

Keeping Your Money Safe: Lottery Scams

Businesses and individuals lose billions of dollars every year due to fraud. While PlainsCapital Bank has a seasoned fraud prevention team in place to protect our customers, we understand that the best protection is education. To that end, our Fraud Prevention Series, "Keeping Your Money Safe," highlights the latest fraud scams with helpful tips on how you can avoid them.

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Hearing that you've won a large sum of money or a great prize might result in feelings of elation and excitement. However, criminals are counting on those feelings to override common sense and caution—and that's why lottery scams can be successful. In fact, these types of scams add up to \$120 million per year, according to the U.S. Federal Trade Commission.

How Does the Scam Work?

The scam starts with a notification that you have won a large amount of money or a prize in a competition, lottery, or sweepstakes that you don't remember entering. The contact may come through mail, telephone, email, text message, or social media.

To claim your "winnings," you will often be asked to pay a fee. Some of the reasons given include insurance costs, government taxes, bank fees, or courier charges. Sometimes, the criminals ask you to respond quickly or risk missing out, hoping to appeal to your sense of urgency. They may also recommend that you keep your winnings private or confidential to maintain security or stop other people from getting your prize by mistake.

In another scenario, the criminal may insist on getting your bank account information, passwords, or PIN numbers to transfer your winnings instantly. This also should raise a red flag that someone is trying to defraud you.

How to Protect Yourself from Lottery Scams

The following are ways you can protect your confidential information and thwart attempted lottery scams.

1. A lottery requires you to purchase a ticket in order to participate.

Quite simply, if you did not enter to participate in a lottery, ignore any notices saying that you have won. If you have participated, contact the lottery's governing entity or visit their website to verify the accuracy of the notice.

2. Sweepstakes are free games of chance. Do not send money in advance in order to participate in a sweepstakes. In fact, it is illegal to require any payment or purchase to enter a sweepstakes or to increase your odds of winning.

3. Never send money to claim your prize. This includes requests to pay for taxes, shipping and handling, insurance, or processing fees. For

example, if you wire money to someone and then discover it's a scam, it will be very difficult to recoup those funds. If the person happens to be outside the U.S., it will be virtually impossible.

4. Never provide your bank account number or other confidential information. Since you are not required to pay to participate in a sweepstakes or receive a prize, there is no need to give out this information. Criminals can commit numerous fraudulent acts once they have your account number, password, and/or PIN.

5. Do not click on any link that claims to result in receipt of your winnings. Remember to check for abbreviated, misspelled, or strange-looking URLs. Clicking on these can provide the criminal with access to your device and possibly infect it with ransomware or malware.

Keeping Your Money Safe

As always, the "Keeping Your Money Safe" fraud prevention series is designed to help you thwart criminals trying to acquire your personal information or infiltrate your devices. The key to protecting yourself is education and awareness. PlainsCapital Bank's Fraud Department provides educational resources for businesses and customers to help detect and prevent fraud on their accounts. For more information about our fraud prevention efforts, visit our [Fraud Resources page](#).