

Elder FRAUD

Leader's Guide

MoneyWIS\$E

A CONSUMER ACTION AND CAPITAL ONE PARTNERSHIP

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Elder Fraud

Some older Americans seem especially susceptible to fraudulent offers. According to the AARP, older people who fall for scams tend to believe the pitches they hear. Many believe they have a good chance of actually winning a prize or that the products they see advertised are worth the price. Despite wide awareness of consumer fraud, some seniors have difficulty spotting fraud when it happens to them. Older victims find it difficult to end unwanted telemarketing calls and they often are reluctant to seek advice about financial matters.

Why do crooks so often target seniors?

Criminals deliberately target seniors because of generalizations about older people. Some of these factors include:

- Many seniors have valuable assets, including homes, proceeds from sales of appreciated real estate and retirement savings.
- Seniors may be concerned about running out of money in retirement and more open to claims of quick profits.
- Older people often have trouble remembering things or suffer from mental confusion, making them easier to dupe.
- Seniors may be isolated socially and desire attention, even from strangers, making them more vulnerable to undue influence and exploitation.
- Seniors have traditional values and often respond politely when faced with unsolicited proposals or charitable requests.
- Sometimes older people avoid reporting that they've been scammed because they fear they will lose their independence.

What are some warning signs of fraud?

Be suspicious of statements like these:

- You've won a prize or free gift.
- You've been selected to receive a special offer.
- You must act immediately or lose out on a great deal.
- You must pay for shipping your prize or free gift.
- You're promised fantastic, unrealistic financial returns or risk free investing.

- You're told that there's a secret legal loophole that will allow you to profit.
- You're asked for your credit card number and expiration date to verify that you are a credit cardholder.
- You're asked for your Social Security number. (Only your bank and certain government agencies, such as the Internal Revenue Service or Medicare, have the right to ask for your Social Security number.)
- You're asked for your bank account or credit card numbers by individuals and companies unfamiliar to you.
- You're asked to donate to an agency whose name sounds like a well-known charity—such as the “American Cancer Center” (instead of the American Cancer Society).
- You're told that you are one of just a few special people to receive this offer.
- You are pressured to allow the caller to send a courier to your home to get your payment.
- You're told that you have purchased the caller's product or service in the past but you don't remember doing so.

How can I protect my assets?

- Never reveal your bank account numbers or other personal information to someone who calls you on the phone.
- Never allow strangers to come into your home and take information about you and your assets.
- Never assume that a stranger who says he represents a deserving organization will use the money you give him for a good purpose.
- Never assign power of attorney to people you don't know very well.
- Never sign contracts that have any blank lines in them. Someone may later add clauses that will harm you.
- Never arrange for a home loan until you have had a knowledgeable third party review the contract. A disreputable lender could steal your home.

Computer Scams

I received an e-mail from a bank I used to do business with, asking me to update my records. Could this be one of the fraudulent “phishing” e-mails I have heard about?

There is a good chance that you received a fraudulent e-mail—be alert for these fraudulent e-mails sent by crooks, not the company whose name they are using. Phishing is a term used for e-mails that claim to be from your bank, a reputable business or a government agency. Often these e-mails seem quite legitimate. But people who have responded to such e-mails have had their accounts wiped out. The crooks that send these e-mails hope to entrap people who do business with the companies named in the e-mail.

Usually, the e-mails ask you to “confirm” your account number and online passwords. Sometimes they warn that your account is in danger of being closed or that you may be a fraud victim. Legitimate companies never send e-mails asking for account information. If you receive such an e-mail, bearing the name of your bank, call your bank to report it. Never, ever hit “reply.” Delete the message immediately.

I received an e-mail from a man in Lagos making me a business proposition. He would give me 1% of \$1 million dollars if I was willing to keep it in my bank account so that his government can’t find it. I deleted the e-mail—do you think I should have accepted?

No—you were right to be suspicious and delete the e-mail. Never respond to an unsolicited e-mail asking for your bank account number. This is a “Nigerian letter” scam, an old con game that used to arrive by letter bearing a Nigerian stamp. Now it comes by e-mail. The sender outlines a tale involving large amounts of money they can’t access and asks you provide your bank account number so that you can help them obtain the money. In return they promise you a cut. This is a total fraud. If you respond to it you are guaranteed to lose your money.

