

Protecting your future



SENIOR FRAUD

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Senior Fraud

by David Silver

When asked why he robs banks, Slick Willie Sutton responded: “because that’s where the money is.” This concept may explain why seniors are often targeted by scammer. Since our society has moved away from defined pension plans and towards IRAs, seniors tend to have access to more cash than in previous generations. Access to cash, combined with a reputation for being overly trusting, unfamiliar with modern technology, or dealing with memory and cognitive issues, has propelled seniors to be main victims of the \$16.8 billion identity theft and cybercrime industry in the U.S. Everyone, especially seniors, needs to be able to recognize scams and to utilize available tools to protect themselves. While inter-family financial abuse is also a very big problem, this article will focus on protection from non-family members.

In the Lottery Scam, the Inheritance Scam and the African Prince Scam, someone contacts you out of the blue and claims you have won a lottery, or that you have inherited money from someone in a foreign country, or that a person in a foreign country wants your help to get money out of their country. These scammers will claim that it is imperative that you do not tell anyone, even your family. In order to get the promised money, you will eventually be asked to prepay for some tax or a transfer

fee. There will always another fee for you to pay, and the funds will never be sent to you.

Home repair scammers often prey on seniors. Frequently, a very polite and respectful person (often claiming to be a veteran) comes to a neighborhood and volunteers to clean your roof. That nice person will notice a serious issue that needs repairing, and will helpfully suggest the name of someone who does that kind of work. One repair leads to another, which leads to another. Every repair might be done by a different person, but they are all working in coordination. I suggest you be very suspicious of anyone knocking on your door and offering to do work for free, and always get a second opinion from a trustworthy source.

The Jury Duty Scam and the Utility Scam are two other commonly used devices. You get a phone call from someone who claims to be from the court or the utility company. You are told that you have missed jury duty or haven’t paid your utility bill, and that you will be arrested or have your power cut off unless you make a payment right away. Since the banks are closed, the caller agrees to ‘help’ you and tells you to buy a gift card from a store and read the card number to them over the phone for payment.

In the Mystery Shopper Scam, you are ‘hired’ to shop at a store and rate your experience. You are sent a check and instructed to deposit it in your bank and

use the funds to buy small items and gift cards from a local store. You then provide a review of that store, told to keep the items and one gift card for yourself, and instructed to read the other gift cards' numbers to your 'boss' over the phone. A week later, your bank informs you that the check from your 'boss' was a fake. **IF ANYONE EVER ASKS YOU TO OBTAIN A GIFT CARD AND READ THEM THE CARD NUMBER, YOU SHOULD ASSUME THAT YOU ARE BEING SCAMMED.**

The Grandparent Scam works more often than I would suspect. You get a call in the middle of the night from someone claiming to be your grandchild. They say that they are in trouble (frequently in a Mexican prison) and need you to send money right away. This frequently works even if the grandchild has never travelled abroad, but it is more effective when the scammer has seen social media postings of your grandchild while travelling.

The Porn Blackmail Scam has not received a lot of publicity, which makes me believe that it has been a little too effective. You receive an email from someone claiming to have hacked your computer and that they have used your computer's webcam to video you while you were viewing a pornographic web site. You are then told that they will release the video of you unless you pay them money.

While it is impossible to list every possible scam, you should be alert and aware of the patterns. Discussion and openness among

family members is important to help recognize scams and to limit the damage caused by a scam. Some people might suspect that they have been scammed, but are hesitant to tell a family member because of embarrassment or from a fear that the family member may then question that person's competence. Anyone can be scammed and we all need help sometimes. Therefore, it is better for families to discuss the potential for scams and to try and create an expectation of understanding rather than one of blame and accusation. It is also advisable to utilize available tools to limit exposure to be scammed.

Make sure you and your family are on the Do-Not-Call List (for each phone number). This list works well to prevent REPUTABLE companies from making unsolicited phone calls. The 'companies' that ignore the Do-Not-Call List are the scammers. If you are already on the Do-Not-Call List and you get a call, don't bother to ask to be removed from their call-list, this just let's them know that a live person will listen to their message (they probably then sell your number to other scammers). If you do happen to answer the phone on one of these calls, simply hang up (you aren't being rude; feel free to blame me every time you do this). To sign up for the Do-Not-Call List in NC, call 1-888-382-1222.

Next time you are at your bank, tell your banker that you want to name a "Trusted Person" to your account. This will allow a bank employee to contact that Trusted Person if the employee ever suspects that

you might be the victim of fraud or you are otherwise making unusual and suspicious transactions.

Place a Security Freeze on your credit. This will prevent anyone without a password from increasing a credit line or opening a new credit account in your name. Use strong passwords on all your accounts and make sure you shred your documents.

We all have surely been, and will continue to be, victims of multiple scam attempts. Your best defense is for you and your family to be alert and aware, take advantage of the protections available, and make sure no one will resist discussing being a victim of a scam.

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