



OFFICE OF THE LOUISIANA ATTORNEY GENERAL

CONSUMER PROTECTION HOTLINE: 1.800.351.4889

This public document was published at a cost of \$16,340.00. Forty-six thousand and four hundred (46,400) copies of this document were published in this first printing at a total cost of \$16,140.00. The total cost of all printings, including reprints is \$16,340.00. This document was published for the Louisiana Department of Justice by State Printing, 950 Brickyard Lane, Baton Rouge, LA 70803 as part of the Sears Grant to educate the public on elder fraud issues. This material was printed in accordance with standards for printing by state agencies established in R.S. 43.31. Printing of this material was purchased in accordance with the provisions of Title 43 of the Louisiana Revised Statutes.



Louisiana Department of Justice
Office of the Attorney General
Consumer Protection Section

Elder Fraud Prevention

An educational guide to preventing and reporting fraud

**Consumer Protection Hotline:
1.800.351.4889**



Louisiana Do Not- Call Registry

(877) 676-0773

www.lpsc.org

(Contact this agency to reduce telemarketing calls.)

National Consumers League

1701 K St., NW, Suite 1200

Washington, DC 20006

(202) 835-3323

www.fraud.org

(This agency provides consumers with information to avoid becoming victims of fraud.)

Direct Marketing Association

P.O. Box 643

Carmel, NY 10512

www.dmachoice.org

(Write to this agency to have your name removed from direct mail solicitations.)

U.S. Postal Inspection Service

Attn: Mail Fraud

433 W. Harrison Street, Room 3255

Chicago, Illinois 60699-3255

(877) 876-2455

www.postalinspectors.uspis.gov

(This agency handles mail order complaints, as well as, information on mail fraud.)

American Association of Retired Persons (AARP)

601 E. St., NW

Washington, DC 20049

(800) 646-2283 (Fight Fighter Call Center)

www.aarp.org

Federal Trade Commission

600 Pennsylvania Ave., NW

Washington, DC 20580

(877) 382-4357

www.ftc.gov

REPORTING FRAUD

Contact the following agencies for additional information regarding elder fraud:

**Louisiana Attorney General's Office
Consumer Protection Section
P.O. Box 94005
Baton Rouge, LA 70804-9005
(800) 351-4889
www.ag.state.la.us**

**Louisiana Governor's Office of Elderly Affairs
P.O. Box 61
Baton Rouge, Louisiana 70821
(225) 342-7100
www.goea.louisiana.gov**
(This agency provides information on services, programs, and opportunities for the elderly.)

**Louisiana State Licensing Board for Contractors
2525 Quail Drive
Baton Rouge, Louisiana 70808
(800) 256-1392
www.lslbc.louisiana.gov**
(This agency licenses contractors doing business in Louisiana.)

**Louisiana Office of Financial Institutions
P.O. Box 94095
Baton Rouge, Louisiana 70804
(225) 925-4660
www.ofi.state.la.us**
(This agency regulates financial institutions and handles complaints and inquiries regarding consumer credit and banking.)

**Louisiana Department of Insurance
P.O. Box 94214
Baton Rouge, Louisiana 70804-9214
(800) 259-5300
www.lidi.state.la.us**
(This agency regulates insurance companies and handles complaints and inquiries about insurance issues.)

A MESSAGE FROM THE ATTORNEY GENERAL'S CONSUMER PROTECTION SECTION

As the population of our nation grows older, so does the average age of fraud victims. Billions of dollars are lost each year to scams and, unfortunately, many of these victims are our senior citizens. Research shows that Americans aged 65 and older are the prime targets of scams and receive more mail and telephone solicitations than any other age group.

Our office often receives reports involving a trusting senior citizen who has lost his or her life savings to a scam artist. Although every scam reported to our office is investigated, education is the only way to protect yourself from becoming a victim of a scam. This handy guide contains information ranging from telemarketing, mortgage, contractor and charity fraud and other types of frauds commonly perpetrated on senior citizens.

