

## **Senior Scams Saturate Western North Carolina**

It has been happening more frequently in our region than anyone is willing to admit.

A senior citizen receives an announcement that they have won a large prize from the Irish Lottery (or a settlement from an African diplomat or even an award from a suspicious organization in the USA).

In the award letter is a check for several thousand dollars that looks legitimate that is described as a down payment toward the total winnings that can be hundreds of thousands of dollars.

The award letter goes on to give very specific instructions about how to receive the large sum of money. The letter tells the senior to send a money order or make a Western Union payment of several hundred dollars to an account somewhere far away. The payment is for “taxes,” or “fees” that must be paid before any more winnings can be awarded to the senior. The amount to be sent seems harmless enough, since they have already received this check for several thousand dollars and more money will be coming.

Many deposit their check only to find out days later that it was a forgery or a fake. By that time the senior’s money order or wire has already been sent, and the crooks have gotten away with the cash.

District Attorney, Mike Bonfoey remarks, “Anyone can fall victim to fraudulent financial scams, but our older fellow citizens seem to be more particularly targeted and victimized. Everyone needs to guard his or her personal and financial information. Never give out such information to strangers. Never transfer money to strangers expecting a return windfall.”

This is just one of the many scams that are sweeping our region at the moment.

According to the National Center for Victims of Crime, Americans lose over \$40 billion dollars a year to telemarketing fraud. Over half of the victims of these crimes are older people.

Telemarketers target 56-80% of their calls to the elderly because 1) they have financial resources, 2) they are more accessible by phone during the day, and 3) they are less likely to view telemarketing fraud as a crime.

Here are a few tips to handle telemarketing or mail fraud:

- Don’t take the bait- If you don’t recognize the caller, don’t take the call. Ask for a call back number so that you can investigate the offer, if they refuse, hang up. It is not rude to hang up on an unscrupulous caller.
- Take control of the situation- If an offer is legitimate, you do not have to make an immediate decision, it will be there later.

- Make sure that a “free offer” is free- you should not have to pay fees or costs for a free offer.
- Never give financial information to an unknown caller- that includes bank account information, Social Security number, or credit card numbers.

Sybil Mann, Executive Director of the 30<sup>th</sup> Judicial District Alliance that deals with domestic violence and elder abuse issues adds, “If you get a call or a letter saying that you have won or have inherited money and then asking you to pay taxes or fees in advance --- don’t do it. Real, legitimate organizations don't require you to pay funds up front for money you are entitled to receive. These scams are widespread across our Mountain Counties and the country. If you don’t know a person or company calling or mailing you – be very wary.”

If you or someone you know has been the victim of a financial scam, you are not alone. You can fight back. It is not something to be ashamed of and not something to sweep under the rug. Financial scams are crimes and can be prosecuted.

Bonfoey notes, “Financial scam artists are difficult to apprehend and prosecute, but law enforcement efforts are much more successful if scams or attempted scams are reported to authorities immediately after the event has transpired.”

Mann suggests these responses, “If you have questions or suspicions about a check mailed to you or an email or call you've received, you can call our Alliance elder abuse line at 866-496-5406 or call the North Carolina Attorney General’s Consumer Protection Division toll free number at (877)-5-NO-SCAM.

## **SIDEBAR 1**

### Top 3 Telemarketing Scams

#### **Sweepstakes and Prize Offers:**

**Pitch:** You have won a fabulous prize, but to receive it, you have to pay taxes or fees or buy something.

**Scam:** Consumers who pay either get nothing or receive a cheap trinket.

**Danger Sign:** Request for money: It's illegal for a telemarketer to ask you to pay to win something or claim a prize. Winners of legitimate contests have taxes deducted from winnings or pay them directly to the government.

#### **Magazine Sales:**

**Pitch:** Subscribe for pennies a day or renew your current subscription at a low rate.

**Scam:** The magazine costs much more than you realize, or the caller pockets your money, and you do not get a magazine.

**Danger Sign:** Pressure to act immediately or refusal to provide contact information for the publisher so you can verify the offer.

□ **Credit Card Loss Protection Plans:**

**Pitch:** You need this protection because you could lose a great deal of money if someone steals your credit card and uses it.

**Scam:** Consumers are liable for only \$50, and most credit card companies will remove fraudulent charges if you notify them right away.

**Danger Sign:** Scare tactics or claims that the caller is affiliated with your credit card issuer.

Source: National Center for Victims of Crime

## SIDEBAR 2

### Other Common Scams

- **Charity Scams:** Fraudulent telemarketers represent themselves as soliciting funds for worthy causes, such as the victims of the September 11 attacks or of natural disasters such as floods or tornadoes. Some scam artists claim to represent police or fire departments.
- **Work-at-Home Scams:** Fraudulent telemarketers sell kits to stuff envelopes, make jewelry, or perform other work-at-home tasks. Buyers may have to spend their own money to place newspaper ads or buy the envelopes, paper, stamps, and other supplies to do the job. Sponsoring companies may also require that the buyer pay for instructions or "tutorial" software.
- **Advance Fee Loans:** Lenders charge exorbitant fees, sometimes hundreds or even thousands of dollars as an advance fee for a "guaranteed" loan. The "lenders" pocket the fee, and the borrower gets no loan.
- **Telephone Slamming:** Telephone slamming is unauthorized switching of telephone service from one company to another, usually involving a great increase in costs to consumers. Usually, the consumer receives a call from someone offering to consolidate all the consumer's telephone carriers on one bill. When the consumer agrees, his or her service is switched to another company. Or, the consumer might be offered a discount on current service, only to discover that the service has been switched to another company.
- **900 Numbers or Pay-per-Call Services:** These scams entice consumers to make calls to receive information (such as how to save money on groceries or receive free credit cards). Those who call the numbers are charged exorbitant rates for the calls.

- **Travel Packages:** "Free" or "low-cost" vacations often turn out to cost two to three times more than the "winner" might expect to pay, given all the hidden costs associated with accepting the "prize."
- **Recovery Scams:** Telemarketers prey on people who have already been victimized by other dishonest telemarketers. For a large fee, the caller promises to recover the money the victim lost to the previous scam. The telemarketers pocket the fee, and the victim is revictimized.

Source: National Center for Victims of Crime

This article was prepared by  
Michael Rich  
Elder SAFE Project Coordinator  
at the  
30<sup>th</sup> Judicial District Domestic Violence-Sexual Assault Alliance, Inc.

He can be contacted by email [rich@30thalliance.org](mailto:rich@30thalliance.org) or by phone (828) 452-2122