



# MODERN CHECK FRAUD & FINANCIAL CRIME TRENDS OF 2025–2026

UNDERSTANDING TODAY'S FRAUD LANDSCAPE AND HOW TO PROTECT YOURSELF

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## ABOUT ME



I am currently studying for my CFE certification.



I originally planned to study veterinary medicine before entering banking.



I'm surprisingly terrible at math despite working in finance.



I'm getting married in three weeks.



I enjoy trying new restaurants in Detroit with my fiancé and our dog, Bart.

# WHY ARE WE TALKING ABOUT CHECK FRAUD?

## 01

Check fraud losses reached **\$38.5 billion globally**. The U.S. accounted for **\$33.6 billion dollars**

## 02

Check fraud remains the **#1 payment fraud threat** to businesses and financial institutions

## 03

Bottom line, many people assume checks are disappearing. The reality is that ***check fraud is growing faster than ever.***

# Agenda

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**01** Understanding Check Fraud

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**02** How Criminals Commit Check Fraud ?

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**03** How Criminals Obtain Your Information?

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**04** Impact of Check Fraud?

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**05** Protecting Yourself

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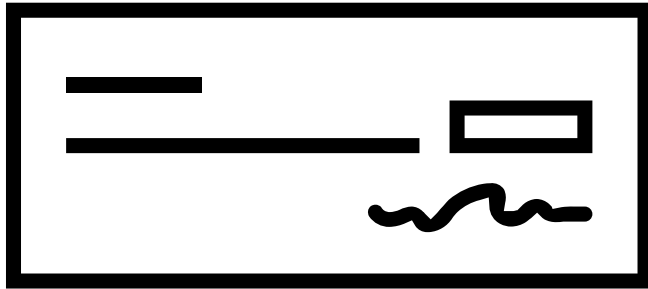
**06** Key Take-Aways & Questions

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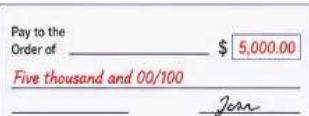









# UNDERSTANDING CHECK FRAUD

# WHAT IS CHECK FRAUD?



CHECK FRAUD OCCURS WHEN A CHECK IS STOLEN, ALTERED, FORGED, OR COUNTERFEITED TO ILLEGALLY OBTAIN MONEY FROM AN INDIVIDUAL, BUSINESS, OR FINANCIAL INSTITUTION.

	COUNTERFEIT CHECK	FORGED CHECK	ALTERED CHECK
 DEFINITION	A fake check that is completely counterfeit and not legitimate.	A real check that is signed without permission or with a fake signature.	A real check that is changed after it is written.
 WHAT IT IS	Not a real check. 	Real check with a fake signature. 	Real check with changes made to details. 
 HOW IT HAPPENS	Criminals create a fake check using stolen account information or counterfeit check stock.	Criminals steal a real check and sign the account holder's name without permission.	Criminals change the payee name, amount, or other details on a legitimate check.
 EXAMPLE	A fake check for \$5,000 is mailed to a victim as payment for a job.	A check made out to "ABC Co." is stolen and signed over to the criminal.	A check made out to "ABC Co." for \$500 is altered to \$5,000.
 KEY POINT	It is <u>not</u> a real check.	The check is real, but the <u>signature</u> is fake.	The check is real, but the <u>details</u> are changed.
 RESULT	The bank discovers the fraud, returns the check unpaid, and the victim loses money. 	The bank discovers the fraud, returns the check unpaid, and the victim loses money. 	The bank discovers the fraud, returns the check unpaid, and the victim loses money. 

# THE EVOLUTION OF CHECK FRAUD

## Paper-Based Fraud

- Forged signatures
- Altered payee names
- Stolen checks
- Check washing

1970s - 1990s

## Technology Makes Fraud Easier

- Counterfeit checks
- MICR line manipulation
- Check photocopying
- Account takeover attempts

1990s - 2000s

## Fraud Moves Online

- Remote Deposit Capture exploitation
- Multi-state fraud rings
- Stolen checks deposited remotely
- Synthetic identity fraud

2000s - 2019

## Fraud is Faster & More Sophisticated

Criminals use technology, automation and global networks to scale fraud faster than ever before

2020 - Present

# 4 KEY DRIVERS BEHIND MODERN CHECK FRAUD

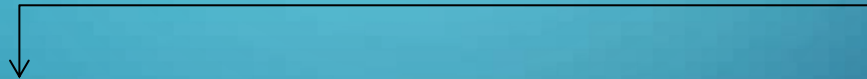
## ***Organized Crime Rings***

Criminal networks use mail theft, stolen personal information, and organized fraud rings to access checks and financial data at scale.



