

Grandparents scam

“Grandma! Hi, how are you?”

“Hi, Billy. How are you?”

“Actually, I’m in some trouble, and don’t want Mom and Dad to know...”

Seems like an ordinary phone call from your grandchild, right? It may be – at least until the caller claims that he needs cash for tuition or textbooks, to fix a car, get out of jail, or leave a foreign country. He begs you to wire money right away and to keep the request confidential. The amount of money asked for is thousands of dollars. If you think that raises a red flag, you’re right!

Victims of this scam often don’t realize they’ve made a mistake until days later when they speak to their

grandchild who knows nothing about the phone call. By then, the money the grandparent wired is not only long gone, but also irretrievable. People who pull this scam usually pressure people to wire money through commercial money transfer companies like Western Union and Money Gram because wiring money is the same as sending cash. The chances of recovery are slim to none.

The Bureau of Consumer Protection warns that complaints about this type of scam are on the rise. In some cases, the fake relatives or friends may actually know the names of family members and manage a clever impersonation. In others, they trick a grandparent into giving up the grandchild’s

name. The callers often claim to be in Canada and ask that the money be wired there. Sometimes, a third person gets in the act, pretending to be a police officer or bondsman to confirm the bogus story.

Regardless of the particulars, a grandparent’s love and concern often outweighs any skepticism. That’s what the bad guys are banking on.

Grandparents and other caring individuals can learn how to avoid being taken in by a fake emergency. If you get a call from a family member asking you to wire money, for example, don’t panic – and do resist the urge to act immediately. Do not let emotions overtake reason. The Bureau of Consumer Protection suggests:

- Try to verify the caller's identity by asking personal questions a stranger couldn't answer.
- Don't fill in the blanks. Refrain from mentioning other family members names or personal information. If the caller says, "It's your granddaughter," respond with "Which one?" Most likely, the caller will then hang up.
- Remember that some impostors research the people they are posing as and can answer basic questions about them.
- Resist the pressure to act immediately. Try to contact the grandchild at a number that you know is accurate such as a home or cell phone number before transferring money (but don't ask the caller for a number to call back). If you don't have your grandchild's phone numbers, get in touch with their parent, spouse or another close family member to check out

the story before you send any money even if you've been asked to keep the call a secret.

- If you can't reach a family member and still aren't sure what to do, call the Bureau of Consumer Protection or your local police on the non-emergency line. They can help you sort things out.
- Never provide your bank or credit card account numbers to any caller – regardless of the reason.

No matter how dramatic the story sounds, **don't wire money**. Don't send a check or money order by overnight delivery or courier, either. Con artists recommend these services so they can get your money before you realize you've been cheated.

If you receive repeated fraudulent calls, contact your local telephone company for assistance in tracking down harassing calls. Also, file a complaint with the police immediately.

For more information or to file a complaint, visit our website or contact the Bureau of Consumer Protection.

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(Some information taken from the FTC fact sheet "A Scam Based on Relative-ity: Would-Be Grandchildren Bilking Honest Grandparents" 11/08)

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