

# Popular Scams and How to Avoid Them

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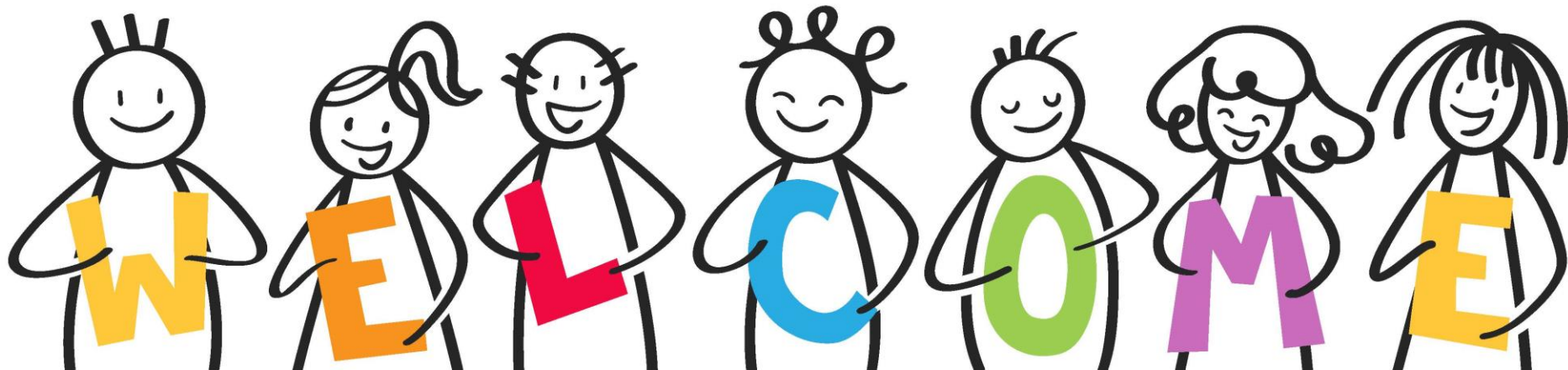
Investor Education and Consumer Outreach Office

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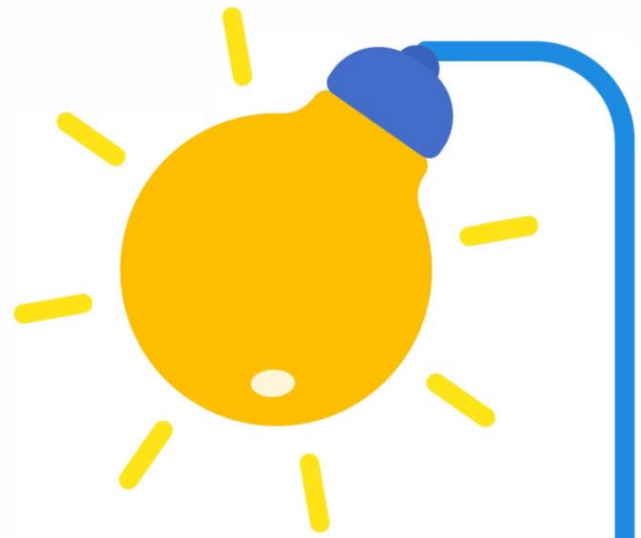
# Introduction

Everyday people get scammed out of THOUSANDS of dollars by “professionals” looking to separate them from their hard-earned money.

This presentation will introduce common scams, what to look for in a scam and how to avoid them.



# DID YOU KNOW?



## *According to the FTC...*

“Consumers reported losing more than \$3.3 billion to fraud in 2020, up from \$1.8 billion in 2019”

## ***Today We Will Discuss...***

- ✓ Top scams and what to watch for
- ✓ How to avoid scams and protect yourself
- ✓ Resources and where to go for help



**If it sounds too good  
to be true...  
*it probably is!***



# Heartstring Scams

Those scams that “tug at our hearts,” the story elicits an emotional connection that the scam artist uses to convince us to give up our money.