If you have any questions or need further information on elder fraud prevention, please contact the [Consumer Protection Section](#) of the Louisiana Attorney General's Office at 1-800-351-4889 or visit www.ag.state.la.us.

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Get It in Writing

What to Do Before You Are Hacked

- Use unique passwords for important sites, like your bank and email. Safeguard all usernames and passwords.
- Do not click on links or open attachments in emails unless you know who sent them and what they are.
- Download free software only from sites you know and trust.
- Do not treat public computers like your personal computer.
- If it looks like your email or social media account might have been taken over, make sure your security protections are up-to-date, reset your passwords, and warn your friends.



Did you know?

It is important to forward all phishing emails to spam@uce.gov and to the company, bank or organization impersonated in the email. You may also report phishing emails to the Anti-Phishing working group at reportphishing@antiphishing.org.



PREVENTING ONLINE FRAUD

Phishing occurs when Internet fraudsters impersonate a business to trick you into giving out your personal information.

Delete all emails and text messages that ask you to confirm or provide personal information (credit card and bank account information, Social Security numbers, passwords, etc.) Legitimate companies do not ask for this information via email or text.

Fraudulent messages may appear to be from organizations you do business with including your local bank. Do not reply, click links or call phone numbers provided in the message. These messages direct you to spoof sites that look real but whose purpose is to steal your information so a scammer can make fraudulent charges or commit crimes in your name.

Avoid Phishing Scams

- Use trusted security software updates automatically.
- Do not email personal or financial information. Remember, email is not a secure method of transmitting personal information.
- Only provide personal or financial information through an organization's website when you have typed in the web address yourself and you see signals that the site is secure and the URL begins with https (the s stands for secure).

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TELEMARKETING FRAUD

Telemarketing fraud costs consumers an estimated \$40 billion dollars each year. It is important to remember that not every telemarketer that calls your home is legitimate. It is estimated that there are 140,000 telemarketing firms in this country and up to 10% or 14,000 of these may be operating fraudulently.

Everyone is a potential target of a scam or fraud. Fraud is not limited to race, ethnic background, gender, age, education or income. However, con artists who use the telephone to swindle trusting people out of their money more often target the elderly, because the caller assumes that they live alone, have a large nest egg, or may be more polite to strangers.

Telemarketing Sales Rule

You should know that the Federal Trade Commission's Telemarketing Sales Rule helps protect you from abusive and deceptive telephone sales practices. It prohibits telemarketers from calling you before 8:00 a.m. and after 9:00 p.m. In addition, before you buy, telemarketers must tell you:

- (1) the total cost of the goods they are selling,
- (2) any restrictions on getting or using them, and
- (3) if a sale is final or non-refundable.

Telemarketers must also tell you it's a sales call, the name of the seller, and what they are selling before they make the sales pitch.

If You Decide to Attend an Investment Seminar Event:

- Do not listen to anyone who promises you low risk and high profits.
- Do not believe the extraordinary success stories. Most of these people were probably paid to give glowing reviews.
- Be cautious of seminar representatives that do not want to answer all of your questions or give evasive answers. Get everything in writing and do not sign any paperwork at the seminar. Take the information home, read it again and then consult someone you trust.
- Be cautious of retirement investment "opportunities".

Before Investing:

- Independently verify claims. Consider the source and be skeptical of references.
- Never give out your personal information.
- Thoroughly check out promoters and company officials.
- Research the company. Check out the company's financial statements.
- Look out for high-pressure pitches especially "once-in-a-lifetime" chances.

Did you know?

You can inquire about a securities salesperson or report investment fraud to the Louisiana Office of Financial Institutions at (877) 516-3653 or visit www.ofi.la.gov.

