Fraud Prevention

The Prevention and Detection of Fraud Begins with You

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What is Fraud?

- Fraud is any intentional act or omission designed to deceive others and resulting in the victim suffering a loss and/or the perpetrator achieving a gain.

- Statistic – In June of 2023, AARP reported that $28.3 billion a year is stolen from US adults over 60. They also suspect that almost $20.5 billion goes unreported. Most accurate report to date estimates nearly 3/4th of losses are known by the victim.

Common Types of Fraud

- Identity Theft
- Credit Card Fraud
- Bank Fraud
- Spoofing
- Phishing

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Identity Theft

This occurs when someone uses another person's personal information, like their name, Social Security number, or credit card number, without their permission.

The information can be used to open new accounts, make purchases, or take out loans in the other person's name.

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Prevention Tips

- **Establish an account with Creditkarma.com**
  - It's a free credit monitoring service and gives an overview of your credit.
- **Order and review your credit reports.**
  - Make corrections & dispute items that are suspicious or fraudulent.
  - You get 2 free copies a year with Equifax, TransUnion, Experian.
- **Freeze your credit for free.**
  - You can even freeze your children's credit, if they're under the age of 16.
- **Keep personal information private.**
- **Drop off outgoing mail at the Post Office or a nearby UPS store.**
  - Scammers are looking for checks being mailed out. If you mail out a birthday card, send a gift card instead of a check.
- **Shred or tear up your mail prior to putting it in the trash so that it’s not retrieved and used by fraudsters**.
  - Visit www.OptOutPrescreen.com to opt-out of bank and credit card offers. You can stop the offers for 5 years via online, or forever via the mail.

Credit Card Fraud

This occurs when someone uses a stolen or counterfeit credit card to make unauthorized charges. This can be done by making online, phone, or in person purchases.

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Prevention Tips

- **Set up alert notifications for your credit card accounts, checking accounts, and savings accounts. You can receive text messages or an email when limits are met.**
  - Never reply to bank text messages, instead, go on line and check your account or flip your card and contact the number on the back.

- **If possible, avoid using your debit card and use a credit card.**
  - If you use your debit card and fall victim to fraud, your protection is very weak and you may not get your money back.

Bank Fraud

This is committed when someone tries to illegally obtain money from a bank or financial institution. This can be done through a number of methods, such as creating false documents, forging signatures, or using stolen account information.

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Spoofing

This is when a criminal party pretends to be a legitimate organization, and masks its identity. Scammers can claim to be your insurance company, a government organization, or your bank. Spoofing aims to steal sensitive, personal information such as social security numbers, dates of birth, bank account numbers, or credit card information.

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Prevention Tips

- **Never reply to bank text messages, instead, go on line and check your account or flip your card and contact the number on the back.**
- **Avoid Lottery and Publishers Clearing House Call Scams.**
  - Scammers contact seniors and tell them they've won a prize but to claim their prize, they must send money, sometimes totaling thousands of dollars to cover taxes and fees. If it looks too good to be true.....it is. This also includes grandparent scams, missed court date scams, and Federal Grand Jury scams. Simply hang up. Don’t engage them. These scams grew 50% in 2022.
- **The IRS and Social Security Administration will never call you.**
  - Your local police department or sheriff's office will not call you to pay fines or have you deposit money into a Bitcoin depository. All of these are scams.
- **Your Bank or Credit Union will NEVER call, text, or email and request personal information.**
  - They will never call, text, or email and request you reset your password or PIN.

Phishing

Phishing works by embedding links in an email or asking for identifiable information, passwords, account numbers, or other sensitive data that can be used to hack your personal accounts.

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Prevention Tips

- **Home security- Password protect your wireless router.**
  - If you are unsure about your wireless router, contact a family member or your internet provider for help. Maintain good malware protection on your devices.
- **Chatting online and engaging in conversation is safe but be very cautious if you receive a text or email that says "Hi, how are you" or simply "Hello".**
  - This could be a predator. If you receive a telephone call and you don't recognize the number or it's not in your contact list, let it go to voice mail. Use a generic answering prompt and not your voice.
  - Don't respond to calls claiming to be with Microsoft. These are attempts to draw you in and remotely take over your computer. If they get into your computer, they can obtain your information and eventually, your banking information.

Romance Scams

Increased by nearly 85% over the last two years with an average loss of $56,422.00. These begin when fraudsters create elaborate, fake profiles, often on social media. The fraudster may groom their victims for several months before asking for money. A common story is that they are stuck overseas, and they request money to finance visas, emergency medical expenses, or travel costs to visit the senior. In other situations, the criminal may call the elderly individual and impersonate a younger relative asking for money.

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Sweepstakes & Lottery Scams

Avoid Lottery and Publishers Clearing House calls. Scammers contact seniors and tell them they've won a prize but to claim their prize, they must send money, sometimes totaling thousands of dollars to cover taxes and fees. If it looks too good to be true.....it is. This also includes grandparent scams, missed court date scams, and Federal Grand Jury scams. Simply hang up. Don’t engage them.

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Tech Support Scams

Seniors account for 58% of these reports and 68% of total losses, with an average loss of $ 17,117.00. These scams start with a pop-up message that tells the elderly individual that their device is damaged and requires repairs. When the senior contacts them for assistance, scammers often request remote access to their device.

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Final Thoughts

Scammers rely on seeming friendly or urgent to get you to act in an intensely emotional state – be strong!
You can stay safe with a bit of skepticism and knowing what signs to look for to identify fraud.

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Be vigilant and protect your personal identifying information.

- **Criminal Investigations Division / Financial Crimes Unit** 770-928-0239
- **Equifax** 1-800-685-1111 for general info & 1-800-525-6285 for fraud. www.equifax.com
- **Experian** 1-888-397-3742 for general info & fraud related issues. www.experian.com
- **Transunion** 1-800-888-4213 or 1-800-680-7289 www.transunion.com
- **IRS related fraud** www.irs.gov
    - Select the fraud section & print out & complete the form 14039. The victim will have to mail in a hard tax return & prior to the end of the year, they'll receive notice from the Department of Revenue giving them a PIN. This PIN will have to be written on their mailed in tax return for the next several years. www.FTC.gov.
- Victims of fraud will also file a complaint with the FTC. Cases are compiled and if a pattern develops, enforcement action can be taken against those responsible.

Courtesy of the Cherokee Sheriff's Office

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