

Using Person-to-Person Payment Apps Safely



Using P2P payment apps like Zelle, Venmo, or CashApp make life so much easier – pay your friends or family with a simple tap of a button on your mobile device. BUT just like in so many other areas in our financial lives – the easier it is for us ALSO means the easier it is for fraudsters to attempt to steal our money. Below are a few important tips to keep in mind when using any person-to-person payment app.

1 Think of any P2P payment as cash

You wouldn't send cash to someone you don't know, right? While these apps are digital payments they all work like cash. Transactions are NOT reversible. If you make a mistake or a typo and send money to the wrong person or phone number, banks will not refund your money...think of it like dropping your money on the street, once it's gone...it's gone.

4 Use a strong, unique banking password and 2-factor authentication

When available through your bank's app or if using a payment app, use 2-factor authentication. It can take more time, but it provides an extra level of protection.

2 Never send money to yourself

Scammers will text or call P2P payment customers, impersonating their bank through a variety of methods, including spoofing phone numbers, claiming that your account has been compromised or a payment did not go through. Once the scammers get the customers on the phone, they use personal information and will ask to reverse a transaction. While your account is in your name, it is controlled by the scammers and any money sent to this account will go straight into their pockets.

5 Why you should not use P2P apps

The biggest drawback of these P2P payment apps is they don't offer fraud protection for authorized payments. In other words, if you purchase something online and use a P2P payment app to pay for it, you have no recourse if you never receive the item you paid for or if you don't end up liking what you bought. There is no in-app way to request a refund and banks won't initiate a chargeback in this case.

3 Only use P2P payment apps to send money to those you know and trust

Do not use P2P payments for online purchases or to send money to anyone you don't have a personal relationship with. Make sure you have your recipient's name, number, or email correct. The best strategy is to only send money to trusted friends or family.

6 Contact your financial institution for possible recourse

If you feel you've been the victim of fraud or have been scammed, time is of the essence. Reach out through the "contact us" feature on the P2P app to see if they can stop the transaction, then contact your bank or credit union immediately. This only applies to instances where you did NOT authorize a payment, not if you made a mistake or didn't get what you ordered. At Tropical Financial, the easiest way is to file a claim form from inside online banking – select "Secure Forms" from the top tabs and complete the claim form.



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