Sweepstakes

I got an e-mail notifying me, “You have won the Canadian lottery. Just give us your bank account or credit card information and we’ll send you the money.” Is this for real?

No! Many people have received such e-mails and calls: all of them are bogus. Typically, you are told that you must pay for processing, taxes or delivery, or provide bank account information in order to “verify” your identity. You will never receive a penny if you respond to such calls or e-mails, and any money you send away will be lost to you forever. The odds of winning a lottery or a sweepstakes, even legitimate ones, are very low.

What is a “sucker list?”

If you often respond to sweepstakes and contests, your name might be added to “sucker lists” sold to con artists. You may even hear from con artists who say they can help you recover your losses for a fee. That is all a lie.

My daughter told me not to respond to prize promotions and sweepstakes that come by telemarketing or direct mail. She even said I should not fill out prize forms at the mall. Do you agree?

Yes, your daughter is correct. Fraudulent sweepstakes promoters target many older people. Some are out-and-out scams (see above) while others use prize forms just to collect information about people so they can be targeted with phone and mail offers.

Sales Scams

How does the telemarketing sales rule protect consumers?

Under the federal Telemarketing Sales Rule:

- Phone solicitations are prohibited between 9 p.m. and 8 a.m.
- Telemarketers must tell you up front that they are selling something—and which company is doing the selling.
- All mentions of promotions, prizes or contests must be accompanied by the statement that no purchase is necessary to enter or win.
- Telemarketers who are selling a credit service, such as a credit card, loan or credit repair service, cannot ask for advance payment.
- Telemarketers may not use abusive or obscene language, threats or intimidation.
- Goods or services cannot be misrepresented or exaggerated.
- It is illegal for a telemarketer to withdraw a payment from your checking account without your written or recorded oral permission.

I got an offer to go to the Caribbean for only \$250 for five days. I'd love to respond, but something tells me it's a fraud. When I called for information, the salesman really pressured me to send the money. How can I be sure it's legitimate?

You can spot a fraudulent travel offer by its rock-bottom prices and high-pressure sales tactics. Fraudulent travel offers come by mail, phone, fax and e-mail. Some advertise cheap trips but pad the deal with hefty fees. You might be offered a three-star hotel but find yourself checking into a dump. A lot of travel freebies come with the obligation to sit through high-pressure time-share pitches. Some promoters are crooks who take your money and run. And very few of the trips are refundable, despite the claims of the promoters.

Before buying travel packages, get the offer in writing and check out the company with the Better Business Bureau, state attorney general's office or your local consumer protection agency. Airline

charter packages can't be legally sold until the U.S. Department of Transportation approves the filing—so check with the DOT's Special Authorities Division at 202-366-2396. Always use a credit card to purchase travel—that way if something goes wrong you can dispute the charge with your card company. (Never give your credit card number to someone who calls you on the phone.)

Someone from my local firefighters' organization called to ask me to make a donation. I asked how much of my donation would go to the firefighters and the man became very irate. If my home catches fire, will the department fail to respond?

No—your fire department will respond should you need it. You were wise to ask about the contribution—some solicitations on behalf of police and firefighter organizations and other charities are made by dishonest professional fundraising firms. They can be persistent and may imply that if you don't donate, your safety will be jeopardized. Sometimes callers falsely state or imply that they are policemen. If you want to support local safety agencies, call your local police and fire departments and ask how to make a donation directly to them.

How can I check out charities before I give money?

Check with a charity watchdog organization such as the American Institute of Philanthropy (www.charitywatch.org; 773-529-2300). Some bogus charities ask for donations to groups whose names sound very similar to reputable charities, so don't be fooled by “sound-alike” names. Even if the telemarketers are acting on behalf of legitimate charities, too often only a small percentage of the donation actually goes to the cause.

Why do charities hire professional fundraisers?

Some charities find it cost-efficient to pay professional fundraisers to handle mailings and telephone drives rather than use staff or volunteers. These professionals are in business to make money and are entitled to keep part of the money they collect. It is okay to ask callers if they work for paid fundraisers and what percentage of

your donation the fundraiser earns. You can always send a donation directly to the charity.

