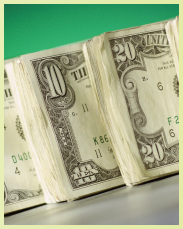
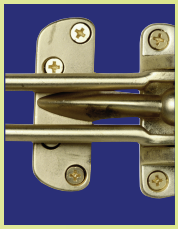
Don't be a Victim of a Scam

Tips on how to safeguard yourself against scams





INDIANA HOUSE OF REPRESENTATIVES

Distributed by

State Rep. Gail Riecken

Don't be a Victim of a SCAM

Information for this book has come from the FBI, National Fraud Information Center and the AARP.

Every day we read of a new scam in which innocent individuals are preyed upon and taken advantage of. If you have ever been a victim of a scam you are not alone.

Nobody would fall for a fraud if it looks like a fraud. Right? So, most of the time it looks like something else. A good deal, a gift, a business opportunity, or a chance to make a good buck. That's why honest citizens lose millions of dollars to con artists every year.

Most think they couldn't be tricked into handing over hard-earned money for a phony deal. But con artists are experts in human psychology. They know how to gain confidence with smooth talk in a very professional manner.

Con artists and hustlers often prey on people who are not used to making decisions about home repairs or are not knowledgeable about business investments or banking practices. But they will try their tactics on anyone.

This booklet provides valuable information on the latest scams and what you can do to help protect yourself from being a victim.

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For additional copies please contact
your State Representative or 800-382-9842.

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Telemarketing Fraud

When you send money to people you do not know personally or give personal or financial information to unknown callers, you increase your chances of becoming a victim of telemarketing fraud.

Warning signs—what a caller may tell you:

- You must act 'now' or the offer won't be good.
- You've won a 'free' gift, vacation, or prize. But you have to pay for postage and handling or other charges.
- You must send money, give a credit card or bank account number, or have a check picked up by courier. You may hear this before you have had a chance to consider the offer carefully.
- You don't need to check out the company with anyone. The callers say you do not need to speak to anyone including your family, lawyer, accountant, local Better Business Bureau, or consumer protection agency.
- You don't need any written information about their company or their references.
- You can't afford to miss this 'high-profit, no-risk' offer.

If you hear these—or similar—lines from a telephone salesperson, just say "no thank you," and hang up the phone.

Top Ten Telemarketing Scams

1) Prizes/Sweepstakes
2) Scholarships/Grants
3) Magazine Sales
4) Credit Card Offers
5) Fake Check Scams
6) Advance Fee Loans
7) Lotteries/Lottery Clubs
8) Work-at-Home Plans
9) Phishing
10) Travel/Vacation

Tips to Avoid Telemarketing Fraud:

It's very difficult to get your money back if you've been cheated over the phone. Before you buy anything by telephone, remember:

- Don't buy from an unfamiliar company. Legitimate businesses understand that you want more information about their company and are happy to comply.
- Always ask for and wait until you receive written material about any offer or charity. If you get brochures about costly investments, ask someone whose financial advice you trust to review them. But, unfortunately, beware—not everything written down is true.
- Always check out unfamiliar companies with your local consumer protection agency, Better Business Bureau, state Attorney General, the National Fraud Information Center, or other watchdog groups. Unfortunately, not all bad businesses can be identified through these organizations.
- Obtain a salesperson's name, business identity, telephone number, street address, mailing address, and business license number before you transact business. Some con artists give out false names, telephone numbers, addresses, and business license numbers. Verify the accuracy of these items.
- Before you give money to a charity or make an investment, find out what percentage of the money is paid in commissions and what percentage

actually goes to the charity or investment.

