

ATTORNEY GENERAL GEORGE JEPSEN WARNS CONSUMERS ABOUT CHECK-OVERPAYMENT AND MONEY-WIRING SCAMS

Check overpayment/money wiring scams continue to victimize unsuspecting consumers. DON'T BE ENTICED BY CHECK-CASHING OFFERS or REQUESTS TO WIRE MONEY.

Check scams occur when a consumer receives a fraudulent check or money order as part of a fake lottery, or for goods for sale or for services to be performed through a fake business, or unscrupulous company or individual. These scams may begin over the Internet, telephone or the mail. Sometimes the scammer offers to buy something you advertised for sale in a newspaper or on the Internet; sometimes the scammer sends a check to pay you for something you are selling, work you agree to do at home or for being a "mystery shopper"; sometimes the scammer offers you an "advance" on a fake sweepstakes or lottery you supposedly have won.

These scams usually involve a counterfeit check or money order that looks real, but will eventually bounce. The scammer asks the consumer to deposit the check or money order into his or her checking account, to withdraw a portion of the funds within a few days and send the funds by wire transfer to the scammer. The scammer tells the consumer to keep the balance as the consumer's winnings, "payment" or "fee."

To make the scam work, scammers count on the fact that *banks and credit unions typically are required to "make funds available" to consumers within a few days of deposit*, and that *it may take the bank up to several weeks to determine that the check or money order has not "cleared"* and actually is bogus. Scammers frequently ask consumers to send the money by wire transfer through Western Union, MoneyGram or a similar service so that by that time consumers realize they have been ripped off, the scammers and the money are long gone.

To make matters worse, consumers may then be pursued by the bank for the money they withdrew against the bogus check or money order and possibly for bank fees.

Tips for Avoiding Being Scammed

Don't be fooled by gimmicks that are intended to entice you into cashing bogus checks or money orders and wiring money to the scammer. Attorney General George Jepsen offers these **tips for avoiding check/money order scams**:

- **Even though a check or money order looks legitimate, it can still be bogus.** Keep a cool head, and don't rush to withdraw money just because the bank makes funds from the check or money order available. Before withdrawing any money, *ask your bank if the check has cleared*. In other words, ask your bank whether it has confirmed that the check has been paid and is thus legitimate.
- **Know whom you're dealing with** – independently confirm the other party's name, street address, and telephone number. Check with government agencies, the Better Business Bureau and online for complaints about the business or company. Consider the entire circumstances of how you acquired the check and what any third party is asking you to do with the proceeds. Be wary of selling something to a person who appears to be in a foreign

country. If you are not sure, don't do business with the person. If you haven't played a certain lottery, ask yourself why you have been declared a winner and why you are being asked to send money.

- If you're selling something over the Internet or through a newspaper advertisement, or agreeing to provide a service, **say “no” to a check for more than the price you agreed to, no matter how tempting the plea or convincing the story.**
- **Be wary about wiring money to anyone you do not know.** There is no legitimate reason for someone who is paying you or giving you money to ask you to wire part of that money back.

If you've been the victim of such a scam, file a complaint with the Internet Crime Complaint Center (IC3), which is a partnership between the Federal Bureau of Investigation, the National White Collar Crime Center, and the Bureau of Justice Assistance. Information on filing a complaint with the IC3 can be found online at www.ic3.gov. You can also report the scam to the Federal Trade Commission (FTC) by calling 1.877.FTC.HELP (1.877.382.4357) or by visiting the FTC's website at www.ftc.gov, or you can report the scam to Attorney General Jepsen at Attorney.General@ct.gov, or file a complaint with the Department of Consumer Protection at trade.practices@ct.gov or by calling the DCP hotline at 800-842-2649.