After the tsunami hit Southeast Asia, I got several calls from charities asking for donations on behalf of victims. I gave \$100 but I never received a confirmation or a thank-you letter—do you think I got ripped off?

Not necessarily. But is wise to be wary of appeals that follow current events. These are times when many fraudulent appeals are made that attempt to tug at people's heartstrings or take advantage of their patriotism.

Non-profit and charitable organizations are required to file Form 990s each year with the Internal Revenue Service. These forms show how the organization is spending its money. The public can access the filings on the GuideStar website (www.guidestar.org).

I live on a limited income. How can I find legitimate work-at-home opportunities?

If you are interested in earning extra income, approach local senior organizations and companies for information about available positions and job training programs. While some companies shy away from hiring retirees, others make a point of hiring seniors because of their experience and scheduling flexibility. Don't fall for offers to work at home stuffing envelopes or doing other simple tasks—they are scams. If you respond, you'll be asked to pay in advance for supplies or "training materials." These offers are completely bogus. You will never make any money from a work-at-home scheme.

Real Estate Fraud

I read about cheap building lots in Florida. Should I buy one so I can retire in a sunny place?

Don't waste your money. Land that can be built upon is rarely cheap. Many seniors are bilked as they look for a warm and sunny retirement home—don't be one of them. If you are interested in buying land—not an alligator ridden swamp—contact a national real estate firm and speak with a licensed broker. Such firms also allow you to search listings on their websites. The U.S. Department of Housing and Urban Development has jurisdiction over mail order sales of land in subdivisions with more than 40 unimproved lots. Before you purchase land, contact the department of real estate in the state where the land is located and HUD's Office of Interstate Sales Registration at 202-708-0502.

A contractor knocked on my door uninvited and told me I had better get my chimney fixed before it falls down. Is this a good idea?

No, this has all the signs of contractor fraud. Traveling contractors offer home improvement deals like driveway sealing, roof coating, and exterior painting. They are rarely licensed or insured and often take a large cash payment up front and never return to complete the work. Most reputable contractors do not solicit door-to-door. When you need a contractor for a home improvement job, get at least three estimates from reputable local contractors. Ask family, friends or neighbors for recommendations and contact the Better Business Bureau to check them out before awarding a bid. Never pay more than one-third of the cost of any job up front.

How can I avoid being taken by a home repair contractor?

Work only with licensed and insured contractors. Call your state contractors' licensing bureau to verify that the company is licensed, and ask the contractor to provide proof of insurance. Check customer references. Get other bids for the work. Always keep a copy of the contract in a place you will easily find it.

A contractor working for me tried to get me to pay a bill twice. When I called him on it he backed down and apologized. I wonder if he did it on purpose?

Maybe. Seniors are often targeted by unscrupulous service people or contractors who seek more money than they are owed by using double billing and other tricks. They may lie and say that you forgot to pay them when you know that you paid them in full, or they may charge you for work that you never authorized. Always get written estimates of repair costs, make notes of what you've paid and ask for and keep receipts. Pay by check or credit card so you have a record of your payment. Check the reputation of repair people with the Better Business Bureau before you enter into an agreement.

What is home equity loan fraud?

Any attempt to steal the equity in someone's home is home equity loan fraud. Swindlers have gotten quite creative about ways to do this. Here are just some of the ways homeowners have been defrauded:

- **Repairs:** Door-to-door salespeople offer “easy financing” for home improvements and repairs, often working in cahoots with unscrupulous lenders. The work they recommend may not be needed at all and often they do a very shoddy or incomplete job. The loans they arrange are secured by your home and often carry very high interest rates and other costs.
- **Refinancing scams:** Homeowners are solicited by brokers to refinance their existing mortgages, replacing them with loans that the homeowners cannot afford. The broker makes money off commissions, upfront fees and closing costs, and may convince homeowners to borrow more money than they need and to roll the closing costs into the loan, resulting in defaults when the homeowners cannot meet the monthly payments.
- **Deed forgeries:** Scam artists forge the homeowner's signature on a transfer deed so that they can transfer ownership of a property. Much of the information that swindlers need to fill out the form is available through public records. Using the phony grant deed, crooks can go to a bank and borrow against

the equity in the home before the real owners even realize they were defrauded.