- Before you send money, ask yourself a simple question. "What guarantee do I really have that this solicitor will use my money in the manner we agreed upon?"
- You must not be asked to pay in advance for services. Pay for services only after they are delivered.
- Some con artists will send a messenger to your home to pick up money, claiming it is part of their service to you. In reality, they are taking your money without leaving any trace of who they are or where they can be reached.
- Always take your time making a decision. Legitimate companies won't pressure you to make a snap decision.
- Don't pay for a "free prize." If a caller tells you the payment is for taxes, he or she is violating federal law.
- Before you receive your next sales pitch, decide what your limits are—the kinds of financial information you will and won't give out on the telephone.
- It's never rude to wait and think about an offer. Be sure to talk over big investments offered by telephone salespeople with a trusted friend, family member, or financial advisor.
- Never respond to an offer you don't understand thoroughly.
- Never send money or give out personal information such as credit card numbers and expiration dates, bank account numbers, dates of birth, or social security numbers to unfamiliar companies or unknown persons.
- Your personal information is often brokered to telemarketers through third parties.
- If you have information about a fraud report it to state, local, or federal law enforcement agencies.

Fraudulent telemarketers understand human nature. We all want to believe that it's our lucky day, that we can get a great deal, or that we can solve our problems.

Where telemarketers are located matters, too. Some fraudulent telemarketers are deliberately located in other countries because it's more difficult for U.S. law enforcement agencies to pursue them. It may be hard to tell where they are; they may have mail forwarded from the U.S. and use telephone numbers that look like domestic long-distance. Be very cautious when dealing with unknown companies from other countries.

Telemarketing Fraud Checklist

The AARP (www.aarp.org) has developed the following checklist to aid individuals in avoiding fraud. Keep this list handy when telemarketers call. The questions will help you to determine whether a telemarketing call is legitimate or not. You also should save your notes from each call in case you develop concerns about a donation or purchase after the call.

1—Note the date and time of the call

- Is the call before 8 a.m. or after 9 p.m.?

What to watch out for: Hang up if the answer is yes. All organizations that follow federal telemarketing guidelines must limit their calls to this 13-hour period.

2—Has the caller fully identified the organization that he/she represents immediately after you answer?

- Does the caller work for the organization itself or for a fund-raising firm?
- Ask for and jot down the full name, address and phone number of the person making the call and the organization(s) that the caller represents.

What to watch out for: Hang up if the caller hesitates or refuses to provide any of this information. Organizations that heed federal telemarketing guidelines should immediately identify themselves.

3—Does the caller represent a charitable organization?

- What is the charitable purpose of the organization?
- Is it registered with the state (Secretary of State, Department of Justice or Attorney General)?
- What percentage of its total income does the charity spend on its program?

What to watch out for: Don't settle for vague descriptions of the organization's activities that emphasize the problem without explaining what the charity is actually doing about it. Also, make sure that at least 50 to 60 percent of your donation will go toward actual charitable work—non fund-raising expenses.

4—Is the caller offering a product, service or contract or some sort?

- How much does the product or service cost?
- Is the sale final or nonrefundable?
- Does the caller seek payment prior to delivering the product or service?

What to watch out for: Hang up if the caller seeks payment prior to delivery of the product or service—or if the offer does not come with a money-back guarantee.

5—Does the caller seek cash?

What to watch out for: Hang up immediately if the answer is yes. Legitimate organizations do not seek cash payments via the phone.

6—Will the caller send details of the charity or product/service in writing—and therefore give you time to carefully review the offer?

What to watch out for: Hang up immediately if the answer is no—or if you must act "right away." Legitimate organizations will respect your interest in taking time to review offers prior to making a decision.

Identity Theft Fraud

Impersonation fraud occurs when someone assumes your identity to perform a fraud or other criminal act. Criminals can get the information they need to assume your identity from a variety of sources, such as the theft of your wallet, your trash, or from credit or bank information. They may approach you in person, by telephone, or on the Internet and ask you for the information.

The sources of information about you are so numerous that you cannot prevent the theft of your identity. But you can minimize your risk of loss by following a few simple hints.

New Spoofing Scam

The FBI is warning the public about an ongoing scheme involving jury service.

Please be aware that individuals identifying themselves as U.S. court employees have been contacting citizens by phone and advising them that they have been selected for jury duty. These individuals ask citizens to verify names and social security numbers and then ask for their credit card numbers.

