

FINANCIAL FRAUD FOCUS

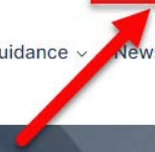
# THE DARK TRUTH

THESE SLIDES WERE PREPARED FOR MCEAP'S ELDER ABUSE SUMMIT





Report Fraud | **Sign Up for Consumer Alerts** | Search the Legal Library



# Virtual Panel on Cloud Computing

Today at 1pm, join agency leaders and expert guests for an online panel discussion on the business practices of cloud computing.

[View the Webcast](#)

Have you been targeted by an illegal business practice or scam?

[Report to the FTC](#)

Feedback

## Take Action

- Report fraud
- Submit a public comment
- File an antitrust complaint
- Get your free credit report
- Report identity theft
- Register for Do Not Call



# 2021

## FTC CONSUMER SENTINEL NETWORK

Published February 23, 2023  
(data as of December 31, 2022)

### All Fraud and Other Reports

Year: 2021

View

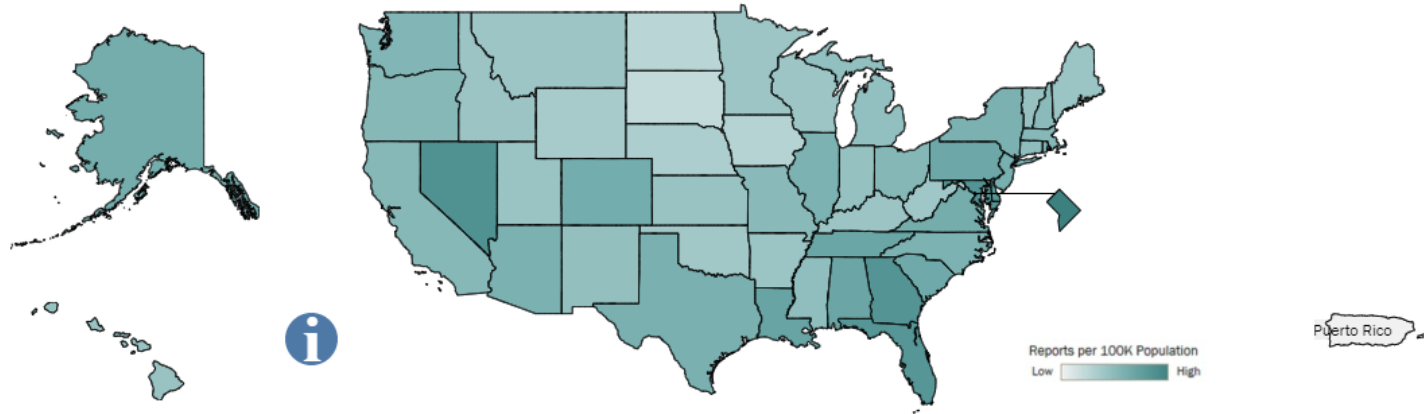
Map

Year

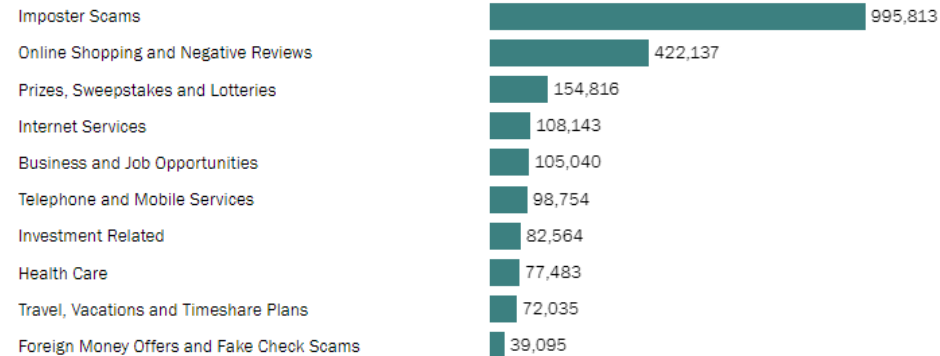
2021

Quarter

(All)



### Top 10 Fraud Report Categories



State population estimates are based on U.S. Census population estimates for 2020. State level data excludes state-specific data contributor reports. Certain Fraud categories are comprised of subcategories that fall in both Fraud and Other report types. The Fraud rankings exclude subcategories that are not fraud.

