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| **"Did You Just Charge $3,178 on Your Credit Card? Reply Yes or No"- How to Help Your Members Avoid Text Scams** |
| **Posted by Colleen Kelly** |

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| If you are like me, no matter how much I learn about text scams, when I get the one that says, for example: “Credit Union Alert: Did you attempt a wire transfer of $4690.00? Reply YES or NO” my stomach drops, my adrenaline surges, as I scramble to deny the transaction. But will denying the transaction actually leave me vulnerable to fraud? As text scams become more sophisticated, it is getting increasingly difficult to identify the “real” from the “fake”.A new [analysis from the Federal Trade Commission](http://send.cuna.org/link.cfm?r=hCBipDq_3tqGUvcCfvKazw~~&pe=Ks-9IExhxdfV3zH5zIjgPKWonF6nxoznQwb2FrwUGQxD3oyQNyUKkk6i5iaZx9BGiRQfJX3BZJ6_3VZ-3idg8Q~~&t=lNFNfrPYcbwJrtNA2o3bZA~~) (FTC) shows that fake financial institution fraud warnings were the most common form of text message scams reported to the agency in 2022 - nearly twenty times the number since 2019. These texts are designed to create a sense of urgency, often by asking people to verify a large transaction they did not make. Those who respond are connected to a fake financial institution representative. If your member is targeted by this scam, they might get a fake number to call about supposed suspicious activity, or they might be asked to reply “yes or no” to verify a large transaction (that your member didn’t make). If they reply, they may get a call from the (fake) “fraud department”.According to the FTC’s report, victims state that they thought the financial institution was helping them get their money back. Instead, money was transferred out of their account. Worse still, many people report giving their Social Security number and other personal information to scammers, leading to possible identity theft. Even educated people who know better than to give personal information over the phone or through a text have found themselves victim to these scams by simply clicking on a link to refuse the transaction. Oftentimes this link installs harmful malware onto their phone, which steals personal and financial information without the victims even realizing it.The FTC reports that this scam is increasingly popular because “texting is cheap and easy, and scammers are counting on the ding of an incoming text being hard to ignore.”  After bank impersonation, the most frequently reported text scams were: “messages claiming to offer a free gift, often from a cell phone carrier or retailer; fake claims of package delivery issues from the USPS, UPS, or FedEx”; and Amazon security alerts.To combat this growing financial crime, CUNA is urging the Federal Communications Commission (FCC) to require mobile wireless providers, and entities that originate text messages, to investigate and potentially block texts from a sender after they are on notice from the FCC that the sender is transmitting suspected illegal texts. Additionally, CUNA has urged the FCC “to work with mobile wireless providers, and other entities involved in the texting ecosystem, to design an authentication framework that prevents criminals from successfully sending text messages that impersonate legitimate companies,” while at the same time ensuring that text messages from legitimate companies are not blocked.While CUNA advocates to get these important regulatory changes made, credit unions can help their members avoid text scams by continually reminding them to:  **Never click on links or respond to unexpected texts.** If your member thinks the text might be legitimate, encourage them to contact the credit union or other company using a phone number or website they know is real. Warn them to never use the contact information provided in the text message. **Filter unwanted texts.** Your member’s phone may have an option to filter and block spam or messages from unknown senders. [See FTC’s resource below on How to Block Unwanted Calls]   **Never give their personal or financial information in response to a request that they didn’t expect.** Inform them that honest organizations won’t call, email, or text to ask for personal information, such as Social Security number, credit union account information, or credit card numbers. **Stop and talk to someone they trust.** Caution your members that before they do anything else, tell someone — a friend, a family member, a neighbor — about the text. Talking about it could help them realize it’s a scam.**For more information:** [How to Block Unwanted Calls,](http://send.cuna.org/link.cfm?r=hCBipDq_3tqGUvcCfvKazw~~&pe=_eAnH3lGFx49eCwC8MhZWhfZTaMn5jOCctYgvnlAbAKRjEk7gm65JyjF26JbK_kgaIsU0olXbeOkWkH6KXHDYw~~&t=lNFNfrPYcbwJrtNA2o3bZA~~) Federal Trade Commission, Consumer Advice.[Letter to the FCC on the Matter of Targeting and Eliminating Unlawful Text Messages,](http://send.cuna.org/link.cfm?r=hCBipDq_3tqGUvcCfvKazw~~&pe=06xaSG6wIQIeebpa18wed-KMEvJSA7-V_oTq04STzjmgwKTJTrhVq6EOe3r3_mirjwxvkEIKLJ4ce14mb3_KGQ~~&t=lNFNfrPYcbwJrtNA2o3bZA~~) CUNA and eight other financial organizations.[IYKYK: The top text scams of 2022,](http://send.cuna.org/link.cfm?r=hCBipDq_3tqGUvcCfvKazw~~&pe=VogHjPEPCzD8ORm9gs8N8eLMbyXdCPidPEAbJz-u3CR43usPcakbMhTPIJ5ybgb_Ie1d0mL9NXkjRGo8d0zEuA~~&t=lNFNfrPYcbwJrtNA2o3bZA~~) Federal Trade Commission, Data Spotlight, June 2023 |