TIPS TO AVOID CHECK FRAUD

LET'S KEEP YOUR ACCOUNTS SAFE AND SECURE

In a world with never changing technology, it may be surprising that check fraud is on the rise and remains tenaciously persistent. Checks reportedly only make up 42% of B2B transactions and consumers use them even less. Over the last 30 years there has been an 82% decrease in the number of checks being used by individuals. Even though society is seeing checks being used less and less, checks still remain as one the most vulnerable payment methods. According to the Financial Crimes Enforcement Network (also known as FinCEN), the annual volume of check fraud jumped by 84% to $815 million in the U.S. in 2022.

One of the main reasons check fraud is increasing is due to mail theft. Fraudsters and other criminal organizations are stealing mail, taking any checks, and then using those checks to commit fraud. Once they have the check, there are various methods they use to commit check fraud such as:

Washing the Check: fraudsters will use various methods to "wash" the ink off the check. They can then make the check payable to anyone they like. With the information changed, they cash the altered check to steal money from your account.

Creating Counterfeit Checks: By using information on the check, the fraudster may then create additional counterfeit copies of the check.

Not only can the fraudster use the check in various ways to steal from your account, but they could even use it to assist in stealing your identity. Checks generally contain sensitive information such as your name, address, and your signature which can be used to forge other documents.

HOW YOU CAN BE PROACTIVE

While there are many ways a fraudster may steal and use information from your check, there are ways to help mitigate those risks. Here are a few tips to help you from falling victim to check fraud:

Pay Digitally. Utilize other electronic forms of payment to help reduce the number of checks you utilize.

Try to Avoid Sending Checks in the Mail Whenever Possible. As noted previously, mail theft is one of the leading reasons of check fraud.

Use Secure Mailboxes. If you need to send any checks by mail, use the mailbox inside of a USPS facility rather than your residential or business outgoing mail.

Safeguard Your Checks. Ensure your checks are always kept in a secure location. If you are a business, ensure proper safeguards and internal controls are in place to minimize check information getting in the wrong hands.

If You Are a Business, Ask Us About Utilizing Positive Pay. Positive pay is a type of fraud protection used to safeguard against unauthorized checks being paid.

Review Your Activity Frequently. Always review your monthly statements and to be even more proactive, monitor your accounts via online banking, whenever possible to spot discrepancies.

Do Not Save Pictures of Checks. Criminals can utilize the information to commit check fraud against your account.

IF YOU BELIEVE YOU HAVE BEEN TARGETED:

Don't Delay. Acting quickly after you have been targeted can minimize damage.

Contact POB Right Away. We will assist you right away to help you secure your accounts.

File a Police Report. File a report with your local authorities as soon as possible.

If you have any questions, please reach out to your nearest POB Branch or call us at (678) 385-0800.