

AVOID SCAMS & CHECK FRAUD

A growing number of consumers are affected by check fraud each year. Some situations involve Internet auctions, while others might involve emails or personto-person contact.



KNOW THE WARNING SIGNS!

It's likely fraud if:

- You sold an item through the Internet, and the "buyer" wants to pay by check (even a "certified" check).
- The check is for more than the agreed-upon price, and/or involves you wire-transferring money back to the buyer for the difference.
- A stranger asks you to "cash" a check by making a deposit and withdrawal at an ATM.
- You're promised payment for allowing someone to transfer funds (often from outside the U.S.) to your account for "safekeeping."
- You've been told of an "inheritance" from a distant relative you never knew you had.

- You received notice that you're a "winner" in a lottery or other contest and must provide your account information or send money to cover taxes.
- You receive a phone call stating a relative is in immediate trouble (usually in another country) and needs financial help.

There are numerous scams — protect yourself! Don't agree to cash a check or transfer money for others — especially strangers. Remember, if it sounds too good to be true, it usually is.

CHECK FRAUD 0 & A

The Federal Trade Commission, FBI, and others report many victims ask similar questions:

- Why did my financial institution allow me to withdraw the money?
- Why didn't anyone know the check was bad?
- I didn't write the bad check, so why am I responsible for the loss to my account?

Federal law requires institutions to accept checks in "good faith" and make deposited funds available within one to seven days. So, the fact you can withdraw money doesn't necessarily mean a check is good.

Technology has given crooks new tools to create excellent counterfeit checks. Unfortunately, that can mean a fraudulent check may take days or weeks to be discovered and returned unpaid.

Keep in mind, when you take a check from someone, you're trusting them to act honestly. Ultimately, you are the one making the judgment and accepting the potential risk.

If a check proves to be fraudulent and you cashed or deposited it, you could end up losing money. This is not only true at CEFCU*, but other financial institutions as well.

Remember, preventing fraud is a team effort. While your Credit Union will work with it's members to help recover funds, the ultimate responsibility goes back to the person who cashed or deposited the check. By working together, we can make it harder for criminals to profit at your expense.





