

FRAUD ALERT

NATIONAL CREDIT UNION ADMINISTRATION
1775 DUKE STREET, ALEXANDRIA, VA 22314

DATE: April 2008

FRAUD ALERT NO.: 08-FRAUD-06

TO: Federally-Insured Credit Unions

SUBJ: Text Message Scam

Dear Board of Directors:

The purpose of this fraud alert is to inform you of a scam that involves unsolicited text messages sent to cell phones. The message urges the recipient to call a number provided for information about account discrepancies and then solicits individual account information and pin numbers.

Cell phone users should be wary of unsolicited text messages. Such messages should be deleted and all deleted text messages should be removed, if possible, as the perpetrators have been known to use Spyware¹ in conjunction with their text message solicitation.

Credit union members and personnel need to be informed of these types of scams. Such a scam could be used to obtain personally identifiable information and credit union account access information, for those who access their accounts using their cell phones.

Management must ensure they file a Suspicious Activity Report when required by established regulation. As specified by NCUA Rules & Regulations Part 748, management must provide notice to the appropriate NCUA Regional Director, and in the case of state-chartered credit unions, to their state supervisory authority.

Sincerely,

/S/

David M. Marquis
Director of Examination & Insurance

¹ Spyware is software installed on your computer or cell phone without your consent and it monitors or controls your use of the device. It may be used in your cell phone for such things as monitoring your Internet surfing, activating your speaker phone as a listening device, taking pictures with your phone camera, copying your contacts, or recording your keystrokes, which, in turn, could lead to identity theft.