



FOR IMMEDIATE RELEASE
September 28, 2010

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NEW ANTI-FRAUD PROGRAM LAUNCHED IN GEORGIA

Aim is to Protect Consumers and Financial Institutions from Fake Check Scams

Atlanta GA – Today, the Georgia Governor's Office of Consumer Affairs, Consumer Federation of America (CFA), the Georgia Bankers Association, and Georgia Credit Union Affiliates are announcing the start of a new and innovative program to protect consumers and financial institutions from fake check scams. Under the program, participating banks and credit unions will hand a brochure created by CFA, "Don't Become a Target," to every consumer who comes in to deposit checks or money orders of \$1,000 or more or to withdraw \$1,000 or more. Nearly 60 banks and credit unions in Georgia have signed up to participate. "The key is to prevent consumers from being victimized by educating them about these scams at the very point where they may be at risk," said Susan Grant, CFA's Director of Consumer Protection, who is coordinating the program. "We're pleased to have such a great response from financial institutions in Georgia."

In fake check scams, the consumer receives a genuine-looking check or money order for something and is asked to wire money somewhere in return. For instance, the check may be described as an "advance" on millions that the consumer has won in a sweepstakes or lottery. The consumer is instructed to send money to pay the taxes and claim the rest of the prize. In another popular scenario, the consumer is recruited to work at home as a "mystery shopper" or processing payments for a company and is instructed to send money somewhere as part of the job. No matter the story, the check or money order is phony, and when it bounces, the victim owes the money back to the financial institution where it was deposited or cashed. The average loss is \$3,000 to \$4,000. "It's impossible to detect these counterfeits just by looking at them," said Joseph B. Doyle, Administrator of the Governor's Office of Consumer Affairs. "The message that we want to give consumers is that there is no legitimate reason why anyone who wants to give them money would ask them to send money anywhere in return. If that's the deal, it's a scam."

Federal law gives consumers the right to access their funds quickly, usually within a day or two. But it is often difficult or impossible for the consumer's financial institution to tell if there is a problem with a check or money order until it goes through the system to the person or company that supposedly issued it. That can take several days or weeks. "These crooks take advantage of the trust that the financial system is built on," said Joe Brannen, president and CEO of the Georgia Bankers Association. "This campaign is a service to help consumers understand they are responsible for the checks and money orders they deposit or cash because they are in the best position to know if the people who gave them to them are trustworthy."

"Fake check scams are a serious problem for consumers. Credit unions want to do all they can to educate their members. That's why we're excited to be a partner in this consumer education program," said Cindy Connelly, senior vice president of association services for Georgia Credit Union Affiliates. "Consumers and credit union personnel need to be able to recognize the warning signs of fraud in order to prevent it."

CFA is providing the brochure to participating banks and credit unions at no cost (CFA is asking them to cover the shipping expense if they are able to do so). To help the financial institutions prepare for the project, CFA gave them training materials about fake check scams and advice about handing out the brochures. In addition to the hard-copy brochure, which is English on one half and Spanish on the other, there are two electronic versions, one in English and the other in Spanish, on CFA's Web site at www.consumerfed.org/fakecheckscams. There visitors will also find a new PowerPoint presentation that CFA has created for consumers and other educational materials about fake check scams.

Quantities of the brochure will also be available to government agencies in Georgia such as the Governor's Office of Consumer Affairs and nonprofit organizations that conduct consumer education in the state. CFA is not offering hard-copies of the brochure directly to consumers.

Georgia is one of several states in which CFA will be conducting this project to fight fake check scams over the next several months. Participating financial institutions in Georgia are listed below. Banks and credit unions in Georgia that have not yet signed up to participate are welcome to do so and should contact Susan Grant at CFA, 202-939-1003.

Georgia Financial Institutions Participating in Fake Check Consumer Education Project

Augusta Metro Federal Credit Union
Bank of Dooly
Bank of Dudley
Bank of Eastman
Bank of Hazlehurst
Bank of Terrell
CGR Credit Union
Chatham Federal Credit Union
Colony Bank
Combined Employees Credit Union
Community Bank and Trust
Community and Southern Bank
CORE Credit Union

Delta Community Credit Union
DOCO Regional Federal Credit Union
Emory Alliance Credit Union
Etowah Valley Federal Credit Union
First Choice Community Bank
Fulton Teacher's Credit Union
Georgia Bank and Trust Company
Georgia Commerce Bank
Georgia Heritage Federal Credit Union
Georgia Federal Credit Union
Georgia Trust Bank
Habersham Bank
Hallco Community Credit Union

Heritage Bank
HMC Community Federal Credit Union
Human Services Federal Credit Union
LGE Community Credit Union
McIntosh State Bank
MEA Federal Credit Union
Memorial Health Credit Union
Mercy Federal Credit Union
Mount Vernon Bank
Mountain Heritage Bank
Nashville Credit Union
North GA Credit Union
Northwest Georgia Credit Union
Pelham Banking Company
Pineland State Bank
Pinnacle Bank

PrimeSouth Bank
Queensborough National Bank and Trust
Renasant Bank
Resurgens Bank
Rome Kraft Employees Credit Union
Savannah Federal Credit Union
South DeKalb Church Federal Credit Union
State Bank of Cochran
Stephens Federal Bank
SunMark Community Bank
The Claxton Bank
The First State Bank
The Geo D Warthen Bank
The Heritage Bank
Tippins Bank
United 1st Federal Credit Union

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