

Locals lost \$34,000 in fraudulent scams



By Bill Kilpatrick

On Feb 1, to kick off fraud prevention month, the Bancroft detachment of the Ontario Provincial Police released a scam warning for the residents of their catchment area pointing out that, "Since Dec. 1, 2023, the Bancroft detachment of the Ontario Provincial Police has responded to 20 fraud/scam related incidents where victims have lost a combined total of over \$34,000," and in 2023 according to the Bancroft OPP's media relations officer, Constable Joel Devenish, the Bancroft OPP have responded to just under 100 such fraud/scam related complaints. North Hastings is not alone in terms of being a target for fraud and scams as a recent report by the Global Anti-Scam Alliance makes clear. They estimated that "Nearly \$1.026 trillion was lost by consumers worldwide last year in scams." In Canada alone in 2022 the Royal Canadian Mounted Police estimated that Canadians lost a staggering \$530 million to scams and fraud, up from a record of \$379 million in 2021 and it's just getting worse. As of Dec. 31 the Canadian Anti-Fraud Centre, a collaboration of the RCMP, the Competition Bureau Canada and the OPP, reported that they had processed 62,365 reports of fraud, 41,111 victims of fraud, resulting in losses of \$554 million. A 2019 Statistics Canada report pointed out that Canadians lost some \$16 billion to frauds and scams between 2014 and 2019. "Canadians are being targeted and victimized by telephone calls, emails, social media posts, advertisements, and fraudulent websites by diverse and coordinated fraudsters and cybercriminals," says the Canadian Anti-Fraud Centre's 2021 annual report adding that these, "Fraud operations are becoming increasingly comprehensive, deceiving, and complex." The report points out that the ever-increasing cyber connectedness has eliminated traditional borders allowing fraudsters to operate outside of a country's law enforcement boundaries. It further adds that the fraudsters and scammers use sophisticated techniques to change currencies and launder the stolen funds, which makes it very difficult to recover the money once it has been exchanged. "Most of the time it's gone," said Devenish, "but not always." Between 2021 and 2023 Canadians lost an estimated \$1.464 billion of which only \$6.7 million was recovered, resulting in a recovery rate of .45 per cent, according to the Canadian Anti-Fraud Centre. "It's heart breaking," says Devenish describing how he has witnessed people who have lost tens of thousands of their hard-earned dollars that cannot be recovered. In their 2021 annual report, the Canadian Anti-Fraud centre quoted Detective Superintendent Dominic Chong, the Director of the Financial Crime Services at the Ontario Provincial Police, who said that "Fraud [?]" is one of the most under-reported and less understood crimes. Chong was no doubt echoing the findings of a 2019 Statistics Canada report that pointed out that despite fraud and scams being the most prevalent crimes in Canada impacting 2.5 million people per year, less than 11 per cent of people reported it to the police and only a mere seven per cent reported it to the Canadian Anti-Fraud Centre. Shame and embarrassment are two of the main emotions that work to keep people quiet after they have fallen for a scam, "People feel foolish once they've done it," said Devenish, "so they just don't call." However, Devenish also points out that many people just chalk up the experience as a lesson learned and don't want to