If the request is refused, citizens are then threatened with fines.

New technology allows identity thieves to choose any telephone number they want and have it displayed on the recipient's caller ID.

Tips to Avoid Impersonation/Identity Fraud:

- Never throw away ATM receipts, credit statements, credit cards, or bank statements in a usable form.
- Never give your credit card number over the telephone unless you make the call.
- Reconcile your bank account monthly and notify your bank of discrepancies immediately.
- Keep a list of telephone numbers to call to report the loss or theft of your wallet, credit cards, etc.
- Report unauthorized financial transactions to your bank, credit card company, and the police as soon as you detect them.
- Review a copy of your credit report at least once each year. Notify the credit bureau in writing of any questionable entries and follow through until they are explained or removed.
- If your identity has been assumed, ask the credit bureau to print a statement to that effect in your credit report.
- If you know of anyone who receives mail from credit card companies or banks in the names of others, report it to local or federal law enforcement authorities.

Common Health Related Frauds

Medical Equipment Fraud:

Equipment manufacturers offer "free" products to individuals. Insurers are then charged for products that were not needed and/or may not have been delivered.

"Rolling Lab" Schemes:

Unnecessary and sometimes fake tests are given to individuals at health clubs, retirement homes, or shopping malls and billed to insurance companies or Medicare.

Services Not Performed:

Customers or providers bill insurers for services never rendered by changing bills or submitting fake ones.

Medicare Fraud:

Medicare fraud can take the form of any of the health insurance frauds described above. Senior citizens are frequent targets of Medicare schemes, especially by medical equipment manufacturers who offer seniors free medical products in exchange for their Medicare numbers. Because a physician has to sign a form certifying that equipment or testing is needed before Medicare pays for it, con artists fake signatures or bribe corrupt doctors to sign the forms. Once a signature is in place, the manufacturers bill Medicare for merchandise or service that was not needed or was not ordered.

Counterfeit Prescription Drugs:

Be mindful of appearance. Closely examine the packaging and lot numbers of prescription drugs and be alert of any changes from one prescription to the next. Consult your pharmacist or physician if your prescription drug looks suspicious. Alert your pharmacist and physician immediately if your medication causes adverse side effects or if your condition does not improve.

Use caution when purchasing drugs on the Internet. Do not purchase medications from unlicensed online distributors or those who sell medications without a prescription. Reputable online pharmacies will have a seal of approval called the Verified Internet Pharmacy Practice Site (VIPPS), provided by the Association of Boards of Pharmacy in the United States.

Product promotions or cost reductions and other "special deals" may be associated with counterfeit product promotion.

Tips to Avoid the Health Insurance Fraud:

- Never sign blank insurance claim forms.
- Never give blanket authorization to a medical provider to bill for services rendered.
- Ask your medical providers what they will charge and what you will be expected to pay out-of-pocket.
- Carefully review your insurer's explanation of the benefits statement. Call your insurer and provider if you have questions.
- Do not do business with door-to-door or telephone salespeople who tell you that services of medical equipment are free.
- Give your insurance/Medicare identification only to those who have provided you with medical services.
- Keep accurate records of all health care appointments.
- Know if your physician ordered equipment for you.

Tips to Avoiding Funeral and Cemetery Fraud:

- Be an informed consumer. Take time to call and shop around before making a purchase. Take a friend with you that may offer some perspective to help make difficult decisions. Funeral homes are required to provide detailed price lists over the phone or in writing. Ask if their lower priced items are included on their price list.
- Be informed about caskets before you buy one. It is a myth that funeral providers can determine how long a casket will preserve a body.
- Research funeral home service fees when shopping for products elsewhere. Some of these charges are prohibited by the Federal Trade Commission.
- You should know that embalming is not legally required and that a casket is not needed for direct cremations.
- Do not be pressured by high-priced pitches from funeral industry vendors.
- Require all proposed plans and purchases to be put in writing.
- Remember to carefully read contracts and purchasing agreements before signing. Find out if agreements you sign can be voided, taken back or transferred to other funeral homes.
- Before you consider prepaying, make sure you are well-informed.
- When you do make a plan for yourself, share your specific wishes with those close to you.