### Fraud Facts

**2,923,241**

# of Fraud Reports

**\$6,126.9M**

Total \$ Loss

**\$500**

Median \$ Loss

# BREAKING IT DOWN - 2021

## Fraud Reports

Almost 3 Million reported fraud cases.

What would this number be if it included ALL fraud?

## Losses

Over \$6,000,000,000!

## Biggest Type of Fraud

Imposter Scams

- This includes Romance Scams
- Computer Takeovers

# 2022

## FTC CONSUMER SENTINEL NETWORK

Published February 23, 2023  
(data as of December 31, 2022)

### All Fraud and Other Reports

Year: 2022

View

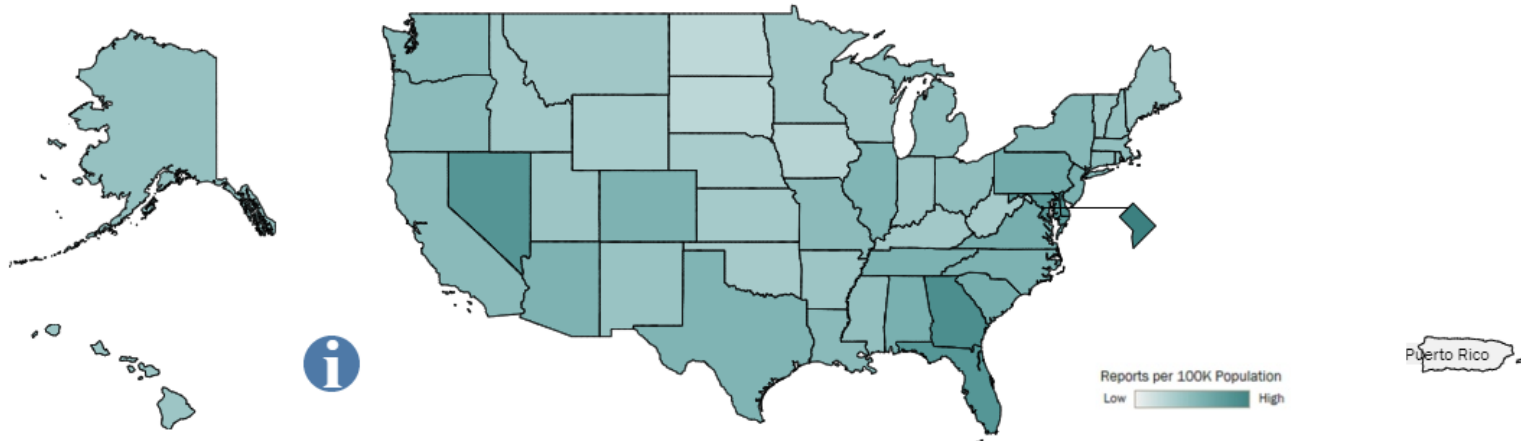
Map

Year

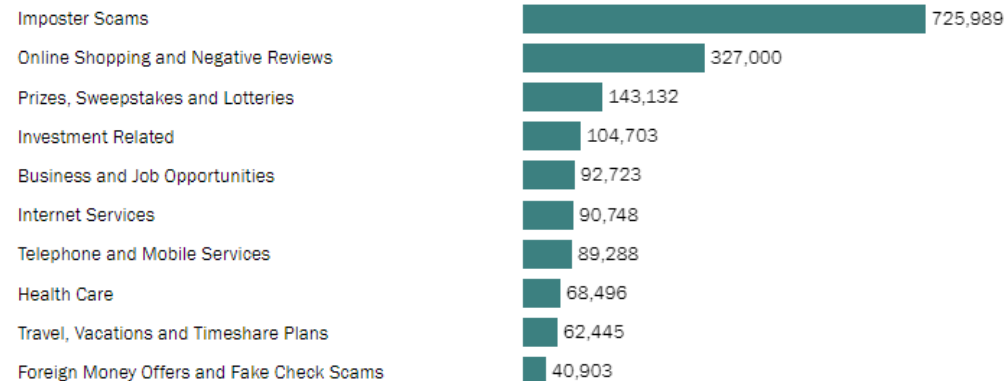
2022

Quarter

(All)