- Fly-by-night lenders: Phony lenders set up offices in low income and minority neighborhoods, get homeowners' signatures on loan documents and then disappear with the loan money. To make the situation even worse, the loans may be resold to another lender who then forecloses on the homes.

Why are seniors so often the target of home equity loan swindlers?

Many seniors have paid off their mortgages and own their homes free and clear. Often, senior homeowners are widows who never had much to do with the family's finances, and who are unsophisticated in dealing with complex issues of credit. Sometimes, seniors are easy targets for scams because they were raised in an earlier time when people were more trusting of each other. And sometimes seniors are lonely and therefore open to abuse by caregivers and younger family members.

Should I be cautious about buying a time-share property?

Yes—time-share properties can be riskier than buying property outright. When you buy a time-share, you are buying the rights to use a hotel room, suite or apartment for a short time every year. All time-shares require that you pay annual dues, which can be quite expensive. When you no longer wish to use your time-share, it can be virtually impossible to sell, as time-share purchases rarely appreciate in value. There have also been cases of time-share frauds that cheat people out of their life savings. A Massachusetts court ordered a former time-share operator to pay \$1.3 million in restitution and fees for using unfair and deceptive tactics to convince elderly consumers to buy time-shares that they later discovered they did not own. If you are interested in buying a time-share property, check out the seller with your state department of real estate. Always ask in advance for a copy of the offering statement and review it with a qualified real estate attorney.

Investment Fraud

Why are investment frauds successful?

Everyone would like to see his or her money grow faster. Con artists know this, and they try to convince people to buy phony investments with promises of unusually high returns.

How can I protect myself against investment fraud?

Do your homework about investments. Learn how much you can expect to earn in the current market. If money market accounts and treasury securities are paying 4% or less, it is highly unlikely that any other short-term investments will provide a much better return. It's better to lose out on an opportunity than to lose your life savings to a crooked investment offer. If you are targeted with questionable investment offers, notify the U.S. Securities Exchange Commission (SEC) and call your state attorney general's office to file a complaint about the salespeople.

How can I check out the legitimacy of investments?

Federal securities laws require many public companies to register with the SEC and file reports containing audited financial statements. Before you invest in a company, check to see whether it's registered with the SEC and read its reports.

Check with your state securities regulator to see if it has information about the company. It can also tell you if the offering has been cleared for sale in your state. If a broker recommends the stock, ask the state office to check the Central Registration Depository (CRD) to see if there is any history of disciplinary actions against the broker. You can find your state securities department in the government pages of your phone directory or on the North American Securities Administrators Association website (www.nasaa.org).

Financial Industry Regulatory Authority (FINRA), a self-regulatory organization governing stockbrokers, may be able to give you a partial disciplinary history on a broker or firm. Call 800-

289-9999 or visit the FINRA website (www.finra.org), click on Investors and look for BrokerCheck.

What is a pyramid scheme?

This is a type of investment fraud in which the promoters recruit investors and then use them to recruit more investors. Everyone is promised a fabulous return on his or her money, such as 20% a year. The crooks use the money they receive from newer investors to make a few interest payments on the accounts of the first investors. Those investors in turn help to recruit an ever-increasing number of investors. The real profit is earned not by a business activity or product sales, but by the money coming in from investors. Eventually, the organizers run off with the cash. Pyramid schemes are often sold as “investment clubs” or “gifting circles,” and can involve the sale of products or distributorships.

How can I protect myself from a pyramid scheme?

The higher the return on an investment, the riskier it is. When an investment opportunity offers a very high yield, quick returns or the chance to “get in on the ground floor,” it’s likely to be a scam. If you are targeted with questionable investment offers, notify the U.S. Securities Exchange Commission and call your state attorney general’s office to file a complaint about the salespeople.

Credit and Bank Fraud

What is ID theft?