Tips to Avoiding Fraudulent "Anti-Aging" Products:

- If it sounds to good to be true, it probably is. Watch out for "Secret Formulas" or "Breakthroughs."
- Research a product thoroughly before buying it. Call the Better Business Bureau to find out if other people have complained about the product.
- Be wary of products that purport to cure a wide variety of illnesses (particularly serious ones) that don't appear to be related.
- Testimonials and/or celebrity endorsements are often misleading.
- Be very careful of products that are marketed as having no side effects.
- Products that are advertised as making visits to a physician unnecessary should be questioned.

Investment Related Scams:

Letter of Credit Fraud:

Legitimate letters of credit are never sold or offered as investments.

Legitimate letters of credit are issued by banks to ensure payment for goods shipped in connection with international trade. Payment on a letter of credit generally requires that the paying bank receive documentation certifying that the goods ordered have been shipped and are en route to their intended destination.

Letters of credit frauds are often attempted against banks by providing false documentation to show that goods were shipped when, in fact, no goods or inferior goods were shipped.

Other letter of credit frauds occur when con artists offer a "letter of credit" or "bank guarantee" as an investment wherein the investor is promised huge interest rates on the order of 100 to 300 percent annually. Such investment "opportunities" simply do not exist. (See Prime Bank Notes below for additional information.)

Tips to Avoid Letter of Credit Fraud:

- If an "opportunity" appears too good to be true, it probably is.
- Do not invest in anything unless you understand the deal. Con artists rely on complex transactions and faulty logic to "explain" fraudulent investment schemes.
- Do not invest or attempt to "purchase" a "Letter of Credit." Such investments simply do not exist.
- Be wary of any investment that offers the promise of extremely high yields.
- Independently verify the terms of any investment that you intend to make, including the parties involved and the nature of the investment.

Prime Bank Note:

International fraud artists have invented an investment scheme that offers extremely high yields in a relatively short period of time. In this scheme, they purport to have access to "bank guarantees" which they can buy at a discount and sell at a premium. By reselling the "bank guarantees" several times, they claim to be able to produce exceptional returns on investment. For example, if $10 million worth of "bank guarantees" can be sold at a two percent profit on ten separate occasions, or "traunches," the seller would receive a 20 percent profit. Such a scheme is often referred to as a "roll program." To make their schemes more enticing, con artists often refer to the "guarantees" as being issued by the world's "Prime Banks," hence the term "Prime Bank Guarantees." Other official sounding terms are also used such as "Prime Bank Notes" and "Prime Bank Debentures." Legal documents associated with such schemes often require the victim to enter into nondisclosure and noncircumvention agreements, offer returns on investment in "a year and a day", and claim to use forms required by the International Chamber of Commerce (ICC). In fact, the ICC has issued a warning to all potential investors that no such investments exist.

The purpose of these frauds is generally to encourage the victim to send money to a foreign bank where it is eventually transferred to an off-shore account that is in the control of the con artist. From there, the victim's money is used for the perpetrator's personal expenses or is laundered in an effort to make it disappear.

While foreign banks use instruments called "bank guarantees" in the same manner that U.S. banks use letters of credit to insure payment for goods in international trade, such bank guarantees are never traded or sold on any kind of market.

Tips to Avoid Prime Bank Note Related Fraud:

- Think before you invest in anything. Be wary of an investment in any scheme, referred to as a "roll program," that offers unusually high yields by buying and selling anything issued by "Prime Banks."
- As with any investment perform due diligence. Independently verify the identity of the people involved, the veracity of the deal, and the existence of the security in which you plan to invest.
- Be wary of business deals that require nondisclosure or noncircumvention agreements that are designed to prevent you from independently verifying information about the investment.

