RISK Alert

ACTIONABLE INSIGHTS FOR BOND POLICYHOLDERS.

CUNA MUTUAL GROUP

Alert Type Awareness | **Watch** | Warning

Counterfeit Corporate Checks Reported

These credit unions have reported their corporate checks are being counterfeited:

- Fulda Area Credit Union, MN
- Central Virginia Federal Credit Union, VA
- NuMark Credit Union, IL
- Hiway Federal Credit Union, MN
- ServU Federal Credit Union, NY
- Security Credit Union, MI

Review the counterfeit check details on the following pages of this Alert. For additional questions or insights on these specific counterfeit check details, please use the credit union contact information listed in the details.

Risk Mitigation Recommendations & Related Resources

Front-line staff training regarding counterfeit checks, implementation of policies and procedures for check verification; and appropriate use of check holds are critical risk mitigation techniques. Access CUNA Mutual Group's Protection Resource Center for exclusive Risk Management resources including Training Modules under Deposit Account Services – Protecting Against Check Fraud and Recognize / Prevent Common Check Fraud Schemes. User ID and Password is required.

Additional risk mitigation tips are available at Counterfeit Check Loss Prevention within the Protection Resource Center.

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This resource was created by CUNA Mutual Group based on our experience in the credit union, insurance, and risk management marketplace. It is intended to be used only as a guide, not as legal advice. Any examples provided have been simplified to give you an overview of the importance of selecting appropriate coverage limits, insuring-to-value, and implementing loss prevention techniques. No coverage is provided by this resource, nor does it replace any provisions of any insurance policy or bond. Please read the actual policy for specific coverage, terms, conditions, and exclusions.

Date: June 11, 2020

Risk Category: Scams, Counterfeit Checks, Check Fraud

States: All

Share with:

- ☐ Branch Operations
- ☐ Front-Line Staff / Tellers
- ☐ Member Services
- ☐ Risk Manager
- ☐ Teller Supervisor
- ☐ Transaction Services

Your feedback matters!

Was this RISK Alert helpful?

Vote Yes | Vote No

To share risk insights or gain additional assistance:

- Report a RISK Alert
- Ask a Risk Consultant
- Contact a CUNA Mutual Group Risk & Compliance Consultant
  - **800.637.2676**
  - riskconsultant@cunamutual.com

Counterfeit Corporate Checks Reported: 06/11/2020

Details

Credit Union	Fulda Area Credit Union
Contact's Name	Laura Honken
Email Address	lhonken@fuldaareacreditunion.com
Phone	507-425-2544

Calls are coming from FIs in Wisconsin and South Carolina to verify if a check is valid. Individuals received a letter stating the check is to be used for secret shopper. They are to cash the check and keep $300, purchase an $800 eBay Gift Card, purchase an $800 Walmart gift card, and retain $50 for random store charges. They are instructed to send a copy of the deposit slip to Csetstore@yahoo.com/319-520-1017. They also give email addresses CSETSTORE@HOTMAIL.COM and CSETSTORE@AOL.COM

Lists address: 205 N St Paul Ave Fulda, MN 56131 under logo. Correct info is 507-425-2544 fax 507-425-2546 email info@fuldaareacreditunion.com. Fond is different, Check states This check void 120 days after issue. Ours reads, 180 days.

Check(s) $ Amount	$1,950.70
Approximate # of Checks	3
Institution Name appearing on check	Fulda Area Credit Union
Logo Location	Same
Bad Check Color	Light Blue
Legitimate Check Color	Light Maroon
Check Series	212021 219917
Counterfeit Check RTN	291281560
Actual Credit Union RTN	291281560
Check Account No.(s)	219917
Perpetrator Name	

Credit Union	Central Virginia Federal Credit Union
Contact's Name	Jo Shafer
Email Address	jshafer@cvfcu.com
Phone	424-528-9016

Checks have been sent out with a secret shopper scam letter

Check(s) $ Amount	$2,390.73
Approximate # of Checks	30
Institution Name appearing on check	Central Virginia Federal Credit Union
Logo Location	Same
Bad Check Color	Light blue
Legitimate Check Color	Light blue
Check Series	251484514013
Counterfeit Check RTN	231387550
Actual Credit Union RTN	231387550
Check Account No.(s)	Not provided
Perpetrator Name	

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Interested in learning more about counterfeit checks and check fraud?

