

Dodgy Toonies from Quanzhou: How CBSA says it nabbed man with 26,630 fake \$2 coins from China



By **Andrew McIntosh** • Global News

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When the package from far away China landed at a FedEx warehouse at the sprawling Montreal-Mirabel International Airport in early January, Canada Border Services Agency officer Caroline Landry took a quick but careful look at the shipping label.

The customs paperwork accompanying the package declared it contained 10,000 “metal badges” from a clothing company in Quanzhou, the CBSA says.

Destination? A company called “Les Cartes Quebecois” (Quebec Cards) and a man identified as Jean-Francois G n reux from Sorel, Que., about 70 kilometres from Montreal.

Metal badges? Shipped by a clothing company? To a card company? None of it made much sense. So, Landry decided to pry open the package.

Inside, she saw no metal badges. Only six more boxes. She opened those. Inside those boxes, the CBSA says, Landry found what appeared to be around 12,000 \$2 Canadian coins, all stamped 2012, inside plastic bags.

Why would anybody ship thousands of \$2 Canadian coins from China to Quebec, calling them badges? Why all from 2012?, Landry wondered, pulling the package aside for further investigation.



A zoom in on one of the allegedly counterfeit coins seized at the Montreal-Mirabel International Airport in January 2023. CBSA

What happened next saw the CBSA, with some RCMP help, unravel what has become the largest detected shipments of fake Toonies from China in Canadian history, according to sworn affidavits that CBSA investigator Jean-Francois Pinard has filed in Quebec court.

Metal coin manufacturing companies in China are pumping out thousands of fake Canadian \$2 coins and selling them to buyers here in North America through online web e-commerce platforms like Alibaba, eBay and others, Pinard alleged in the CBSA's sworn affidavits.

Canadian buyers of such fake China-made Canuck coins actually have them delivered to their doors in cities across Canada by courier giants like FedEx and UPS, Pinard added.

For now, the CBSA's allegations are unproven and the evidence CBSA investigators say they gathered about the latest dodgy coins from China is untested in court.

Which brings us back to Jean-Francois Généreux.

CBSA investigators wondered: who is he and why did he order so many Toonies from China?

First, CBSA gumshoes say they learned there was no registered company called Les Cartes Quebecois.

Généreux was also reportedly jobless, living in an apartment in a four-unit building, just down the road from a Rio Tinto metals facility in Sorel-Tracy.

Next, while scrutinizing Généreux's background, the CBSA documents state, investigators allegedly discovered the Sorel resident had been convicted several times for uttering fake documents and using or circulating counterfeit money, including twice in 2002, again in 2006, and once in 2009.

Global News confirmed Généreux's prior criminal counterfeiting and fake documents convictions in Quebec Court records.

(Global also discovered more than a dozen other police arrests dating back to 2001. He has pleaded guilty to multiple charges involving fraud, theft, identity theft, and mail theft, and repeated probation violations. He has been jailed three times, including for 12 months in 2012, court records show.)

With that background intelligence on Généreux, CBSA says, it brought in Jennifer Merritt, a forensic specialist at the RCMP's National Anti-Counterfeiting Bureau.

At CBSA's request, Merritt examined 121 samples of the \$2 coins from China seized at the airport, representing a one per cent sample size of the final count of 12,049 coins seized at Mirabel Airport.

Merritt's conclusion allegedly confirmed what CBSA already suspected. The seized coins were fake Toonies because they allegedly displayed "differences in graphical detail and quality when compared to genuine Royal Canadian Mint \$2 coins," CBSA's affidavits state, offering no further details.

CBSA officials say they then checked import databases and allegedly learned that the package of coins on hold was Généreux's third package of "metal badges" from China in a month.

Two others had already slipped through Canada Customs, which employs 14,000 people, and were delivered to Généreux on Dec. 1 and Dec. 2, 2022, the affidavits state.

CBSA then placed Généreux under surveillance, suspecting him of receiving several shipments of dodgy Toonies and being a counterfeit money smuggler, the affidavits state.

Pinard outlined details of Généreux's past and his alleged scheme to buy and import counterfeit Canadian Toonies from Chinese manufacturers in search warrants which CBSA used to raid Généreux's home and then a storage unit in February, Quebec Court documents show.

After seizing the 12,049 allegedly fake Toonies at the FedEx warehouse in Mirabel in January, the raids at Généreux's home and storage unit in February allegedly turned up another 14,581 fake Toonies, which were also seized.

It's unclear from the search warrants how long CBSA investigators believe this was all going on, but we do know enough to say its alleged scale was unprecedented. Canada Customs records also allegedly revealed 13 different import shipments were delivered to Généreux's home since 2022.