“Identity theft” (ID theft) is a financial crime that happens when criminals use your personal information, such as your name, address, Social Security number, bank account, credit card numbers or birth date, to apply for credit in your name. Using your credit, thieves buy expensive things like jewelry, electronic products and cars, and don’t pay for them. By the time victims learn what has happened, bill collectors may be pursuing them and their credit may be badly damaged.

How often do seniors become victims of ID theft?

According to data released in February 2010 by the Federal Trade Commission, people 50 and older accounted for 28% of ID theft complaints received by the Consumer Sentinel Network (CSN) from 2007-2009. The CSN is an online database of millions of consumer complaints available only to law enforcement.

What should I do if I become an ID theft victim?

Close all fraudulent and unauthorized accounts. Contact the fraud departments of each of the three major credit bureaus. Fraud department numbers at the major credit reporting bureaus are: Equifax, 800-525-6285; Experian, 888-397-3742; TransUnion, 800-680-7289.

What are some red flags of identity theft?

The Identity Theft Assurance Center (www.identitytheftassistance.org), a cooperative initiative of the financial services industry that provides a free victim assistance service for customers of its member companies, provides these warning signs that have been reported by victims:

- You receive bills from a credit account you did not open.
- You see unauthorized charges on your credit, long distance or bank accounts.
- You are contacted by a collection agency regarding a debt you

did not incur.

- Checks disappear from your checkbook.
- Bank and credit billing statements don't arrive on time.
- You are turned down for a credit card, loan, mortgage, or other form of credit due to unauthorized debts on your credit report.

How can I protect myself against ID theft?

Two easy things you can do are to shred sensitive documents and check your credit reports at least once per year. Shred paperwork that contains your name, address or Social Security number, as well as financial records with credit or bank account numbers, balances or other information that could be used to commit fraud. By monitoring your credit report, you can make sure no one else has been using your credit. Order free copies of your reports each year online at www.annualcreditreport.com, or by calling 877-322-8228.

Am I liable for any money that's lost because of ID theft?

No, victims of identity theft are not responsible legally for any money that is lost when crooks make unauthorized use of their credit information—but it can be difficult and time-consuming for victims to prove that fraud occurred.

Is there a central source of help for victims of ID theft?

Yes. The Federal Trade Commission has a special identity theft hotline to provide information to consumers and take complaints from victims by phone (877-438-4338) or online (www.ftc.gov/idtheft). Victims are given advice and their cases are entered in a national ID theft database shared by law enforcement agencies at the local, state and federal levels.

Can I get my credit report for free?

Yes. By federal law, each of the major nationwide consumer reporting companies must provide you with a free copy of your credit report once every 12 months. (Go online to www.annualcreditreport.com or call 877-322-8228.)

What is credit card fraud?

The term credit card fraud includes many kinds of illegal activities involving credit cards. Most credit card crime involves lost or stolen cards. Thieves can get your credit cards by stealing your wallet or burglarizing your home. Crooks also pay store employees for customers' card numbers and create counterfeit cards to resell on the black market. Crooks also steal cards from mail-boxes or mail centers, before you even receive them. As a protection, most card issuers now require that you call from your home phone to activate the card before you use it.

How can I protect myself against credit card fraud?

Keep an eye on your credit cards at all time, even when you hand them to a waiter to pay for a meal. Devices known as “skimmers” allow unscrupulous employees to steal the information from your credit card and sell it to people who make counterfeit cards. Crooks look in garbage cans and elsewhere for discarded credit card statements and receipts to obtain the card numbers. Always review your bill when it arrives and call your credit card issuer if you see any charges you didn't authorize. Before you throw away unwanted credit card statements, shred them so that thieves won't get your account numbers and use them to make unauthorized purchases.

A caller offered me a credit card, even though I have bad credit, if I pay a fee. Is this for real?

Stay away! This has the earmark of an illegal “advance loan fee scam.” Consumers with poor credit records receive sales calls that refer to purported prior applications for credit. The victims are told that they are guaranteed to receive a credit card if they pay \$100-\$300 by allowing a debit from their bank accounts. There is no card—and often the scam artists also charge the victims for dubious products with recurring monthly charges of \$50-\$100, without additional authorization. When consumers try to cancel the deal and prevent further debits, they reach “customer service,” where they are entrapped even further in bogus deals.

