

# **IDAHO FRAUD NOTICE**

**Notice: Recently there has been a scam circulating which preys on Buyers and Sellers of real estate transactions. This fraud is real and there is evidence of it happening to individuals right here in Idaho. Please read this notice carefully as it has been costing victims hundreds of thousands of dollars.**

## **HOW TO PROTECT YOURSELF:**

The best way to isolate yourself against this fraud is not to utilize electronic means to transfer money pertaining to a real estate transaction (i.e. ETF, wire transfer, electronic check, direct deposit, etc...). If you choose to use an electronic means, protect yourself by never allowing transfer instructions to be communicated electronically or through the mail. Never direct, accept or allow anyone in the transaction to consent to receiving transfer instructions without a direct personal telephone call to the individual allegedly providing the instructions; it is imperative that this call be made to a number obtained in person from the individual or through other reliable means (i.e. not from a number provided on the wire instruction).

## **HOW THE FRAUD WORKS:**

This fraud is sophisticated and the exact methods utilized by the thieves is unknown, but what is known is they are somehow monitoring the electronic communications related to the transaction. Cyber stalking these communications allows the thieves to pose as a legitimate Buyer, Seller, Brokerage, Title Company or financial institution. They pose as an individual involved in the transaction by using actual logos taken from local websites, they use individuals names, email addresses and signature blocks. They even use personal details to become chatty with the recipients and create the appearance of legitimacy. Then using the fake information and the trust it creates they wait until the last minute prior to closing or funding and send alternate wire instructions which direct the funds to their bank accounts. By the time any of the individuals involved in the transactions are aware of the crime it's far too late to take corrective action.

**The undersigned hereby acknowledge(s) receipt of this notice and the risks associated with, and the vulnerabilities of electronic transfer of funds. The undersigned further agree that if electronic transfer of funds is utilized in this transaction they hereby hold the Brokerages, their agents and the designated title company harmless from all claims arising out of inaccurate transfer instructions, fraudulent taking of said funds and/or any other damage relating to the conduct of third parties influencing the implementation of transfer instructions.**

If this notice is provided to a Buyer or Seller in conjunction with a representation agreement or an agreement for compensation with and Idaho licensed brokerage, it shall become a legal addendum to said agreement, supplementing the terms thereof. Date of representation/compensation agreement \_\_\_\_\_.

\_\_\_\_\_  
Signature

Seller  Buyer  NA

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

Seller  Buyer  NA

\_\_\_\_\_  
Date