



KERN COUNTY ELDER NEWS

Monthly Information Article | Kern County DEAR/EDRT TEAM*

*(Dependent/Elder Abuse Review) Team/EDRT (Elder Death Review Team)

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PROTECT YOURSELF FROM FRAUD



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The California Department of Financial Protection and Innovation (Dfpi.ca.gov) provides protection to consumers engaged in financial transactions. The Department regulates a variety of financial services, products, and professionals. Part of their mission is to provide information needed to stop financial and investment fraud before it happens. This article provides an overview of some of the more common financial scams targeting older adults and discusses ways seniors can

prevent becoming a victim of fraud. An informed and educated consumer is less likely to fall victim to financial fraud and scams!

Affinity Marketing and Affinity Fraud

Affinity fraud refers to investment scams that prey upon members of identifiable groups, such as religious or ethnic communities, the elderly, or professional associations. The people who promote affinity scams frequently are, or pretend to be, members of the association. They often enlist respected community or religious leaders from within the

association to spread the word about the scheme by convincing them that a fraudulent investment is legitimate and worthwhile.

Sometimes financial salespeople will try to create the impression

Agency Partners

- Bakersfield Police Department
- California Dept. of Insurance
- CSUB
- Dept. of Social Services Licensing
- GBLA
- Independent Living Center of KC
- Kaiser Permanente
- Kern Co. Aging & Adult
- Kern Co. BHRS
- Kern Co. Coroner
- Kern Co. District Attorney
- Kern Co. DA Victim Services
- Kern Co. Family Law Facilitator
- Kern Co. Public Health
- Kern Regional Center
- Kern Co. Sheriff's Office
- Kern Co. Veterans Service Dept.
- Social Security Admin.
- Strata Credit Union





they have special credentials or expertise in senior services and products. The requirements to earn and maintain a senior designation vary considerably. If a sales person's credentials contain words like "senior" or "elder" in conjunction with "certified" or "registered," proceed cautiously.

Free Lunch Seminars

Seniors frequently are invited to seminars that offer a free meal and information about investment opportunities, insurance products, or wills and trusts. Free-meal seminars are rarely about education. Their ultimate goal is to recruit new clients and sell products. They may try to sell you unsuitable investments or convince you to replace your existing investments. They may not disclose their fees and commissions or other pertinent information, making it difficult to accurately compare products and services. Worse, some events are just a ploy to obtain your personal and financial information. Investing always involves some degree of risk. Minimize your risk by asking questions and getting the facts about any investment in writing

before you buy.

Grandparent Scams

In this scam, a grandparent receives a call from an imposter claiming they are related (usually as a grandchild), in trouble and urgently request they send money. The imposter describes various versions of an emergency. Stories include traveling in another country, being arrested, in the hospital, a car accident and/or needing emergency car repair.

The imposter sounds distressed and may be calling from a noisy location claiming they only have a few moments to talk. Sometimes another person comes on the line identified as a lawyer or arresting officer to add credibility to the story. The grandchild-imposter asks the grandparent to immediately

wire money and not tell anyone. Scammers typically ask for several thousand dollars and may call back again hours or days later asking for more money or to provide bank account routing numbers. Always verify the legitimacy of the call before sending money to anyone! Once the money is wired, it is nearly impossible to recover.

AI (Artificial Intelligence) as a part of the Grandparent/Relative Scam

AI is being used to trick people in various ways. AI can be used to clone voices. If you receive a phone call from someone who sounds just like a friend or family member, it may actually be a scammer using a clone of their voice.





Lotteries and Sweepstakes Scams

Scam artists often use the promise of a valuable prize or award to entice people to send money. Victims receive a letter, an email or text message claiming they have won a foreign lottery or a sweepstakes. Scammers tell victims to claim their prize by sending a personal check, money order or wire transfer to cover taxes, fees, shipping costs, or insurance.

It is illegal for a U.S. resident to play a foreign lottery. Any letter or email from a lottery or sweepstakes that asks you to pay taxes, fees, shipping, or insurance to claim your prize is also illegal.

Protect Your Social Security Number, Credit Card and Debit Card Numbers, PINs and Passwords

- Carry only what is necessary in your wallet or purse: a credit card, debit card or checks. Keep the rest, including your Social Security and Medicare card in a safe place.
- Do not print your Social Security, telephone, or Driver's License number on your checks.

- Never disclose your account numbers over the phone unless you initiate the call.
- Keep a close watch on your bank and credit union account, and credit card billing statements. Report discrepancies immediately.
- When paying for anything online, it is better to use a credit card, which has more consumer protections than debit cards and checks, which draw directly from your bank account.
- Never use your mother's maiden name, birth dates, phone numbers, or any part of your Social Security number as passwords.
- Reduce unsolicited mailings, calls, and emails by opting out of pre-approved offers by calling toll-free 1-888-5-OPT-OUT.

Home Foreclosures and Modifications

Some scams appearing to rescue people from foreclosure actually victimize those in financial trouble. Scammers often contact people whose homes are listed in foreclosure records. The Consumer Financial Protection Bureau can help you find approved housing

counselors. Call toll-free 1-855-411-2372.

Warning Signs of Foreclosure Fraud

- Request for fees in advance. Advance fees for loan modifications are not legal in California unless you have an advance fee agreement.
- Request for the deed to your house, whether it is to take care of your credit or obtain financing. Be cautious and do not sign your property away without professional advice!
- Offer to rent your house to you until your finances rebound.
- A company that contacts you first. Always select a company with the assistance of trained professionals.

Report Financial Fraud and Abuse

Do not let embarrassment or fear stop you from reporting fraud or abuse. If you think you may have been a victim, report such concerns immediately to the Department.

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