### Top 10 Fraud Report Categories



State population estimates are based on U.S. Census population estimates for 2020. State level data excludes state-specific data contributor reports. Certain Fraud categories are comprised of subcategories that fall in both Fraud and Other report types. The Fraud rankings exclude subcategories that are not fraud.

### Fraud Facts

**2,369,527**

# of Fraud Reports

**\$8,767.4M**

Total \$ Loss

**\$650**

Median \$ Loss

# BREAKING IT DOWN

## Fraud Reports

Over 2.3 Million reported fraud cases.

Again, what would this number be if it included ALL fraud?

## Losses

Over \$8,767,400,000!

## Biggest Type of Fraud

Imposter Scams

- This includes Romance Scams
- Computer Takeovers

# WHAT DOES THIS ALL MEAN?

- ✓ In 2022, there were **553,714 less** cases of fraud reported compared to 2021.
- ✓ In 2022, **\$2.7B more** fraud was reported than 2021.
- ✓ In 2022, the average fraud case **increased by \$1,604.13** where in 2021 it averaged \$2,095.93 and in 2022 it averaged \$3,700.06.

**Remember – this is only what has been reported!**

# TYPES OF FRAUD

## **Romance Scams** – *Very common.*

Lures the person with affection, gaining trust over short and long periods of time.

## **Computer Takeovers** – *Increasingly common.*

Pose as Tech Support (Microsoft, Amazon, Best Buy Geek Squad) or will use other tactics to gain remote access to your computer.

## **Working for Nothing Scams** – *Common.*

They may reach out to you or they may post a job offer. They may send you money in advance of the work being done with a catch to send some of it back or to another person.

## **Cold Calling** – *Common.*

Solicitation posing from a business (Medicare, PayPal, Amazon, IRS) that typically use a threat tactic to gain account information.

## **Sweepstakes/Lottery Winnings** – *Common.*

Contacted by someone claiming you won a large prize but you have to pay a fee or taxes to claim it.



# BREAKING IT DOWN

## THE STORY OF MR. ILOSTMYENTIRESAVINGS

Let's take a second to paint the picture...

A man who was a long time member. He had lost his wife due to health reasons. Financially stable. Wasn't wealthy but had saved money over time to build a nice nest egg that was there to allow him to spend more than his monthly Social Security deposit. He grieved the loss of his late wife and felt that there was something missing – he wanted a companion.

He decided to subscribe to a dating website.



# I LOST MY ENTIRE SAVINGS

Was it love at first sight?

...it might have been love at the first text message or first phone call, but he never met this person in-person. **RED FLAG**

The calls were constant, they were engaging, they gave him confidence - empowered him in a way that he hadn't felt in years - he was on cloud nine, feeling wonderful because someone was giving him the attention he had longed for. He was in love.

They spent hours each day talking...over the phone...but never in-person.