"Ponzi" Scheme:

A Ponzi scheme is essentially an investment fraud wherein the operator promises high financial returns or dividends that are not available through traditional investments. Instead of investing victims' funds, the operator pays "dividends" to initial investors using the principle amounts "invested" by subsequent investors. The scheme generally falls apart when the operator flees with all of the proceeds, or when a sufficient number of new investors cannot be found to allow the continued payment of "dividends."

This type of scheme is named after Charles Ponzi of Boston, Massachusetts, who operated an extremely attractive investment scheme in which he guaranteed investors a 50 percent return on their investment in postal coupons. Although he was able to pay his initial investors, the scheme dissolved when he was unable to pay investors who entered the scheme later.

Tips to Avoid Ponzi Schemes:

- As with all investments, exercise due diligence in selecting investments and the people with whom you invest.
- Make sure you fully understand the investment before you invest your money.

Pyramid Scheme:

Pyramid schemes, also referred to as franchise fraud, or chain referral schemes, are marketing and investment frauds in which an individual is offered a distributorship or franchise to market a particular product. The real profit is earned, not by the sale of the product, but by the sale of new distributorships. Emphasis on selling franchises rather than the product eventually leads to a point where the supply of potential investors is exhausted and the pyramid collapses. At the heart of each pyramid scheme there is typically a representation that new participants can recoup their original

investments by inducing two or more prospects to make the same investment. Promoters fail to tell prospective participants that this is mathematically impossible for everyone to do, since some participants drop out, while others recoup their original investments and then drop out.

Tips to Avoid Pyramid Schemes:

- Be wary of "opportunities" to invest your money in franchises or investments that require you to bring in subsequent investors to increase your profit or recoup your initial investment.
- Independently verify the legitimacy of any franchise or investment before you invest.

Tips to Avoid Credit Card Fraud:

- Don't give out your credit card number(s) online unless the site is a secure and reputable site. Sometimes a tiny icon of a padlock appears to symbolize a higher level of security to transmit data. This icon is not a guarantee of a secure site, but might provide you some assurance.
- Don't trust a site just because it claims to be secure.
- Before using the site, check out the security/encryption software it uses.
- Make sure you are purchasing merchandise from a reputable source.
- Do your homework on the individual or company to ensure that they are legitimate.
- Try to obtain a physical address rather than merely a post office box and a phone number, call the seller to see if the number is correct and working.
- Send them e-mail to see if they have an active e-mail address and be wary of sellers who use free e-mail services where a credit card wasn't required to open the account.
- Consider not purchasing from sellers who won't provide you with this type of information.
- Check with the Better Business Bureau from the seller's area.
- Check out other web sites regarding this person/company.
- Don't judge a person/company by their web site.
- Be cautious when responding to special offers (especially through e-mail).
- Be cautious when dealing with individuals/companies from outside your own country.
- The safest way to purchase items via the Internet is by credit card because you can often dispute the charges if something is wrong.
- Make sure the transaction is secure when you electronically send your credit card numbers.
- You should also keep a list of all your credit cards and account information along with the card issuer's contact information. If anything looks suspicious or you lose your credit card(s) you should contact the card issuer immediately.

Tips to Avoid Investment Fraud:

- Don't invest in anything based on appearances. Just because an individual or company has a flashy web site doesn't mean it is legitimate. Web sites

can be created in just a few days. After a short period of taking money, a site can vanish without a trace.

- Don't invest in anything you are not absolutely sure about.
- Do your homework on the individual or company to ensure they are legitimate.
- Check out other web sites regarding this person/company.
- Be cautious when responding to special investment offers (especially through unsolicited e-mail).
- Be cautious when dealing with companies from outside your own country.
- Inquire about all the terms and conditions—if it sounds too good to be true it probably is.

Advance Fee Scheme:

An advance fee scheme occurs when the victim pays money to someone in anticipation of receiving something of greater value, such as a loan, contract, investment, or gift, and then receives little or nothing in return.