## Examples:

- ♥ Romance scam
- ♥ Charity scam
- ♥ Relative in Distress scam
  - Grandparent
  - Friend
  - Aunt/Uncle

## Trigger an:

- ♥ Instant connection
- ♥ Trust or buy-in
- ♥ Emergency
  - Immediate help
  - Money/Funds
    - Transfer
    - Prepaid card

# How to Avoid/Protect Yourself

- Don't Believe What You Hear (at “face value”)
- Check it Out/Verify
- Don't Send Money or Be Careful How You do – Don't Use:
  - Wire Transfer
  - Gift Card
  - Prepaid Debit

# Banking Scams

Scams around financial institutions center around attempts to access our deposit accounts. Once you sign your name to a check, you may be on the hook for the loss!

- Counterfeit Check
- Pay up Front
- Overpayment of items purchased



- Appear authentic
- Build on trust
- Immediate action required



## How to avoid bank scams

- Be careful about financial transactions with strangers
- Do not give “change,” from a check
- Remember – you are responsible for all funds you deposit to your account

# Imposter Scams

- Government Rep
  - IRS
  - Social Security
  - Medicare
- Microsoft Office
- Int'l Lotteries
- Credit Repair

- Appears as a Trusted “Representative”
- Immediate Need to Solve Issue or Get Something
  - Money
  - Information
  - Access

# How to Avoid/Protect Yourself

- Government Agents will not Call “out of the blue” Demanding Money/Info
- Be Wary of Contests You Win – You Never Entered
- YOU are the One Who Can Repair Your Credit
- Tell Them You Will Call Them Back – Then do it With a Verified Number

# Virtual Scams

Involve any scam that uses the internet to persuade you to give up personally identifying or financial information.

- “Phishing”
- “Smishing”
- Fake Websites

- Do You Know the Sender?
- Asking for Money or Information?
- Need to:
  - Open Attachment
  - “Click” Link
  - Download Something

# How to Avoid/Protect Yourself

- Research all new websites
- Be cautious when being “directed” to sites thru Social Media, E-Mail etc.
- E-Mail/Text
  - Check Grammar and Spelling
  - Confirm sender before “clicking” links, attachments and downloading apps
  - When in doubt – delete it!

# Investment Scams

- Affinity Fraud
- Ponzi Schemes
- Investment Seminars

- I'M Like You so You Can Trust Me
- Guaranteed Rates
- High Rates
- Little to No Risk
- “Get Rich Quick”

# How to Avoid/Protect Yourself

- Investigate Before you Invest
- Be Cautious About “Testimonials” from Other “Investors”
- Beware of Promises of Quick, High, Guaranteed and/or “Risk Free” profits
- Know Exactly How the Investment Works
- Discuss with a Neutral “Outside” Professional

# Other Ways to Protect Yourself

- Beware of Direct Interaction with People You do not Know
- Guard Social Security Number and Other “Personal” Information
- Secure Documents and “Shred” When no Longer Needed
- Check Bank and Credit Statements
- Check Credit Reports



# Free Credit Report

877.322.8228

## Annual Credit Report Request Service

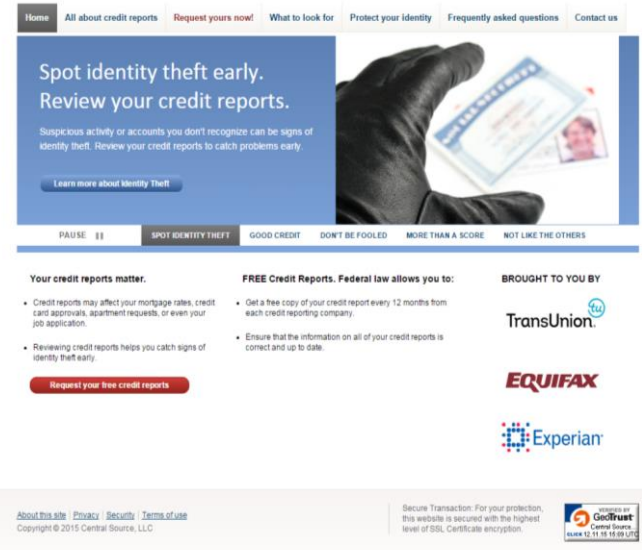
P.O. Box 105281

Atlanta, GA 30348-5281

[www.annualcreditreport.com](http://www.annualcreditreport.com)

AnnualCreditReport.com

The only source for your free credit reports. Authorized by Federal law.



