



Alert: Beware of Covid-19 Web Scams

From the Financial Crimes Enforcement Network ([fincen.gov](https://www.fincen.gov)) release of March 16, 2020:

The Financial Crimes Enforcement Network (FinCEN) advises financial institutions to remain alert about malicious or fraudulent transactions similar to those that occur in the wake of natural disasters. The Financial Crimes Enforcement Network (FinCEN) is monitoring public reports and Bank Secrecy Act (BSA) reports of potential illicit behavior connected to COVID-19 and notes the following emerging trends:

1. Imposter Scams – Bad actors attempt to solicit donations, steal personal information, or distribute malware by impersonating government agencies (e.g., Centers for Disease Control and Prevention), international organizations (e.g., World Health Organization (WHO)), or healthcare organizations.
2. Investment Scams – The U.S. Securities and Exchange Commission (SEC) urged investors to be wary of COVID-19-related investment scams, such as promotions that falsely claim that the products or services of publicly traded companies can prevent, detect, or cure coronavirus.
3. Product Scams – The U.S. Federal Trade Commission (FTC) and U.S. Food and Drug Administration (FDA) have issued public statements and warning letters to companies selling unapproved or misbranded products that make false health claims pertaining to COVID-19. Additionally, FinCEN has received reports regarding fraudulent marketing of COVID-19-related supplies, such as certain facemasks.

In addition, please see FinCEN's advisory, FIN-2017-A007 "Advisory to Financial Institutions Regarding Disaster-Related Fraud" (October 31, 2017) for descriptions of other relevant typologies, such as benefits fraud, charities fraud, and cyber-related fraud.