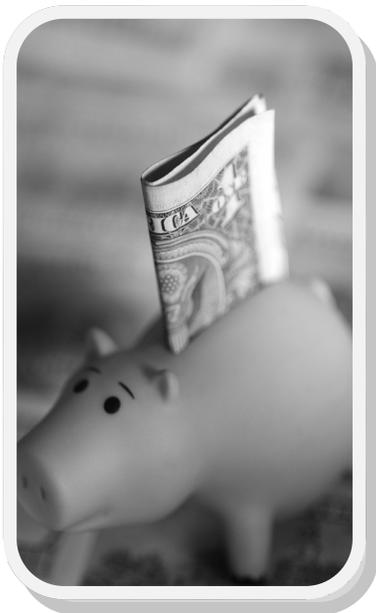
INVESTMENT FRAUD

You may receive a letter in the mail or see an infomercial on television promoting a conference or seminar that promises you quick money. The speaker or mailing may offer investment information that you can use to start a business or invest in a product.

Testimonials and success stories will be the driving force to convince you that this investment opportunity is guaranteed.

Beware of the following investment scheme pitches:

- *You can earn quick money without experience or training.*
- *The business or program opportunity is only offered for a limited time.*
- *The deal is a “sure thing” that will continue to show returns for years.*
- *You’ll reap financial rewards even if you only work part time or from home.*
- *You will be coached each step to success.*



Investment opportunities that claim to be low risk and high reward are almost always fraud. Beware of promoters who pressure you to buy before have a chance to fully investigate an investment opportunity. The seminar pitchers make impossible guarantees and pressure you with an “act now” approach. Be wary of unsolicited offers.

Hang Up on Phone Fraud:



- Never give out your Social Security number, credit card number or bank account information over the phone unless you initiated the call.

- Resist high pressure to make an immediate decision.
- Do not send money by courier, overnight delivery, or wire to anyone who insists on immediate payment. Research all offers with the Attorney General’s Office Consumer Protection Section before you agree to send money.
- Ask the caller to send you written information about the product or service being offered.
- Remember, if it sounds too good to be true, it probably is!

Did you know?

Louisiana has a **Do Not Call Program** that can reduce the amount of telemarketing phone calls you receive. To sign up for the program or get more information, contact the **Louisiana Public Service Commission** at **(877) 676-0773** or visit its website at www.lpsc.org. You can also sign up for the **National Do Not Call Registry** by calling **(888) 382-1222** or visiting its website at www.donotcall.gov.

SWEEPSTAKES FRAUD

It is often difficult to know if a prize promotion is legitimate. Under federal and state law, telemarketers who use prize promotions must provide you with certain information such as the odds of winning a prize. If the odds cannot be determined in advance, you must be told the factors used to calculate the odds. The caller must also tell you that no purchase is necessary to enter or win, and you do not have to send money to collect the prize.

Foreign Lotteries

Scam artists often based out of Canada, Nigeria and other foreign countries use telephone and direct mail solicitations to entice U.S. consumers to buy chances in high-stakes foreign lotteries. These lottery solicitations violate U.S. law, which prohibits the cross-border sale or purchase of lottery tickets by phone or email. Ignore all mail and phone solicitations for foreign lotteries. If you receive what looks like lottery material from a foreign country, report it to the U.S. Postal Inspector.

The Truth About “Free” Prizes:

Some phony contest promoters use names that resemble legitimate organizations. Remember:

- It's illegal for a telemarketer to misrepresent an affiliation with or an endorsement by a government agency.
- Be wary of any sweepstakes notification that you receive from an international or foreign lottery.

- Say they are working in your neighborhood but are unable to provide you with names of past customers.
- Prey on your sympathy by telling you that their family is in need of money.

Slam the Door on Fraud:

- Do not buy on impulse.
- Avoid high-pressure sales tactics. Resist the urge to make an immediate decision.
- Be certain that you understand all terms of the contract and that the contract is complete.
- Do not sign a contract that has blank spaces.
- If there is a problem, be sure you have a legitimate address and phone number so you can get in touch with the company.



Did you know?

Many door-to-door con artists will use excuses to get into your home, such as they are looking for an address in the neighborhood or that they are from a water company and need to test your water.

DOOR-TO-DOOR SALES

Door-to-door sales are subject to the Federal Trade Commission's "Cooling-Off Rule." This rule gives you three days to cancel purchases of \$25 or more if you buy an item in your home or at a location that is not the seller's permanent place of business. Your right to cancel extends to midnight of the third business day after the sale.

