



10 Red Flags You Are Being Scammed

Scams and frauds take many forms and shapes, but all fraudulent activities have the same purpose – to take advantage of the victim. While many frauds and scams use creative and innovative strategies and approaches to rip people off, most of them fundamentally use the same tactics.

Defining frauds and scams:

Fraud can essentially be defined as an intentional deception that results in personal gain for one party and personal injury or loss for the other party.

Similarly, a **scam** is typically defined as a fraudulent business scheme.

In most cases of fraud and scams that are reported to the Better Business Bureau one or many of the following 10 red flags could have been an indicator to the victim that they were about to be ripped off.

1 - High Pressure Sales Tactics

Con artists want to take advantage of you. They are desperate for you to buy into their scheme if they are going to profit from you. Impulse shopping and decision making is a chronic condition in our culture and high-pressure sales tactics often distract people sufficiently to encourage and promote impulsive decision-making. Scammers using such tactics often act aggressively, speak loudly, dominate the conversation, express urgency and refuse to let you disengage—all with the hopes that the longer they can pressure you, the more distracted you will become and the more likely you will make a quick decision to their benefit.

***Protect Yourself** - The simplest way to protect yourself from scams using high pressure sales tactics is to avoid high pressure sales situations at all costs. Learn to identify when someone is using such tactics and ask them to stop, walk away or hang up the phone. If someone shows up at your door using these tactics, ask them immediately to leave your property and inform them that you will call the police if they do not.*

fratricide *n* 1 the act of a person who kills his or her brother
Frau (rhymes with haw) German form of address for a woman
fraud *n* 1 deliberate deception to gain an advantage. 2 a person who commits fraud
fraudster *n* a person who commits fraud
fraudulent *adj* 1 acting in a dishonest way, especially involving fraud

2 - Limited Opportunity

Scam and frauds often play on our innate sense of greed and vanity. Many frauds are designed to get you to feel like you are getting a great deal or are part of an exclusive “club.” By playing up the “one time only” or “limited time only” opportunity, scammers hope to force you into quickly making a decision to take advantage of the great deal without having time to do your research or think about the legitimacy of the opportunity. This tactic is often part of a high-pressure sales tactic and many telemarketers (both legitimate and illegitimate) and fraudulent investment brokers use this tactic to close the sale as quickly as possible.

***Protect Yourself** - Don't let the “limited time” opportunity ever be your reason for spending money. Always take the time to comparison shop and do your research on the opportunity and person pitching it before spending your money.*

3 - Unsolicited Contact

In most circumstances the con artist will come to you first with the intent of pitching some type of opportunity to you or coaxing you in to divulging personal or financial information. Unsolicited contact may come in the form of a mailed letter, a fax, a phone call or voice message, an email, a link on a website or via an online social networking site.

***Protect Yourself** - Always be wary of situations in which someone is offering you an opportunity that you did not personally seek out yourself, whether by mail, fax, phone, email, or via online social networking.*

4 - Personal Information Required

There are very few situations in which personal information such as your name, address, birthday, Social Insurance Number (SIN), credit card numbers, banking information, Personal Identification Numbers (PIN) or passwords are ever legitimately required by a business or organization. In the legitimate circumstances when this information is required, protective security features

and measures are almost always in place to ensure that such information doesn't fall into the wrong hands. Scammers who have previously stolen some of your private information often pose as banks and credit card service providers (via mail, fax, phone, email etc) in hopes of getting as much information as they can to steal your identity and commit fraud.

***Protect Yourself** - Never give out any of your personal information (especially your SIN, PIN, account numbers and passwords) to anyone, unless you have a personal reason to initiate a conversation in which such information is required. Always pay attention to what information you are giving out, and ensure you are giving it to a trusted party with the appropriate security and protective measures in place to store it.*

5 - Guarantees, High Returns, No Risk

Just about all forms of investment scams use promises of high returns, low or no risk opportunities and guarantees of riches or success, to dupe people into spending their money.

