

Let's Talk Preventing Cheque Fraud



Don't be a victim of cheque fraud!

Common scams include:

- ▶ A job posting for a secret shopper, a funds forwarding agent or other position.
- ▶ A notice that you have won a lottery or sweepstakes requiring you to pay a fee before collecting your prize.
- ▶ A promise of receiving a percentage for transferring funds to your account for "safekeeping," often from outside of Canada.
- ▶ An inheritance from a recently deceased distant relative you had no previous knowledge of.
- ▶ You place an ad selling something and a "buyer" offers to send more money than you are asking and then requests you to return the overpayment.
- ▶ International respondents to personal ads, vacation/apartment rentals, etc.
- ▶ Offer of earning quick money

In most of these scams, you are asked to deposit a cheque and forward the majority of the funds via wire transfer, e-Transfer, Western Union, bitcoin machine or money order and keep a portion of the funds as payment for your service.

The cheque sent to you won't usually be drawn on an account in the name of the person or company that you have been dealing with. These cheques are counterfeit or stolen and altered. They will be returned to your account as fraudulent and the full amount will be deducted from your account. Fraudulent cheques can be returned weeks or even months after deposit. Sometimes other fraudulent payment items such as traveler's cheques are used.

Although there are many variations to these frauds, one common trait is they all seem too good to be true, and they usually are!

Who is responsible for the loss to my account?

You are responsible for cheques you deposit into your account. Your service agreement with the credit union makes you responsible for the overdrafts in your account regardless of whether you are the victim of a fraud. If a cheque is returned unpaid, you are fully responsible for any related loss.

Why was I allowed to withdraw the money?

As a service, access to funds deposited is often allowed immediately or after a short hold but subject to the terms of your account agreement, including that you are responsible for returned cheques.

Why didn't the credit union know the cheque was fraudulent?

It is the Owners responsibility to ensure cheques being deposited into their account are legitimate. Libro Credit Union staff will use their best effort and judgment to detect counterfeit cheques. From time to time the Credit Union will attempt to contact another Financial Institution to confirm a cheque is valid. The other Financial Institution confirms some aspects of the cheque however they cannot guarantee the cheque has not been altered.

For further information on cheque fraud, visit www.antifraudcentre-centreantifraude.ca or www.fakechecks.org.

If you believe you have been the victim of fraud, or are currently being solicited by a fraudster, contact your Libro Coach, your local police department and/or the Canadian Anti-Fraud Centre immediately.