**RED FLAG**



# THE REQUEST FOR MONEY

**\* RED FLAG \***

## 1) BORROWED AGAINST HIS HOME

Borrowed \$34,500 against his home resulting in a monthly payment of \$220

## 2) BORROWED AGAINST HIS TRUCK

Borrowed \$30,000 against his truck that was paid off resulting in a payment of \$450

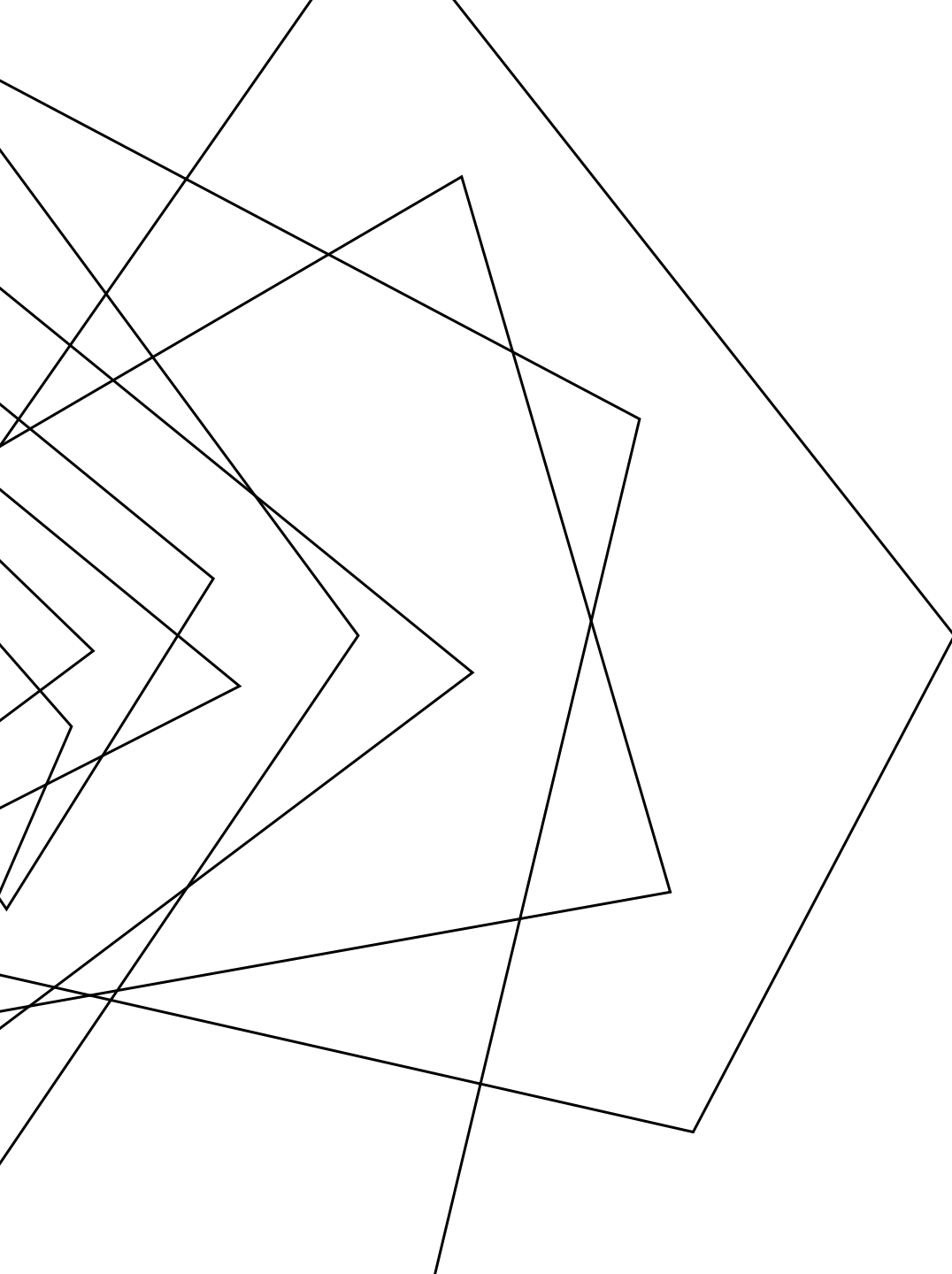
## 3) TOOK OUT A PERSONAL LOAN

Borrowed \$10,000 as a personal loan resulting in a monthly payment of \$215

## 4) MAXED OUT CREDIT CARDS

Now has a minimum monthly payment of \$225





He has not only given his **ENTIRE** savings to a fraudster, but he is now also responsible for paying back almost \$85,000 in loans, amounting to over \$1,000 a month in new loan payments.