***Protect Yourself** - Be on the alert for opportunities that promise a great deal with little risk. No investment opportunity is without risk. Before buying into such an opportunity, be sure to carefully do your research. Understand the opportunity clearly, and make sure the person pitching it to you is reputable and trustworthy.*

6 - Details are Vague or Confusing

A classic tool of con artists is to keep the victim in the dark about the details of the true situation, in order to ensure they never fully understand that they are being scammed until it is too late. Unscrupulous fraudsters will often mumble through the details, dance around the specifics, talk in circles, use confusing jargon or claim they are the expert and can handle things for you.

***Protect Yourself** - Don't ever get involved in an opportunity or give your personal information unless you totally understand all the details of the situation and they make rational sense.*

7 - Win, Win. No Fees, No Losses

Similar to the red flag of guaranteed return and no risk, is the promise of a "win-win" situation in which you will come out on top, with little effort, without having to pay any fees and without losing anything. Prize and survey scams are often based on this premise. You provide the scam artist with information of some sort and in return you will win an amazing prize at no cost to you. In most scenarios your personal and financial information is being stolen.

***Protect Yourself** - When it sounds too good to be true it usually is. Riches do not come easily. No one trying to make money, legitimately or not, is going to offer you*

an opportunity in which money or information of some sort does not have to be transferred between parties and in which the person pitching the idea isn't going to benefit in some way.

8 - Money Transfers Required

A large majority of scams contain scenarios in which cheques will be written and money must be wired or transferred to another party. Not all cases of money transfers are illegitimate, but many frauds require some irregular system of money being exchanged in an untraceable manner. Lotto, prize winning and employment scams often require that the victim cash a cheque or transfer money under their name to the con artist. Online purchasing scams often require that money be sent before a product will be shipped (and often it never is).

***Protect Yourself** - Know that wire transfers are untraceable, so if the opportunity is a scam you will lose your money and it will not be found. Be wary of scenarios in which you are asked to cash a cheque and return a partial payment for any reason. When shopping online use reputable, traceable payment options such as PayPal.*

9 - Lack of Sufficient Contact Info

Fraudsters do not want to be easily found. Remaining elusive is what allows them to continue to rip people off. In many scam situations the con artist will refuse to disclose their contact information and they often give out fake or conflicting company names, addresses and phone numbers. Many door-to-door and telemarketing con artists are unwilling to provide you with contact information where you can reach them if necessary.

***Protect Yourself** - Be wary of situations in which you have any reason to question the contact information you have been or are not given upon request. When you are given information always do your research and check the company and contact information out yourself. Visit vi.bbb.org to check out a company's complaint history and reliability report.*

10 - Something Doesn't Feel Right

This is probably the most important and most often overlooked red flag when it comes to frauds and scams. Almost everyone who becomes a victim at some point in the process of being scammed disregarded his or her gut feeling that something was off or wrong with the situation.

***Protect Yourself** - Use common sense and listen to your gut instinct – it is usually correct!*

**FOR MORE INFORMATION VISIT
vi.bbb.org**

TIPS TO PROTECT YOURSELF

- Do not give personal information out over the phone
- Do not give banking or financial information to anyone you don't know or trust
- Never lend or give you bank or credit cards to anyone
- Don't throw credit card receipts in garbage
- Check your credit card billing and monthly statement
- Change PIN numbers and passwords often.
- Don't write PIN on cards or keep PINs written on piece of paper in your purse/wallet
- Don't leave your purse/wallet unattended
- Protect your PIN when shopping
- Shred all credit card bills, bank info
- Do not respond to unsolicited emails or pop up windows on the internet
- Do not allow door to door salespeople / canvassers into your home
- Don't be afraid to say no
- Don't rush into any home repair/renovation offers
- Do background or referral checks, do your homework.
- Do not give large sums of money to anyone

If you're unsure, take your time. Call a trusted relative or friend.

Contact police - **ASK US FIRST**