

# Don't Fall for Fake Check Scams

If someone you don't know wants to pay you by check but wants you to wire some of the money back, beware! It's a scam that could cost you thousands of dollars.

There are many variations of the scam. It starts with someone offering to buy something you advertised for sale, pay you to work at home, give you an "advance" on a sweepstakes you won, or pay the first installment on millions you'll receive for transferring money in a foreign country to your bank account for safekeeping. The scammers often claim to be in other countries and say it's too difficult to pay you directly, so they'll have someone in the U.S. who owes *them* money send you a check.

The amount of the check may be more than you're owed, so you're instructed to deposit it and wire the rest to the scammer. Or you're told to wire some of the money back to pay a fee to claim your "winnings." Whatever the set-up, the result is the same – after you wire the money, the check bounces.

These checks look so real that even bank tellers may be fooled. Under federal law, banks must make the funds you deposit available quickly – usually within one to five days. But just because you can withdraw the money doesn't mean the check is good,



even if it's a cashier's check. Forgeries can take weeks to discover.

You're responsible for checks you deposit; if they bounce, you owe your bank the money you withdrew. The bank may be able to take it from your accounts or sue you to recover it.

There is *no* legitimate reason for someone who is giving you money to ask you to wire money back. If a stranger wants to pay you for something, insist on a cashier's check for the *exact amount*, preferably from a local bank or one with a branch in your area.

If you think someone is trying to pull a fake check scam, don't deposit it – report it! The National Consumers League (NCL) has partnered with the American Bankers Association to educate consumers and bank tellers about how to avoid this fraud. For more information, or to report a suspected scam, contact NCL's National Fraud Information Center, [www.fraud.org](http://www.fraud.org) or (800) 876-7060.