I put an ad in the paper to sell a motorcycle. A buyer offered to pay me with a cashier's check for more than the motorcycle was worth if I sent him the extra money. What's up?

This is a bogus check scam. Crooks often scan want ads looking for victims. They answer ads and offer to pay using a "cashier's check" for an amount greater than the sales price. Then you are asked to wire the remainder of the money back to them or to give the extra money and the merchandise to a "shipper." The check turns out to be a fake and you lose the merchandise and the money. Be suspicious if someone wants to give you a check for more than you are actually owed if they are purchasing something from you. Inspect all cashier's checks carefully and call or visit the bank it's drawn on to verify that the check is valid. Look up the bank online or in the phone book because contact information printed on the check might be bogus.

A caller asked me to buy "credit card loss protection." Do I need this?

Don't buy the worthless credit card loss protection and insurance programs sold by telemarketers. Your liability for unauthorized credit card charges is limited to \$50. Call your credit card company for instructions on how to dispute charges you haven't authorized.

Caretaker Crimes

I heard that home-based health aides, housekeepers and cooks sometimes steal from the older people they are serving. How can I avoid this?

Always check the background and references of people you hire to work in your home. Watch your caretakers for signs they may be spending more freely—do they suddenly have expensive new jewelry or possessions? If you give a caregiver money to go to the store for you, make sure you get a receipt and check all items purchased. Keep all important financial documents under lock and key in your home and store valuables and irreplaceable items in a

bank safety deposit box. Be alert to caregivers who try to isolate you from your friends, who ask about your will or investments or who try to dominate or influence you. If you are concerned, talk to a family member or call the police and adult protective services.

What is financial exploitation?

Financial exploitation is a crime. It is often committed by a person that is trusted by the victim, such as a family member, caregiver, financial advisor, or a person acting under the terms of a power of attorney. Some seniors voluntarily turn their personal finances over to a family caregiver with the hope of avoiding probate court. This has resulted in crimes including theft, mismanagement of money or the sale of property without consent.

Health Care

How can I avoid fraudulent Medicare drug plans?

Remember that Medicare prescription drug coverage (Part D) is available to everyone with Medicare. Call 800-MEDICARE (800-633-4227) to check on plans *before you sign up*.

To get Medicare drug coverage, you must join a Medicare drug plan. Plans vary in cost and drugs covered. Medicare prohibits companies offering its approved drug cards from calling you, sending e-mails or coming to your home unless you ask them.

Where can I find accurate, up-to-date information on Medicare programs?

If you are interested in the benefits available to you as a Medicare beneficiary, visit the federal government's Medicare website (www.medicare.gov). You also can call 800-MEDICARE (800-633-4227).

What are some signs of health fraud?

Signs of health fraud include:

- Promoters of cures who claim that the medical establish-

ment is conspiring to keep information away from consumers. Legitimate doctors don't keep proven cures and treatments away from patients who would benefit from them.

- Testimonials from people who supposedly have been cured. These are usually made up by the promoter.
- Easy ways to lose weight or get in shape. No “quick fix” exists to lose weight or get in shape; you have to eat less and exercise more.
- “Secret formulas.” If a drug or treatment has been proven effective for certain diseases, it is widely available to the public, not to just a select few.
- The use of “infomercials”—TV programs that look like news, but are just lengthy ads paid for by the promoter.

Estate Planning

What is a living trust scam?

Sometimes crooks take good ideas, like living trusts, and use them as the basis to cheat people. Living trusts are legal arrangements that can help you plan your estate to save taxes for you and your heirs. Living trusts are not appropriate for everyone, so you need to explore the concept with a lawyer, tax advisor or estate planning professional to see if they're right for you. Before accepting legal advice or entering into binding agreements, check with your state bar association about the person you are dealing with. Never buy legal services from door-to-door salespeople or telemarketers.

Should I have a living trust?

Although living trusts are a legitimate estate-planning tool, they often do not make sense for consumers with low incomes and small estates. Living trusts usually are beneficial only if your estate's assets are greater than the minimum limit for probate in your state. (These are called “small estate” limits and vary by state.) The California Attorney General prosecuted the organizers of a living trust mill that made hundreds of thousands of dollars by tricking seniors into using their retirement investments to buy annuities that often made no financial sense for the victims

but that earned the con artists substantial commissions and other income. The con artists deceived seniors into using their hard-earned retirement nest eggs to buy unneeded annuities that actually undermined their financial security.

