



MARYLAND COMMISSIONER OF FINANCIAL REGULATION

CONSUMER ADVISORY



MAY 6, 2020

BEWARE OF COVID-19 FINANCIAL FRAUD AND SCAMS

Protect yourself and your loved ones from financial fraud and scams that prey on the concerns and financial vulnerability of the public due to the COVID-19 pandemic. Educating yourself to the potential risks and utilizing fact-checked information from trusted sources are the keys to protecting your financial and physical wellbeing.

This advisory describes [how you can protect yourself from COVID-19 fraud](#) and provides information about two common scams: [stimulus check fraud](#) and [student loan relief scams](#).

How to Avoid Fraud and Scams

Be careful of “imposter scams” – emails, phone calls, or other solicitations from fraudsters posing as government agencies or debt collectors in an attempt to scam you out of your unemployment benefits and stimulus payments.

Steps that you can take to protect yourself include:

- Use caution when opening any email related to COVID-19 and be wary of social media ads, texts, or unknown phone calls. Avoid clicking on links in unsolicited emails and be wary of attachments. Email scammers will try to create a sense of urgency or fear in victims and may infect your phone or computer with viruses and malware.
- Use trusted sources such as legitimate government websites for the most up-to-date fact-based information about COVID-19. Social media should not be relied upon as your primary source of trusted information.
- Do not reveal personal or financial information in an email or over the phone, and do not respond to solicitations for this information.
- If a debt collector contacts you, they must tell you the name of the creditor and the amount owed. If you dispute the debt, the debt collector will have to obtain verification of the debt. If the debt collector does not provide this information during the initial contact with you, they're required to send you a written notice within five days of that initial contact.
- Always confirm the legitimacy of a charity before making donations by contacting the charity directly or otherwise verifying the charity's existence through the [Maryland Secretary of State](#) or [Internal Revenue Service](#). Do not donate if you feel pressured by the solicitor or if they insist on a cash donation.

Stimulus Check Fraud

Check your check – small details make a big difference! Protect yourself by learning about the security features on your stimulus check. If you receive a stimulus check in the mail from the federal government (also called the "economic impact payment"), be sure to confirm its authenticity. Fraudsters want to take advantage of these payments to scam citizens out of their money.

There are several features to look for on your check to ensure it is not counterfeit. A legitimate check should have: bleeding ink when moisture is applied to the seal, a unique U.S. Treasury watermark, ultraviolet overprinting on the front of the check, and micro-printing on the back of the check that is only visible when magnified.

See the "[Know Your U.S. Treasury Check Campaign](#)" to learn more about your check's security features and where to report COVID-19 stimulus check fraud.

Student Loan Relief Scams

Beware of companies or fraudsters posing as purported "government agencies" contacting you by email, text or phone calls promising to help with student loan relief or resolve issues on your behalf. Here are some tips to avoid student loan repayment scams:

- **Never pay an upfront fee.** It's illegal for companies to charge you in advance before helping you to reduce or eliminate your student loan debt. Do not pay any company an upfront fee. Paying a company a fee is no guarantee that they will be successful in getting assistance for you. If you do pay an upfront fee you might lose your money.
- **Only scammers promise fast loan forgiveness.** Scammers might say they can quickly get your loans forgiven through a loan forgiveness program but they can't.
- **Don't share your Federal Student Aid (FSA) ID with anyone.** Scammers could use it to take control of your personal financial aid information on U.S. Department of Education websites.

Contact Our Office

The Office of the Commissioner of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's banking and financial services regulatory agency. For more information about our Office, please visit our website at labor.maryland.gov/finance.

If you believe you are a victim of a financial scam related to mortgages, collections, credit services or student loan debt, contact our office by email at DLFRComplaints-LABOR@maryland.gov or by phone at 410-230-6077 to file a fraud reporting form.



Office of the Commissioner of Financial Regulation
Maryland Department of Labor