

Credit Connection

CROW WING POWER CREDIT UNION

877-563-3072
cwpcu.org

JANUARY 2023



Crow Wing Power Credit Union offers refinancing on trucks, cars, boats and other recreational vehicles. Give one of our friendly member service representatives a call regarding the possibility of lowering your rate - as low as 3.24%!**

Maybe you're planning on home improvement projects in 2023. The Credit Union is offering Home Equity Loans with rates as low as 3.49%**.

If your current home equity loan has a higher rate, give us a call to see how easy it is to move your loan, lower your rate and save money!

This program is perfect for those that plan to pay their small balance loans off within three to five years. Avoid huge closing costs associated with fixed rate mortgages.

- Loans \$50,000 or less can be amortized for 15 years and balloon in five years.
- Loans \$100,000 or less can be amortized for 20 years and balloon in three years.
- Loans over \$100,000 will be amortized for 30 years, balloon in three years.

Saving in 2023 is as easy as calling the Credit Union at 218-825-2208 or 877-563-3072. There is additional information and you can apply online at cwpcu.org.

**Other rates and terms available based on collateral and credit score. All loans are subject to credit approval. Not available on current credit union loans.



CHANGE TO CHECK ORDERS As of January 1st, the Credit Union will no longer pay for member checks.

Fake Check Scam

We may live in a world of contact-less credit cards and mobile payment apps, but old-fashioned paper checks are far from extinct. Checks still accounted for 6.5 percent of non-cash payments in the United States in 2020 and for nearly 23 percent of the money that changed hands in those transactions, according to the most recent Federal Reserve data.

That continuing reliance on paper creates an opportunity for scammers to try to steal your money through a variety of fake check scams. The approaches differ, but these cons have the same basic kicker: The crooks want to get you to deposit a counterfeit check in your bank account, then return a portion of the supposed funds to them.

One common ruse is the overpayment scam. You put something up for sale in a newspaper classified ad or online post. Someone makes an offer and sends you a check — perhaps even a cashier's check, which seems extra-safe. The check turns out to be for considerably more than what you charged for the item. **CONTINUED ON PAGE 2**

HAPPY NEW YEAR!

Thank you for your membership!

Mobile App

You can access the mobile app directly from the App Store or Google Play. Search for "TouchBanking." Once installed, enter the app code



CrowWingPCU (not case sensitive) and then enter your Power Teller security code. You can also access the mobile app through Power Teller under the Self Service > Additional Services > Mobile Money.

Tax Documents

Mortgage interest (Form 1098), dividends (Form 1099-INT), and IRA distribution (Form 1099-R) documents will be mailed prior to January 31, 2023. IRA Contribution and rollover (Form 5498) documents will be mailed after the tax return deadline of April 18, 2023.

Call for Candidates

The Crow Wing Power Credit Union Board of Directors has 3 positions up for election in 2023. The Board meets the 3rd Thursday of each month. There is no compensation for serving on the Credit Union Board.

If you are interested in petitioning for the board please contact Joan Wileman at 877-563-3072 or 218-825-2208. Deadline for petitions is March 1, 2023.

Timely Reminders

Credit Union Board Meetings:
January 19, 2023
February 16, 2023

The Credit Union is open on Martin Luther King Day and Presidents Day! Transactions will be dated for the following business day.

YOUR IDEA OF A
winter retreat?

We can finance that.



877-563-3072 cwpcu.org

CROW WING POWER CREDIT UNION

NCUA *All loans subject to credit approval. Other rates and terms available based on collateral and credit.

The “buyer” will pretend it’s a mistake and ask you to deposit the check and refund them the difference.

That’s a scam. Crooks exploit the fact that banks must make funds from a check deposit available to the account holder within days but can take far longer to discover that the check is phony — sometime weeks, according to the Federal Trade Commission (FTC). When the check does bounce, you’re out whatever you sent the scammer, plus any other funds from the fake check that you’ve withdrawn or used. Banks do not assume those losses. Con artists run numerous variations on this scheme.

