

Protecting Yourself from Consumer Fraud and Scams

A guide to resources

This guide is intended to help you find out information about consumer frauds and scams that could affect you. If you have already been impacted by one of these schemes or think you might have been, contact information for agencies that can help you has also been included.

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You should not rely on this booklet for legal advice. It provides general information on Alberta law only.



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FREE

1. General Information and Tips for Prevention

1.1

Better Business Bureau of Central and Northern Alberta Consumer Tips

is website features frequently updated consumer tips from the Better Business Bureau, including how to avoid current scams and protect yourself against fraudulent businesses. www.edmonton.bbb.org (click For Consumers and then Tips in the box marked Resource Library)

1.2

Canadian Consumer Handbook 2007 (Consumer Measures Committee)

Here you can find a broad, but thorough overview of various issues faced by consumers in Canada. It includes information about:

- ‡ advance fee schemes;
- ‡ contracts;
- ‡ debit card fraud;
- ‡ online shopping scams; and
- ‡ telemarketing.

A comprehensive directory of consumer agencies and organizations is also included.

www.ic.gc.ca (click on Consumers , Consumer Measures Committee , Consumer Information , and then 2007 Handbook).

1.3

Canadian Consumer Information Gateway

is portal website provides comprehensive sets of links related to various consumer issues including fraud and deceptive practices, identity theft, protecting yourself on the Internet, and filing consumer complaints. Information can be subdivided by province.

www.consumerinformation.ca

1.4

Consumer Measures Committee's Tips on Complaints, Fraud and Identity Theft

is pamphlet features information on:

- ‡ how to protect yourself from frauds and scams;
- ‡ how to make an effective consumer complaint; and
- ‡ how to reduce your risk of identity theft.

www.cmcweb.ca (click on Consumer Issues for Seniors and then Complaints).

1.5

Crime Prevention Tips and Agency Referrals (Alberta Government, "If in doubt, check it out" Fraud Awareness Campaign)

is tip sheet features information on:

- ‡ crime prevention; and
- ‡ how to protect yourself from fraud.

www.seniors.gov.ab.ca (click on Protection , Fraud Awareness , and then If in Doubt, Check it Out)

1.6

Glossary of Fraud Schemes and Terms (Heads Up Fraud Prevention Association)

Heads-up.ca provides a comprehensive glossary of definitions relating to different types of consumer fraud, schemes, and associated terms.

www.heads-up.ca/PDF/glossary.pdf

1.7

Personal Information and Scams Protection: A Canadian Practical Guide (RCMP)

is thorough and comprehensive document describes sixteen Internet scams, twelve in-person scams, and three telephone scams. A list of common fraud scenarios along with a helpful glossary and a list of useful links is also included.

www.rcmp.ca/scams/canadian_practical_guide_e.pdf

2. Advance Fee Schemes

These schemes may take place via email, telephone or post. Currently, the most common advance fee scheme is the Nigerian Business Letter scam. The following tip sheets and websites provide both general and scheme-specific information about advance fee fraud.

2.1

Advance Fee Letter Scams (Heads Up Fraud Prevention Association)

This website includes information and tips on how to avoid becoming a victim to the Nigerian Business Letter scam.

www.heads-up.ca/PDF/advancefee.pdf

2.2

Advance Fee Loans (Reporting Economic Crime Online – RECOL)

This website features a general description of what an advance fee loan scheme is, as well as information and tips about specific scams including:

- ‡ West African Fraud;
- ‡ Prize Pitch (Lottery) Scams;
- ‡ Pyramid Schemes; and
- ‡ Ponzi Schemes.

www.recol.ca/scams/advance_fee.aspx

2.3

Nigerian Scam Letter Database

This website features samples of letters that have been used in the Nigerian Business Letter scheme. It is helpful to visit if you think you may have received such a letter via e-mail or post.

www.fraudaid.com/ScamSpeak/Nigerian/scam_letter_database.htm

Watch out for the Nigerian/West-African Business Letter Scam! For years now, businesses, learning institutions, and government departments have been receiving e-mails from senders posing as Nigerian/West-African government or business officials, offering to share large sums of money.

3. ATM, Credit Card, and Debit Card Fraud

ATM, credit card, and debit card fraud can take many different forms. It can occur either in-person, over the telephone or online. The following tip sheets and video clips provide both general and scheme-specific information.

