

Frauds & Scams



Wellington County OPP



Warning Signs of Fraud

- It sounds too good to be true
- You've won a prize but must must send money to receive it
- You must give private financial information
- You are asked to send cash or money order only

Warning Signs of Fraud

- Caller is more excited than you are
- Person calling is the manager or some other official
- Stranger calling wants to become your best friend
- Limited opportunity – immediate decision



Victims

- ANYONE can be victim of frauds or scams

Businesses can also be targeted, internally or externally

- The elderly tend to be targeted because most likely to have a nest egg, own their home or have good credit

Types of Fraud

- Prize Pitch *
- Emergency Scams *
- Service Scams *
- Advance Fee Fraud
- Overpayment Scam
- Bank Manager Scam
- Internet Fraud
- Identity Theft



Prize Pitch

- A phone call, email, text message or computer pop-up screen saying you have won a prize
- You don't recall entering the contest or lottery
- Ask you to providing banking and personal information to claim your prize
- Must pay a fee or tax to claim your prize or call a premium rate phone number

Emergency Scams



- Elderly are typical targets
- Also known as “Grandparent” scam
- Grandparent receives a phone call claiming to be one of his or her grandchildren

Emergency Scams

- Caller is in some kind of trouble and needs money immediately
- Car accident, trouble returning from foreign country or need bail money
- Asked to wire or transfer money



Service Scam

- False, deceptive or misleading promotion of services or solicitation of services
- Offers for telecommunication, internet, finance, medical or energy
- May include extended warranties, insurance and door-to-door sales



Service Scams

▣ Antivirus software

- Promise to repair your computer over the internet
- Remote access to your computer could allow capture of your personal information

▣ Credit card interest rate reduction

- Impersonate financial institutions
- Claim to negotiate with credit card companies to lower your interest rates

Service Scams

- Variation of the anti-virus software scam

After purchasing online software, you receive a call offering a refund

- All you have to do is provide your credit card number



Advance Fee Fraud

- Also known as Nigerian or West African Letter fraud or 419 fraud
- Originated in Nigeria and other West African Countries, now also coming from Spain
- Letter received in the mail or via email or fax



Advance Fee Fraud

▣ Classic Version

- Letter asks you to help transfer a large amount of money
- Stresses the importance of trust and honesty to sound believable

▣ Inheritance scam

- Letter states a long lost or unknown relative has left you a large inheritance
- Sender claims to be a lawyer or bank representative

Advance Fee Fraud

- Letters are very official looking and mimic foreign business or government agencies
- In each case you are offered a share of the money for use of your bank account
- You are asked to pay taxes and fees before you receive reward/inheritance
- **YOU NEVER SEE ANY MONEY and LOSE THE FEES YOU PAID**

Sample Letter

Sample Inheritance Letter.pdf

Overpayment Scam

- You or your business is selling something and you are overpaid
- You apply for a loan online and receive a cheque that is more than you asked for
- You are asked to repay the excess
- Scammer hopes you will pay before the cheque is discovered fraudulent

Bank Manager Scam

- Caller says they are the bank manager and needs your help
- Problems with a bank teller and asks you to withdraw a large sum of money
- “Manager” meets victim who hands over money saying it will be deposited back
- Typically targets older victims

Internet Scams

- Email Fraud or Phishing

The most popular form of fraudulent activity on the Internet



- E-mails, text messages and websites designed to look like well-known and trusted businesses, financial institutions and government agencies

- Attempt to collect personal, financial and sensitive information

Internet Scams

- Online Classified Advertisements (Kijiji, Craigslist, Ebay, etc)
- Seller asks for money up front, promises to ship the item to you once payment is received
- No product is ever received
- Always meet in person



Identity Theft

- Personal information obtained from:
 - Scams
 - Phishing
 - Mail Theft
 - Pin pad/bank machine overlays
 - Chip vs swipe – always use chip - insert
- Stolen identity is used to open bank accounts, cell phones, credit cards, etc

IF YOU ARE A VICTIM

- Report banking and credit card frauds to your financial institution
- Contact the credit bureau, a fraud alert on your account will notify lenders and creditors of potential fraud

Equifax: 1-800-465-7166

Trans Union: 1-866-525-0262

IF YOU ARE A VICTIM

- If you have lost money as a result of a fraud or scam contact the police
- If you have received a suspicious email, letter, phone call or solicitation contact the Canadian Anti-Fraud Centre

www.antifraudcentre.ca

1-888-495-8501

REMEMBER

If it seems too good to be true....

IT PROBABLY IS!!!

