
CONSUMER ALERT

**BILL SCHUETTE
ATTORNEY GENERAL**

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GRANDPARENTS SCAM

TELEPHONE CON ARTISTS TARGET SENIOR CITIZENS' USING "DISTRESSED LOVED-ONE" TACTIC

Across the nation, con artists are scamming grandparents out of thousands of dollars by posing as grandchildren in distress. In one instance, Michigan, grandparents were taken for \$33,000. They wire transferred \$3,000 to someone they thought was their grandson after he called and claimed he was caught fishing without a license in Canada and needed to pay a \$3,000 fine. They were taken for an additional \$30,000 after the supposed grandson called again to say that alcohol and drugs were found when his boat was searched, and he needed \$30,000 to post bond to get out of a Canadian jail.

HOW THE SCAM WORKS

A grandparent receives a frantic call from someone they believe to be their grandchild. The supposed grandchild sounds distressed and may be calling from a noisy location. The supposed grandchild claims to be involved in some type of trouble while traveling in Canada or overseas, such as being arrested or in a car accident or needing emergency car repairs, and asks the grandparent to immediately wire money to post bail or pay for medical treatment or car repairs. The scammer typically asks for several thousand dollars, and may even call back again several hours or days later asking for more money. He or she may claim embarrassment about the alleged trouble and ask the grandparent to keep it a secret.

A variation of the scam may involve two scammers – the first scammer calls and poses as a grandchild under arrest. The second scammer, posing as some type of law enforcement

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officer, then gets on the phone with the grandparent and explains what fines need to be paid. Alternatively, the scammer may pretend to be a family friend or neighbor. A common theme of the scam across the nation is the caller's request for the grandparent to wire money through Western Union or MoneyGram or to provide bank account routing numbers. Wire transfers of money are nearly impossible to trace and typically cannot be recovered from the telephone con artists.

It is possible that the scammers are finding their targets on the Internet. Names, addresses, birth dates, and telephone numbers are easily ascertained online. Another possibility is that the scammers are calling telephone numbers randomly until they reach a senior citizen. In some cases, the senior citizen unknowingly "fills in the blanks" for the thief. For instance, the senior answers the phone, the scammer says something like, "Hi Grandma, it's me, your favorite grandchild," the grandparent guesses the name of the grandchild the caller sounds most like, and the scammer takes on that grandchild's identity for the remainder of the call.

HOW TO AVOID BEING SCAMMED

Be suspicious when you receive a telephone call where:

- A grandchild calls you from a far away location
- The grandchild says, "It's me," or "It's your grandson," or "It's your favorite grandchild."
- The grandchild is in some trouble or some type of distress
- The caller asks for money to be wire transferred

If you receive such a call, you should verify the identity and location of the grandchild claiming to be in trouble. You should hang up and call another family member who can confirm your grandchild's whereabouts. Try calling your grandchild at the telephone number through which you normally reach him or her. Stay calm and avoid acting out of a sense of urgency. Do not wire money unless you have verified with an independent third party that your grandchild is truly in trouble.

In addition, *never* give out any personal identifying information such as bank account or credit card numbers to anyone who calls you on the phone. As in the Grandparents Scam, con artists will lie, cheat, steal, and make up plausible stories to convince you to wire money or divulge sensitive information. The callers are often professional criminals who are skillfully able to get you to wire money or give personal information before you have time to properly assess the situation. For further information, see the Consumer Alert, "Telemarketing Fraud: Never Give Personal Information to Unknown Callers," at http://mich.gov/ag/0,1607,7-164-34739_20942-131622--,00.html.

WHAT TO DO IF YOU HAVE BEEN SCAMMED

Consumers may contact the Attorney General's Consumer Protection Division at:

Consumer Protection Division
P.O. Box 30213
Lansing, MI 48909
517-373-1140
Fax: 517-241-3771
Toll free: 877-765-8388
www.michigan.gov/ag (online complaint form)

In addition, if the request for money involved a wire transfer to Canada, Canadian officials in the Anti-Fraud Call Centre ask victims to report the fraud at their PhoneBusters hotline at 1-888-495-8501 or on their website at www.phonebusters.com.