involve police, but despite many of these frauds working internationally, Devenish says you should still report any fraud because, he adds, "there is usually someone [who is part of the scam that is] working in our country who falls under our jurisdiction." It often is also very difficult to convince friends or family members that they are being scammed explained Devenish, "I've talk to people whose family and friends are calling in because they are concerned about a loved one and they are trying to talk them out of it. You can see it, and everyone else can see it, but you can't talk them out of it, especially romance scams." The list of scams and frauds continues to grow along with who the scammers are targeting. Devenish pointed out that that there is no one particular demographic that is being targeted, "It's everyone," said Devenish, "from teens all the way up." However, he pointed out that there tends to be specific scams that target a particular demographic over another. In 2022, the RCMP said that the top three reported scams were "phishing, extortion and personal information scams," while the top three scams with the highest victim losses were "investment scams, particularly cryptocurrency fraud, romance scams, and spear phishing." The Canadian Anti-Fraud Centre pointed out that seniors over 60 tend to be targeted the most with romance scams, extortion fraud, and investment scams, citing that "In 2021, seniors lost a total of \$38 million in 487 total reports, creating the average dollar loss per report of \$78,000." According to the report seniors are targeted by extortionists because they "tend to be more susceptible to threats and coercion." Devenish also believes that teens are particularly vulnerable to romance scams because they tend to interact with and meet more people online than do members of the older generations. Whereas middle aged Canadians tend to lose the most money in merchandise and counterfeit merchandise fraud, due to their online shopping habits. While anyone can fall for one of these scams there are somethings that Canadians can do to protect themselves. Two of the main hallmarks of most scammers, says Devenish, is to invoke powerful emotions and/or a sense of emergency with the intent of overriding the rational part of your brain. Devenish said that people should always be skeptical if they receive a phone call in the middle of the night from a supposed loved one asking for money, or if someone posing as your credit card company calls and says you need to pay money by a certain time. Devenish also spoke about a specific scam whereby someone calls claiming to be your credit card company or bank informing you about suspicious transactions on your account. The scammer then encourages you to call your bank or credit card company, but they somehow have the ability to corrupt your phone line for a few minutes, so when you immediately call your bank or credit card company, you are in fact just calling another scammer posing as your bank or credit card company, giving the appearance of legitimacy. "If you receive a call like this," says Devenish, "hang up and wait for some time before calling your bank or credit card company, or better yet call from another phone line." He also points out that caller identification cannot always be trusted either as scammers are "spoofing" legitimate numbers to help their scams appear more authentic. This is an example of the comprehensive, deceiving, and complex nature that scams are taking and shows the extent that scammers are willing to go to get people's money or personal information. Because of the increasing complexity of these scams Devenish does not want people to suffer in silence or feel ashamed for falling for one of these scams and wants people to know that there may be help for them, but "Prevention," says Devenish, "is our best way to protect people," and prevention begins with education, but in order for education to occur the public needs to be reporting frauds, scams, and suspicious calls or activity. "It is beneficial for the Canadian Anti-Fraud Centre to get that information," says Devenish, "because then they can begin to build a profile," and that profile allows them to inform the public about the nature and operation of these scams. Devenish encourages everyone to take their time when they receive a call from anyone, especially if they did not reach out to them first, and if you have any doubts get a second opinion before making any monetary decisions. Devenish also encourages people to reach out to the OPP if they receive a suspicious call, "If you get a call in the middle of the night and something feels weird and things are just not adding up, call the police, as they can provide a rational voice and allow you a break from that urgency, [or emotional response]" and ultimately save you from making an irreversible, potentially life changing decision. Below is a list of some fraud protection tips and a list of the current scams and frauds impacting the Bancroft OPP's service area. For mor information and for a more comprehensive list or to report a fraud or scam visit: <https://antifraudcentre-centreantifraude.ca/index-eng.htm> or call 1-888-495-8501.

Types of Frauds and Scams as released by the Bancroft OPP

Emergency - Is a supposed loved one reaching out to you because they need money immediately and you're the only one they trust to keep it a secret? Resist the urge to act immediately and verify the person's identity by making the outgoing call you have listed for them in your contact list.

Gift Cards - Gift cards are a popular and convenient way to give a gift. They should also be considered like cash; once they are exchanged, it is unlikely that you are getting your money back. Gift cards are not meant for payments and no legitimate business or organization will request these as payments, especially under pressure.

Counterfeit merchandise - Look out for huge and flashy discount ads on social media or in unsolicited emails that direct you to websites that look like legitimate manufacturers. If you do receive any inferior/counterfeit products, they could pose significant health risks.

Selling goods and services Online - Be suspicious of customers offering to pay more than the asking price. When selling goods and services online, always confirm that you have received a legitimate payment before you send the product. Fraudsters will also target anyone selling a vehicle online. Make sure to use reputable websites if a vehicle history

report is required. Crypto investments - Scammers are using social media and fraudulent websites to promote fraudulent crypto investment opportunities. Prior to investing, always ask for information on the investment. Research the team behind the offering and analyze the feasibility of the project. Verify if the company is registered by using the National Registration Tool: www.aretheyregistered.ca. Romance scams - An attractive fake identity lures you into a web of lies spun with loving messages and sweet promises. The fraudsters play on your emotions to get you to send them money for various, convincing reasons. Never send money to someone you have never met. Online shopping - Fraudsters pose as genuine sellers and post fake ads for items that do not exist. The listing price for almost any item such as an event ticket, rental, vehicle, or puppy is usually too good to be true. Research before you buy. Cellphone and internet service provider scam - If you are looking to purchase a new cellphone, don't fall for an incoming call claiming to be from your service provider. Always find the official phone number for your service provider and make the call yourself. How to protect yourself from fraudsters and scammers Know the market value of the product you are looking for. Locate and verify the sellers contact information such as address, phone number, or email before you buy. Look for customer reviews and ratings from third-party sources. Use a payment method with fraud protection, for example pay by credit card. Whenever possible, pick-up items and provide the payment in person. Review all email information to make sure they are coming from a legitimate source. Never transfer funds to shipping company for example, in order to receive a payment for an item you're selling. Do your research and use reputable websites to purchase Vehicle Information Number reports. Do an online search to see if anyone has already reported the fraudulent buyer or seller.