## ***Technology***

Technology, mobile banking, and remote deposits have created new opportunities for fraud.



## ***Online Criminal Marketplaces***

Social media and messaging platforms allow fraudsters to buy, sell, and share stolen information.



## ***Faster Payments***

Faster payments allow criminals to move stolen funds quickly, while many organizations struggle to keep pace with evolving fraud tactics and detection capabilities.

# REAL WORLD FRAUD TRENDS

## STOLEN DATA FOR S

- Fullz Packages
- Bank Accounts
- Credit Profiles
- Check Templates
- ID Documents
- SSN / DOB
- Driver's Licenses

PERSONAL INFORMATION

NAME  
ADDRESS  
ACCOUNT NUMBER  
SSN

Check Fraud USA  
27.6K subscribers

John Doe  
123 Main St.  
Anywhere, USA 12345

1001

PAY TO THE ORDER OF Any Business \$ 5,000.00

Five Thousand and 00/100

MEMO Payment

⑆123456789⑆ ⑆000123456789⑆

5412 7512 3412 3456  
12/28  
CARDHOLDER

# How Financial Institutions Detect Check Fraud

**1. Check Is Submitted**

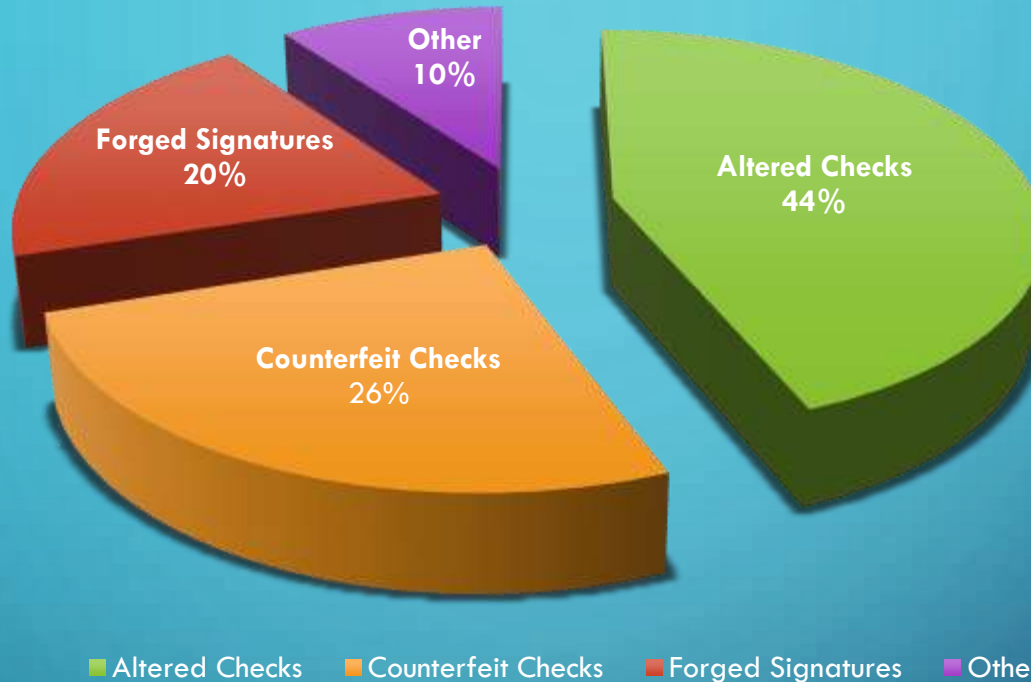
**2. Check Is Analyzed**

**3. Check Is Compared**

**4. Risk Is Assigned**

**5. Analyst Review**

# FINCEN 2024 CHECK REPORT



My team works with financial institutions across the country and reviews fraud trends daily. Based on FinCEN data and what we're seeing in the industry, three fraud types consistently account for the majority of check fraud activity: altered checks, counterfeit checks, and forged signatures.

