

“Nigerian” letters. This old scam used to arrive by letter bearing a Nigerian stamp, but now it comes by e-mail. Senders spin tales involving large amounts of money they can’t access and ask you for your bank account number so that you can help them obtain the money. In return they promise you a cut. If you respond to it you are guaranteed to lose your money.

FIGHT BACK: Never respond to an unsolicited e-mail asking for your bank account number. Hit the delete button immediately.

“Phishing.” This term is used for e-mails that claim to be from your bank, a reputable business or a government agency. The e-mails ask you to “confirm” your account number and online passwords. They often warn that your account is in danger of being closed or that you may be a fraud victim. People who have responded have had their accounts wiped out.

FIGHT BACK: 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 hit “reply.” Delete the message.

Travel scams. Fraudulent travel offers come by mail, phone, fax and e-mail. Some advertise cheap trips but pad them with hefty fees. A lot of travel freebies come with the obligation to sit through high-pressure time-share pitches. Very few trips are fully refundable, despite the claims of the promoters.

FIGHT BACK: You can spot a fraudulent travel offer by its rock-bottom prices and high-pressure sales tactics. Get all offers in writing and check out the company with the Better Business Bureau. Use a credit card to purchase travel—if something goes wrong you can dispute the charge with your card company.

Elder abuse

All states have laws to protect older people from abuse. However, state adult protective services laws vary widely on the abusive situations they cover. To find the best way to report senior abuse of any kind, start with a call to adult protective services. To find your closest agency, call the Eldercare Locator at 800-677-1116 or visit the National Center on Elder Abuse web site (www.ncea.aoa.gov).

Helpful resources

AARP

www.aarp.com

News and tips on many scams that target seniors.

THE FEDERAL TRADE COMMISSION (FTC)

www.ftc.gov, 877-382-4357

Free information to help you spot and prevent fraudulent and deceptive business practices.

NATIONAL DO NOT CALL REGISTRY

www.donotcall.gov, 888-382-1222

Block telemarketing calls from your landline and cell phone numbers for five years.

THE NATIONAL FRAUD INFORMATION CENTER

www.fraud.org, 800-876-7060

Tips to help you recognize fraud and an online form to file a complaint.

BETTER BUSINESS BUREAU (BBB)

www.bbb.org

Visit the site to find your local BBB office, read its scam tips and check out charities before you give.

THE NATIONAL CENTER ON ELDER ABUSE

www.ncea.aoa.gov

Resources on elder abuse, neglect and exploitation.

SECURITIES AND EXCHANGE COMMISSION (SEC)

www.sec.gov, 800-SEC-0330

File an individual complaint or provide tips on potential securities law violations.

Protect yourself from scams

- ⊙ Don't be afraid to say no.
- ⊙ You don't have to talk to telemarketers — hang up if you are uncomfortable or you don't trust the caller.
- ⊙ Don't give in to high-pressure sales tactics.
- ⊙ Call the police if you feel threatened.
- ⊙ Don't reveal your credit card, bank account or Social Security numbers to unfamiliar companies or people.
- ⊙ Do your own research on charities and other solicitors.
- ⊙ It's your money — never be afraid to ask where it's going.
- ⊙ Before you invest, do your homework, because you can lose money even on legitimate investments.
- ⊙ Get the details of all deals in writing.
- ⊙ If it sounds too good to be true, it probably is.

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JUST SAY
NO! TO

SENIOR
SCAMS

MONEY WISE

A CONSUMER ACTION AND CAPITAL ONE PARTNERSHIP



Everyone must be on guard against scams, but seniors can be more vulnerable to fraud. Some seniors are trusting and willing to believe what people tell them. Many crooks—and even friends and family members—take advantage of the good nature of seniors to cheat them.

Seniors aged 60 and older account for about 15 percent of the U.S. population, yet according to some estimates they comprise 30 percent of fraud victims.

Protect your assets

You worked hard for your money and property, but if you allow someone to take advantage of you, everything you have could be taken away. Learn to protect your assets by following these simple rules:

- ⊙ 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.

Crooked schemes and scams

Home improvement scams. Door-to-door con artists pressure and even intimidate homeowners by telling them that they need urgent home improvements such as driveway paving, roofing or siding repair. Then they perform shoddy work or fail to finish, but still try to collect money, even demanding more than agreed and threatening to foreclose on the home.