"This is the largest known seizure of (allegedly) fake Toonies for any one individual in Canada," said counterfeit coin expert Mike Marshall of Trenton, Ont., who has become a fake Toonie expert who monitors and tracks them as they surface across Canada.

In May 2022, **the RCMP in Toronto arrested** Daixiong He, 68, of Richmond Hill, Ont., and charged him with uttering counterfeit money and possession of counterfeit money. The Mounties seized 10,000 allegedly fake Toonies during that investigation. His case remains before the courts, and RCMP said then his alleged fakes were "suspected of coming from China," but offered no solid public evidence.

If a conviction is obtained in Généreux's case, it would easily become the largest seizure of fake coins from one person and offer direct proof of ties to China.

CBSA investigators said they found boxes and boxes of allegedly fake coins throughout the Sorel man's home and storage unit, many still in boxes featuring Chinese letters, the documents allege.

Investigators found 4,422 allegedly fake \$2 coins stashed in a cat litter bucket; another 1,306 were inside a Walmart bag, according to an inventory of items allegedly seized during the raids.

CBSA also seized 91 US\$50 bills which prosecutors now allege are also counterfeit, along with three Apple iPads, two mobile phones, and two laptops, court records show.

Why would anyone bother to buy and import a low-value counterfeit Toonie from China?

"It's not chump change, like people think. There are millions of counterfeit Toonies now circulating in Canada," Marshall explained.

Numbers on Généreux's shipping invoices may offer insight: the operation could potentially yield easy and juicy profits.

Chinese makers of the fake Toonies were selling them to Généreux for 5 cents U.S. each, the CBSA affidavits allege.

If the allegations against him are true, then that meant he paid \$600 for his 12,000 coin shipment, plus \$857 for shipping.

Such math would still give Généreux a tidy profit each time he managed to pass one to a merchant, store or bank, minus his shipping costs.

Merchants wouldn't pay as much attention to a Toonie as they would, say to a \$50 U.S. bill, making them easier to pass when buying coffee and a doughnut, a beer at a bar, or milk at a corner store.

If merchants bring them to the bank, and fakes are spotted, tellers seize them and remove them from circulation. That costs the business; bank customers whose coins are seized are uncompensated, Marshall said.

CBSA may have a hard time tracking down and stopping Chinese manufacturers.

In Généreux's case, the suspect reportedly provided different shipping invoices and documents when CBSA started asking pointed questions about his FedEx shipment of Toonies held up in Mirabel.

The first invoice accompanying the 12,000 coin package identified the vendor as: "Mr. LIU, Quanzhou Jiayan Clothing Co. Ltd., No. 159 Chongsun Street, Quanzhou, FU, Tel: 18365262565."

The sworn affidavits state that when CBSA officers, via FedEx, allegedly pressed Généreux for more information and invoices, he sent another bill to FedEx staff.

This time, the bill identified a different seller: "Kunshan Longlife Gifts Co. LTD, located at 211 room, 12 building, 1280 fushikang road, kunshan, Jiangu, China."

Généreux even redacted part of the second bill he sent to delete the sender's description of the contents shipped, CBSA alleged.

« 12000 pcs metal coin 40*3mm », total de 1 457.00\$. Il est à noter que la section « description » sur la facture produite semble avoir été altérée/cachée :

| Article NO. | Description | Q'ty | Unit Price FOB Shanghai USD | Amount |
|-------------|--|-----------|--------------------------------|----------|
| | metal coin size:40*3mm color:gold Material:zinc alloy | 12000 pcs | \$0.05 | \$800.00 |
| | Shipping | | | \$857.00 |

A CBSA search warrant stated a suspect allegedly tried to redact part of a shipping bill describing the contents of his package. CBSA search warrant

Kunshan Longlife Gifts Co. is identified as a China-based maker of metal coins. Its profile on Alibaba has since been removed. It still operates openly on other websites.

Kunshan Longlife did not respond to a request for comment.

As for Généreux, he was arrested and charged earlier this month. He will appear in court on Dec. 4.

Généreux told Global News he would not comment on his case, fearing prosecutors would use his statements against him.

He now faces five criminal charges for buying, importing and possessing counterfeit currency, and introducing counterfeit currency into circulation. He faces a separate customs act charge for providing false information on an import declaration.

If found guilty, Généreux faces up to 14 years in prison.

What happened to Généreux's 26,630 allegedly fake Toonies? They are stored in a CBSA Montreal vault until the case ends.