

RISK Alert

ACTIONABLE INSIGHTS FOR BOND POLICYHOLDERS.



Alert Type

Awareness

Watch

Warning

Corporate Check Fraud Reported

These credit unions report their corporate check accounts are being fraudulently used:

- Otero Federal Credit Union, NM
- CenturyFirst Federal Credit Union, MS
- Tyndall Federal Credit Union, FL
- Hawaii State Federal Credit Union, HI

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

Risk Mitigation Recommendations & Related Resources

Front-line staff training regarding check fraud, 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 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 [Check Fraud Loss Prevention](#) within the Protection Resource Center.

Date: October 14, 2021

Risk Category: Scams, Check Fraud

States: All

Share with:

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



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

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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.



Details

Credit Union	Otero Federal Credit Union
Contact's Name	Michael Garrett
Email Address	mgarrett@oterofcu.org
Phone	575-443-7063
<p>The credit union received notification that one of their checks has been returned as fraudulent.</p>	

Check(s) \$ Amount	300
Approximate # of Checks	1
Institution Name appearing on check	Otero Federal Credit Union
Logo Location	Same
Bad Check Color	Green
Legitimate Check Color	Green
Check Series	0000984233
Fraudulent Check RTN	311990511
Actual Credit Union RTN	311990511
Check Account No.(s)	77310312270010
Perpetrator Name	Not provided

Credit Union	CenturyFirst Federal Credit Union
Contact's Name	Stacey Williams
Email Address	swilliams@centuryfirstfcu.com
Phone	601-450-4114
<p>Checks presented this month range from \$462-\$3500. Two checks have First Name, Last Name (assessment) in memo line.</p>	

Check(s) \$ Amount	3500.47
Approximate # of Checks	4
Institution Name appearing on check	CenturyFirst Federal Credit Union
Logo Location	Same
Bad Check Color	Unknown
Legitimate Check Color	Blue
Check Series	505819-757305
Fraudulent Check RTN	265377028
Actual Credit Union RTN	265377028
Check Account No.(s)	3205100171
Perpetrator Name	unknown

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Interested in learning more about check fraud?

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



Details

Credit Union	Tyndall Federal Credit Union
Contact's Name	Kim Call
Email Address	kcall@tyndall.org
Phone	850-747-4459
<p>Checks are being used for secret shopper scams.</p> <ul style="list-style-type: none"> • Incorrect or old logo being used. • Eagle should not have stars under it and is now a slightly different shape. 	

Check(s) \$ Amount	1380-7600
Approximate # of Checks	82
Institution Name appearing on check	Tyndall Federal Credit Union
Logo Location	Yes
Bad Check Color	Blue
Legitimate Check Color	Blue
Check Series	735066 8907510
Fraudulent Check RTN	263183175
Actual Credit Union RTN	263183175
Check Account No.(s)	008907510
Perpetrator Name	unknown

Credit Union	Hawaii State Federal Credit Union
Contact's Name	Enid Peris
Email Address	enidp@hsfcu.com
Phone	808-447-3281
<p>Fraudulent official checks bearing Hawaii State FCU's name, logo, routing number and account number started appearing in our FRB in clearings. HSFCU Call Center also received calls from individuals that received the fraudulent check wanting to know whether the check was legitimate or fraudulent.</p> <p>Checks are missing telephone number under logo etc. Security features are different. Legitimate checks include "The original document has a true watermark. Hold up to light to view. Do not cash if not present". Fraudulent checks state "to verify authenticity, see reverse side for description of the 13 security features" or background and microprinting. The reverse side includes an artificial watermark".</p> <p>Some checks remitter is Matthew Barnes or Caitlyn Wright. Memo line is Donation.</p>	

Check(s) \$ Amount	Various
Approximate # of Checks	30
Institution Name appearing on check	Hawaii State Federal Credit Union
Logo Location	Same
Bad Check Color	Blue background
Legitimate Check Color	Green background
Check Series	Various
Fraudulent Check RTN	321379041
Actual Credit Union RTN	321379041
Check Account No.(s)	96500400
Perpetrator Name	N/A

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