The variety of advance fee schemes is limited only by the imagination of the con artists who offer them. They may involve the sale of products or services, the offering of investments, lottery winnings, "found money," or many other "opportunities." Clever con artists will offer to find financing arrangements for their clients who pay a "finder's fee" in advance. They require their clients to sign contracts in which they agree to pay the fee when they are introduced to the financing source. Victims often learn that they are ineligible for financing only after they have paid the "finder" according to the contract. Such agreements may be legal unless it can be shown that the "finder" never had the intention or the ability to provide financing for the victims.

Tips to Avoid the Advanced Fee Schemes:

- Follow common business practice. For example, legitimate business is rarely conducted in cash on a street corner.
- Know who you are dealing with. If you have not heard of a person or company that you intend to do business with, learn more about them. Depending on the amount of money that you intend to spend, you may want to visit the business location, check with the Better Business Bureau, or consult with your bank, an attorney, or the police.
- Make sure you fully understand any business agreement that you enter into. If the terms are complex, have them reviewed by a competent attorney.
- Be wary of business deals that require you to sign nondisclosure or noncircumvention agreements that are designed to prevent you from independently verifying the identity of the people with whom you intend to do business. Con artists often use noncircumvention agreements to threaten their victims with a civil suit if they report their losses to law enforcement.

helpful TIPS

- Always use common sense—it is the best rule of thumb.
- Shred all credit card applications you receive.
- Shred anything with your credit card number written on it.

Internet Fraud

Nigerian Letter or "419" Fraud:

Nigerian letter frauds combine the threat of impersonation fraud with a variation of an advance fee scheme in which a letter, mailed from Nigeria, offers the recipient the "opportunity" to share in a percentage of millions of dollars that the author, a self-proclaimed government official, is trying to transfer illegally out of Nigeria. The recipient is encouraged to send information to the author, such as blank letterhead stationery, bank name and account numbers and other identifying information using a facsimile number provided in the letter. Some of these letters have also been received via E-mail through the Internet. The scheme relies on convincing a willing victim, who has demonstrated a "propensity for larceny" by responding to the invitation, to send money to the author of the letter in Nigeria in several installments of increasing amounts for a variety of reasons.

Payment of taxes, bribes to government officials, and legal fees are often described in great detail with the promise that all expenses will be reimbursed as soon as the funds are spirited out of Nigeria. In actuality, the millions of dollars do not exist and the victim eventually ends up with nothing but loss. Once the victim stops sending money, the perpetrators have been known to use the personal information and checks that they received to impersonate the victim, draining bank accounts and credit card balances until the victim's assets are taken in their entirety. While such an invitation impresses most law-abiding citizens as a laughable hoax, millions of dollars in losses are caused by these schemes annually. Some victims have been lured to Nigeria, where they have been imprisoned against their will, in addition to losing large sums of money. The Nigerian government is not sympathetic to victims of these schemes, since the victim actually conspires to remove funds from Nigeria in a manner that is contrary to Nigerian law. The schemes themselves violate section 419 of the Nigerian criminal code, hence the label "419 fraud."

Top Ten Internet Fraud Scams

1) Auctions
2) General Merchandise
3) Nigerian Money Offers
4) Fake Checks
5) Lotteries/Lottery Clubs
6) Phishing
7) Advance Fee Loans
8) Information/Adult Services
9) Work-at-Home Plans
10) Internet Access Services

Tips to Avoid Nigerian Letter or "419" Fraud:

- Be skeptical of individuals representing themselves as Nigerian or foreign government officials asking for your help in placing large sums of money in overseas bank accounts.
- Do not believe the promise of large sums of money for your cooperation.
- Guard your account information carefully.

The Nigerian Letter Scam is described on the Common Fraud Schemes webpage. The FIB "For the Family" section provides tips on how you can protect you and your family from fraud. Senior Citizens especially should be aware of fraud schemes.

