



QUARTER

Newsletter of the PA Department of Banking and Securities

A Step Forward in 2021



**How to Spot a
Fake Check Scam**

**Department Aids Nearly
5,000 Consumers**

**Richard Vague
Confirmed as Secretary**



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Anyone seeing COVID-19 related scams or fraud are asked to report it to the Pennsylvania Criminal Intelligence Center (PaCIC) at 1-888-292-1919 or tips@pa.gov.

Contact the department to ask questions or file complaints about financial transactions, companies, or products. Call **1.800.PA.BANKS** or 1.800.722.2657.

Stay informed!
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The department has an **online library** of publications and reports on a variety of financial topics.



SECRETARY

dobssecretary@pa.gov

Richard Vague

A Step Forward in 2021

January brings with it the optimism of a fresh start and a brighter outlook on all that may come in the new year. So too is the department planning an exciting step forward in the coming year.

Development and testing are underway for a new self-service web portal for the professionals, institutions, and businesses regulated by the agency. This necessary advancement will mean a more efficient, cost-effective, and secure digital process for you and your business.

Rest assured that the department is working diligently to ensure a smooth transition in advance of the launch later this spring and **this transition requires no action or follow-up by you at this time.** Over the coming weeks, you can expect direct correspondence from staff in your program area explaining how the web portal will serve your specific industry, license, or registration type.

The web portal will offer many benefits – some of which will differ based on industry, license, or registration type – including:

- **Security protections:** Use of [Keystone Login](#) – a single, secure user credential used to log in to multiple online services from the commonwealth – will be required to access the new web portal. Keystone Login uses advanced authentication tools to prevent

unauthorized access and protect personal data. The portal is also fully encrypted to enable secure submission and access to information.



- **Greater efficiency:** The user and department will be able to track all documentation and online payments and promote efficient records management for retention purposes. Automated notices, web-based questionnaires, and the ability to securely upload examination materials also allows for streamlined communication between users and the department.



- **Increased cost-savings:** Going paperless eliminates the costs and delays of overnighting large application packages to the department, printing of paper documents, and maintaining physical files.
- **Environmental sustainability:** Requiring fewer paper forms, documents, and checks is a more environmentally sustainable practice and aligns with the commonwealth's initiative for state agencies to promote best practices, continuous improvement, and success in achieving energy efficiency and performance goals.
- **Convenient online payments:** The portal will eliminate the use of paper checks for certain payments to the department, providing instead for quick and convenient digital payment.

We look forward to the launch of this new portal and working with each of you as we move forward.



GOING PAPERLESS



Consumer Alert



How to Spot a Fake Check Scam

A fake check scam can happen to anyone and may present itself in many different ways such as when buying or selling goods through an exchange platform online or even a random check that appears in your mailbox. Regardless of the circumstances, the premise is fairly simple.

Here's how it works:

- The scammer sends a victim a fake check that appears legitimate.
- The victim then deposits this fake check into their account while believing they will be receiving more money in return than what is actually listed on the check.
- While the bank is verifying the funds, it appears to the victim that the money is sitting in their account.
- The scammer then makes up an issue that requires the victim to send money back to the scammer and instructs the person to use a money transmission service, purchase gift cards, or cryptocurrency, to be remitted back to the scammer.
- When the check eventually does not clear at the bank, the victim loses the original amount on the check, as well as the money sent ahead to cover costs.
- After the scammer has taken the money, they will cease contact with the victim and make it almost impossible to recover the money.



What you can do to protect yourself:

- Never accept a check for more than selling price.
- Never send money or gift cards back to someone from whom you received a check.
- Consider using an online payment service instead of a check for all online transactions.
- Only rely on funds from a check when it is from a person you know and trust.
- Talk to someone you trust before you act.

Learn more about fake check scams on the [PA Money Talks blog](#).

If you or a loved one have fallen victim to a scam, contact local law enforcement. Anyone can contact DoBS at **1.800.PA.BANKS** or 1.800.722.2657 to ask questions or file complaints about financial transactions, companies, or products.





Tips to Avoiding These Common Shopping Scams

Scammers are looking to take advantage of increased online shopping during the pandemic and will use every tactic available to try and obtain your sensitive financial information for nefarious purposes.