FIGHT BACK: Work only with licensed and insured contractors. Call your state contractors' licensing bureau to verify licenses and ask all contractors to provide proof of insurance. Check customer references. Get other bids for the work.

Foreign lottery prizes and sweepstakes. “You have won the Canadian lottery. Just give us your bank account or credit card information and we'll send you the money.” Such calls and e-mails are bogus—the crooks make money by convincing victims to pay for processing, taxes or delivery, or provide bank account information in order to “verify” their identities.

FIGHT BACK: When someone says you've won a lottery or contest that you didn't enter, that is a lie. Any money you send will be lost.

Investment fraud. 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.

FIGHT BACK: Do your homework about investments. Learn how much you can expect to earn in the market. If you are targeted with questionable investment offers, file a complaint with the U.S. Securities and Exchange Commission.

Fake emergency appeals. In this con, someone phones you anonymously and asks, “Do you know who this is?” They hope you will assume it is a friend or relative. Then the caller claims to be in jail or in desperate need of cash. Many people have been tricked into wiring money to a stranger.

FIGHT BACK: Never volunteer information to someone who calls you on the phone. Hang up on people who will not identify themselves. Before you wire money, check with other family members to make sure there is a legitimate emergency.

Charitable solicitations. 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. Solicitors often ask for donations to groups with names that are similar to reputable charities—don't be fooled by “sound-alike” names.

FIGHT BACK: Ask how much of your contribution will go to the agency you wish to help. Before you give, check with a charity watchdog organization such as the American Institute of Philanthropy (www.charitywatch.org; 773-529-2300). Call your police and fire departments and ask how to make a donation directly to them.

Drug plans. Seniors are often targeted by phony direct mail, TV, radio and newspaper offers about Medicare drug plans. The sales materials may be designed to look like official government documents. But if you send money to these companies, usually you'll receive just a useless card.

FIGHT BACK: Companies offering Medicare drug cards are not allowed to call, send e-mails or come to your home unless you ask them. If you are interested in the benefits available to you as a Medicare beneficiary, visit the federal government's Medicare web site (www.medicare.gov). You also can call 800-MEDICARE (1-800-633-4227).

Credit card fraud. Keep an eye on your credit cards at all times, even when you hand them to a waiter or shop clerk. Devices called “skimmers” allow unscrupulous employees to steal the information from your credit card and sell it to people who make counterfeit cards. Crooks also look for discarded credit card statements and receipts to use on fake cards.

FIGHT BACK: Always review your bill when it arrives and call your credit card issuer immediately if you see any charges you didn't authorize. Before you throw away old credit card statements, shred them so that thieves won't get your account numbers.

Identity theft. A crook steals personal information, such as your name, Social Security number, birth date or mother's maiden name, to establish credit, take over your financial accounts and run up debts in your name.

FIGHT BACK: Legally, victims of ID theft are not responsible for lost money when crooks make unauthorized use of their credit information—but it can be difficult and time-consuming for victims to prove that fraud occurred. Get free copies of your credit reports each year by calling 877-322-8228. Check your reports to make sure no one else has been using your credit. Visit the Federal Trade Commission's ID Theft web site (www.consumer.gov/idtheft) to learn more.

Burial and funeral fraud. Funerals are expensive. To spare survivors stress, many people draw up plans while they are still alive. Funeral providers sometimes inflate prices for run-of-the-mill funeral needs. In some instances they will demand extra money from survivors, even if the deceased person prepaid.

FIGHT BACK: Federal law gives you the right to choose the funeral services you want. Funeral businesses must give all customers a price list. While it makes sense to plan your funeral and burial in advance, don't pay for these services in advance. If you want cover the cost of your funeral include funds in your will to do so.

Caregiver fraud. Home-based health aides, housekeepers and cooks sometimes steal from the older people they are serving.

FIGHT BACK: Always check the background and references of people you hire to work in your home. Lock up all financial documents and store valuables in a bank safety deposit box. Be alert to caregivers who ask about your will or investments or try to influence you. If this happens, talk to your family or call adult protective services.