I've heard that I have to be careful about burial and funeral fraud. How could I lose money when arranging these services?

A funeral can cost \$10,000 or more. This expensive purchase is often made at an emotionally stressful time. In hopes of sparing survivors the stress of dealing with funeral and burial details, many people arrange and pay for their funeral and burial while they are still alive. Funeral providers sometimes charge top dollar for ordinary caskets, flowers and other products. In some instances they demand more money from survivors.

How can I protect myself when buying funeral or burial services?

Federal law gives you the right to choose the funeral services you want. Funeral businesses must provide a price list to all customers. They are prohibited by law from refusing to handle a casket you bought at another establishment. You can plan your funeral and burial in advance, but many experts recommend that you do not pay for these services in advance. You can draw up your plans with a reputable funeral business and save a copy for your survivors. If you want to cover the cost of your funeral include funds to do so in your will.

Why do experts advise against paying for funeral and burials in advance?

Be cautious and do your homework before paying for funeral and burial services in advance. Some “pre-need” funeral providers market products and services that consumers don't want and don't need and include vague terms and conditions in contracts. There have also been well publicized cases in which funeral providers mismanaged and even embezzled the money that was paid in advance for funeral services. In addition, some families of deceased

persons have complained to authorities that funeral businesses failed to provide the quality of burial services that was agreed on in the contracts. Check the company's reputation with the Better Business Bureau before entering into a contract.

How to Complain

Should I call the police if I have been victimized by a scam artist?

Yes. Fraud is a crime and should be reported to the police. You may need a police report to help you prove that you were a victim. You should also report the fraud to state and local law enforcement agencies such as your district attorney's office or the state attorney general.

How can I find the state agencies that work on behalf of victims of elder fraud?

Start with a call to adult protective services. To find your closest agency, call the Eldercare Locator at 800-677-1116. For a guide to all state adult protective services agencies, visit the National Center on Elder Abuse site (www.ncea.aoa.gov) and click on "Adult Protective Services."

What are some important federal agencies in combating fraud?

- Federal Bureau of Investigation (FBI), www.fbi.gov: Enforcement jurisdiction over many areas of U.S. criminal law.
- Federal Trade Commission (FTC), www.ftc.gov: Protects consumers from unfair, deceptive and fraudulent business practices.
- Financial Crimes Enforcement Division (FinCEN), www.fincen.gov: Money laundering and related frauds, including off-shore activity.
- Postal Inspection Service, <http://postalinspectors.uspis.gov>: Mail fraud.
- Securities and Exchange Commission (SEC), www.sec.gov: Investigates and prosecutes securities fraud.
- Secret Service, www.secretservice.gov: Financial fraud.

Resources

National Do Not Call Registry

www.donotcall.gov, 888-382-1222

The National Do Not Call Registry allows you to block telemarketing calls.

AARP

www.aarp.com

The AARP website has news and tips on scams that affect seniors as well as elder care resources.

The National Fraud Information Center

www.fraud.org

The National Fraud Information Center has tips and articles to help you recognize fraud and an online form to file a complaint.

Better Business Bureau (BBB)

www.bbb.org; 800-955-5100, Option #4

Visit the BBB site to find your local BBB agency, read its extensive scams listings and check out charities before you give.

The National Center on Elder Abuse

www.ncea.aoa.gov, 302-831-3525; Eldercare Locator: 800-677-1116

The U.S. Administration on Aging funds this gateway site to resources on elder abuse, neglect and exploitation.

Securities and Exchange Commission (SEC)

www.sec.gov, 800-SEC-0330

You can file a complaint or provide tips on potential securities law violations using the SEC website. Send complaints to the SEC, 100 F Street, NE, Washington, DC 20549.

U.S. Administration on Aging

www.aoa.gov, 202-619-0724; Eldercare Locator: 800-677-1116

The Administration on Aging is the federal agency that advocates for older persons.

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