

# PHONE Scams



ASSISTING LOCAL COMMUNITIES WITH  
FRAUD IDENTIFICATION, EDUCATION, & PREVENTION

People lose a lot of money to phone scams—sometimes their life savings. Scammers have figured out countless ways to cheat you out of your money over the phone. In some scams, they act friendly and helpful. In others, they threaten or try to scare you. They'll do what it takes to get your money or your personal information to commit identity theft. Don't give it to them. Here's what you need to know.



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## ► The \$5,000 Phone Trick

A grandmother recently lost \$5,000 to a scammer posing as her grandson, Benuel. The caller claimed he was traveling in California. He told a scary story: his taxi was pulled over, the police found drugs, and he was in jail.

### How Grandma Was Tricked

The grandmother was smart—she tried to verify his identity by speaking **Pennsylvania Dutch**, a language her real grandson knows. But the scammer had a fast answer:

*“No, Grandma, you need to speak English so my lawyer can understand what we’re saying.”*

She believed him. To “help” him, she followed his odd instructions: she hid \$5,000 in cash inside the pages of two magazines and mailed them to California. A week later, she called the real Benuel and realized he had never even left home, and the money had been sent to a scammer.

### How to Protect Yourself

Scammers use fear to make you act fast. If you get a suspicious call, remember these three steps:

**STOP:** Scammers want you to panic. If you feel rushed or are told to keep a secret, stop immediately.

**DISCONNECT:** Hang up the phone. This breaks the scammer’s spell and gives you time to think clearly.

**RECONSIDER:** Call a family member or a friend you trust. Ask them if the story sounds real before you send any money.



## ► How To Recognize a Phone Scam



Phone scams come in many forms, but they tend to make similar promises and threats, or ask you to pay certain ways. Here's what to know.

### **There is no prize**

The caller might say you were “selected” for an offer or that you’ve won a lottery. But if you have to pay to get the prize, it’s not a prize.

### **You won’t be arrested**

Scammers might pretend to be law enforcement or a federal agency. They might say you’ll be arrested, fined, or summonsed to another state if you don’t pay taxes or some other debt right away. The goal is to scare you into paying. But real law enforcement and federal agencies won’t call and threaten you.

### **You don’t need to decide now**

Most honest businesses will give you time to think their offer over and get written information about it before you commit. Take your time. Don’t get pressured into making a decision on the spot.

### **Only scammers demand you pay certain ways**

Scammers will often insist you pay in a way that makes it hard to get your money back—by sending cash, wire transfer, gift card, cryptocurrency, or payment app. Anyone insisting that you can only pay that way is a scammer.



## Government agencies won't call to confirm your sensitive information

No government agency is going to call you out of the blue and ask for sensitive information like your Social Security number. They're lying if they say they're with a government agency you know, like the FTC, Social Security Administration, or IRS.

## You shouldn't be getting all those calls

If a company is selling something, it needs your written permission to call you with a robocall. And if you're on the National Do Not Call Registry, you shouldn't get live sales calls from companies you haven't done business with before. Those calls are illegal. If someone is already breaking the law calling you, what they're calling about is probably a scam.



## ► Examples of Common Phone Scams



Any scam can happen over the phone. But here are some common methods phone scammers like to use.

### **Impersonator scams**

A scammer pretends to be someone you trust—a government agency like the FTC or FBI, the sheriff’s office, a court official, a family member, a special friend, or a business you recognize. They might say they need money or information, or claim there’s a problem with your computer—and they need you to act fast. The scammer can even have a fake name or number show up on your caller ID to convince you.

### **Debt relief and credit repair scams**

If someone offers to lower your credit card interest rates, fix your credit, or get your student loans forgiven if you pay their company a fee first, that’s a scammer. Don’t believe them. You could end up losing your money and ruining your credit.

### **Business and investment scams**

Callers might promise to help you start your own business and give you business coaching, or guarantee big profits from an investment—maybe investing in cryptocurrency. Don’t believe it. Check out investment opportunities with your state securities regulator.

### **Charity scams**

Scammers like to pose as real charities and might ask for donations for disaster relief efforts, support for local law



enforcement or other community service organizations, or money for children and families dealing with cancer. Always ask how much of each dollar you donate will go directly to the charity’s mission and always check out a charity before you give. Never feel pressured to give immediately over the phone.

