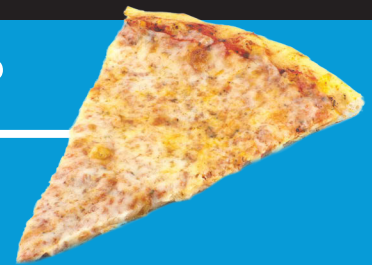


# WINTER 2017 Newsletter

*News and Events for ElecTel Cooperative Federal Credit Union Members*

## YOU WANT A PIECE OF THIS LOAN?

Look out for a special one-day personal loan promotion on Thursday, February 9, National Pizza Day!



## DEBIT AND CREDIT CARD SKIMMING



Nowadays, it is far more convenient to pay at gas stations with a speedpass, use Paypal for online purchases and pay with plastic rather than holding wads of cash and pockets of loose change.

Instead of worrying about being mugged for cash, there is now a technique to defraud you of your money that is more anonymous, sophisticated, and dangerous — and all it takes is a device that can easily be purchased for \$50 online.

This type of fraud is known as card skimming and it involves swiping your debit or credit card through a card reader that has been illegally set up to record information from your card's magnetic stripe.

After your information has been recorded, it is usually then sold to other scammers on the black market or converted into a counterfeit card and used to make fraudulent purchases.

Because it is difficult to know when your card has been skimmed, you may not find out unless you review your financial statements or get a call from your card provider.

### How Does Card Skimming Work?

Although card skimming techniques are becoming increasingly sophisticated, the methods are generally the same. Skimming devices are usually installed on machines like ATMs and handheld pinpads, but also come as standalone, portable versions that are small enough to fit inside your pocket.

### ATM Skimming

One method of skimming involves fraudsters installing a faceplate over the card slot of any machine which accepts debit or credit cards. This is commonly referred to as ATM skimming, but it is also popular with other types of payment processing machines, such as those at gas stations and parking lots.

The face plates installed on these machines usually contain hardware which reads your card's magnetic stripe before it enters into the original ATM card slot.

Your PIN number is then either observed by a person "shoulder surfing" or by a hidden pinhole camera installed on the machine and pointed at the keypad. This is why it is a good idea to cover your keypad with your hand even when alone at an ATM machine.

Fraudsters don't need to return to the ATM machine to extract the video and card information because many of these skimming devices also have wireless capabilities. Fraudsters can comfortably and anonymously sit in their car, hundreds of feet away, and retrieve the information wirelessly.

### Replacing or Modifying Pinpads

Fraudsters often approach employees of a retail establishment and bribe them to assist in modifying or replacing an existing pinpad with a counterfeit one and installing cameras to record PIN numbers.

Card information from the pinpads and the video is later retrieved by the dishonest employee and given back to the fraudster. The employee will usually share in the proceeds and receive a lump-sum payment or be paid on a per-card-skimmed basis.

Because skimming using a handheld device can be extremely easy, many dishonest employees choose to operate alone. All an employee needs to do is wait until your attention is distracted to swipe your card from behind the counter.

### How can ElecTel help?

Skimming can be avoided by using the new EMV cards which are chip-enhanced for extra security. ElecTel is still in the process of issuing EMV Cards. Members with a debit card should have a new card by April, and members with a credit card should have a new card by the end of November.

Please make sure ElecTel has your current phone number so we can contact you if our system detects fraud. Also, remember to notify the credit union if you are traveling so your card will not be flagged for fraud.



## Feeling blue after holiday spending?

If you spent too much on the holidays, we're here for you. Ask us how we can help!

*At ElecTel, we have all the services you need to make life carefree.*

**Shared Branching** allows you to conduct several basic transactions at more than 5,000 CO-OP® Shared Branching locations nationwide, including more than 100 in North Carolina.

**Mobile Deposit** allows you to deposit checks using your mobile phone simply by taking a picture of the check. This feature is conveniently available within the ElecTel Cooperative FCU mobile app.



## Holiday Closing

### Presidents Day

Monday, February 20

#### *Main Office*

3400 Sumner Blvd.  
Raleigh, NC 27616

p 800.849.5600  
f 919.876.8018

#### *Piedmont EMC Branch*

2500 Highway 86 South  
Hillsborough, NC 27278

p 877.469.0255  
f 919.732.1918

#### *Audio Response — Starline*

p 888.274.0253

This credit union is federally insured by the National Credit Union Administration and is an Equal Housing Lender.



[www.electelccu.org](http://www.electelccu.org)

