



# Outsmart the Scammers

## Participant Workbook

**Your Name:**

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Member SIPC

# Outsmart the Scammers

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## PROGRAM SYNOPSIS

Incidents of fraud are on the rise and scammers' tactics are becoming more complex.\* This presentation will help give attendees the information they need to *Outsmart the Scammers*.

During the program, we'll discuss how to spot certain red flags that may indicate a fraudulent encounter, resources individuals can turn to in the event they or loved ones are targeted, and steps attendees can take to help protect themselves and loved ones.

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\*Financial Services Roundtable, "Elder Financial Exploitation Training and Awareness Guidance for Front-Line Staff," August 2015.

# Fraud by the Numbers

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9  
million

As many as nine million Americans have their identities stolen each year [according to the Federal Trade Commission (FTC)].

\$2.9  
billion

Fraud and financial abuse schemes targeting the elderly are growing problems in the United States that cost victims at least \$2.9 billion annually (according to the Department of Justice).

1 in  
20

Approximately 1 elder in 20 is financially victimized.

1 in  
44

Only 1 case in 44 is reported (according to the National Center on Elder Abuse of the U.S. Department of Health & Human Services).

90%

Nearly 90% of abusers are people whom the victim trusts (according to the National Center on Elder Abuse of the U.S. Department of Health & Human Services).

# Scenario 1: Collection Fraud

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- “Terri” received a call from an IRS agent.
- The man said that Terri owed back taxes and that she needed to pay the amount owed immediately.
- He told her that if she didn’t pay the minimum amount on the outstanding debt, the police would be sent and Terri would be arrested.
- He then said that he could accept payment over the phone via credit card or checking account.
- What would you do if you were Terri?
- Luckily, Terri was prepared. She recognized some red flags and gave no information to the scammer.

## LIST RED FLAGS

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## YOUR TRUSTED FAMILY MEMBERS/FRIENDS

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## Scenario 2: Grandparent Scam

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**Caller:** Hi, Grandpa! It's your favorite grandson. Can you guess which one?

**Grandpa:** Is this Bobby?

**Caller:** Yes, Grandpa! It's Bobby. Do you remember where I go to school?

**Grandpa:** Of course! You go to State. How's school?

**Caller:** Well, school is alright. I'm really sorry to call you about this, but I'm in a little trouble. I was at school, and some friends and I decided to drive to Mexico for spring break. We were out last night and I got a speeding ticket. Now I can't get back into the country unless I pay a fine. We're out of cash and my ATM card won't work down here. Can you wire me some money, and I can pay you back once I'm back in the States? Please don't tell Mom and Dad. I messed up, but it's only a speeding ticket. I just want to get back home.

### LIST RED FLAGS

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## Scenario 3: Sweetheart Scam

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- Recently, New York authorities arrested a woman for the theft of thousands of dollars from an 85-year-old man in what experts refer to as a “sweetheart scam.”
- The woman befriended the man by telling him “hard luck” stories over the Internet.
- The two developed a seemingly close relationship over a short period of time.
- The woman even went as far as to tell him she had cancer and needed money for treatment.
- She persuaded him to not only give her money but also sign over his power of attorney.
- She used this to obtain a home equity loan and then stole the funds.

### LIST RED FLAGS

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## Scenario 4: Lottery/ Sweepstakes Scam

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- Toni received a call from her mother, Monica. Monica had received a letter from the state sweepstakes commission asking her to call a 1-800 number to claim her cash prize.
- Monica mentioned that she didn't even recall entering a contest.
- Toni was skeptical and contacted her financial advisor, Ruth.
- Ruth advised Toni to ask Monica to contact the Federal Trade Commission.
- They confirmed that the entity (the state sweepstakes commission) didn't exist.

### LIST RED FLAGS

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# Other Red Flags

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**Identity verification.**

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**Immediacy of request.**

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**It doesn't add up (part 1).** If the request doesn't make sense, chances are it is not legitimate.

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**It doesn't add up (part 2).** Cash only or wire requests.

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**It doesn't add up (part 3).** Statements don't arrive, you receive a check for no apparent reason, or you're asked to pay money in order to get money.

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**A vow of secrecy.**

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# Protect Yourself and Those You Love

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- **Protect your personal information.**

- Never provide personal information on the phone, through the U.S. mail or email, or over the Internet unless you know the request is legitimate.
- Shred financial and other personal documents before disposing of them. Many businesses offer electronic delivery, which can reduce your paper trail.
- Do not carry your Social Security card or write your Social Security number on a check. Provide it only if absolutely necessary, or ask to use another identifier. Typically, you are required to provide your Social Security number only when dealing with a law enforcement or government agency; when opening an account with a bank, brokerage or other financial services firm, or an insurance company; when a background investigation or credit check is required while seeking employment; and when obtaining health care. (Some states require Social Security number disclosure in other cases, so always ask why your number is required.)
- Maintain confidential documents in a secure location in your home.