Three common scams to look out for include:

- **Phishing E-mail Scams.** Phishing emails are a common tactic by scammers to get sensitive information. They may replicate merchant email templates with harmful links designed to obtain usernames and passwords, and potentially sensitive financial information.
- **Skimming and E-skimming Device Scams.** Skimming devices capture the information from the black magnetic strip on debit or credit cards at the point of sale device or ATM machine. In 2019, criminals infected a merchant's website with a digital version of the same technology.
- **Gift Card Fraud.** Scammers use a computer program or "bot" to test millions of random combinations of numbers and pins at retailer websites until they find a combination that works. When the real owner of the card tries to use it to make the legitimate purchase, they find there are no funds available on the card.



Six strategies to help protect yourself:

1. **Monitor accounts.** Frequently check your financial accounts for any debits or withdrawals you do not recognize.
2. **Never follow links in unsolicited emails.** Check that any emails you receive are from a correct email address.
3. **Type the website directly into your browser.** Pay attention to your spelling and double check that it is a U.S. domain – like dot-com, rather than an international domain – before entering any sensitive information.
4. **Be wary of any transaction involving checks.** Never send anything via Western Union or prepaid cards to someone previously unknown to you. When possible, use a credit card, single-use debit card, or prepaid reloadable card for online purchases.
5. **When in doubt, hang up.** Never provide credit card info as part of an unsolicited phone call and think twice if you're being pressured to donate "right now."
6. **Be skeptical.** If it sounds too good to be true, it likely is.

The PSP reminds Pennsylvanians who have fallen victim to a scam to contact their financial institution and local police department. Additionally, victims can make a complaint with the [FBI Internet Crime Complaint Center \(IC3\)](#).

Contact DoBS at **1.800.PA.BANKS** or 1.800.722.2657 to ask questions or file complaints about financial transactions, companies, or products. Check out the publication: "[Scams: Protect Yourself. Protect Your Money](#)"



DoBS Committed to Diversity, Equity, and Inclusion

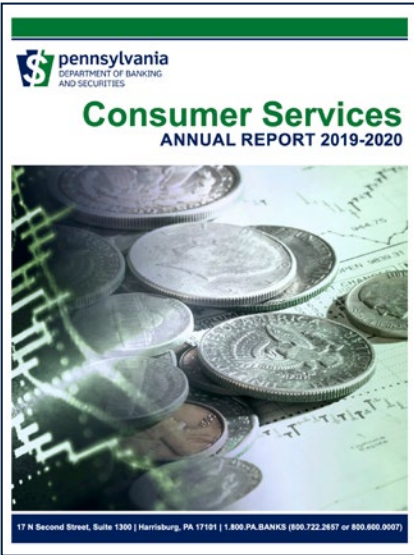
The department is committed to improving diversity, equity, and inclusion within its work and mission, including developing strategies on how the department can take intentional action to promote inclusive and equitable programs and services, and recruit and retain a diverse workforce.

The department is engaging staff to discuss ways to eliminate barriers for underrepresented people within the agency, as well as those underserved by our programs and services, and to examine the impacts of diversity, equity, and inclusion in the department's work and work environment.





Department Aids Nearly 5,000 Consumers Amid COVID-19 Pandemic



The Department of Banking and Securities (DoBS) responded to nearly 5,000 complaints and inquiries about financial transactions, companies, or products in fiscal year 2019-2020 according to its [Consumer Services Annual Report](#).

The department saw an 18 percent increase in inquiries over last year, largely a result of consumers impacted by COVID-19, including questions about mortgage forbearance, payment deferrals, and scams, highlighted in the report. Of the 4,970 inquiries, the most common (28 percent) complaint or inquiry was related to bank account/services, especially withdrawals, and the second most prevalent complaint (20 percent) was mortgage issues, especially with processing and underwriting. On average, department staff helped resolve consumer issues in fewer than five

days. The report also highlights aspects of financial caregivers' fiduciary responsibility and increased activity with social payments.

"The department remains committed to protecting consumers when it comes to financial services," said Tim Arthun, Deputy Secretary for Financial Services. "The uptick in calls and emails to our office about financial products, services, and scams is not surprising given the ongoing challenges of the COVID-19 pandemic. I commend our staff for their diligence in helping consumers navigate these complex issues while adapting to remote work."

The department's outreach staff offered 320 presentations across 56 counties and reached more than 27,000 consumers during the fiscal year. These events, which are typically held in person, moved entirely online beginning in March to help protect public health.

