



Bank Scams & How to Prevent Them

Welcome to the new year! What better way to start than by taking a serious look at bank scams and a few ways to avoid them. The Federal Trade Commission shows that Americans lodged nearly 6 million fraud complaints in 2022, with a record year financial loss of \$5.8 billion. This is almost a 70% increase over the previous year so you can see that cyber criminals are on the move—particularly right after the holidays when people are focused on holiday spending and New Year’s resolutions. Be aware, scammers hope to catch you off guard!

In 2023, the rising cost of living will continue to provide opportunity for those ‘get-rich-quick’ schemes and bargains or deals that are too good to be true. Here are some common bank scams and tips to prevent them.

1. **Check cashing scam.** This scam preys on the compassion and helpfulness of other people. An individual approaches you outside the bank to ask if you will cash a check for them; they may have a sad story about their situation. They ask you to deposit the check and withdraw your own funds to pay them that amount. When the check is later returned, it will be deducted from your account leaving you on the hook for the loss. Do not get involved in this type of scam by making deposits or cashing checks for others.
2. **Government or bank official impostor scam.** This common scam occurs when someone pretends to be a government or bank representative. The caller urgently explains that you need to pay taxes and fees or pay an outstanding debt. They may even threaten you. Do not give out any information. You will never receive a call from a legitimate government or bank official asking for payment under these circumstances.
3. **Phishing scams by email, text, or social media.** Fantastic offers, requests for verification of an order or delivery that include a link are scammers inroad into your phone and computer. A new scam this year involves Android app malware that can steal your passwords and break into your banking apps. Be very wary about clicking any link, downloading content, or downloading an app from an unauthorized source. Avoid phishing attacks by not clicking even if it looks authentic and familiar. Check your online banking and credit card statements often and immediately report anything suspicious.
4. **Charity scams.** Scammers like to take advantage of people’s kindness by impersonating charities. They can even go as far as disguising the phone number and web/email address to further lull you into contributing. They often make vague claims about how your donation will be used. Do not fall for this, make your donations directly to the charity in person or through secure direct websites.

Start the new year by protecting yourself. Don't cash checks for others, read and inspect everything you receive, use your best judgement. Never share personal information and always avoid pressure tactics. When you are presented with a great deal or a questionable financial inquiry, stop and think—and ask for trusted help if you are unsure. At Anahuac National Bank, we can help you look over anything suspect, and we can also help you file a complaint. We look forward to spending the year with you as we aspire to make our communities better through our shared commitment and our stewardship. We are grateful for your business and wish you all a happy and healthy 2023.