The screenshot shows the homepage of AnnualCreditReport.com. At the top, there is a navigation menu with links: Home, All about credit reports, Request yours now!, What to look for, Protect your identity, Frequently asked questions, and Contact us. The main content area features a large blue banner with the text "Spot identity theft early. Review your credit reports." and a sub-headline "Suspicious activity or accounts you don't recognize can be signs of identity theft. Review your credit reports to catch problems early." Below this is a "Learn more about Identity Theft" button. To the right of the banner is an image of a hand holding a credit card. Below the banner is a secondary navigation bar with links: PAUSE, SPOT IDENTITY THEFT, GOOD CREDIT, DON'T BE FOOLED, MORE THAN A SCORE, and NOT LIKE THE OTHERS. The main content area is divided into three columns. The first column is titled "Your credit reports matter." and lists two bullet points: "Credit reports may affect your mortgage rates, credit card approvals, apartment requests, or even your job application." and "Reviewing credit reports helps you catch signs of identity theft early." Below this is a red button that says "Request your free credit reports". The second column is titled "FREE Credit Reports. Federal law allows you to:" and lists two bullet points: "Get a free copy of your credit report every 12 months from each credit reporting company." and "Ensure that the information on all of your credit reports is correct and up to date." The third column is titled "BROUGHT TO YOU BY" and lists three credit reporting agencies: TransUnion, EQUIFAX, and Experian. At the bottom of the page, there is a footer with links for "About this site", "Privacy", "Security", and "Terms of use", a copyright notice "Copyright © 2015 Central Source, LLC", a "Secure Transaction" notice, and a logo for "Member of GlobalTrust Central Source".

\*Note: Free Credit Reports do **NOT** contain your credit score!

# What are you looking for?

- ✓ **Check** names, addresses, & phone numbers
- ✓ **Verify** existing credit limits/balances
- ✓ **Look** for accounts that are not yours

# If something isn't right, contact the credit reporting bureau:

**Equifax - 1.800.685.1111**  
**[www.equifax.com](http://www.equifax.com)**

**Experian - 1.888.397.3742**  
**[www.experian.com](http://www.experian.com)**

**TransUnion - 1.800.916.8800**  
**[www.transunion.com](http://www.transunion.com)**

# *Freeze your credit report, here's how to get started...*

Equifax:  
[equifax.com/personal/credit-report-services](http://equifax.com/personal/credit-report-services)  
call 800-685-1111

Transunion:  
[transunion.com/credit-freeze](http://transunion.com/credit-freeze)  
call 888-909-8872

Experian:  
[experian.com/freeze/center.html](http://experian.com/freeze/center.html)  
call 888-397-3742

# What do you do?

1. Contact the company's fraud department and cancel affected cards or close new ones
2. File a police report
3. Call all three credit reporting bureaus



## What else should you do?

4. Take notes/keep a notebook
5. Report to the PA Attorney General:  
800.441.2555 or visit their webpage:  
[www.attorneygeneral.gov](http://www.attorneygeneral.gov)
6. Report to the Federal Trade  
Commission: 877.ID.THEFT or visit  
their webpage: [www.identitytheft.gov](http://www.identitytheft.gov)



# State Resources

Pennsylvania Department of Banking and Securities  
(800)PA.BANKS (722.2657)

[www.dobs.pa.gov](http://www.dobs.pa.gov)

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Pennsylvania Attorney General  
(800)441.2555

[www.attorneygeneral.gov](http://www.attorneygeneral.gov)

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Local Police Department Locator

[www.policelocator.com/pa](http://www.policelocator.com/pa)

## Federal Resources

**Federal Trade Commission:**

**(877)987.3728**

<http://www.ftc.gov/bcp/edu/microsites/idtheft>

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**Internet Crime Complaint Center**

[www.ic3.gov](http://www.ic3.gov)





**QUESTIONS?**

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