THE CURRENCY OF FRAUD

THE PAYMENT TIMELINE

1950: Check  
1970: Credit Card  
1990: Debit Card  
2019: Phone/Electronic Payment

In the last 70 years, the way we pay for goods and services has changed dramatically. Technology has transformed how we use money and scammers have taken advantage of the ever changing landscape. The following information can help you navigate those changes.

CHECK YOUR CHECKS

While checks are a longstanding method of payment for goods and services, there are risks associated with them. If you ever receive an unsolicited check in the mail, toss it. It may seem like extra money, but if there aren't funds in the account to back up the check, you're responsible for those funds (and added bank fees) the minute you sign the check. Scammers use checks in secret shopper schemes, to send fake prize winnings and to pay for items "bought" online.

GIFT CARDS

Gift cards come up time and time again as payment in common scams, but gift cards should only be given to people you know and trust as a present, not as a method of payment. Scammers love gift cards because they're as untraceable as cash and as transferable. Scammers will use gift cards to trade them in for cash, buy products and return them for cash, selling them to unsuspecting victims on eBay when they've already been liquidated, and for cleaning money - putting money that's been acquired illegally back into the economy through legal means. If someone is asking you to pay a fee or fine with a gift card, that's a red flag of a scam.

MONEY TRANSFERS

Money transfer services are great for sending money across the world to loved ones or for sending money to people without bank accounts, but scammers love them too. When a MoneyGram or Western Union transfer falls into the hands of a scammer, it's untraceable because it comes in the form of cash. There are limited protections on this type of transfer. If someone is asking you to pay for something via money transfer, that's a red flag it could be a scam.
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Bitcoin works solely over the computer. It’s transferred from one person to another without any central financial institution regulation. Instead, a computer code checks that people have money backing up the transaction they’re trying to make. Scammers like to use Bitcoin in ransomware and computer virus scams. They’ll say the information on your computer will be compromised unless you send them Bitcoin. This is a SCAM - turn off your computer and turn it back on. If the problem persists, take your computer to a trusted repair service. The value of Bitcoin changes day to day - kind of like Vegas.

TIPS FOR STAYING SCAM SAFE

- Use a credit card in transactions - they have extra protections that debit cards do not.
- Only send money to people you know and trust.
- Recognize, refuse, report scams you encounter!
- Questions? Contact AARP ElderWatch at 800-222-4444

"I WILL NEVER, EVER GIVE GIFT CARD INFORMATION TO SOMEONE I DON’T KNOW."