Under the Cooling-Off Rule, the seller must tell you about your cancellation rights at the time of sale. The seller must also give you two copies of a cancellation form and a copy of your contract or receipt. The contract or receipt should contain the date of sale, the name and address of the business, and explain your right to cancel.

Senior citizens are more likely to encounter door-to-door salespersons. Items that a door-to-door salesperson may be offering include home improvements, funeral service contracts, living trusts, alarm and home automation systems or magazine subscriptions.

A Door-to-Door Con Artist Will:

- Greet you by name. The con artist may have gotten your name from a telephone book or the internet.
- Approach you while you are outside your home.
- Demand cash.
- Claim to go hungry if you do not buy their product.

- If you must attend a sales meeting to win your "free" prize, you may be subjected to high-pressure sales tactics.
- Read the fine print in the notification letter. It may tell you the cash value of each prize or that you must attend a sales event as part of the contest.
- Be cautious if a company urges you to send an overnight payment. Never give out your credit card or bank account numbers unless you have a trusted business relationship with the company.
- You never have to pay an up-front fee to enter a contest or receive your winnings. Legitimate sweepstakes do not require you to buy something to enter or to improve your chances of winning.

Did you know?

You can stop most unsolicited mail by writing to the **Mail and Email Preference Services**. This places your name and address on a list of consumers who do not want direct mail solicitations. Mail your request with a \$1 processing fee to:

**DMAchoice
Direct Marketing Association
P.O. Box 643
Carmel, NY 10512
www.dmachoice.org**

DMAchoice will also stop most mail from non-sweepstakes marketers, as well as, catalogues and charity solicitations.

FAKE CHECK SCAMS

Counterfeit or fake checks are being used in a growing number of fraudulent schemes including foreign lottery scams, check overpayment scams, Internet auctions and secret shopper scams. Some fake checks look so real that even bank tellers are fooled. These counterfeit checks are printed with the names and addresses of legitimate financial institutions. And even though the bank account and routing numbers listed on counterfeit checks may be legitimate, the check still can be a fake.

Classified Ad and Auction Posting Scam



Often a scam artist replies to a classified ad or auction posting, offers to pay for the item with a check, and then comes up with a reason for writing the check for more than the purchase price. The scammer asks the seller to wire back the difference after depositing the check. The seller does it and later when the check bounces, the seller is left liable for the entire amount.

Under federal law, banks generally must make your funds available to you within two business days after depositing a check. However, just because funds are available on a check you've deposited does not mean that the check is good. Forgeries can take up to a week to be discovered. Until the bank confirms that the money has been deposited in your account, you are responsible for any funds you withdraw on the check.

How to Keep Your Good Name:

- Before you reveal your personal information, ask how it will be used.
- Minimize the amount of personal information you carry in your purse or wallet and keep items with personal information in a safe place.
- Shred pre-approved credit card offers, bank statements, credit card statements and insurance forms before putting them in the trash.
- Only give your Social Security number when it is absolutely necessary. Ask to use other identifying information when possible.
- Place a Security Freeze on your credit report and request a copy of your free credit report every year from each credit bureau. Review your credit report for accuracy and to ensure it includes only those activities you have authorized.
- Ask about information security procedures in your workplace or at businesses, doctors' offices or other institutions that collect personally identifying information from you.

Did you know?

The Federal Trade Commission maintains the Identity Theft Data Clearinghouse, the federal government's centralized identity theft complaint database. If you have been an identity theft victim, contact the **FTC Identity Theft Hotline** at **(877) 438-4338** or visit their website at **www.consumer.gov/idtheft**

It is important to catch medical identity theft early.

- First, read every "Explanation and Benefits" statement you get from your health insurer. Follow up on any item that you do not recognize.
- At least once a year, ask the health insurers you have been involved with for a list of the benefits they paid in your name.
- Finally, make it a regular practice to check your credit reports. You are entitled to a free report from each of the three nationwide companies every 12 months. You can order your free credit report from www.annualcreditreport.com.