- **Be cautious online.**

- Keep your computer security and anti-virus software up to date. Do not click on pop-up ads or links in unsolicited emails.
- Do not use an obvious password, such as your birth date, your mother's maiden name or the last four digits of your Social Security number.

# Protect Yourself and Those You Love (continued)

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- **Protect your credit information.**

- Periodically inspect your credit report. The law requires the major nationwide consumer reporting companies – Equifax, Experian and TransUnion – to give you a free copy of your credit report each year if you request it. Visit [www.AnnualCreditReport.com](http://www.AnnualCreditReport.com) or call 877-322-8228 to order your free credit report each year. You also can write to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.
- You can place what is called a “fraud alert” on your credit reports. This entitles you to a free copy of your credit report and tells creditors to follow certain procedures when opening accounts in your name or making changes to your existing accounts. For an initial 90-day fraud alert, call the three credit agencies above: Equifax, Experian and TransUnion .

- **Be diligent with compromised accounts.**

- Close any accounts that have been tampered with or established fraudulently. Call the security or fraud department of each company where an account was opened or changed without your OK.
- Follow up in writing, with copies of supporting documents. Use the ID Theft Affidavit at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) to support your written statement.
- File a report with law enforcement officials to help you with creditors who may want proof of the crime.
- Ask for verification that the disputed account has been closed and the fraudulent debts discharged. Keep copies of documents and records of your conversations about the theft.

# Other Resources Available

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**Your state Attorney General's office**

[www.naag.org](http://www.naag.org)

**Federal Trade Commission (FTC)**

(877) 382-4357

[www.ftc.gov](http://www.ftc.gov)

**Consumer Financial Protection Bureau**

[www.consumerfinance.gov](http://www.consumerfinance.gov)

**Better Business Bureau**

[www.bbb.org](http://www.bbb.org)

**The Internet Crime Complaint Center**

[www.ic3.gov](http://www.ic3.gov)

**Your local law enforcement agency**

(Check local listings)

**Guidestar**

[www.guidestar.org](http://www.guidestar.org)

**To place a “fraud alert” on your credit record, contact:**

- Equifax: 800-525-6285
- Experian: 888-EXPERIAN (397-3742)
- TransUnion: 800-680-7289
- Annual Credit Report Request Service,  
P.O. Box 105281, Atlanta, GA 30348-5281

## Other Resources Available (continued)

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**Your Edward Jones Financial Advisor  
and the Edward Jones Fraud Team**  
[www.edwardjones.com](http://www.edwardjones.com)

If you suspect fraudulent activity or need to report a missing Edward Jones credit or debit card, please call Card Member Service immediately at the following numbers:

- Edward Jones Personal MasterCard® Credit Card: 866-874-6711
- Edward Jones Business MasterCard® Credit Card: 866-874-6712
- Edward Jones VISA® Debit Card: 888-289-6635



# Friend or Fraud?

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## SCENARIO #1

Your elderly neighbor, Joe, tells you that a man knocked on his door yesterday collecting money for a food pantry. Although he couldn't remember the name of the pantry, he remembered that the man said he was part of the Good Neighbor Food Group. When Joe asked the man if he had a business card or any literature about the organization, the man said he would stop back by with more information. Joe asks what you think.

**Friend or Fraud?** (circle your choice)

**Were there any red flags?**

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**What next steps would you take to investigate the situation?**

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# Friend or Fraud?

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## SCENARIO #2

You receive a phone call from Visa's client fraud investigation unit.  
The woman on the phone asks you to verify your account information.  
She first asks you to verify your credit card number.

**Friend or Fraud?** (circle your choice)

**Were there any red flags?**

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**What next steps would you take to investigate the situation?**

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# Friend or Fraud?

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## SCENARIO #3

You receive a letter from Brown, Alleman, Brown Law Group, LLC. Upon opening the letter, you see a gas bill dated six months prior and marked past due. The attached letter states that you are delinquent in payment and that your natural gas will be shut off in three days unless you make an immediate payment via credit card or wire to the law office. This is the first and only notice you have received and, to your knowledge, your gas bill is up-to-date.

**Friend or Fraud?** (circle your choice)

**Were there any red flags?**

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**What next steps would you take to investigate the situation?**

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