



November 2023 Newsletter

Issue #48

MY CU Services Update

Was it just us or did 2023 fly by? Like, in a “it’s a bird, it’s a plane...oh, it’s already almost 2024” kind of way. Despite Superman not having actually been the mascot for this past year, MY CU Services certainly had its share of *superb* moments.

In April, we joined forces, yet again, with our partners at CU*Answer to offer a new suite of tech solutions – Managed IT Services. From workstation and server management to backup and business continuity, support services and everything in between, our **Managed IT** services are designed to help credit unions obtain the necessary resources to keep their information technology functions running smoothly.

Then, there was the launch everyone was waiting for in July – the official release of the **FedNow® Service!** MY CU Services, along with Vizo Financial, was ecstatic to be part of this new instant payments rail and worked tirelessly to ensure our participation as a certified correspondent provider. We’re currently offering settlement services for instant payments through the FedNow Service. We’re also able to provide receiving capabilities through our payments provider, Aptus Solutions, with send capabilities to follow in the near future.

We were thrilled to have a hand in so many educational opportunities throughout 2023. Most recently was Vizo Financial’s Payments Conference on October 25-26. The virtual event covered a whole host of hot payments topics, including the FedNow Service, card fraud, check returns, Reg E and more. In addition, the Corporate held a total of 14 payments/technology webinars in 2023. That’s a lot of educational opportunities for credit union payment professionals! The best news of all, though, is that you can find all upcoming webinars and past webinar recordings on our **Education page**. We hope you’ll check it out!

Finally, we’re working hard to consolidate our various capture solutions (ATM/ITM, teller, mobile, branch and merchant) to TranzCapture. While this is still a work in progress, we’re excited to help credit unions streamline the image capture process through an online, user-friendly and credit union owned-and-operated solution. Look for more details on the transition to TranzCapture in 2024.

See what we mean? This year may have flown by right before our eyes, but it sure *superseded* our expectations! With that said, we, here at MY CU Services, hope you have a wonderful holiday season and a joyful sendoff into 2024!

Product Spotlight: DoubleCheck

Tell us...what would you think if there was a solution that did all these things for your credit union?

- Limit your credit union's susceptibility to fraud and lawsuits
- Get you ahead of legislative changes
- Completely transform your overdraft and non-sufficient funds (NSF) program

Would you be excited? Elated? Astounded?

Well, get ready to be all those things with DoubleCheck! As the payments CUSO of Vizo Financial, we at MY CU Services recommend checking out this solution, a reimagined overdraft/NSF program that puts your members in the driver's seat and takes the burden off of your credit union, all without taking away your ability to earn revenue.

And the crazy part is, the DoubleCheck process is so simple. When a member initiates a transaction that will put them in overdraft territory, DoubleCheck will send them a notification. Within a certain timeframe of receiving the notification, the member can decide how to handle the transaction. That means they can choose what gets paid, what gets returned or even if there are alternative sources of funds they can utilize to cover the transaction.

Not only does it benefit your members in all these ways...

- More control over their own finances and how NSF situations are paid
- Debit card overdraft protection, so they can prevent negative transactions when using the most preferred method of payment
- Automatic, real-time notifications of negative transactions for more timely and proactive responses
- Better opportunities to pinpoint fraud and identity theft, as well as the ability to report it quickly
- A big bank solution at their neighborhood credit union
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...but there are just as many things to love about DoubleCheck on the back end:

- Continued fee income – your credit union will earn revenue each time a member uses DoubleCheck. It's a member-friendly income stream!
- No guesswork and fewer headaches because members are calling the shots on how to handle their funds.
- Top-of-the-line security measures, such as multifactor authentication, audits, encryption and more.
- Minimal liabilities with built-in compliance actions, audit trails and documentation, as well as member control over finances.

It's time to do away with the old way of thinking when it comes to overdrafts and NSF. Ditch the dreaded fees to build better relationships with your members, stay compliant with legislation and reduce your risks. DoubleCheck really is a breath of fresh air for everyone in the payments arena!

Want to learn more? Contact MY CU Services' sales team at sales@mycuserVICES.com.

Upcoming Education Sessions

Each quarter, MY CU Services will be hosting an educational webinar to provide credit unions with pertinent information about payments, technology or one of our products/services. Here are some upcoming webinars for the remainder of 2023 and the beginning of 2024:

Return to Sender – Selecting Relevant Return Reason Codes Webinar

Jessica Lelij, director of education, Macha/PAR

December 12, 2023 at 2:00 p.m. ET

Are you sometimes unsure of the right return reason code to use? Do dishonored returns and contested dishonored returns have you scratching your head? In this session, we will cover all of the return, dishonored return and contested dishonored return codes, and when they should appropriately be used. Knowing your rights and responsibilities under the Rules will help you reduce the risk of potential loss for your institution.

This session will include:

- A review of return codes
- When and how to use each return code
- Your credit union's rights and responsibilities

This 90-minute webinar is designed for ACH professionals, ACH operations staff, audit staff, compliance staff, AAPs or anyone who wishes to learn more about selecting relevant return reason codes.

2024 ACH Rule Changes and Updates Webinar

Andi Crockett, product manager, Vizo Financial/MY CU Services

January 17, 2024 at 2:00 p.m. ET

It's that time of year again... time to review the upcoming rules changes for ACH. Nacha Operating Rules need to be followed by all financial institutions that process ACH transactions. This webinar will provide the details your credit union needs to stay informed on the ACH payment requirements and remain in compliance with all the changes in 2024. Join Andi as she reviews current and upcoming Nacha Rules.

This session will cover:

- Past: Rules review for 2023
- Present: Rules changes and updates for 2024
- Future: Rules on the horizon for 2025

This webinar is designed for ACH professionals, ACH operations staff, AAPs or anyone who wishes to learn more about ACH and the upcoming rule changes.