# COUNTERFEIT CHECK EXAMPLE

## Similarities We Noticed :

- Same routing and account number on MICR line

## Red Flags :

- Different Symbol
- Signature Mismatch
- Different Fonts throughout the check
- Different Account Numbers
- Different Addressees

### GOOD CHECK:



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

TREASURY WARRANT NO.  
183930513

JUNE 01, 2026

060126 7XXXXX79226 SP1 0001 771 86054001  
PAYING AGENCY 000-000-0000 TX SCHOOL FOR BLIND & VISUALLY IMPAIRED

Pay TWO THOUSAND SEVENTY NINE DOLLARS AND 12/100

\$ 2,079.12

To



Kelly Hancock  
Acting Comptroller of Public Accounts

VOID AFTER 08/31/2026

⑆304⑆ ⑆114900164⑆ ⑆183930513⑆

### BAD CHECKS:

THIS DOCUMENT HAS A COLORED BACKGROUND AND MICROPRINTING. THE REVERSE SIDE INCLUDES AN ARTIFICIAL WATERMARK.



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

TREASURY WARRANT NO.  
151299992

MAY 27, 2026

120825 3XXXXX54658 T13 0001 8253383  
PAYING AGENCY 512-463-4561 COMPTROLLER - STATE FISCAL

Pay SIX THOUSAND FIVE HUNDRED EIGHTY-TWO AND 44/100

\$6,582.44

To



Kelly Hancock  
Acting Comptroller

VOID AFTER 04/31/2027

⑆304⑆ ⑆114900164⑆ ⑆151299992⑆

# FORGED CHECK EXAMPLE



## Similarities We Noticed :

- Same Company Name
- Same Bank Logo
- Same MICR Line information

## Red Flags :

- Different signature
- Different check stock
- Currency Amounts are different in nature

<b>Fraud Type</b>	<b>Fraud Items</b>	<b>Losses</b>
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Altered	223,625	\$1.81B
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Counterfeit	11,253	\$47.39M
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Forged	2,410	\$35.23M
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## FRAUD IN NUMBERS

THESE ARE ACTUAL FRAUD TRENDS IDENTIFIED ACROSS FINANCIAL INSTITUTIONS USING OUR FRAUD DETECTION TECHNOLOGY

# HOW CRIMINALS GET YOUR INFORMATION

Telegram  
The world's largest messaging app  
is free and secure.

Start Messaging

PAY TO THE  
ORDER OF

⑆0012345678⑆ ⑆000123

⑆0012345678⑆ ⑆000123

# FROM MAILBOX TO TELEGRAM



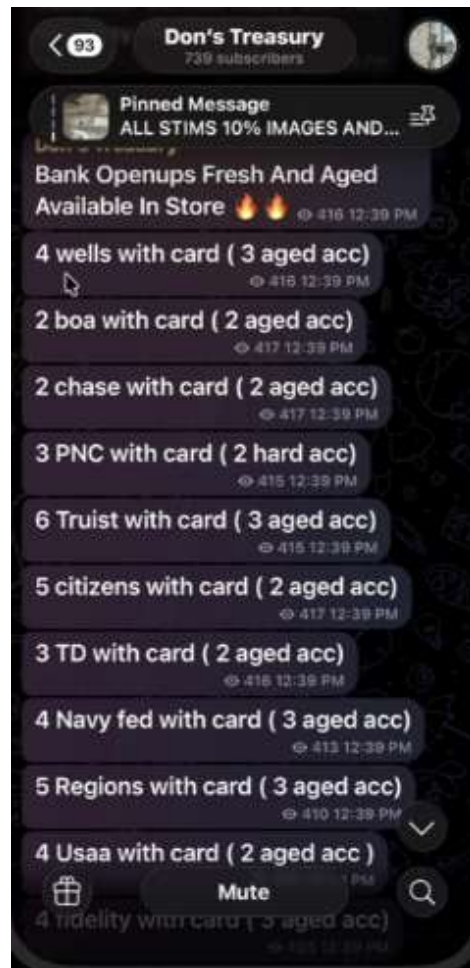
**Telegram is a messaging platform where users can communicate privately, share files, and join large groups, making it a common tool for online fraud networks.**



**With over 1 billion users worldwide, Telegram has become a major hub for check fraud, allowing criminals to share stolen information, sell counterfeit check templates, and organize fraud activity.**



**Telegram and other social media platforms have become common tools for fraudsters. Nearly 30% of scam victims report their scam originated on social media, resulting in more than \$2.1 billion in losses in 2025.**