## **Extended warranties**

Scammers find out what kind of equipment you have and when you bought it (or pretend to know) so they can urge you to buy overpriced—or worthless—service contracts or so-called extended warranties. Never buy a contract or warranty on the spot, and always research the company and contract or warranty before you pay anything so you know if it makes sense for you.

## **“Free” trials**

A caller might promise a free trial but then sign you up for products—sometimes lots of products—that you’re billed for every month until you cancel. Never sign up without knowing what happens after the “free trial” ends, and always read your billing statements to look for unexpected charges.

## **Loan scams**

Loan scams include advance fee loan scams, where scammers guarantee you loans or credit cards for an upfront fee. Don’t buy it. Honest lenders don’t make guarantees like that.

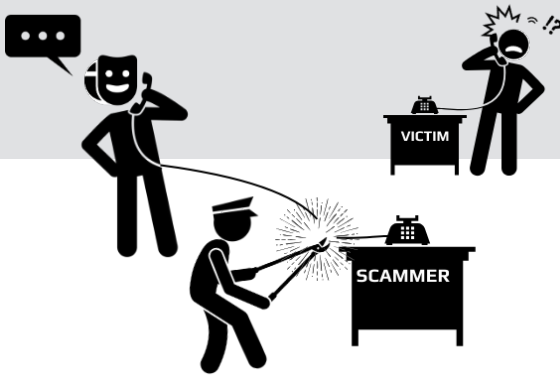
## **Prize and Won-Big scams**

In a typical prize scam, the caller will say you’ve won a prize, but then say you need to pay taxes, registration fees, or shipping charges to get it. Hang up. After you pay, you find out there is no prize. Additionally, Fraud Aware does not support lottery and Won-Big programs.

*Wealth gained by dishonesty will be diminished, But he who gathers by labor will increase. Proverbs 13:11*



## ► How to Stop Calls From Scammers



### Hang up

Even if it's not a scammer calling, a company that calls you illegally isn't a company you want to do business with. When you get a robocall, don't press any numbers to let you speak to a live operator or remove you from their call list. Instead, it might lead to more robocalls.

### Consider call blocking or call labeling

Scammers don't care if you're on the National Do Not Call Registry. That's why call blocking is your best defense against unwanted calls. Which type of call-blocking or call-labeling technology you use will depend on the phone—whether it's a cell phone, a traditional landline, or a home phone that makes calls over the Internet (VoIP). See what services your phone carrier offers and look online for expert reviews. For cell phones, also check out the reviews for different call-blocking apps in your app store.

### Don't trust your caller ID

Scammers can make any name or number show up on your caller ID. That's called spoofing. So even if it looks like it's a government agency like the Social Security Administration calling, or like the call is from a local number, it could be a scammer calling from anywhere in the world.



## ► What to Do if You Already Paid A Scammer



Scammers will often ask you to pay in a way that makes it hard for you to get your money back. Don't pay someone who insists that you can only pay by sending cash with a gift card, cryptocurrency, a payment app, or a wire transfer service like Western Union or MoneyGram. It's a scam.

If you paid someone one of these ways, act quickly to report it to the company or bank behind the gift card, cryptocurrency, payment app, or wire transfer service. Depending on how you paid, you might be able to get your money back. But no matter how you paid, it's worth asking.

### **If you paid a scammer**

#### ***Did you pay with a credit card or debit card?***

Contact the company or bank that issued the credit card or debit card. Tell them it was a fraudulent charge. Ask them to reverse the transaction and give you your money back.

#### ***Did someone make an unauthorized transfer from your bank account?***

Contact your bank and tell them it was an unauthorized debit or withdrawal. Ask them to reverse the transaction and give you your money back.



### ***Did you buy a gift card and give someone the numbers of the back of the card?***

Contact the company that issued the gift card. Use the list of contacts at **ftc.gov/GiftCards**. Tell them the card was used in a scam and ask for your money back. Keep a copy of the gift card and the store receipt.

### ***Did you send a wire transfer through a company like Western Union or MoneyGram?***

Contact the wire transfer company. Tell them it was a fraudulent transfer. Ask them to reverse the wire transfer and give you your money back.

- MoneyGram at 1-800-926-9400
- Western Union at 1-800-448-1492
- Ria (non-Walmart transfers) at 1-877-443-1399
- Ria (Walmart2Walmart and Walmart2World transfers) at 1-855-355-2144

### ***Did you send a wire transfer through your bank?***

Contact your bank and report the fraudulent transfer. Ask them to reverse the wire transfer and give you your money back.