"I am continually impressed by the department's entire staff who have remained steadfast in upholding the department's mission and vision throughout the pandemic," added Secretary of Banking and Securities Richard Vague. "With the assistance of the Office of Administration's IT staff who helped seamlessly transition staff to telework, our Financial Services for Consumers and Business Deputate has been unwavering in its commitment to supporting consumers and helping to resolve their financial complaints and inquiries."

Anyone can ask questions or file complaints about financial transactions, companies, or services [online](#) or by calling **1.800.PA.BANKS** (800.600.0007).

How we can help you:

Follow us on social media for latest news, information, and events: [Facebook](#), [Twitter](#), [LinkedIn](#).

Contact us today at informed@pa.gov to schedule an outreach event. We would love to hear from you.



OUTREACH Spotlight

Upcoming Events

Upcoming Virtual Consumer Events



Midweek Money Matters Webinars

Saving for Investing

February 2: 6:00 PM to 6:30 PM - [Register](#)
February 3: 10:00 AM to 10:30 AM - [Register](#)

How Much Do I Need to Retire?

February 9: 6:00 PM to 6:30 PM - [Register](#)
February 10: 10:00 AM to 10:30 AM - [Register](#)

Making Your Money Last in Retirement

February 16: 6:00 PM to 7:00 PM - [Register](#)
February 17: 10:00 AM to 10:30 AM - [Register](#)

Protecting Your Nest Egg from Fraud

February 23: 6:00 PM to 6:30 PM - [Register](#)
February 24: 10:00 AM to 10:30 AM - [Register](#)

Budgeting for Your New Year's Goals

February 2: 11:30 AM to 12:30 PM
February 4: 11:30 AM to 12:30 PM
February 5: 8:00 AM to 9:00 AM
[Pittsburgh North Regional Chamber](#)

Spending Plans

February 2: 6:30 PM to 7:30 PM
[Brandywine Community Library](#)

February 23
[Bosler Memorial Library](#) - 1:00 PM to 2:00 PM
[Ephrata Public Library](#) - 7:00 PM to 8:00 PM

STaRT (Start Today And Retire Tomorrow)

February 9: 1:00 PM to 2:00 PM
[Bosler Memorial Library](#)

Cybersecurity – Keeping Yourself Safe Online

February 11: 6:00 PM to 7:00 PM
[Slippery Rock Community Library](#)

February 16: 7:00 PM to 8:00 PM
[Malvern Public Library](#)

Complete calendar of events [online](#)



PA Department of Aging Assembles Task Force to Address Financial Exploitation of Older Adults

Taking action to address the findings of its recently-released statewide study of financial exploitation of older adults, the Pennsylvania Department of Aging (PDA) has convened an interdisciplinary task force of state agencies, aging, legal, financial, law enforcement and healthcare stakeholders and subject matter experts to discuss the issue of financial exploitation and focus on a multi-disciplinary approach to its prevention.

The formation of a task force was one of the five recommendations of PDA's Financial Exploitation Study, released in September 2020. The task force is scheduled to meet through April 2021 with the goal of better coordinating efforts and supports for older adults to provide additional opportunities for the early detection and prevention of financial exploitation.

"Financial exploitation causes significant harm to older adults and we know it is significantly underreported. The department felt it was imperative to bring together stakeholders who work closely with older adults and discuss how financial exploitation occurs and ways to prevent and stop it," said Secretary of Aging Robert Torres, who is chairing the task force. "I am pleased with the great feedback we received during the first meeting. Some members even made connections to work with one another outside of the task force. I look forward to seeing tangible results from these collaborations and the work of this task force to help protect vulnerable older adults."

PDA conducted the financial exploitation study in response to Governor Wolf's 2019 Executive Order on protecting vulnerable populations.

"Elder financial exploitation and fraud are all too common occurrences, exacerbated by this pandemic," said Secretary of Banking and Securities Richard Vague, who is serving on the task force. "The work of the task force to coordinate and develop strategies around financial exploitation detection and prevention is more important than ever."

