



**Bad Check Scam (04/2010)** – This new fraud is actually anything but. Scammers are repackaging well-known unsolicited e-mail frauds as something slightly different, but with the same intended result. Alleged potential clients e-mail law firms, often regarding civil matters, send a cashier’s check for an amount that exceeds the firm’s specified retainer, and then requests a refund for the balance. After the refund is issued, the check then turns out to be fraudulent and the firm is out the money. There are a number of warning signs that you can be on the lookout for that will reduce your risk of being taken by one of these scams:

- Be wary of clients gained via the internet, especially when correspondence comes from public, free email accounts.
- Properly verify the client information you receive and cross-check that with the information on any checks sent to you.
- Ensure that your support staff is also properly educated about these frauds.
- Hold funds until they clear the issuing bank, even if your bank is willing to immediately credit the funds.
- This is especially true if the client is insistent on having the balance of the money immediately refunded or if you are being asked to wire the money overseas.

There are many resources online that can help you identify potential scams before any harm can be done to you or your firm.