

TWELVE STEPS TO PREVENT FRAUD

Brought to you by NAOSA Member:

1 Recognize Swindlers at First Contact

Scammers often pose as public servants, distant relatives, non-profit organizations, or representatives from familiar companies when approaching their targets. Verify who you are speaking with before sending someone money or communicating your personal information, especially if the unexpected request originates from text messages, phone calls or emails.

2 Never Send Money to Strangers.

Fraudsters likewise pretend to be people in despair or loved ones who require help. These thieves will create fake websites or phony profiles in social media with intent to deceive honest people into sending them money. Don't be a victim—never send cash to someone you haven't personally met.

3 Beware of Caller ID

Crooks often use hi-tech gadgets to send fake phone numbers to caller ID equipment; this means the number that pops up on your cell phone may not be real! Hang up on people who ask you for money or for personal information over the phone, even if you recognize the number—you can always call the person back if you believe the request is legit.

4 Google Bizarre Money Requests

Discovering if strange money requests are genuine is easy in today's internet society. Launch your favorite search engine and simply type in parentheses the business name, product name or name of the person soliciting the cash. Next, include words like "scam," "fraud" or "fake" and watch what happens. You may also Google unusual incidents such as "fake free iPod text" or perform phone number searches to learn if others fell victim to similar scams.

5 Use Credit Cards and Never Wire Cash

Most banks protect credit card purchases from fraud, and they can reverse charges for customers who were victimized. Other payment methods however hold no fraud protection; for instance, cash transactions via Western Union wires or MoneyGram vouchers are irreversible once the receiver withdraws the electronic funds.

6 Be Cautious When Using Gift Cards

Rechargeable gift cards like MoneyPak and Reloadit and gift vouchers such as iTunes Pay or Google Play are likewise non-reimbursable after thieves redeem them—remember that state officials and legitimate business will never ask you to use gift cards to pay for their products or services.

7 Never Prepay for a Promised Good or Service

Fraudsters often demand their victims pay in advance for services like home repair, credit repair, low interest loan offers, or job placement assistance. Other scammers may even claim that you must pay a small fee or pre pay taxes to collect prizes you've won—just don't do it; chances are you'll never see this money again.

8 Get Advice Before Sending Cash.

Always talk to a trusted friend, family member or a financial adviser before you surrender cash or give someone your personal information if you believe an offer is too good to be true. Thieves get paid when fraud victims make hasty decisions under pressure. Take it easy, investigate the offer, do online searches and talk to someone—if the offer is legit, it will be there tomorrow for you to accept.

9 Do Not Accept Robocalls

Unsolicited robocalls are illegal! Hang up immediately if you receive a pre-recorded sales pitch by phone and report the call to the FTC. Never attempt to opt out of the call and never give the automated dialer time to forward the call to a live person. Robocall products are often a sham and spending a lot of time listening could lead to more bogus calls later.

10 Scrutinize free trial periods.

Companies are in business to make money and not to hand out free products or services. Beware of free trial periods that give you something free for a month then bill you every month afterward until you cancel. Examine free trial offers carefully and study the fine print that memorializes the cancellation rules. You should further review your billing statements for unauthorized charges after accepting a free trial offer.

11 Never Send Money After Depositing Unfamiliar Checks.

Bank checks often take weeks to clear and even more time if they're drawn from overseas financial institutions. American banks may advance you the funds on deposited checks within days, but that does not mean the bank draft isn't fake—you are legally responsible for repaying the bank when checks bounce, so never wire money back to people who send you suspicious bank drafts.

12 Designate a "Trusted Contact" to Monitor Bank and Broker Accounts.

Sadly, friends or family of victims commit ninety percent of financial fraud incidents in the US. You can lessen this risk by assigning a bank or broker account "trusted contact (trusted relative or friend) to act on your behalf whenever financial institutions suspect fraud on your account—doing so will give you a pair of second eyes for monitoring fraud activity.