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COVID-19 SCAMS: WHAT CONSUMERS SHOULD KNOW

The American Bankers Association has recently released [Tips to Avoid Coronavirus Scams and Protect Your Money](#), which provides an excellent overview of the ways in which fraudsters take advantage of fears related to the coronavirus.

Coronavirus-related scams take similar forms as the usual scams consumers are bombarded with on a daily basis, but the environment of panic and misinformation makes consumers especially vulnerable right now. Consumers may be offered cures or monetary relief, or seemingly be instructed by a government official to take certain action as a response to the pandemic, or be asked to donate to charities.¹ This article breaks down the specific methods used to perpetuate such scams, the way in which they have been modified to take advantage of the current pandemic, and the best ways in which consumers can respond.

PHONE SCAMS

[Noted scams](#) include persons offering free home testing kits, cures, health insurance. There are also text scams² impersonating government officials claiming to offer relief funds or ordering recipients to quarantine or stock up on supplies. The Federal Communications Commission (FCC) provides several [tips](#) for dealing with such calls, including:

- Don't answer calls from unknown numbers.
- Never give out personal information.
- If the caller says they represent a company or government agency, hang up and call the number for such company or government agency that is available on your account statement, in the phonebook, or on the company/agency's website to verify.

EMAILS – PHISHING/SPOOFING

As explained on the [FBI's website](#), spoofing is the dissemination of emails that appear to be sent by a different source, while phishing is the dissemination of emails wherein the sender claims to be a legitimate business with links/attachments in order to obtain personal information from the recipient.

Be aware of coronavirus-themed phishing emails containing links and downloads for malware. Clicking on such links or downloads allows the sender to gain access to the recipient's computer and steal information. These emails may appear to come from a legitimate source, such as the CDC or the [Department of Treasury](#). An existing example is a certain email seeming to come

¹ The FTC provides consumers with good information to consider [before giving to charity](#). More information about charity scams is provided by the [FCC](#).

² Text scams are similar to phishing scams. Don't click on any links!

from the [CDC](#) and containing attachments purporting to be notices of infection-prevention measures. Good practices to avoid such scams include:

- Don't open emails from unknown senders.
- Hover your mouse over links to see where they lead.
- Don't click links in emails.
- Be wary of attachments.

FAKE CHECK SCAMS

As you can imagine, fraudsters are both fabricating relief funds and committing fraud relating to the legitimate stimulus checks provided by the CARES Act. The [FTC](#) has directed consumers to keep the following in mind:

- No paper stimulus checks are in the mail yet and are not scheduled to start arriving until May. If you receive a check prior to then, it is likely a scam.
- The IRS will not send you an overpayment and then ask for you to send the surplus back via cash, gift cards or money transfer. This rule applies for any "overpayment" you receive—it is a common scam.
- The IRS is not calling, texting or emailing.

For a more general overview of fake check scams, check out [this article](#) released by the ABA. The ABA recommends that concerned consumers contact their bank and report suspected fraud to the [Federal Trade Commission](#) (FTC) or [The Better Business Bureau's Scam Tracker](#).

FURTHER RESOURCES

Report scams to the FBI at www.ic3.gov, the [Federal Communications Commission](#) (FCC) and/or the [Federal Trade Commission](#) (FTC) and only rely on official sources for information:

- [U.S. Department of the Treasury](#)
- [Centers for Disease Control and Prevention](#) (CDC)
- [Federal Communications Commission](#) (FCC) (*includes audio samples of scam phone calls*)
- [Federal Trade Commission](#) (FTC)
- [U.S. Securities and Exchange Commission](#) (Investment Scams)

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