Tip Sheets

3.1

The Canadian Caper/Bank Inspector Fraud (Heads Up Fraud Prevention Association)

Information and tips on how to avoid being victim to Bank Inspector fraud – this scam also goes under the name of the Canadian Caper, the Granny Game, or the Pigeon Drop. This is generally initiated over the phone when the victim receives a call from a phony bank inspector.

www.heads-up.ca/PDF/phony.pdf

3.2

Counterfeit

(Reporting Economic Crime Online – RECOL)

This website provides information about different types of credit card fraud, including counterfeit credit card scams and no-card fraud, along with tips on how to avoid becoming victim to these schemes. Tips on how to avoid debit card fraud are also available on this website.

<https://www.recol.ca/scams/Counterfeit.aspx>

3.3

The Lebanese Loop ATM/Debit Card Scam (Heads Up Fraud Prevention Association)

Information and tips on how to avoid the Lebanese Loop debit card scam (an in-person scam that takes place at local ATMs).

www.heads-up.ca (click on Hot Tips, and then the Next button, then scroll down to the Lebanese Loop link)

Videos

3.4

Credit Card Fraud

(Heads Up Fraud Prevention Association)

This video provides simple rules to follow to avoid becoming a victim of credit card fraud (requires Windows Media Player).

www.heads-up.ca/PDF/counterfeitcc.htm

(click MPEG)

3.5

Phony Bank Inspector Fraud

(Heads Up Fraud Prevention Association)

This video provides a dramatized example of how the phony bank inspector scheme works, along with some tips on how to avoid becoming a victim of this scam (requires Windows Media Player).

www.heads-up.ca/PDF/phony.htm (click MPEG)

No Card Fraud is credit card fraud committed without the actual use of a card. No Card Fraud accounts for 10% of all counterfeit card losses.

4. Contract Fraud

Contract fraud can take many forms. Any time you sign any type of contract, you should be aware of what you are agreeing to, since contracts are generally legally binding agreements. The following tip sheets provide some general tips on signing contracts as well as information to keep in mind before you sign on with a travel club. For information regarding home renovation contracts, please see the section on *Home Renovation Fraud*.

4.1

Signing a Contract

(Better Business Bureau of Central and Northern Alberta)

is website provides some important tips and rules to keep in mind before and after you sign a contract.

www.edmonton.bbb.org (click on Consumers and then Tips . Signing a Contract is a Tipsheet from 3/7/2008)

4.2

Travel Clubs Tip Sheet

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

is tip sheet contains information about Albertas *Travel Clubs Regulation* and the protection it provides, as well as tips to help you make sure you do not fall victim to travel club fraud.

www.seniors.gov.ab.ca (click on Protection , Fraud Awareness , and then If in Doubt, Check it Out . From there, choose Travel Clubs)

The Travel Clubs Regulation provides a 10-day cooling off period during which consumers can cancel contracts without giving a reason. (www.seniors.gov.ab.ca)

5. Financial Abuse

Financial abuse is a form of elder abuse. The following tip sheet and video provide information on how to spot financial abuse and what to do if you suspect someone you care about is being financially exploited.

5.1

Financial Abuse Tip Sheet

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

is tip sheet provides the following information:

- ‡ how to identify financial abuse and financial exploitation;
- ‡ what to do if you believe someone is being taken advantage of; and
- ‡ why financial abuse occurs.

www.seniors.gov.ab.ca (click the Protection tab and then Fraud Awareness)

5.2

Financial Abuse Video

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

is video begins with a scenario and then goes on to describe what financial abuse is, and how to recognize if you or someone you know has been a victim of financial abuse (requires RealPlayer).

www.seniors.gov.ab.ca (click the Protection tab and then Fraud Awareness)

Elder abuse is defined as: Any action or inaction that jeopardizes the health or well being of any older adult and can include emotional, physical, financial, medication abuse, and/or neglect.

(www.seniors.gov.ab.ca)

6. Home Renovation Fraud

Home renovation fraud is often associated with contract fraud. The following tip sheets and video clips provide some important information to help ensure you do not sign a fraudulent contract. You have to be particularly careful with home renovation contracts and contractors because liens could be placed on your home if your contractor does not pay his or her suppliers or subcontractors.

Tip Sheets

6.1

Get it in Writing

(Canadian Home Builders Association)

is website provides multiple backgrounders to help you educate yourself about hiring a reliable contractor and making sure you're signing a good contract. An excellent resource for anyone considering home renovations or repair work.

www.hiringacontractor.com

6.2

Home Improvement Contractors

(Better Business Bureau of Central and Northern Alberta)

is website features a link to Better Business Bureau accredited home renovation companies, as well as tips on reading contracts and hiring contractors.

www.edmonton.bbb.org

Verbal contracts can be difficult to prove so a written contract is best. In some cases the law says that the contract must be in writing and contain specific information.