### ***Did you send money through a payment app?***

Report the fraudulent transaction to the company behind the payment app and ask them to reverse the payment. If you linked the app to a credit card or debit card, report the fraud to your credit card company or bank. Ask them to reverse the charge.

### ***Did you pay with cryptocurrency?***

Contact the company you used to send the money and tell them it was a fraudulent transaction. Ask them to reverse the transaction.

### ***Did you send cash?***

If you sent cash by U.S. mail, contact the U.S. Postal Inspection Service at 877-876-2455 and ask them to intercept the package. To learn more about this process, visit **usps.com**.

If you used another delivery service, contact them as soon as possible.



► If you gave **A Scammer**  
your personal information



***Did you give a scammer your Social Security number?***

If so, call 1-877-ID-THEFT (1-877-438-4338), or visit **IdentityTheft.gov** online to learn what steps to take, including how to monitor your credit.

***Did you give a scammer your username and password?***

Create a new, strong password. If you use the same password anywhere else, change it there, too.

If someone calls and offers to “help” you recover money you have already lost, don’t give them money or personal information. You’re probably dealing with a fake refund scam.



## ► Report Phone Scams



If you've lost money to a phone scam or have information about the company or scammer who called you, report it to the FTC at 877-382-4357 or online at **ReportFraud.ftc.gov**.

If you didn't lose money and just want to report a call, use the simple reporting form at **DoNotCall.gov**, or call 1-888-382-1222 to register your number on the do-not-call list.

Any information you provide will help stop the scammers. Report the number that received the call, the number on your caller ID, and any number they told you to call back. Also report the exact date and time of the call, if you know it. Knowing all this information helps the FTC and its law enforcement partners track down the scammers behind the call.

The FTC also takes the phone numbers you report and releases them to the public each business day. This helps phone carriers and other partners that are working on call-blocking and call-labeling solutions.









# THE THREE PREDICTABLE STEPS TO MOST SCAMS

## Step #1: The Faker Contact







Pretending to be:

- IRS, SSA
- DOT, FBI
- Border Control
- Sheriff
- Utility Company (elec, gas, water)
- A Relative

## Methods of Contact:

-  Mail
-  Fax
-  Phone
-  Text Message
-  Email
-  In-person

## Step #2: The Faker's Lie

- Parcel with drugs 
- Money loss warning 
- Past due bill 
- Relative in jail 
- Relative in accident 
- Unpaid taxes 

**STOP!**



**DISCONNECT!**



**RECONSIDER!**



## Step #3: The Irrevocable Payment

**NEVER** use gift cards for payment



**NEVER** put cash into a Bitcoin ATM



**NEVER** pay large cash amounts at demand



**NEVER** wire money at demand



**Fraud**  
WARE  
**A**



# How I'll Avoid a Scam

## My Action Plan



I will use this action plan to help protect myself from scams. When I receive an unexpected call, text, or email asking for money or personal information, I will follow this pre-planned action plan.

### The 3 Common Steps to Most Scam

- ➔ Communication from a Faker- pretending to be someone he is not.
- ➔ Next comes the "Story"- lies filled with emotional manipulation.
- ➔ Ends with the Payment - untraceable and irrevocable.

#### IF YOU FEEL PRESSURED

**STOP!**



**DISCONNECT!**



Physically & Emotionally

**RECONSIDER!**



Can you help me think this through?



### Know the signs of a scam

If any of these things happen to me, **I will hang up the phone immediately!**

- If someone tells me **I may not talk to anyone**
- If someone tells me **I must stay on the phone with them**
- If someone tells me **this matter is urgent**
- If someone **causes me to feel fear**

I will hang up the phone and **call a trusted contact listed on the other side.**

**If someone tells me to pay**— with cash, gift card, wire transfer, cryptocurrency, or a payment app, I will call one of my trusted contacts to discuss this **BEFORE** I take any action.



# Contact information for people I trust

List only people you know in person — your accountant, banker, family members, friends, or church leader. Let them know they're a trusted person and that you might call them if you suspect a scam.

NAME:	Phone Number:

# Contact information for companies I do business with

List credit card companies, banks, online shopping sites, and utilities. Only use contact information you know is real — like from your account page, bills, receipts, or the back of your cards. That way you'll know how to reach the business if you're worried there's a problem with your account.

Business Name:	Contact, Phone, Fax, Email:	Website & Other Notes:



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