



SENIOR CITIZEN FRAUD How To Protect Yourself

- A Canadian couple is arrested for allegedly bilking victims across the U.S. by selling bogus credit card protection plans over the phone.
- A Maryland financial planning/estate lawyer pleads guilty to defrauding his own clients.
- A California man is convicted of stealing nearly \$5 million from residents of a retirement home through an investment scheme.

What's the common thread here? All of the victims were elderly, and many lost their life savings.

Why are the elderly such an attractive target for con artists?

- Many seniors have a "nest egg."
- They're less likely to report a fraud because they don't know where to go or they're too embarrassed to talk about it.
- If they do report the crime, it's sometimes hard for them to remember exact details.
- Many of the products/services being hawked by con artists appeal to individuals of a certain age—i.e., anti-aging and other health care products, health care services, and investments related to retirement savings.

The threat to seniors is growing...and changing. Baby boomers (born between 1946 and 1964) are now the largest segment of our population—about 78 million people. That means that the number of senior citizens is rising. Many younger boomers also have considerable computer skills, so criminals are modifying their targeting techniques—using not only traditional telephone calls and mass mailings but also online scams like phishing and e-mail spamming.

Another trend: Criminals targeting the elderly are increasingly located outside the U.S., making it difficult for American law enforcement to track them down.

The scams. Some common ones to look out for:

- Identity theft (accomplished through "dumpster diving," phishing, address changes, old-fashioned theft);
- Health insurance frauds (medical equipment, "rolling lab" schemes, Medicare fraud, counterfeit prescription drugs);
- Home repair schemes;
- Foreign lottery/sweepstakes fraud;
- Advance fee/credit card frauds;
- Investment fraud; and
- Charity schemes.

Recovery schemes are also worth mentioning because they're especially cold-hearted: they target previous victims by convincing them that their money has been

recovered by law enforcement or government officials but that they must pay a fee to get it back.

A few basic tips to avoid being victimized:

- Shred credit card receipts and old bank statements;
- Close unused credit card or bank accounts;
- Don't give out personal information via the phone, mail, or Internet unless you initiated the contact;
- Never respond to an offer you don't understand;
- Talk over investments with a trusted friend, family member, or financial advisor;
- Require all plans and purchases to be in writing; and
- Don't pay in advance for services.

Who to call. If you're a senior citizen who has been victimized by fraud, start by calling your local or state law enforcement agency.

http://www.fbi.gov/page2/april08/senior_fraud041008.html