

# Managing Your Money

## Can You Spot a Scam?

Con artists are very good at tricking consumers into parting with money or divulging personal information that can be used to steal your funds. How good are YOU at telling a scam from a legitimate offer or advertisement?

### **Test your knowledge of common frauds and their warning signs**

1. You agree to sell your valuable collection of superhero comic books from the 1960s to a complete stranger who mails you a cashier's check. Because you want to be sure the check is "good" before you part with your prized possessions, you should:
  - a. Confirm that the dollar amount and your name on the check are correct. Apart from that, cashier's checks are always safe to accept.
  - b. Deposit the check into your bank account and wait at least two business days before letting go of the items.
  - c. Contact the bank that issued the cashier's check to make sure the check is legitimate.
  
2. You agree to rent your vacation house to a far-away stranger who sends you a check as a deposit, but when the check arrives, it's for more money than you agreed upon. The person apologizes and asks you to deposit the check and wire back the difference. This is:
  - a. Safe for you to do because you'll be depositing a check for more money than you expected anyway.
  - b. Safe for you to do because, if there's a problem, money sent by wire is very easy to recover.
  - c. Likely to be a scam.
  
3. You post your resume on a Web site for job seekers and soon you receive an offer to work at home. The deal could be a scam if you are:
  - a. Promised a lot of money for doing very little work.
  - b. Asked as part of the job application for your bank account and Social Security numbers.
  - c. Told you will "process payments" for a foreign company.
  - d. All of the above.

4. A company offering to rescue your home from foreclosure may be running a scam if it:
  - a. Says it will stop the foreclosure from taking place.
  - b. Suggests that you transfer ownership of the home to the company so you can rent and buy the property back from them.
  - c. Advises you to stop talking to your lender, lawyer or housing counselor.
  - d. All of the above.
  
5. If you get an e-mail from a federal government agency such as the IRS or the FDIC asking you to confirm or verify personal financial information, it's always safe to do so.
  - a. True.
  - b. False.
  
6. Your credit report may suggest that you have been a victim of identity theft if it shows:
  - a. You have a credit card, loan or lease in your name that you know you don't have.
  - b. A company you never tried to do business with has requested a copy of your credit report.
  - c. A home address for you that you never had.
  - d. All of the above.

### QUIZ ANSWERS

**1(c)** There's been explosive growth in all forms of counterfeit checks, including cashier's checks. Crooks also know that consumers trust cashier's checks, money orders and other official checks.

**2(c)** Be suspicious any time you receive a check for more money than you are due. Be skeptical if you're asked to deposit the money and wire back some or all of it. If you comply and the check is fraudulent...the scam artist will have your payment and you'll probably owe your bank the amount you took out of your account. Wired funds move instantaneously...so before you know it the crooks and the cash will be gone.

**3(d)** Thieves prey on individuals who have lost their jobs or need extra cash by offering attractive, but bogus, opportunities to work at home. Their goals include tricking victims into divulging personal or financial information, sending money or wiring funds from their account.

**4(d)** Many homeowners having difficulty making their monthly mortgage payments are being targeted by criminals who falsely claim they can rescue a home from foreclosure. In some of the worst cases, homeowners are tricked into signing away their ownership of their home.

**5(b)** A lot of e-mails and websites look real. Remember...your bank, FDIC or IRS would never contact you asking for personal information.

**6(d)** Yearly review your credit reports to look for warning signs that an identity thief has been...or is trying to obtain loans or commit other fraud in your name. The most important warning sign of ID theft in a credit report is a credit card, loan or lease in your name that you know nothing about.

ESB Financial urges you to be diligent in protecting yourself from frauds and scams. For more information, contact the bank...ESB Financial, 539.3553.