

How to Spot Scams

If you use a cellphone or have an email account, you've likely been exposed to an attempted scam.

- "I'm a deposed prince. Can you help me out?"
- "This is the opportunity of a lifetime..."
- "Congratulations! You've won the grand prize!"
- "I'm collecting donations on behalf of..."

Types of scams

Familiarizing yourself with common scams can help you spot them before they turn into costly mistakes.

Unexpected money

- **The setup:** A wealthy person asks the target for help with the transfer of a large sum of money, or an estate lawyer notifies the target of a large inheritance from a distant relative
- **The swindle:** The target is required to pay fees, write a check or provide bank account access in order to complete the transfer of funds; the target never receives the money

Unexpected winnings

- **The setup:** The target is notified that they've won a lottery, a contest, a sweepstakes or some other prize giveaway
- **The swindle:** In order to claim the (invented) prize, the target is instructed to pay a lottery tax or provide personal information

Buyer-seller fraud

- **The setup:** The target comes across a tempting online listing for a premium item at an extremely low price
- **The swindle:** Scammers collect the payment but never deliver on the product; multiple accounts and fake reviews are used to disguise their deceptive practices

Fake charities

- **The setup:** The target is contacted by a charitable organization and asked to make a donation
- **The swindle:** Scammers pose as existing charities or invent fake ones and then pocket the donations

Dating schemes

- **The setup:** The target is charmed by a new online sweetheart and develops an emotional bond with them
- **The swindle:** The new sweetheart is actually a scammer; once the relationship has developed, the scammer asks for expensive gifts, travel or cash

Get-rich-quick schemes

- **The setup:** A job placement service offers to find a position for an unemployed target, or the target is approached by a businessperson with an investment opportunity
- **The swindle:** The scammer collects placement fees for their fraudulent job placement service, or takes off with the target's investment money

Threats and extortion

- **The setup:** The target receives urgent demands for money from a government official or from law enforcement, or the target

discovers ransomware on their computer

- **The swindle:** The scammer poses as an authority figure to scare the target into paying them; the scammer holds computer files hostage to pressure the target into paying them

Identity theft

- **The setup:** The target is asked to log into their account or confirm their password, or the target is contacted by a friend or relative and asked a series of questions
- **The swindle:** The scammer impersonates the target's personal and business contacts in order to gain personal details that can then be resold or used for identity fraud

-

-

- **Reporting scams**

-

- If you believe you've been targeted by a scammer, contact the following:

- **Internet Crime Complaint Center (IC3):** www.ic3.gov

- **Federal Trade Commission:** www.FTC.gov/complaint

Scams are often under-reported because of embarrassment or shame.

Staying safe

Buy some time: In an emergency, it's natural to act before you have time to think. It's no coincidence that many scams are designed to encourage an immediate reaction, before you have a chance to spot any red flags. Allow yourself to take a minute to assess a situation, even if it seems urgent.

- **Use the address bar:** Get in the habit of visiting websites directly instead of following links contained in emails. It takes only a few extra seconds and helps you be more mindful about your online activity.
- **Cross-reference:** It's perfectly reasonable to verify the identity of the person or business you're in contact with. Use a means outside of the original communication, like doing a separate web search or returning a call through a publicly listed number.

Sources: FBI.gov, USA.gov, Australian Competition and Consumer Commission