



Members First · Winter 2020 · Our most important member is you!

Avoiding Cashier's Check Fraud

Many consumers have become victims of scams involving a fraudulent cashier's check. A cashier's check is a check that is issued by a bank or credit union, and sold to its customer or another purchaser, that is a direct obligation of the bank. Cashier's checks are viewed as relatively risk-free instruments and, therefore, are often used as a trusted form of payment to consumers for goods and services.

However, cashier's checks lately have become an attractive vehicle for fraud when used for payments to consumers. Although the amount of a cashier's check quickly becomes "available" for withdrawal by the consumer after the consumer deposits the check, these funds do not belong to the consumer if the check proves to be fraudulent. It may take weeks to discover that a cashier's check is fraudulent. In the meantime, the consumer may have irrevocably wired the funds to a scam artist or otherwise used the funds — only to find out later, when the fraud is detected — that the consumer owes the bank or credit union the full amount of the cashier's check that had been deposited.

This OCC Consumer Advisory on Avoiding Cashier's Check Fraud gives you information on some common scams and some steps you can take to avoid becoming a victim. Although this advisory focuses on cashier's checks, you may find the information useful if you transact business using other official bank or credit union instruments, such as money orders and official checks.

Possible scams and scenarios:

Selling goods. You sell goods in the marketplace — for example, over the Internet. A buyer sends you a cashier's check for the price that you have agreed on, and you ship the goods to the buyer. The cashier's check turns out to be fraudulent.

Excess of purchase price. This scenario is similar to the one described above. However, the buyer sends you a cashier's check for more than the purchase price and asks you to wire some or all of the excess to a third party, often in a foreign country. The buyer may explain that this procedure allows the buyer to satisfy its obligations to you and the third party with a single check. The cashier's check turns out to be fraudulent.

Unexpected windfall. You receive a letter informing you that you have the right to receive a substantial sum of money. For example, the letter may state that you have won a foreign lottery or are the beneficiary of someone's estate. The letter will state that you have to pay a processing/transfer tax or fee before you receive the money, but a cashier's check will be enclosed to cover that fee. The letter will ask you to deposit the cashier's check into your account and wire the fee to a third party, often in a foreign country. The cashier's check turns out to be fraudulent.

Scams also may involve other types of checks. For example, the fraudulent check may appear to be written on the account of a real person or company or be written on an account that contains insufficient funds to cover the check. The result of these scams is that the fraudulent check will be returned unpaid.

Always exhibit caution when dealing with checks, and call the credit union if you have any questions or concerns.

It's Almost Time for Our Annual Meeting!

Saturday, April 4, 2020 is the date set for Franklin-Somerset Federal Credit Union's Annual Meeting. This year the meeting will be held in Madison. Watch for details! The business meeting begins at 10:00 A.M. Don't forget to join us!

Get Your Tax Refund Sooner: Use the IRS Direct Deposit Option

Direct deposit is a safer, quicker and easier way to receive your tax refund. Working with Franklin-Somerset Federal Credit Union, the IRS will transmit your refund directly to your credit union account. With this convenient option, all you need is our routing number **211288941** and your account number from your statement. Follow the instructions on your US Individual Income Tax return and fill in lines 20b, c, and d. It's as easy as that!

Volunteer Opportunity

If you have an interest in serving on our Board of Directors, please contact Beverly Knapp at 612-5436, snail mail at 114 E. Madison Road, Madison, ME or email bevkn@f-sfcu.com. Meetings are held monthly in Farmington or at the Operations Center in Madison. This is a great opportunity to share your skills and learn about credit unions!



Mission Statement

Local personalized service with a vision towards the future because you matter most!

Locations

Farmington

485 Wilton Road, Farmington, ME 04938
800-339-3228 · 207-778-4452

Skowhegan

26 Leavitt Street, Skowhegan, ME 04976
877-952-5800 · 207-474-3331

Kingfield

476 Main Street, Kingfield, ME 04947
207-265-4027

Madison

20 Main Street, Madison, ME 04950
207-696-3691

Operations Center

114 E. Madison Road, Madison, ME 04950
207-612-5400

Stratton

104 Main Street, Stratton, ME 04982
207-612-5455

www.f-sfcu.com

Board of Directors

Robert Cushing
Paula Dore
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Walter Hill
Brian Lewia
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Georgiana Wright

Supervisory Committee

Michael Fogg
Suzanne Morison
Beverly Noonan
Paula Sansouci
Kenneth Thomas

Holiday Closings

Martin Luther King, Jr. Day

Monday, January 20

Presidents' Day

Monday, February 17



Federally Insured by NCUA



Affordable Health Insurance Made Easy

Let the TruStage Health Insurance Program simplify your search. Learn more today! With your membership, the TruStage Health Insurance Program makes it simple to find the right plan for you.

- Designed for credit union members
- Dedicated experts to help you understand and choose health coverage wisely
- Tools to compare plans and identify financial assistance

Online or over the phone, TruStage Health Insurance Program with GoHealth, gives you access to licensed agents who can help you make an informed decision.

Find Your Plan! Visit TruStageHealth.com or call toll-free 1-888-416-2166.

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Notice Regarding non-Visa PINless Debit Card Transactions

We allow non-Visa debit transaction processing. This means that you may use your Visa Check Card on a PIN-Debit Network (a non-Visa network) without using a PIN to authenticate your transactions. The non-Visa debit network for which such transactions are allowed is NYCE.

Examples of the types of actions that you may be required to make to initiate a Visa transaction on your Visa Check Card include signing a receipt, providing a debit card number over the phone or via the internet, or swiping the debit card through a point-of-sale terminal. Examples of the types of actions you may be required to make to initiate a transaction on a PIN-Debit Network include initiating a payment directly with the biller (possibly via telephone or the internet), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through the use of a PIN.

Please be advised that the terms and conditions of your agreement with us relating to Visa debit transactions do not apply to non-Visa debit transactions. For example, the additional limits on liability (sometimes referred to as Visa's zero-liability program) and the streamlined error resolution procedures offered on Visa debit card transactions are not applicable to transactions processed on a PIN-Debit Network.

If you have any questions about non-Visa debit transactions, please give us a call.

Withholding Notice

ATTENTION: IRA Owners with Required Minimum Distributions

Payments from your IRA are subject to federal income tax withholding, unless you elect no withholding.

You may change your withholding election at any time prior to your receipt of a payment. To change your withholding election, complete the appropriate form provided by your credit union.

Withholding from IRA payments, when combined with other withholding, MAY relieve you from payment of estimated income taxes. However, your withholding election does not affect the amount of income tax you pay.

You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient.

Funds Availability Policy

Federal Regulation CC, "Availability of Funds and Collection of Checks," establishes availability schedules under which financial institutions must make funds deposited into transaction accounts available for member withdrawal. Our Funds Availability Policy is to allow you to withdraw funds deposited in your account on the first business day after the day we receive your deposit. Funds from electronic deposit will be available on the day we receive the deposit. In some cases, we may delay the ability to withdraw funds beyond the first business day. Then, the funds will generally be available by the second business day after the day of the deposit. Should an exception hold apply, the maximum hold on funds is seven business days.

Quote for the Quarter

"There are no secrets to success. It is the result of preparation, hard work, and learning from failure." ~Colin Powell