

BBB: Scammers impersonate legitimate lenders to steal thousands of dollars

Posted on Wednesday, Sep 8, 2021

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Milwaukee, Wis. – [BBB Scam Tracker](#) is receiving reports of scammers masquerading as legitimate loan providers. The phony lenders guarantee a quick loan with no upfront fees. But victims who provide their banking information to the scammers are left in the negative. **How the scam works:**

You receive an email advertising a guaranteed loan. The email displays a logo and contact information for what appears to be a legitimate loan company. Before proceeding with the offer, you search for the company online to determine if it can be trusted. You find that the name and contact information matches with a legitimate company, so you proceed with the loan.

Once you agree to the loan, the “lender” takes your personal banking information and deposits the loan into your account via a check. Then, they demand you buy insurance for the loan before the check officially clears. Unfortunately, the loan check turns out to be fake, something victims often don’t realize until after they pay the “insurance.” One victim told BBB, “The money will be available the next day, but then it will be rejected by your bank three days later.”

These scammers know that consumers are increasingly aware of [phishing attempts](#), so they use the identity of a business that can easily be verified online. This allows them to gain the target’s trust and get access to their bank account.

How to avoid fake loan offers:

- **Avoid unsolicited loan offers.** Scammers use offers of quick cash to lure you in—don’t fall for it. Whether they contact you by phone, email or text or send

loan offers by mail, approach all unsolicited offers for money with caution.

- **Expect a credit check.** These scams often prey on people who may not easily qualify for a loan. No legitimate lender will provide you with a loan without performing a credit check.
- **Ensure the business contact information matches the email sender information.** Brand identifiers can easily be copied and included in the body of an email, so the most important information for a consumer to verify is the email address of the sender. The domain for the email address typically matches the domain of the official website and should be free of random letters or numbers.
- **Research loan providers before accepting an offer.** When doing business with an unfamiliar company, don't just verify they're legitimate by searching their name online because you could be missing surprising information. View ratings and reviews to see what other people are saying, and check for a BBB business profile.

You can connect with trusted lenders in your area by visiting [BBB.org/search](https://www.bbb.org/search).

Be careful and [watch out for “guaranteed” loans with upfront fees](#).

Report scams to [BBB.org/ScamTracker](https://www.bbb.org/ScamTracker).

For more information or further inquiries, contact the Wisconsin BBB at www.bbb.org/wisconsin, 414-847-6000 or 1-800-273-1002. Consumers also can find more information about how to protect themselves from scams by following the Wisconsin BBB on [Facebook](#), [Twitter](#), [Instagram](#) and [YouTube](#).