

## Prevention and Prosecution

All NWFCU member-owners are hurt by fake checks and other forms of financial fraud. Losses impact our savings and loan rates and affect the health of our institution. Does this mean you should tell Grandma you'll only accept cash for your birthday or that we should assume the worst of everyone we meet? Certainly not! But just as you look both ways before crossing the street and use good judgment online, add this information to your list of rules to live by and be aware of this new trend in crime.

To help you protect yourself and report suspicious situations, keep these tips in mind:

- Only cash a check or money order for/from a close relative or someone you've met in person and have known for a long time. You will be responsible if the check is phony.
- Immediately notify your bank or credit union if you've become a victim of counterfeit checks. You will have to return/repay the money.
- File a report with your local police to put on record that you're a scam victim and aid law enforcement in tracking down the responsible parties.
- Discuss the origin of the check you are about to deposit with our tellers or contact our Security Department if you are unsure of a check in your possession – especially if you've been asked to cash it and return a sum of money to the issuer.
- Keep abreast of other scams from our online Security & Fraud Center at [www.nwfcu.org](http://www.nwfcu.org).

- And to get email notifications of new schemes as they come to the attention of the FBI, FTC, FCC and other law enforcement agencies, subscribe to our free Fraud e-LERT system at [www.nwfcu.org](http://www.nwfcu.org).

**iSECURITY**  
PROTECT YOU • IDENTIFY THEM

*Deter the Crime. Defend the Victim.  
Defeat the Criminal.*

NWFCU has partnered with iSecurity to offer comprehensive ID theft protection services at special, members-only rates. Comprised of the largest team of former federal agents, iSecurity helps you deter theft and restore your financial reputation plus seeks justice should you become victimized, pursuing and prosecuting criminals to put them behind bars. Call us or visit [www.nwfcu.org](http://www.nwfcu.org) for rates and to enroll.

**NW**  
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703-709-8901 / 1-866-709-8901

[www.nwfcu.org](http://www.nwfcu.org)

# Counterfeit Check WARNING

*Fake checks are now the top  
illegal scam in the U.S.  
The average victim loses  
\$4,000 per occurrence.*

**Learn How to  
Protect Yourself**

**NW**  
NORTHWEST  
FEDERAL CREDIT UNION

**F**ake checks are now the top scam in the U.S. according to the National Consumers League's Fraud Information Center. It starts when someone gives you a check or money order and asks you to send cash somewhere in return. The check looks real, the reason seems plausible, and the person appears sincere. It may take weeks to discover you've become the victim of a fraud scam – and now, your bank or credit union wants the money from the check you deposited or cashed back. The average victim loses about \$4,000 per occurrence. Northwest Federal Credit Union (NWFCU) wants to help you avoid this costly crime.



## Beware. And Be Aware.

If someone you don't know and trust asks you to deposit a check then send a portion of the funds back to them, beware. There is no legitimate reason why anyone would give you a check or money order and ask you to send cash anywhere in return. Use the information in this brochure to be aware of how to stop and report potential thieves...and protect your hard-earned money.

## Scams Start Innocently Enough

Fake check scams are on the rise and new variations pop up daily. Each case starts with a realistic-looking check or money order and ends with someone asking you to send cash. Many times, the circumstances surrounding the scam seem logical or you might think you are doing someone a favor to be a good Samaritan.

- They may pose as buyers wanting what you are selling in a newspaper, on eBay, Craig's List or other advertisement.
- The used car you're selling for \$3,000 may result in a check or money order for more than you're asking, and the buyer will instruct you to cash the entire check and mail or wire transfer them the difference.
- They hire you to work at home and ask you to deposit checks or money orders in your account as part of your job. Sometimes they have you open a new account for the "business", but you're responsible for any checks that you deposit.

- They send you a check or money order as an "advance" on the millions that you're going to receive from a sweepstakes, lottery, or inheritance, usually from a foreign country.
- They offer you a foreign business deal and send you a check or money order as an advance on your profits.
- Or they befriend you and ask you to cash a check or money order as a favor, maybe even promising you a percentage of the amount as a reward for your kindness.

## Fake Checks Look Authentic

Even though tellers process thousands of check deposits a day, they can't always tell the difference between a good check and a bad one. Your check may look like an official cashier's check, a check from a local business, a real money order, a travelers or gift check, and the name on it may in fact be real. Even if you call the issuing bank and learn that there is an account in the name of the person or company who gave you the check, it still doesn't mean it's valid. The forgeries are as good as the criminals who conned you into taking the check.

## Who Pays for Fake Checks?

*You do.*

Once the teller has deposited the check, Federal law requires that deposits are available to you within 1-5 business days. But just because you were able

to withdraw the money from your account doesn't mean the check was good. When the bad check is discovered, the full amount will be deducted from your account, leaving you without the initial payment, and – in many cases – with added fees for resulting overdrafts and potential legal fees should your financial institution sue you to recover the lost funds.

Remember, **you are ultimately responsible for all deposits into your accounts.** Only you can determine the risk of the transaction you've entered into. If the check bounces and is returned unpaid for any reason, you are 100% liable for any loss related to the bogus check.

