

Terry Goddard Warns Consumers of Fake Cashier's Checks

(Phoenix, Ariz. - Jan. 11, 2005) Attorney General Terry Goddard is warning Arizona consumers about fake cashier's checks that are circulating in Arizona. Several Arizona residents have received unsolicited cashier's checks in amounts ranging from \$3,000 to \$6,000.

The fake cashier's check scam can take many different forms. In some instances, the checks were accompanied by letters notifying recipients that they had won a lottery or a sweepstakes and provided directions for depositing the checks into their accounts and then wiring a lesser amount outside the country to collect their prize. In another case, the recipient sold an item over the Internet, and the alleged buyer paid with a fake cashier's check in an amount much higher than the price. The alleged buyer asked the consumer to deposit the check and wire the excess funds back to him.

"These cashier's checks look so real that even bank employees have been fooled," Goddard said. "Consumers should not cash unsolicited cashier's checks in connection with unsolicited prizes or awards. With any cashier's check, consumers need to verify that the check is valid and should wait until funds are actually deposited and available before withdrawing funds."

Goddard offered the following tips to protect consumers from falling victim to these scams:

- * Remember, in order to win a lottery, you must buy a ticket.
- * Do not cash or deposit a cashier's check from a source you do not know. If you are instructed by the sender to deposit the check and then wire money back to a third party, this is a scam.
- * Consumers cannot rely on the fact that the check was accepted for deposit by their financial institution as evidence of the check's authenticity. It can take several days for a financial institution to determine whether a check is good, especially if the bank is located outside the United States.
- * Consumers are responsible for deposited checks. When a check bounces, the bank deducts the amount originally credited to the account. If there isn't enough money to cover it, the bank may take money from other accounts.
- * There is usually no legitimate reason for someone who is giving you money to ask for money to be wired back.
- * Never wire money in response to a telephone call informing you that you have won a lottery or award prize. Never send or wire money in response to a mail solicitation to "claim your prize."
- * Throw away "junk mail" solicitations and hang up on persistent callers.
- * If the calls become threatening, hang up and call local law enforcement.

If you believe you have been a victim of fraud, please contact the Attorney General's Office in Phoenix at 602.542.5763; in Tucson at 520.628.6504; or outside the metro areas at 1.800.352.8431. To file a complaint in person, the Attorney General's Office has 18 satellite offices throughout the state with volunteers available to help. Locations and hours of operation are posted on the Attorney General's Web site. Consumers can also file complaints online at www.azag.gov.