

Scam Alert

Scams are happening at an alarming rate and the creativity fraudsters are leveraging to trick people out of money shows no signs of diminishing. That's why it is important for credit unions to alert members about scams that are taking place locally. By raising awareness about the tactics criminals are using, credit unions can help prevent their members from becoming a victim.

The League has been made aware of a scam that impacted a member in Maine. The scenario of what happened is outlined below. Credit unions should consider sharing information about what transpired with their members and employees to keep them on alert.

Scenario

A credit union member was surfing online when a pop-up window appeared.

The notification in the pop-up stated that it was a communication being sent on behalf of a law enforcement officer who was researching fraud associated with that member's financial institution. This interaction prompted a digital discussion between the fraudster and the member.

The fraudster began asking questions that were designed to have the member share personal information, including the name of their financial institution. As the dialogue continued, the perpetrator informed the member that a criminal had infiltrated their credit union and that one of the credit union's own employees was behind the activity. The individual also claimed that there was evidence that some members were involved as well.

The fake officer told the member that they were being investigated to determine if they had any involvement with the scheme. The fraudster instructed the member to place a tracking device on their laptop and cell phone, and stated they would be arrested and charged with a crime if they informed anyone about the investigation.

Out of fear, the member followed their instructions, which enabled the fraudster to gain access to the member's personal banking information through their devices. This resulted in attempted wire fraud. Because the member was fearful that a credit union employee was involved, they did not reach out to the credit union directly to question the activity or report this situation.

Fear is a good motivator, which is why members should be reminded to take pause, never share their personal information or grant anyone access to their devices, and to always contact their credit union directly whenever an activity is in doubt.