PERSON WHO  
SELLS STOLEN  
TREASURY  
ACCOUNT  
CHECKS

# ACCOUNT FROM CHASE BANKER

46 1

6.5K 7:30 AM

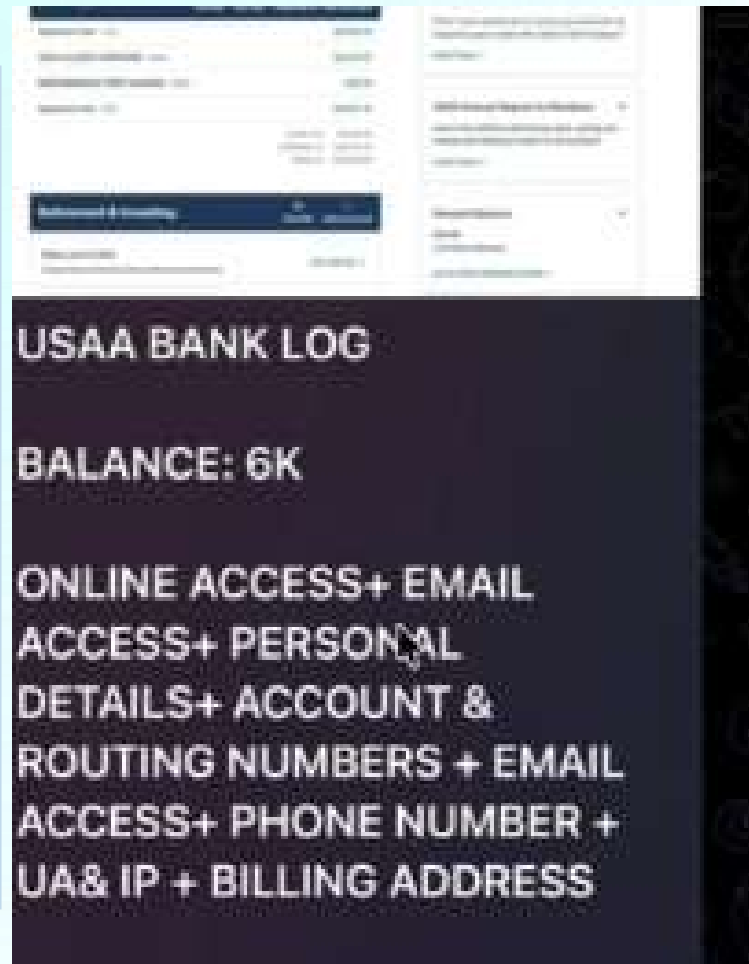
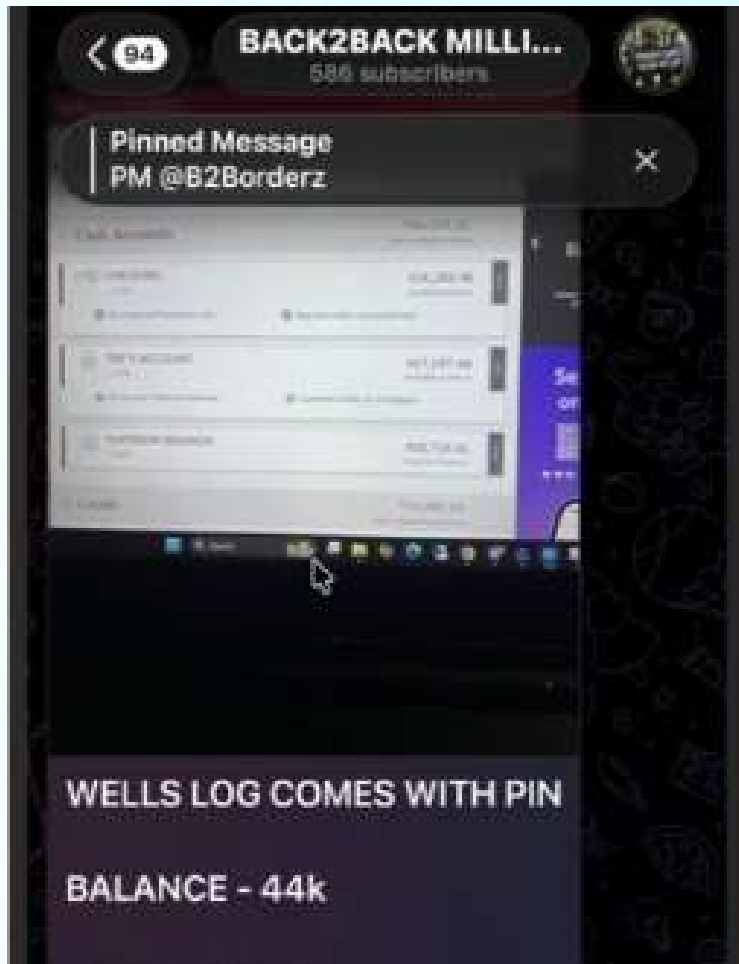
Life Of A Banker