New Webinar Recordings Available!

And in more education news, we're happy to share that the following recordings from recent payment-related webinars are available. Watch them whenever and wherever is convenient for you.

You can find the recordings on the **Education** page of our **website**.
Happy viewing!

- **Possible or Probable? How to Assess the Risk**
- **P2P Doesn't Have to Mean Faster Fraud**
- **To Ask or Not to Ask? That is the Question – Return Request or Reversal**
- **FAQ: Exception Handling**

International Fraud Awareness Week: Credit-Push Fraud

Spooky season is behind us, but that doesn't mean there aren't still people masquerading themselves as someone they're not. In fact, people disguising themselves and pretending to be someone else is quite common, especially when there is an opportunity for financial gain.

According to the Federal Trade Commission (FTC), people lost a total of \$8.8 billion in 2022 as a result of different types of scams — many of which are carried out through fraudulent activities where a bad actor profits financially from their victim(s) by deceiving them. This type of fraudulent activity can occur in a variety of different ways. The FTC reported that the top scams in 2022 included different fraudulent activity with imposters, investments, business/job opportunities, prizes/sweepstakes/lotteries and online shopping.

Now, when most people think about financial scams or fraudulent activity that results in a loss of money, they probably think of activity that happens without their knowledge or their authorization. However, there is a type of fraud that occurs when a victim knowingly authorizes a payment. This type of fraud is known as credit-push fraud. Let's talk about it.

What is credit-push fraud and how is it different from debit fraud schemes?

That's a good question. You see, debit fraud schemes occur because of an unauthorized payment. This unauthorized payment could be a result of an account takeover, a stolen account or card information or even forged checks. Alternatively, credit-push fraud happens when a sender initiates and knowingly authorizes a payment. This could happen when a bad actor manipulates or deceives someone

into believing they are receiving a good or service in exchange for the payment.

Why is credit-push fraud important to discuss?

While debit fraud continues to be a threat, the industry has established preventative measures to help deter and prevent these types of fraudulent activity. However, credit-push fraud is becoming more of a problem because of new technologies and ways to send payments.

Emerging payments, such as peer-to-peer (P2P) payment applications like Zelle, Venmo, Apple Pay, Google Pay, etc., and even the introduction of instant payments like real-time payments and the FedNow® Service, are making it more difficult for institutions to detect, prevent and recover funds for those who fall victim to credit-push fraud schemes. That's why it's critical to be proactive and promote awareness by educating members to be vigilant. And there's really no better time to promote awareness about credit-push fraud than during International Fraud Awareness Week, which began on Monday, November 13.

Examples of credit-push fraud:

Credit-push fraud can happen any time a consumer, business or organization sends a payment willingly. Here are two examples:

- Someone purchases something online on Facebook marketplace. They send the money over a P2P network, but they never receive the product.
- A bad actor impersonates a vendor and makes a request to change payment instructions. The "vendor" advises the business to send payments to a new account with new information. The business believes it's a valid request and sends the payment willingly.

In both scenarios, the person or entity sending the money did so willingly; however, there was a bad actor on the receiving end. In the first scenario, the individual who purchased something on Facebook marketplace is out of both the funds they sent and the product they expected to receive. In the second scenario, the business is out of the money they sent, and they still have to pay the vendor that was impersonated to begin with.

How to be proactive to prevent credit-push fraud:

While you can't always prevent all types of fraud attempts from happening, you can be proactive in trying to prevent credit-push fraud since individuals willingly send the money. First things first, educate, educate and then educate some more.

Your staff should be educated and trained on current fraud scenarios and alerts, so they can recognize the signs of an attempted scheme. **The Internet Crime Compliant Center (IC3)** is a great resource to utilize to stay up-to-date on the current consumer fraud scenarios and alerts.

But the education shouldn't stop there because your members also need to be educated. Here are some ways you can accomplish this:

- Provide them with educational resources and tools to help them stay vigilant against credit-push fraud schemes.
- Teach them about the different payment products and the inherent risks that accompany them.
- Encourage them to ask questions about fraud and have discussions on the most common tactics that bad actors are using.

The **American Association of Retired Persons (AARP)** also offers resources that you can provide to your members, especially your elderly members, to help them stay informed on the types of scams or fraud attempts that are circling. This is also a great resource that your members can use to learn more about scams from fraud experts and those who have fallen victim to a fraud attempt. In addition, I recommend providing your members with tips on how to prevent a credit-push fraud attempt before it even happens. I have some listed below.

Tips to senders to prevent credit-push fraud:

In order to help prevent credit-push fraud, here are some things to consider before sending a payment:

- Only send money to someone you know.
- Make sure to verify the payment — and re-verify, if necessary!
- Talk to someone you trust, and ask yourself, “is it too good to be true?”
- Always treat electronic payments like cash.
- Determine if you’re being pressured to send money. It’s OK to wait until you know for sure.

All in all, your credit union needs to continuously be proactive because fraud is not going away any time soon, especially with the technological developments that occur every day. Not to mention that bad actors are changing tactics and becoming more advanced in their ability to trick people into giving away information they may not otherwise give away.

That’s why awareness and education are so vital to protecting your members and your credit union from all types of fraud attempts, but especially credit-push fraud attempts.

Here are some additional resources you can utilize to learn more:

Consumer Financial Protection Bureau: Fraud and Scams
FTC’s Consumer Advice
MY Credit Union’s Fraud and Prevention Center
Nacha’s Risk Management Framework

Happy International Fraud Awareness Week. I encourage you to read more into credit-push fraud this week and learn more about how you can help protect your members and your credit union from these schemes

Stay in touch!



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