(www.seniors.gov.ab.ca)

6.3

Home Renovation Fraud Tip Sheet

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

is tip sheet provides information on:

- ‡ how to choose a contractor;
- ‡ the value of a detailed contract;
- ‡ how to protect yourself from liens; and
- ‡ your cancellation rights and contract requirements.

www.seniors.gov.ab.ca (click the Protection tab and then Fraud Awareness)

6.4

Home Renovation Frauds

(Heads Up Fraud Prevention Association)

is publication features information on:

- ‡ how to find a contractor;
- ‡ reputable sources to help you find a contractor;
- ‡ the roles of the homeowner and general contractor; and
- ‡ how to recognize fraudulent contractors.

www.heads-up.ca/PDF/reno.pdf

6.5

Home Renovations Consumer Tip Sheet

(Service Alberta)

This tip sheet provides information about home renovation contracts in general as well as specific information about working with prepaid contractors.

www.servicealberta.gov.ab.ca/pdf/tipsheets/Home_Renovations.pdf

6.6

Renovating Tips

(Canadian Home Builders Association Edmonton)

Links to over 10 different renovating tip sheets including how to avoid shady contractors, how to choose a professional renovator, and knowing your responsibilities when renovating. Other tip sheets look at the *Builders Lien Act* and renovation insurance.

www.chbaedmonton.ca/main/public/consumer-tips/renovating-tips.aspx

Videos

6.7

Home Renovation Fraud

(Alberta Government, *If in doubt, check it out Fraud Awareness Campaign*)

This video provides tips to help you avoid home renovation scams (requires RealPlayer).

www.seniors.gov.ab.ca/services_resources/fraud_awareness/2001campaign/index.asp#videos
(click Home Renovation Fraud)

6.8

Home Renovation Fraud

(Heads Up Fraud Prevention Association)

This video provides tips on how to spot and avoid fraudulent contractors as well as how to confirm a contractor's validity (requires Windows Media Player).

www.heads-up.ca/PDF/reno.htm (click MPEG)

Remember, an estimate is not a contract. If you accept an estimate, make sure your contract includes all the facts and promises stated in the estimate.

(www.servicealberta.gov.ab.ca)

7. Identity Theft

Identity theft is when someone uses your name and personal information to commit fraud or theft. Identity thieves may try to access information through the Internet, by stealing wallets or mail, or by impersonating landlords or employers. The following publications and videos will help you better understand what identity theft is, how you can avoid becoming a victim, and what to do if you think you have been already been a victim of identity theft.

Publications

7.1

Consumer Identity Theft Kit

(Consumer Measures Committee and PhoneBusters)

is comprehensive publication includes a frequently asked questions section and information on:

- ‡ how identity theft occurs;
- ‡ how to reduce your risk of identity theft;
- ‡ how to protect information on your computer; and
- ‡ the identity theft statement (including a template identity theft statement).

www.cmcweb.ca (click on Identity Theft Kits)

7.2

Identity Fraud

(Reporting Economic Crime Online RECOL)

Features tips about how avoid identity fraud, as well as information about fraudulent credit card applications and bank account takeovers.

https://www.recol.ca/scams/Identity_Fraud.aspx

7.3

Identity Theft: A Checklist

(Consumer Measures Committee)

Includes signs of identity theft and tips on how to guard your personal information and your computer.

www.cmcweb.ca (click on Identity Theft Kits)

7.4

Identity Theft: Could it happen to you?

(PhoneBusters)

Features tips on how to figure out whether your identity is being used, information on what to do if you suspect you have been a victim of identity theft, as well as tips on how to minimize risk of identity theft.

www.phonebusters.com/english/recognizeit_identitythe.html

The identity theft statement is a form created by the Government, which helps you create written documentation of an identity theft incident (www.cmcweb.ca)

7.5

Identity Theft Information

(Heads Up Fraud Prevention Association)

is tip sheet includes information about how to prevent identity theft by becoming aware of the documents, information, and tools identity thieves use. Also includes information on what to do if you fall victim to identity theft as well as a set of links to other informative websites. www.heads-up.ca (click on Identity Theft from the left side-bar menu)

7.6

Identity Theft Consumer Tip Sheet

(Service Alberta)

is publication provides information about:

- ‡ correcting information held at a credit reporting agency;
- ‡ what to do if you think your identity has been stolen; and
- ‡ how to protect your information and your identity.

www.servicealberta.gov.ab.ca/pdf/tipsheets/Identity_theft.pdf

7.7

Identity Theft Tip Sheet

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

is tip sheet provides information on the following:

- ‡ what identity theft is;
- ‡ how to figure out whether your identity is being used without your knowledge;
- ‡ what to do if you think an identity theft has occurred; and
- ‡ how to protect yourself.

www.seniors.gov.ab.ca/services_resources/fraud_awareness/

Videos

7.8

Changing Faces

(Alberta Government and Edmonton Police Service)

is 18-minute long video was produced to help educate Albertans about how to spot and prevent identity theft.

the video is currently available online in multiple formats and can also be ordered as a DVD.

www.servicealberta.gov.ab.ca/1212.cfm

Be careful what identification you provide, especially if it is one of the main identity documents – a birth certificate, driver's licence or social insurance number. These source documents can be used to produce other ID and gain access to more of your personal and financial information.

(www.servicealberta.gov.ab.ca)

8. Internet, Email and Online Shopping Fraud

Internet and email fraud are quite commonplace nowadays as more and more people conduct their financial transactions online. For information on the Nigerian Business Letter scam and other e-mail letter scams that ask for you to advance funds before receiving any product or service, please see *Advance Fee Schemes*.

Tip Sheets

8.1

Consumer Information

(Consumer Measures Committee's Consumer Issues for Seniors series)

This tip sheet includes shopping advice, tips on how to shop online safely, and where to go for further information.

www.cmcweb.ca (click Consumer Issues for Seniors)

8.2

Cyber Fraud Tip Sheet

(Alberta Government, *If in doubt, check it out Fraud Awareness Campaign*)

This tip sheet provides information on what types of websites are most often involved with fraud and how to identify potential scams.

www.seniors.gov.ab.ca/services_resources/fraud_awareness/ (click the *If in Doubt, Check it Out* link)

8.3

Internet Shopping Consumer Tip Sheet

(Service Alberta)

This tip sheet includes information on the following:

- ‡ online sales contracts;
- ‡ how to protect your privacy; and
- ‡ how to tell if the payment system is secure.

www.servicealberta.gov.ab.ca/pdf/tipsheets/Internet_Shopping.pdf

8.4

Online Shopping Tip Sheet

(Alberta Government, *If in doubt, check it out Fraud Awareness Campaign*)

This publication provides an overview of the *Internet Sales Contract Regulation* as well as information on:

- ‡ how to cancel a contract; and
- ‡ how to shop online safely.

www.seniors.gov.ab.ca/services_resources/fraud_awareness/ (click the *If in Doubt, Check it Out* link)

Videos

Cyber Fraud

(Alberta Government, *If in doubt, check it out Fraud Awareness Campaign*)

This video provides tips on how to spot fraudulent emails and protect yourself from cyber fraud (requires RealPlayer).

www.seniors.gov.ab.ca/services_resources/fraud_awareness/

(click the *If in Doubt, Check it Out* link, then click *Cyber Fraud*)

9. Investment and Mortgage Fraud

Investment fraud is often related to Prime Bank scams (a.k.a. fraud based on valueless documents) and stock exchange transaction schemes. Mortgage fraud may involve home equity scams or straw buyers. The tip sheets and videos listed below will help alert you to potentially fraudulent investment schemes and mortgage scams.

Tip Sheets

9.1

Investment Fraud

(Reporting Economic Crime Online RECOL)

This site features information about investment fraud and related schemes including the Prime Bank Instrument Investment scam and stock exchange transaction fraud.

https://www.recol.ca/scams/Investment_Fraud.aspx

9.2

Investment Fraud Tip Sheet

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

This tip sheet provides information on how to identify potential financial frauds or scams and includes the top ten lines used by fraudulent investment promoters.

www.seniors.gov.ab.ca/services_resources/fraud_awareness/
(click the *If in Doubt, Check it Out* link)

9.3

Mortgage Fraud

(Heads Up Fraud Prevention Association)

This tip sheet includes information on straw buyer mortgage fraud scams, home equity fraud, and repair schemes.

www.heads-up.ca/PDF/mortgage.pdf

*In the mortgage industry, phony loan applicants are known as Straw Buyers
(www.servicealberta.ca)*

9.4

Mortgage Fraud Consumer Tip Sheet

(Service Alberta)

This tip sheet includes information on the following:

- ‡ straw buyers and phony loan applicants;
- ‡ flipping property;
- ‡ down payments; and
- ‡ how to avoid being a victim of mortgage fraud.

www.servicealberta.gov.ab.ca/pdf/tipsheets/mortgage_fraud.pdf

9.5

Prime Bank Schemes

(Heads Up Fraud Prevention Association)

This website contains a thorough description of the Prime Bank scheme with information on how to identify and avoid falling victim to this investment fraud.

www.heads-up.ca/PDF/primebank.pdf

Videos

Investment Fraud

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

This video begins with a sample situation and provides tips on how to recognize and avoid investment fraud (requires RealPlayer).

www.seniors.gov.ab.ca/services_resources/fraud_awareness/ (click *Investment Fraud*)

10. Telemarketing and Telephone Scams

Telemarketing and telephone scams are very common and anyone can fall victim to these schemes. The following tip sheets and videos provide descriptions of various scams and tips on how to avoid telemarketing fraud.