Below are some tutorials I will be offering

- Cashapp Tutorial
- Coinbase Tutorial
- PayPal Tutorial
- Wire Checks Full Tutorial
- iDme Full Tut
- Direct Deposit Method
- Credit TopUp Tutorial
- DDA Full Tutorial
- BillPay Tutorial 1/3
- Zelle Full Tutorial
- Mobile Check Deposit (MD)

# USPS MAIL CARRIER ACCOUNT





# Journey of a stolen check

❌ 1/22/25

Mailbox reported  
vandalized

✅ 1/24/25

Check posted for sale  
on telegram for \$25

✅ 1/29/25

Multiple altered checks  
processed through  
mobile deposit -  
totaling \$11,300.00

✅ 1/30/25

Multiple skilled  
counterfeit presented  
through in-clearing -  
\$64,500.00

✅ 2/3/25

Account closed - "Closed  
Account" returns received  
in CFD



**WHO IS BEING IMPACTED?**



# TRUE OR FALSE

*False - A recent study showed adults ages 25–34 reported higher check fraud victimization rates than individuals 55 and older.*

**Older adults experience check fraud more often than younger generations.**

**Mail theft-related check fraud is most common in rural areas.**

*False - The largest mail theft fraud trends have been identified in major metropolitan areas along the eastern seaboard.*

**Most check fraud victims lose less than \$100 per incident.**

**The average check fraud scheme can last up to 18 months before detected**

*False - Nearly half of victims lost more than \$1,000 per incident, with many losing over \$5,000.*

*True - On average, check fraud schemes can last up to 18 months before being detected.*

# CONSUMERS

**\$2.1 billion**

The amount of losses attributed to social media scams in 2025.

**\$14,215**

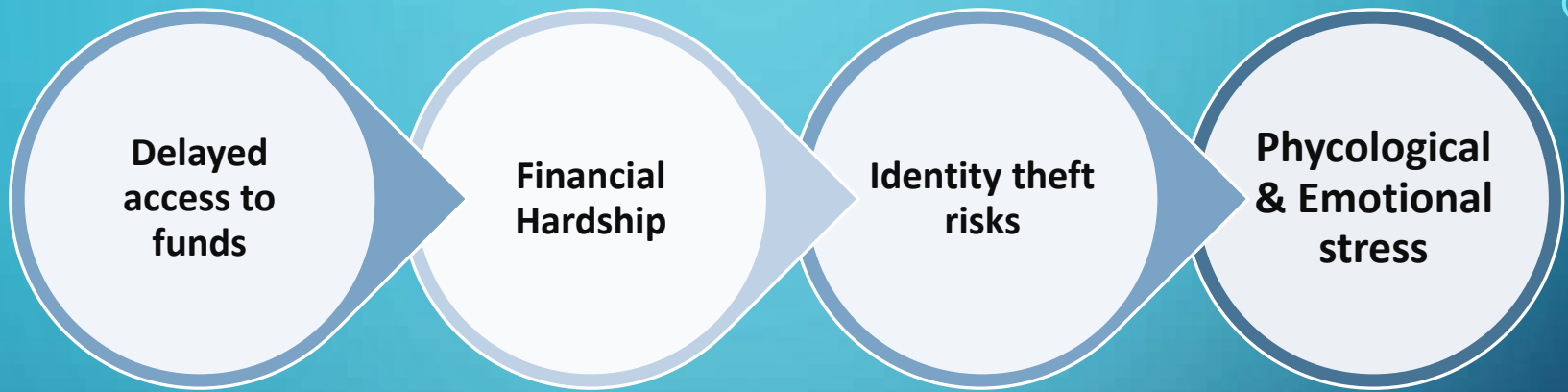
The median loss reported by customers related to mail-related check fraud in 2024

**\$688 million**

FINCEN's reported amount in suspicious activity tied to mail related check fraud in the first 6 months of 2024

**SOURCE : FEDERAL TRADE COMMISSION REPORT & FINCEN (FINANCIAL CRIME ENFORCEMENT NETWORK)**

# IMPACT TO CONSUMERS



## Key Takeaway

A recent consumer survey found that **6 in 10** consumers expect their bank to protect them from fraud. Despite these expectations, check fraud continues to rise, leaving victims facing financial losses, delayed access to funds, emotional stress, and, in many cases, significant financial hardship.