Internet Auction Fraud:

Internet auction fraud was by far the most reported offense, comprising 62.7% of referred complaints. Non-delivered merchandise and/or payment accounted for 15.7% of complaints. Credit/debit card fraud made up 6.8% of complaints. Check fraud, investment fraud, computer fraud and confidence fraud round out the top seven categories of complaints referred to law enforcement during the year.

Tips to Avoid Internet Auction Fraud:

- Understand as much as possible about how the auction works, what your obligations are as a buyer, and what the seller's obligations are before you bid.
- Find out what actions the web site/company takes if a problem occurs and consider insuring the transaction and shipment.
- Learn as much as possible about the seller, especially if the only information you have is an e-mail address. If it is a business, check the Better Business Bureau where the seller/business is located.
- Examine the feedback on the seller.
- Determine what method of payment the seller is asking from the buyer and where he/she is asking to send payment.
- If a problem occurs with the auction transaction, it could be much more difficult if the seller is located outside the US because of the difference in laws.
- Ask the seller about when delivery can be expected and if there is a problem with the merchandise is it covered by a warranty or can you exchange it.
- Find out if shipping and delivery are included in the auction price or are additional costs so there are no unexpected costs.
- There is no reason to give out your social security or drivers license number to the seller.

Tips to Avoid Non-Delivery of Merchandise:

- Do your homework on the individual or company to ensure that they are legitimate.
- Try to obtain a physical address rather than merely a post office box and a phone number, call the seller to see if the number is correct.
- Send them e-mail to see if they have an active e-mail address and be wary of sellers who use free e-mail services where a credit card wasn’t required to open the account.
- Consider not purchasing from sellers who won't provide you with this type of information.
- Check out other web sites regarding this person/company.
- Don’t judge a person/company by their web site.
- Be cautious when responding to special offers (especially unsolicited e-mail).
- Be cautious when dealing with companies from outside your own country.
- Inquire about returns and warranties.
- The safest way to purchase items via the Internet is by credit card because you can often dispute the charges if something is wrong.
- Make sure the transaction is secure when you electronically send your credit card numbers.
- Consider utilizing an escrow or alternate payment service.

Why should Senior Citizens be concerned?

According to the FBI, the elderly are targeted for fraud for several reasons:

1) Older American citizens are most likely to have a "nest egg," own their home and/or have excellent credit, all of which the con-man will try to tap into. The fraudster will focus his/her efforts on the segment of the population most likely to be in a financial position to buy something.

2) Individuals who grew up in the 1930s, 1940s, and 1950s were generally raised to be polite and trusting. Two very important and positive personality traits, except when it comes to dealing with a con-man. The con-man will exploit these traits knowing that it is difficult or impossible for these individuals to say "no" or just hang up the phone.

3) Older Americans are less likely to report a fraud because they don't know who to report it to, are too ashamed at having been scammed, or do not know they have been scammed. In some cases, an elderly victim may not report the crime because he or she is concerned that relatives may come to the conclusion that the victim no longer has the mental capacity to take care of his or her own financial affairs.

4) When an elderly victim does report the crime, they often make poor witnesses. The con-man knows the effects of age on memory and he/she is counting on the fact that the elderly victim will not be able to supply enough detailed information to investigators such as: How many times did the fraudster call? What time of day did he/she call? Did he provide a call back number or address? Was it always the same person? Did you meet in person? What did the fraudster look like? Did he/she have any recognizable accent? Where did you send the money? What did you receive if anything and how was it delivered? What promises were made and when? Did you keep any notes of your conversations?

The victims' realization that they have been victimized may take weeks or, more likely, months after contact with the con-man. This extended time frame will test the memory of almost anyone.

5) Lastly, when it comes to products that promise increased cognitive function, virility, physical conditioning, anti-cancer properties and so on, older Americans make up the segment of the population most concerned about these issues. In a country where new cures and vaccinations for old diseases have given every American hope for a long and fruitful life, it is not so unbelievable that the products offered by these con-men can do what they say they can do.