Contact CUNA Mutual Group's Risk & Compliance Solutions at **800.637.2676** or by email at riskconsultant@cunamutual.com.

Counterfeit Corporate Checks Reported: 06/11/2020

Details

Credit Union	NuMark Credit Union
Contact's Name	Kari Hopper
Email Address	accounting@numarkcu.org
Phone	815-729-3211

Non-members are calling to verify checks they have received in the mail for items they have for sale on Craigslist and checks are for more than amount item is listed for sale. Some have received checks for work at home.

Some of the checks have a pink key security feature along with statement "security features included, detail on back" on the bottom middle of check. Valid checks do not have this. Some of the checks do not have the correct logo and name and address are not listed on check, just the logo. Most of the fraud checks have RE: below the payee. The names listed on the checks after RE: that are fraudulent are - RE: Amber Rogers, Greg Clay Gafa, Greg Clay, Marsha A Kerr. Some of these checks look very close to our valid checks. Amounts vary anywhere from $1550 to $12,200. Check numbers are also being presented in the range of our current check number sequence

Check(s) $ Amount	$1,550-$12,200
Approximate # of Checks	68
Institution Name appearing on check	NuMark Credit Union
Logo Location	Same
Bad Check Color	Blue and green
Legitimate Check Color	Green
Check Series	207000-209999
Counterfeit Check RTN	271985213
Actual Credit Union RTN	271985213
Check Account No.(s)	27985213200180
Perpetrator Name	Not provided

Credit Union	Hiway Federal Credit Union
Contact's Name	Anne McGarry
Email Address	amcgarry@hiway.org
Phone	651-225-6213

Credit Union phone numbers missing from top left hand.

Bottom left: counterfeit checks use REMITTER: and is often followed by a line. Actual checks use REF - no colon and no line.

No space between Routing and Account number on MICR line.

Check(s) $ Amount	Unknown
Approximate # of Checks	8
Institution Name appearing on check	Hiway Federal Credit Union
Logo Location	Same
Bad Check Color	Unknown
Legitimate Check Color	Blue
Check Series	2005598, varies
Counterfeit Check RTN	103100551
Actual Credit Union RTN	103100551
Check Account No.(s)	0160011946580
Perpetrator Name	

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Counterfeit Corporate Checks Reported: 06/11/2020

Details

Credit Union	ServU Federal Credit Union
Contact's Name	Lorrie Wallace
Email Address	lwallace@servucu.com
Phone	607-776-9139

Checks part of a mystery shopper scam using Walmart sent via USPS.

Security icon on the front of counterfeit check; not on legitimate check. Blue border on counterfeit check; not on legitimate check. Wording in the border at the top of the counterfeit check thay says "True watermark paper Hold to light to view Heat sensitive pink image disappears with heat Paper contains visible fibers"; not on legitimate check. We also received a call from a second person, Shinee Smilke, inquiring about check #325431

Check(s) $ Amount	$2,660
Approximate # of Checks	2
Institution Name appearing on check	ServU Credit Union
Logo Location	The words Credit Union under the logo is further to the left on the counterfeit check
Bad Check Color	Blue
Legitimate Check Color	Gray
Check Series	325414-325431
Counterfeit Check RTN	222380388
Actual Credit Union RTN	222380388
Check Account No.(s)	1220200045006
Perpetrator Name	Unknown

Credit Union	Security Credit Union
Contact's Name	Julie DeMaertelure
Email Address	demaertelurej@securitycu.org
Phone	810-235-2322

We started receiving calls from out of state FIs wanting to verify checks that were not valid.

There is a round circle security feature as well as print that states there are security features that are not found on our real stock of checks.

Check(s) $ Amount	$2,350.55
Approximate # of Checks	9
Institution Name appearing on check	Security Credit Union
Logo Location	The counterfeit check is further from the left hand side. The margin before text is bigger.
Bad Check Color	Blue
Legitimate Check Color	Blue
Check Series	57184
Counterfeit Check RTN	272480115
Actual Credit Union RTN	272480115
Check Account No.(s)	801010
Perpetrator Name	Unknown

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