



## Common Scams & Frauds

The clever con artist is a good actor who disarms his victims with an agreeable "nice guy" approach. But behind the friendly exterior is a shrewd psychologist who can isolate potential victims and break down their resistance to his proposals. Each conquest is part of a game in which he must "best" his fellow man.

The typical con artist has no morals, but will act as having a friendly and sociable disposition. He is mobile, with an excellent sense of timing. He sincerely believes his victims deserve their fate. And, if caught, he will probably strike again later. Con artists are seldom rehabilitated.

### **The Victim**

Anyone can be a victim - even a person who considers himself too intelligent or sophisticated to be "conned". Many victims share certain characteristics. Often, but not always, they are:

- older, female, and live alone;
- trusting of others - even strangers, and
- may need or desire supplemental income.

Loneliness, willingness to help, and a sense of charity are characteristics a con artist will exploit to gain a victim's cooperation.

The con artist ultimately will exploit his victim's assets - including life insurance benefits, pensions or annuities, "nest eggs", home equity, or other tangible property. And he will usually obtain the willing cooperation of his victim to complete his scheme.

### **At Home**

- **"Salting the Gold Mine"** - The most successful con games are old schemes updated for today's circumstances. The old "Salting the gold mine" scheme is still being practiced, for example, but today's "salting" occurs in living rooms, not abandoned mines. In the old ruse, you may remember, dishonest mine owners would place a few gold nuggets in exhausted mines so they could sell them for inflated profits. In one recent scheme, a con artist bought six color television sets at the regular price from a retail store, and then sold them, still in their cartons, to six prominent local persons for one-fifth of their original price. Later, he hired several high school students as telephone solicitors to sell "carloads" of TV sets purchased new from a bankrupt retail chain. When potential customers balked, the con artist used, as references, the original six customers, who had been "salted". Before police were alerted, he collected almost \$60,000.

- **"Bank Examiner"** - This scheme is still around and working well, particularly among older widows. The con artist, posing as a bank examiner, asks the victim to help him test the honesty of bank employees by withdrawing substantial funds. When the funds are handed over to the con artist for "examination", he issues the victim an official-looking but worthless "receipt" and disappears.
- **Mail-Order Swindles** - Postal authorities warn citizens to be alert for mail-order swindles such as phony work-at-home schemes which require cash deposits or payments. Among all arenas for swindle activity, these are probably the most active and productive for the con artist.
- **Tele-Marketing** - Never buy anything over the phone when a salesperson calls! If you are interested, have them send you something in writing. A good rule to go by, but be careful - a recent popular con involves sending an "information packet" for which the recipient pays C.O.D. charges when it arrives by common carrier. Also, if you do plan to order by phone (from a reputable company) using a credit card, do not use a cordless phone when you place the call. Your conversation - and your credit card number - could be overheard.

### Common Scams That Con Artists Use

- **Lottery** - Person offers to sell you winning lottery tickets he cannot cash because "I'm an illegal immigrant", or similar excuse. Crime: Lottery ticket is counterfeit. (Be suspicious of any stranger offering to share money with you.)
- **Magazine Subscription** - Young person is selling "subscriptions" to earn money for school/team/camp. Crime: Young person pockets the money. (Buy only from magazine or people/groups you know.)
- **Medical Products** - You buy health, beauty-care or "cure" products by mail. Crime: Product is not sent, overpriced or harmful. (Ask your doctor before buying.)
- **Need Help** - Man says his wife is sick, he has run out of gas or other emergency and needs \$10 to \$20; says he will pay it back and shows I.D. Crime: There is no emergency, his I.D. is a fake. (Do not loan money to strangers.)
- **900 Numbers** - Products are offered via 900 numbers. Crime: Call costs more than advertised or product is worthless. (Know cost before calling. Avoid credit card or contest-confirmation calls.)
- **Obituary** - You are recently widowed: C.O.D. box arrives for product "your spouse ordered". Crime: Box contains cheap item at substantial price that was never ordered. (Tell person your spouse is deceased and you cannot accept the product.)
- **Pigeon Drop** - Person offers to share "found" money with you if you will put up some of your own money "to show good faith." Crime: Your envelope of money is switched with one holding paper while you are distracted. (Again, do not withdraw money for anyone, and doubt all offers to "share" money.)
- **Travel Club** - Firm offers bargain airfare/hotel packages in glamorous locale. Crime: Hidden fees and conditions, sky-high rates for additional person, the place is a dump. (Ask travel agent's advice, read all paperwork.)
- **Unknown Callers** - Woman with child knocks on your door and asks for a favor requiring entrance. Crime: You are distracted by one while the other steals cash or jewelry. (Give location of public restroom, phone or whatever they need - but do not let them in.)
- **Carpet Cleaner** - Ad offers very low price to clean carpeting in your home. Crime: Cleaner says carpet is too worn or soiled for offer and charges more. (Report to Better Business Bureau or District Attorney's Consumer Fraud Unit.)
- **Charity/Religious Group** - You are solicited by an organization you know nothing about. Crime: Group does not exist, or only a fraction of money is given to charity. (Contribute only to legitimate representative of known groups.)

- **City Inspector** - "Inspector" says he needs to check plumbing/wiring/furnace. Crime: Person finds "serious" defect and must disconnect a critical service, but offers to call a friend to fix it cheap. Work is unnecessary and expensive. (Call City Department "inspector" claims to represent and verify before okaying job. Get number from phone book, not his card.)
- **Contest Winner** - You are told you have won a prize but must send money for postage/registration, or call 800 numbers for details. Crime: You get nothing, or something is worthless. (Steer clear of these "deals".)
- **Credit/Phone Card** - Person asks for your credit/phone card number to send you a product, verify insurance, etc. Crime: Unauthorized purchases or calls are made to your number. ( Never give credit/ phone card numbers to anyone who contact you requesting that information.)
- **Government Service** - Official-sounding firm offers Social Security service that is "required" or useful. Crime: Service's are not from government, are not required, or can be obtained free from government. (Ask government agency about any such organization.)
- **Home Repair/Inspection** - "Contractor" offers to repair, remodel; or offers work with leftover materials for cheap. Crime: Person does nothing or does it poorly. (Check with Consumer Fraud Unit of the District Attorney's Office.)
- **Land Sale** - Promised cheap land or retirement facility in gorgeous area. Crime: Site is poor, or promise is not fulfilled. (Visit site, read paperwork thoroughly; deal only with reputable firms.)

#### **Key Words Used By a Con Artist**

- Cash only
- Secret plans
- Get rich quick
- Something for nothing
- Contests
- Haste
- Today only
- Too good to be true
- Last chance
- Left-over material