



TIPS to Share

"Available" Funds Are Not "Cleared" Funds

Think of a deposited check like a temporary loan from your bank. By law, your bank must give you quick access to the money from a check you deposit, usually within a few days. This money is "available" for you to use, but it does not mean the check is good.

A check only truly "clears" after the bank has confirmed it's legitimate and has successfully collected the money from the check writer's bank. This verification process can take weeks or even months.

● The Fake Check Scam Explained

Scammers know about this time gap and use it to steal your money. Here's how the scam works:

The Bait: A scammer sends you a check that looks real (like a cashier's check or a business check). They might be "buying" something from you online or offering you a "job."

The Overpayment: The check is often for more than the agreed-upon price. The scammer will ask you to deposit it and then send the "extra" money back to them (or to a third party) using a wire transfer, gift cards, or a cash app.

The Trap: You deposit the fake check. Within a couple of days, your bank makes the funds "available." You see the money in your account and think the check is safe. The Theft: Believing the check is good, you follow the scammer's instructions and send them the "overpayment" or ship the item they were "buying."

The Consequence: Weeks later, your bank discovers the check was fraudulent. The bank will reverse the entire deposit, taking the full amount of the fake check back out of your account.

The result: The scammer is gone with the money you sent them, and you are left responsible for paying the bank back for the full amount of the bad check.

How to Protect Yourself

NEVER accept an overpayment. There is no legitimate reason for someone to send you a check for too much money and ask for you to send some back.

NEVER wire money to a stranger. Once you wire money, it's gone forever. Scammers prefer wire transfers, gift cards, and cash apps because they are fast and irreversible.

Trust the calendar, not your balance. If you're worried a check might be fake, wait at least 30 days after depositing it before considering the funds secure. Even then, it's best to talk to your bank directly to confirm it has officially cleared.



Be Fraud AWARE...

from the Fraud Aware Team

STOP!



DISCONNECT!



RECONSIDER!



Can you help me think this through?

Funds Info Resources
FTC, FDIC, CFPB

P.O. Box 34, Ephrata, PA 17522
P.O. Box 574, Goshen, IN 46528
P.O. Box 25, Kidron, OH 44636

Phone/Text:844.740.2790 Fax:717.222.5266 Email:info@FraudAware.us Website:FraudAware.us

Where there is no counsel, the people fall; But in the multitude of counselors there is safety