- You get a letter, with a check enclosed, saying you’ve won a foreign lottery, but you have to wire a portion of the winnings back to cover taxes and fees.
- A seemingly lucrative work-from-home job requires you to use some of your first paycheck to purchase necessary supplies.
- You get a set of blank checks from the scammer who says a checking account was opened in your name at a legit Credit Union or Bank. The scammer asks you to deposit the check in your “local” account and then wants you to withdraw the same amount in cash and send the cash to the scammer.

In each case, the check bounces and you’re out what you’ve paid. And that can be quite a bit. These scams remain popular with fraudsters because they’re easy to pull off. With the help of a scanner and a good printer, a crook can fabricate a bogus check — even a bank draft, certified check or cashier’s check — that’s hard to distinguish from the real thing (see “6 Ways to Spot a Fake Check,” below). Some phony checks even contain authentic-looking watermarks, according to the FTC.

With advances in scanning and printing, scammers can produce counterfeit checks that get alarmingly close to the real thing. But there are still several physical clues that can help you discern when you’ve been passed some bad paper. If you’re unsure of a check’s provenance, follow these tips from EPCOR, a nonprofit association that works to improve payment systems for more than 2,000 member banks, credit unions and other financial institutions in 12 states.

1. Feel the edges

Legitimate checks will usually have at least one rough or perforated edge. One sure-fire way of spotting a fake is to examine its edges. If all four sides are smooth, it was likely not issued by a financial institution.

2. Look at the logo

A hallmark of any legitimate check is the logo of the bank where the account is held. If there’s no logo, it’s probably not a real check. If there is a logo but it’s faint or faded, that’s a sign that it’s been copied from another source.

3. Verify the bank address

Even if the logo looks legit, check the website of the named bank, or call its customer-service number, to make sure the address written on the check is correct. If the address is absent or includes a P.O. Box, don’t cash the check.

4. Check the check number

Every legitimate check contains a number that appears in two places: in the upper-right corner and in the magnetic ink character recognition (MICR) line at the bottom. If the numbers don’t match, it’s a bogus check.

And be wary of low numbers, such as 101-400 on a personal check or 1,000-1,500 on a business check. This signals a new account, and 90 percent of fake



checks are written from new accounts, EPCOR warns.

5. Rub the MICR line

Rub your finger over the line at the bottom of the check and look closely at its quality. The special ink used for the MICR line prints out smoothly. Any indication of raised or shiny numbering means the check is fake.

6. Examine the paper

Authentic checks are printed on thick, coated paper stock with a matte finish. If a check feels thin and flimsy when you bend it, or looks shiny, it’s probably phony. Another test is to run a damp finger across inked areas on the paper. If the ink smears, the check is fraudulent.

Warning Signs

- A prospective buyer of something you put up for sale sends you a check for more than the asking price.
- You get a check in the mail with lottery winnings you can only claim by wiring back some of the money. No legitimate sweepstakes or lottery requires payment to play or collect a prize.
- A grant, scholarship or job requires you to send back a fee out of your first payment.

How to protect yourself from this scam

- Do suggest that a buyer who wants to pay you for an item or service by check use a safer alternative — for example, an online peer-to-peer service like PayPal.
- Do ask for checks to be drawn on local banks or banks with local branches. That way, you can visit the bank to make sure the check is legit. If you do accept a check from an out-of-town bank, call it before you deposit the check to verify that the check is genuine.
- Do examine checks carefully for irregularities like those listed in the box above.
- Do back out of a sale if the buyer pressures you to wire back funds.
- Do wait at least two weeks after you deposit a check from an unfamiliar source before you withdraw or spend money from it.
- Don’t accept a check that’s made out for more than the price of the item or service you’re selling. Insist that the buyer make out a new one for the correct amount.
- Don’t rely on a phone number for a bank that a seller prints on a check. If you want to call to authenticate the payment, look up the bank’s number on its official website.
- Don’t wire money to people you don’t know.
- Don’t give in to pressure to move fast on a payment to secure a job or supposed financial windfall. If a deal is legitimate, it will still be available after the check clears.

More Resources

- Report fake check scams to the FTC, by calling 877-382-4357 or filing an online complaint.
- Since fraudulent checks usually come through the mail, you can also report them to the U.S. Postal Inspection Service.
- Contact your state’s attorney general and consumer protection agency.

Source: Information for this article came from AARP

If you have any questions about check fraud, please contact the Credit Union at 877-563-3072.