THIS EQUALS HALF OF HIS MONTHLY INCOME!





## WHAT WE KNOW...

- ACCUMULATED OVER \$85,000 IN DEBT  
    —————▶ THERE IS MORE...
- RECEIVED ALMOST \$50,000 IN THE  
    FORM OF CHECKS AND WIRES

**HE HAS MOVED OVER  
\$135,000 TO FRAUDSTERS**

# WHERE DID ALL THE MONEY GO?

IT IS GONE...

UPS

Sent cash in the mail

GIFT CARDS

Purchased gift cards and gave the fraudster the gift card information over the phone

# MAINE SAVINGS FRAUD TOTALS

JANUARY - \$106,000

FEBRUARY - \$158,000

MARCH - \$170,000

APRIL - \$136,000

**TOTAL YEAR-TO-DATE: \$570,000**

**IF THE TREND CONTINUES**

WE EXPECT TO SEE OUR MEMBERS  
INVOLVED IN FRAUD THAT AMOUNTS TO  
OVER

**\$1,700,000** IN 2023



# RED FLAGS

## CHANGE IN BEHAVIOR

- ✓ Secretiveness
- ✓ Personal appearance
- ✓ Lack of focus
- ✓ Unusual spending
  - Unnecessary working being done to home
  - Large purchases – for example buying land
- ✓ Mention of new friends
- ✓ Unusual number of phone calls
- ✓ Sense of being scared
- ✓ Isolating themselves



# FRAUDSTERS ARE OUT FOR EVERYONE

They do not discriminate.

They are relentless.

They want you to trust them.

They prey on everyone.

Anyone that will give them time

They are smart.

They are relentless.

They are persuasive.

They are intimidating.

They are relentless.



# HOW DO YOU PROTECT YOURSELF AND THOSE YOU CARE ABOUT

- ✓ Talk about Fraud
- ✓ If you have concerns that someone you know could be conversing with a fraudster - share concerns
- ✓ Don't click on random links on the internet  
If you do – shut your computer off IMMEDIATELY and bring it to a professional to have it reviewed
- ✓ Don't share personal information
- ✓ Don't engage in conversations with anyone that won't meet you in person

# HOW DO YOU PROTECT YOURSELF AND THOSE YOU CARE ABOUT

- ✓ Hang up the phone when people cold call you and block the number
- ✓ Don't wire money to anyone you don't know
- ✓ Don't put cash in the mail
- ✓ Visit [www.ftc.gov](http://www.ftc.gov), sign up for their Consumer Alerts, spend time on the site reviewing the information they post

# WHAT IF YOU FEEL THAT YOU ARE CURRENTLY IN A FRAUDULENT SITUATION

1. Talk to someone you trust (a family member, trusted friend, someone at your financial institution, a member of law enforcement)
2. **IMMEDIATELY** stop all conversations with the potential fraudster (don't even tell them you know about them and what they are doing)
  - Block their number from contacting you
3. Pause and give yourself time to collect your thoughts
4. File a report on [ftc.gov](https://www.ftc.gov)
5. Talk to your financial institutions
6. Change all of your passwords
7. Remember that they are relentless – they will try to persuade you to continue the conversation

It might seem overwhelming.

Recognize that, but focus on the momentum of moving forward.



## SUMMARY

We work hard for our money and the reality is that it can quickly disappear. Fraudsters are extremely good at taking money from innocent people and they carry no guilt in their actions. Fraud is not going away, but collectively, with effort, we can do our part in protecting ourselves and those we love.

**Give yourself permission to pause and ask yourself if this seems right.**

Listen to your intuition and take steps to protect yourself and anyone that you feel might be communicating with a fraudster.



PLEASE POST  
QUESTIONS IN THE  
CHAT

OR

RAISE YOUR HAND  
(UNDER REACTIONS)

