

SCAMS: Don't be a Victim



The first thing to remember and to always bear in mind:

Anything that sounds too good to be true, probably is.

Unwanted Phone Solicitations

If you receive a call from someone saying you've won a prize and they need payment for processing or administrative fees, customs, taxes, or any other reason, it's probably a scam because legitimate sweepstakes or prize offers don't ask for payment because it's illegal.

If a caller requests your monetary support then refuses to send you written information about the project, company, or agency it's probably a scam because legitimate companies are always glad to send information about what they are offering.

If a caller claims you can make huge profits in an investment with no risk, it's probably a scam because all investments are risky and legitimate companies must tell consumers about possible risks involved.

If a caller claims you can make huge profits through a franchise or other business opportunity with little or no effort, it's probably a scam, because all business ventures require knowledge and effort on the part of buyers, and no legitimate companies would guarantee profits.

If a caller asks for a donation, but won't tell you exactly how the money will be used, or how to verify the charity and what it does, it's probably a scam, because legitimate charities are willing to say what percentage of contributions are used for services and how much goes to overhead and fundraising. They're also willing to tell consumers who to call to confirm that the charity is legitimate.

If you decide to donate to any charities, contact the organization you wish to donate to and take care of it that way. Pay by check and make it payable to the organization, never an individual. If contacted by solicitors, tell them you've done your charitable giving for the year.

If a caller makes a claim that your relative is ill, or has been mugged, or robbed and is stranded in another country and needs money from you to assist with plane or hotel fare, contact that relative or other family members yourself. You'll most likely learn the relative is fine.

If a caller asks - for your social security number, your birth date, bank account numbers, credit card numbers, mother's maiden name, passwords or other personal identifying information - do not give that information out.

If a caller calls you relentlessly - and won't take "no" for an answer, it's likely a con artist whose goal is to keep calling to wear you down or get more money from you. Tell the caller to stop calling and hang up.

If a company offers to get you a loan, or credit, or a credit card or to "repair your bad credit if you pay an up-front fee, it's probably a scam because legitimate lenders and credit card companies do not demand payment in advance, and no one can get bad information removed from a credit file if it is accurate.

Con Artist Schemes

Con games are schemes perpetuated by confidence artists. They often see senior citizen as easy targets and use their charm and persuasive powers to separate the victim from his or her money. If a person says you have to take the offer immediately or you'll miss the opportunity - it's probably a scam because legitimate companies don't pressure people to act without time to research. **See next page for frequent schemes by con artists.** ▶▶

General Fraud & Con Recommendations

- Beware of medical cures (drugs, eyeglasses, hearing aids, cures for arthritis, cancer and other remedies) that may be ordered through the mail. See your doctor for health problems.
- Do not send money in for mail order insurance until your attorney has checked out the offer. Buy insurance from someone you trust. Buy only what you really want, need and can afford.
- Never purchase property you have not seen. Have your attorney check out the property and the seller.
- Avoid get-rich-quick schemes.
- Read and understand any contract before you sign it. Don't skip the small print and never sign a blank contract or one with blanks to be filled in later.
- Beware of home repair companies offering a "free inspection" of your roof, porch, wiring, etc. Do business with local firms you are acquainted with.
- If you consider buying a product from a door-to-door salesperson, ask for credentials. Then call your local law enforcement agency or the Better Business Bureau and inquire about their reputation. The best advice is to deal with local businesses you know.
- Be totally aware of what people are saying. Do not be rushed into anything. Ask questions.
- Carefully review bills you may receive after the death of a loved one.
- Loss through death sometimes clouds judgment and makes people vulnerable to phony bills, which may suddenly come to light.
- Obtain a receipt for all transactions.
- Be careful about any offer to combine all your bills. A debt consolidation loan may offer a low monthly payment, but the interest rates may be extremely high.
- When you make contributions to charitable organizations, make sure you know exactly where the money is going.

Contact

SCAMS: Don't be a Victim *Continued...*

Here are some frequent schemes by con artists:

The Pigeon Drop

The victim is approached by a stranger and engaged in a conversation. When the con artist has gained the victim's confidence, he/she mentions a large amount of money that they or an acquaintance has found. A second person joins the stranger and they discuss that whoever lost the money probably came by it unlawfully. One of the con artists indicates he/she works in the area and decides to contact his/her employer for "advice." He/she returns in a few minutes and states that his/her employer has counted the money and verified the amount and said they should keep and divide the money three ways. The victim is then instructed to each put up "good faith" money to show evidence of financial responsibility and good faith before collecting a share. The victim is then induced to withdraw his/her share from their bank and the con artist takes the money to their "employer." The con artist disappears and the "employer" can't be found.

Lottery Ticket Scam

A con artist will approach an individual and explain they have purchased a winning lottery ticket but cannot collect the lottery prize because he/she is an illegal alien. The victim is offered the winning lottery ticket for a substantial sum of cash. The con artist may call an accomplice and pretend to be calling the Lottery Commission to verify the winning number. After giving the victim the "winning" lottery ticket in exchange for cash, the con artist disappears. Con artists using this scheme may target someone from their country or religion hoping the potential victim will be more trusting if they have something in common.

Health Fraud

"Instant cures" and "miracle" gadgets that relieve pain are often promoted. Fake laboratory tests and medical diagnoses are offered by mail order that results in expensive and useless treatments. Pain relief for arthritis sufferers is a frequent target of fraudulent practitioners.

Recommendations:

- Consult with your doctor, local health clinic or medical society before you buy.
- Be wary of "mail order" labs or clinics that offer to diagnose and cure diseases through the mail.
- Only go to medical laboratories and clinics recommended by your doctor or hospital.

Home Improvement Schemes

- They offer free home inspections or surveys.
- They may demand large down payments or deposits for home repairs and then disappear with the money.
- They may distract the homeowner and then burglarize the home.
- They may quote a low price for home repairs and then inflate it dramatically after the work has begun.
- They may trick senior citizens into signing home improvement loan contracts, using their homes as collateral. Popular home improvement schemes include roofing, driveway repair and plumbing repairs.

Recommendations:

- Be skeptical of contractors who solicit business door-to-door. Insist on seeing a contractor's license – they're necessary in most states even for jobs like resurfacing a driveway or patching a roof.
- Ask to see references for the contractor and check them out.
- Don't rush into any home repair decision and don't contract to have a job done immediately. First, obtain several other written estimates for the proposed repair job.
- Obtain a detailed written contract and job estimate spelling out what will be done, when it will be done, what materials will be used and how much it will cost.
- Pay as little money as possible up front.
- For a large job, consider obtaining a performance bond.
- Don't allow strangers inside your home for any reason.
- Inspect the work as it is being done to insure that replacements are really being installed.

The Bank Examiner

A phony bank or saving and loan "investigator" contacts the victim and asks for his/her help in catching a dishonest employee. The victim is asked to go to their bank, make a cash withdrawal and then turn the money over to the bank examiner who will verify the serial numbers and catch the suspected employee. When the money is turned over to the phony bank examiner or "investigator," he or she disappears with it.

Contact