Other members of the task force are:

- Office of Policy and Planning, Governor Tom Wolf
- PA Department of Human Services
- PA Department of Health
- PA Department of Revenue
- PA Department of State
- PA Office of Attorney General
- PA Department of Insurance
- PA State Police
- PA Department of Military and Veterans Affairs
- PA Commission on Crime and Delinquency
- PA Office of Victim Advocate
- AARP
- Alzheimer's Association of Greater Pennsylvania
- PA Association of Area Agencies on Aging
- SeniorLAW Center
- PA Bar Association/Elder Law Section
- Cross State Credit Union Association
- PA Association of Community Bankers
- PA Society of Tax Professionals
- Temple University Institute on Protective Services
- PA Medical Society
- PA Psychological Society
- UPenn Perelman School of Medicine
- PA Institute of Certified Public Accountants
- PA Chiefs of Police Association
- Allegheny County Area Agency on Aging
- Blair County Area Agency on Aging
- PA District Attorneys Association



The entire Financial Exploitation Study report can be found on the [Department of Aging's website](#).





Cyber Section



Cybersecurity ALERT: SolarWinds Orion Platform Software IT Incident

In December, the Cybersecurity and Infrastructure Security Agency (CISA) issued an [alert](#) regarding an active exploitation of SolarWinds Orion Platform. All financial institutions should be assessing any potential risk to their systems and implementing necessary remediation measures.

Financial institutions are encouraged to stay updated and obtain threat and vulnerability information through [CISA](#) or the [Financial Services Information Sharing and Analysis Center \(FS-ISAC\)](#).

The following links offer additional resources for financial institutions as they conduct their risk assessments and determine applicable remediation steps:

- [CISA Emergency Declaration Update Alert – December 19, 2020](#)
- [SolarWinds Security Advisory](#)
- [FireEye Advisory: Highly Evasive Attacker Leverages SolarWinds Supply Chain to Compromise Multiple Global Victims with SUNBURST](#)
- [CISA Emergency Directive 21-01: Mitigate SolarWinds Orion Code Compromise](#)
> [Supplemental Guidance v3 issued on January 6, 2021](#)
- [SolarWinds: Secure Configuration for the Orion Platform Version 2020.2.1](#)
- [Microsoft: Customer Guidance on Recent Nation-State Cyber Attacks](#)
- [NSA Cybersecurity Advisory: Detecting Abuse Authentication Mechanisms](#)
- [Fire Eye GitHub Countermeasures](#)
- [Microsoft: Important Steps for Customers to Protect Themselves from Recent Nation-State Attacks](#)
- [Microsoft Ensuring Customers are Protected from Solorigate](#)

You can also visit the [cybersecurity page](#) of the department's website for updates and additional resources.

Vague Confirmed as Pennsylvania Secretary of Banking and Securities

On November 20, Richard Vague was unanimously confirmed by the Pennsylvania Senate as Secretary of Banking and Securities after being nominated for the post by Governor Tom Wolf in February.

Secretary Vague provides leadership to the department in its overall mission to regulate financial services and ensure consumers and businesses are well-informed about the marketplace. The department supervises nearly 200 state-chartered banks, trusts, and credit unions and licenses and registers more than 18,000 non-bank lenders and more than 200,000 investment firms and professionals doing business with Pennsylvania residents.





Compliance Corner

4th Quarter 2020 Enforcement Orders



The department protects consumers through the following laws:

- Check Casher Licensing Act
- Consumer Credit Code
- Consumer Discount Company Act
- Credit Services Act
- Debt Management Services Act
- Debt Settlement Services Act
- Loan Interest and Protection Law
- Money Transmitter Act
- Mortgage Licensing Act
- Pawnbrokers Licensing Act
- Pennsylvania Securities Act of 1972

The Department of Banking and Securities issued **15 enforcement orders** during the fourth quarter of 2020 from October to December 2020. Fines and assessments for these orders totaled **\$651,200.00**. To see details on these enforcements, go to dobs.pa.gov/enforcement.

#MaskUpPA

Take precautions to keep yourself and those around you safe:

dobs.pa.gov/COVID19info

COVID-19 VACCINE INFORMATION

Vaccine providers are working hard in PA to get vaccine doses into arms as quickly as possible. Supply is limited, and while it may be your turn, you may have to wait to receive the vaccine.

Use the [map to find a provider + make an appointment](#).

For the latest guidance and resources for Pennsylvanians, visit the commonwealth's [Responding to COVID-19 guide](#) or the Pennsylvania Department of Health's [dedicated coronavirus webpage](#) for the most up-to-date information regarding COVID-19.

Contact DoBS...

Call **1.800.PA.BANKS** or 800.600.0007 or [online](#) to ask questions or file complaints about financial transactions, companies, or products.

If you believe you have fallen victim to a scam, contact local law enforcement through a non-emergency number.