Tip Sheets

10.1

Fraud Alert (Collect Calls)

(Heads Up Fraud Prevention Association)

is website provides a description of collect call fraud whereby unsuspecting individuals end up accepting charges for long distance phone calls they did not make.

www.heads-up.ca (click on **Hot Topics** and then the **Next** button. Scroll down to the **Collect Call Fraud** link)

10.2

PhoneBusters List of Scams

PhoneBusters is the Canadian anti-fraud calling centre and is jointly operated by the Ontario Provincial Police and the Royal Canadian Mounted Police. is organization plays an important role in keeping Canadians educated about speci c telemarketing pitches. e link below provides a list and descriptions of current scams that you should be aware of.

www.phonebusters.com/english/recognizeit.html

10.3

Telemarketing Fraud

(Heads Up Fraud Prevention Association)

is tip sheet o ers general information on telemarketing fraud along with some of the most commonly used o ers (ie. free gift, vacation, etc.) made by telemarketing scammers.

www.heads-up.ca/PDF/telemarketing.pdf

Videos

10.4

Telemarketing Fraud

(Alberta Government, If in doubt, check it out Fraud Awareness Campaign)

is video begins with a common scenario and then lists questions to ask on the telephone to help ensure that you do not become a victim of telephone fraud. Tips on how to recognize telephone fraud are also provided (requires RealPlayer).

www.seniors.gov.ab.ca/services_resources/fraud_awareness/2001campaign/index.asp#videos (click **Telemarketing Fraud**)

10.5

Telemarketing Fraud

(Heads Up Fraud Prevention Association)

is video provides general information about telemarketing fraud and tips on how to spot and avoid telephone scams (requires Windows Media Player).

www.heads-up.ca/PDF/telemarketing.htm (click **MPEG**)

11. Where to Go for Help

In any instance of fraud, victims are asked to call their local police departments and report the situation. There are also many other agencies and organizations that can help if you or someone you know has been affected by fraud. These agencies can also provide further assistance if you have questions or concerns regarding fraud and economic crime.

In Edmonton

Better Business Bureau

Also serves the rest of Central and Northern Alberta

Toll-free: 1-800-232-7298 (Edmonton)

www.edmonton.bbb.org

Elder Abuse Intervention Team

(for financial abuse cases)

Phone: 780-477-2929

www.police.edmonton.ab.ca/Pages/Elder/ElderAbuse.asp

Seniors Association of Greater Edmonton (SAGE)

15 Sir Winston Churchill Square

Phone: 780-423-5510

www.mysage.ca

SAGE's listing of Consumer Information Contacts:

www.mysage.ca/files/document/Consumer%20Resources.pdf

In Calgary

Better Business Bureau

Also serves rest of Southern Alberta

Phone: 403-531-8780

www.betterbusinessbureau.ca

The Kerby Centre

Phone: 403-265-0661

www.kerbycentre.com

The Better Business Bureau can provide objective, unbiased information on businesses.

Province-wide

Family Violence Information Line (24 hours)

(for financial abuse)

Toll-free in Alberta: 310-1818

Service Alberta's Consumer Contact Centre

Home renovation/contract fraud, online shopping fraud

Toll-free: 1-877-427-4088

Edmonton Phone: 780-427-4088

www.servicealberta.ca

National

Equifax

(for identity theft: to request fraud alert be placed on file)

Toll-free: 1-800-465-716

Identity Theft Statement

Helps you notify financial institutions, credit card issuers and other companies that you have been a victim of identity theft.

www.phonebusters.com/images/IDTheftStatement.pdf

PhoneBusters

To report suspicious calls

Toll-free: 1-888-495-8501

www.phonebusters.com

Reporting Economic Crime Online (RECOL)

Supported by the RCMP.

Allows individuals to file fraud complaints online

Toll-free: 1.888.495.8501

www.recol.ca

TransUnion

(for identity theft: to request fraud alert be placed on file)

Toll-free: 1-877-525-3823

