territory, even if they have been aware of their activities for several years.

Last year, the RCMP announced the arrest of a 68-year-old resident of the greater Toronto area and an initial seizure of 10,000 counterfeit \$2 coins following an investigation begun in 2021.

“It is suspected that there are other counterfeit coins in circulation in the monetary system and that they come from China,” the police said in a press release, asking citizens to remain vigilant.

A hoofed bear

Visual signs make it possible to identify fake coins imported from China, underlines François Rufiange, president of the Société numismatique de Québec, who designed an awareness workshop on this subject.

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PHOTO TAKEN FROM A PRESENTATION BY FRANÇOIS RUFIANGE
The bear's paw on the Chinese copy (right) resembles a hoof.

Until now, Chinese counterfeiters had difficulty reproducing the polar bear's paw

wild in certain regions of China. Counterfeiters also had great difficulty reproducing the profile of Queen Elizabeth II. The royal nose is particularly missed on the samples seized in 2021 and 2022.



PHOTO PASCAL RATTHE, SPECIAL COLLABORATION

François Rufiange, president of the Numismatic Society of Quebec

« The portrait of the queen is horrible! It's certain that if you put them under a magnifying glass, you'll see all the differences. »

— François Rufiange, president of the Numismatic Society of Quebec

“But ordinary people cannot detect these coins in the normal course of transactions,” recognizes Mr. Rufiange. It's easy to be fooled, because they are relatively well made. »

The Canadian numismatic community was initially surprised to see forgers reproducing coins of such little value. “The guy's not going to get rich overnight with this. But they are easy to pass,” says François Rufiange. The latter also points out that the most recent generation of Canadian bank notes, at the cutting edge of technology, is extremely difficult to imitate, which can push criminals to look for other possibilities.

How widespread are these counterfeit parts in Canada?

“I find them in my change all the time,” assures Mike Marshall, a numismatist and counterfeit currency expert based in Ontario. He and a colleague collected boxes of thousands of \$2 coins from banking institutions and detected an impressive percentage of counterfeits in recent years.

“If the Border Services Agency intercepted 26,000, you can be sure that there are 100 times more who managed to get through,” he believes.

Mr Marshall has successfully lobbied internet giants like eBay and PayPal in recent years to curb the sale of counterfeit parts. But he laments that it is still easy to buy from Chinese suppliers. “There are two main factories, but several sellers who change names often,” he says.

« The Chinese don't have copyright laws, they can make you anything. You send a photo, and they make it. »

— Mike Marshall, numismatist and counterfeit currency expert

Consequence: traders and Canadian citizens are fooled during transactions and sometimes lose significant sums, according to him.

No large volumes

Seizures of counterfeit parts have actually been increasing steadily for five years, according to police figures. But counterfeiting remains “extremely rare,” according to James Malizia, vice-president responsible for corporate security at the Royal Canadian Mint.

“We saw instances where it came from China,” he admits, but “we don't see large volumes.” The quantities seized must be compared with the astronomical quantity of Canadian coins in circulation: year after year, despite the popularity of electronic transactions, the Royal Mint produces 1 billion coins of all kinds, which circulate abundantly.



PHOTO PROVIDED BY THE ROYAL CANADIAN MINT

James Malizia, Vice President of Corporate Security at the Royal Canadian Mint

Mr. Malizia says the Royal Mint's sophisticated monitoring system makes it possible to quickly detect the presence of counterfeits and remove them from circulation.

"This system allows for regular sampling of coins in circulation to ensure the integrity of the ecosystem. There are very few countries that have a system like ours," he emphasizes.

In addition to examining the small visual details embedded in the metal, the Crown Corporation has a foolproof way of ensuring the authenticity of Canadian coins. "Each of

and size, but by this signature,” explains Lenard Cheung, senior director of Canadian Circulation Coins at the Royal Mint.

The organization's management says it closely monitors the most recent trends in counterfeiting and remains on the lookout. “The fact that we have invested significantly in our systems, it confirms that this is something that we take very seriously. It is important for a country to have good confidence in its system,” underlines Mr. Malizia.

— With the collaboration of Daniel Renaud, *La Presse*

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• **14 years old**

Maximum prison sentence provided for in the Criminal Code for anyone, without legitimate reason, who buys, possesses or introduces counterfeit currency into Canada

SOURCE: CRIMINAL CODE OF CANADA

1 billion

Number of \$2 coins put into circulation since their introduction in 1996

SOURCE: ROYAL CANADIAN MINT

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