If you think that you may be a victim of medical identity theft:

- Ask your health care provider or hospital for your medical records. You have a right to get copies of your current medical files from each health care provider, though you may have to pay for them. You also have a right to have inaccurate or incomplete information removed.
- Contact your medical provider and insurance provider.

Did you know?

If you are a victim of identity theft, you can file a police report with your local law enforcement agency. Once you obtain the police report, forward the information to all three credit bureaus and the companies where the fraudulent accounts were opened.



Avoid Counterfeit Check Scams

- Ignore any offer that asks you to pay an upfront fee for a prize or gift or wire money to strangers.
- If you are selling something, do not accept a check for more than the selling price. If the buyer refuses to send the correct amount, return the check and do not send the merchandise.
- If you accept payment by check, ask for a check drawn on a local bank, or a bank with a local branch. If that is not possible, call the bank on which the check is drawn, and ask if it is valid.
- If the buyer insists that you wire back funds, end the transaction immediately. Legitimate buyers do not pressure you to send money by wire transfer.

Did you know?

When funds are sent through wire transfer services, the recipients can pick up the money at other locations within the same country making it nearly impossible for the sender to identify or locate the recipient. You will have little recourse if there is a problem with a wire transfer.

RELOADING SCAMS

If a fraudulent telemarketer has scammed you before, there is a good chance you will receive a phone call from someone claiming to be able to get your money back. The person offering to get your money back probably works for the con artist who stole it!



Scam artists buy and sell “sucker lists” with the names of people who have been defrauded through telemarketing scams. Scam artists pay top dollar for “sucker lists,” because they believe that consumers who have been deceived once are vulnerable to falling victim to additional scams.

Caller ID Spoofing

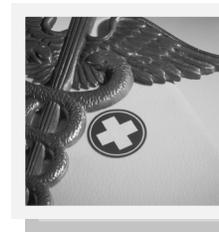
Using a practice known as “caller ID spoofing,” callers can deliberately falsify the telephone number and/or name relayed as the caller ID information to disguise the identity of the calling party.

These scam artists, disguised as “recovery room” operators, may promise to get back the money lost or merchandise never received for a “small fee.” This is illegal! If a recovery operation asks you to pay up-front, **hang up!** Under the Federal Trade Commission’s Telemarketing Sales Rule, “recovery room” operators are prohibited from requesting or receiving payment until seven business days after they deliver the recovered money or other item to you.

How Does an Identity Thief Use My Personal Information?

- Contacting your credit card issuer and pretending to be you. The thief asks to change the mailing address on your account and begins to make charges on your account. Since the mailing address has been changed, it may take time to realize that there's a problem.
- Opening a new credit card account using your name, date of birth and Social Security number. The identity thief does not pay the bills and the negative information is reported on your credit report.
- Opening a bank account in your name and writing bad checks.

Medical Identity Theft



Medical identity theft occurs when someone steals your personal information, such as your social security or Medicare identification number, and uses it to commit health care fraud. Medical identity thieves use your identity to receive medical treatment, prescription drugs, or even scam your insurance company by making a fraudulent claim. This form of identity theft can cause serious consequences. If a scammer receives treatment in your name, that person's health problems could become a part of your medical records. This could affect your ability to get medical care and insurance benefits, and even affect decisions made by doctors treating you in the future. The scam artist's unpaid medical debts also could end up on your credit report, leaving you responsible for disputing those charges.

IDENTITY THEFT

Identity theft occurs when someone misuses your personal information, such as your social security number or bank account information, for financial gain. An identity thief can misuse your information to open fraudulent credit card accounts, secure deposits on cars and housing, and receive utility service in your name.

This form of financial sabotage can devastate your credit and require hours of your time to resolve. In the meantime you may have difficulty writing checks, getting loans, or finding employment. It is important to know how identity theft occurs, how to prevent it, and what to do if you become a victim.

How Does an Identity Thief Get My Personal Information?

- Stealing wallets and purses that contain your driver's license, credit cards and bankcards.
- Stealing your mail that includes account information, pre-approved credit card offers and tax information.
- Rummaging through your trash looking for personal information, such as old bank statements and bills.
- Using personal information you share over the Internet.