# BUSINESSES

**#1**

Business owners reported that check fraud remains the number one payment fraud treat their organizations

**58%**

Percentage of businesses that have reported attempted or actual check fraud

**\$500,000+**

The average yearly amount of fraud losses businesses have experiences

**91%**

The percentage of businesses that continues to use checks regularly

**SOURCE : THE 2026 ASSOCIATION OF FRAUD PROFESSIONALS PAYMENTS FRAUD AND CONTROL SURVEY**

# IMPACT TO BUSINESSES



## Key Takeaway

Despite the growth of digital payments, 91% of organizations still use checks. As a result, check fraud remains a leading threat to businesses, causing payment delays, operational challenges, financial losses, and customer, employee and vendor concerns.

# FINANCIAL INSTITUTIONS

**\$38.5 Billion**

This is the number of check fraud losses reached in the year of 2025 alone. The United States accounted for \$33.6 billion, representing 87% of global check fraud losses.

**62%**

This is the percentage of financial institutions that report ongoing fraud attempts

**32%**

This is the percentage increase in counterfeit check activity reported by the federal reserve in the following year.

**SOURCE : THE 2026 ASSOCIATION OF FRAUD PROFESSIONALS PAYMENTS FRAUD AND CONTROL SURVEY**

# IMPACT TO FIANCIAL INSTITUTIONS

**Customer Trust & Reputation**

**Increased fraud investigation costs**

**Increased operational strain on fraud and operations teams**

**Greater pressure to implement real-time or "Day Zero" fraud detection capabilities**



Check fraud continues to be the most targeted payment method by fraudsters.



**58%–63%** of organizations report attempted or actual check fraud



**60%** of financial institutions report persistent fraud attempts



Fraud incidents increased **11%** despite declining check usage



Check fraud continues to outpace ACH and wire fraud as the leading payment fraud method

# INDUSTRY REALITY

# PROTECTING YOURSELF :

## PREVENTION & INVESTIGATIVE BEST PRACTICES

### FRAUD PREVENTION CHECKLIST

- Review bank statements
- Enable account alerts
- Use secure Wi-Fi
- Keep software updated
- Verify before you trust



1234 5678 9012 3456

VALID THRU 12/28

PAY TO THE ORDER OF

123456789 9876543210

### STAY ONE STEP AHEAD



BE CAUTIOUS

Verify requests before sharing information.

PROTECTED.

tomorrow.

PRO  
YOU  
PRO  
YOUR FI

# ESSENTIAL TIPS FOR EVERYONE

**Secure Your Mail**

**Avoid leaving checks  
in mailboxes  
overnight**

**Monitor Your  
Accounts online  
DAILY**

**Set up fraud alerts ,  
account notifications  
and invest in fraud  
software**

**Think before sharing  
personal data with  
new apps.**

**Report suspicious  
activity immediately**

**Never share account  
information through  
email or text.**

**Shred old checks,  
bank statements, and  
financial documents**

**Use strong  
passwords and  
secure banking apps**

**Business Owners:  
Use Positive Pay and  
other bank fraud  
protection tools.**

# WHAT TO DO IF YOU'RE A VICTIM



## **Contact Your Financial Institution Immediately**

Report suspicious activity  
Place holds on affected accounts  
Review recent transactions



## **Report the Fraud to the following agencies**

**FTC:** [ReportFraud.ftc.gov](https://reportfraud.ftc.gov)

**USPIS:**

Mail theft and stolen checks  
Local law enforcement if applicable



## **Be Proactive**

Change passwords regularly  
Enable multi-factor authentication  
Monitor credit reports and account activity



## **Take Advantage of Fraud Prevention Tools**

Invest in Positive Pay (businesses)  
Account alerts and notifications  
Credit monitoring services

# KEY TAKE AWAYS

**Despite living in a digital banking era, check fraud remains a growing threat.**

**Today's criminals leverage technology, social media, and organized crime**

**Consumers, businesses, and banks are all affected**

**The best defense against check fraud is awareness. Stay informed and stay protected.**

# QUESTIONS?

## FRAUD PREVENTION CHECKLIST

- Review bank statements
- Enable account alerts
- Use secure Wi-Fi
- Keep software updated
- Verify before you trust



1234 5678 9012 3456

VALID THRU 12/28

## STAY ONE STEP AHEAD



### BE CAUTIOUS

Verify requests before sharing information.

STAY PROTECTED. \$ tomorrow.

PRO  
YOU  
PRO  
YOUR FI