Don't Be a Victim Again:

- Be wary of people who offer to recover money or other items and request a fee in advance.
- Beware of individuals claiming to represent companies, consumer organizations, or government agencies that will recover your lost money for a fee or donation to a special charity.
- Before you purchase recovery services over the phone, ask what services the company provides and the cost of each service.
- Never give out your credit card or checking account number over the phone unless you have a prior, trusted business relationship with the company.
- Be wary of people who ask you to send money by overnight mail or offer a courier to come to your home to pick up your payment.
- Before you buy over the phone from someone you don't know, ask for written information about the offer.

Did you know?

National, state and local consumer enforcement agencies do not charge a fee for their services and never guarantee to get your money back.

CHARITY FRAUD

We all want to help those less fortunate; however, it is important to know if your donation is sent to a legitimate charitable organization.

Before You Donate:

- Ask for written information about the organization. A legitimate charity will gladly provide this information.
- Ask how your donation will be spent.
- Be mindful of similar sounding names. Some fraudulent charities will use names that resemble a well-known, established organization.
- Be skeptical if someone thanks you for making a pledge you do not remember making.
- Watch for invoices claiming you have made a pledge when you have not. Many phony charities use this approach to get your money.
- Be skeptical of high-pressure techniques. A legitimate charity will not demand an immediate donation.
- Do not give cash and always pay by check so you will have a record of your contribution. Remember to make your check payable to the charity and not to the person soliciting.
- Be skeptical of charities soliciting funds immediately after a natural disaster.

PRESCRIPTION DRUG SCAMS



Consumers have many choices for buying prescription drugs; however, it is important to beware of counterfeit drugs that are sold over the Internet. You might throw your money away on ineffective drugs, or even worse, you could be harmed by taking drugs that are not what they purport to be.

Buying Medications Safely Online

- Do not buy from an online seller that does not require a prescription.
- If you do not already have a prescription, do not deal with a website that will provide a prescription based on an online questionnaire, without an in-person physical exam.
- Do not buy from a site that advertises “miracle drugs” for a new cure for a serious disease. These drugs are usually not approved by the Federal Drug Administration (FDA) and could be dangerous or ineffective.
- Make sure a licensed pharmacist is available to answer your questions.
- Beware of online pharmacists that do not list an address or toll-free phone number to contact in case of a problem. When buying medications online, make sure the seller is properly licensed.

Did you know?

If you suspect that you have bought a counterfeit drug online, it is important to report it. Notify the online drug seller and contact the FDA’s Medwatch program at 1-(800)-332-1088.

Protect Yourself and Your Home:

- Do not agree to a home equity loan if your monthly income does not meet the loan payments.
- Do not sign any document you have not read, do not understand, or has blank spaces. Contact an attorney before assigning your property to anyone.
- Keep careful records of your loan payments, including billing statements and cancelled checks.
- Consider all the costs of financing before you agree to a loan and ask questions about any part of the loan you don't understand.



Did you know?

With most reverse mortgages, you have at least three business days after closing to cancel without penalty. To cancel, you must notify the lender in writing by certified mail and ask for a return receipt. This will allow you to document when the lender received the documents. Keep copies of all correspondence. After you cancel, the lender has 20 days to return any money you paid for the reverse mortgage.

Public Safety Groups



Consumers are often asked to contribute to police and fire fighter organizations. Although a charitable organization may have the words “police” or “firefighter” in its name, this does not necessarily mean that local police or fire departments will benefit from your donation. Contact your local public safety group to see if they are aware of the solicitation. If they are unaware of the solicitation, it may be a scam.

Professional Solicitors



Often, charities will use professional solicitors to help solicit donations. Professional solicitors can legally keep a portion of the donations collected. If you are called for a donation, ask if the caller is a paid solicitor and what percentage of your donation they will keep. The professional solicitors must state their name, which charity they are calling on behalf of, and where they are calling from.

Did you know?

Under Louisiana law, charities that solicit using professional solicitors must register with the Louisiana Attorney General's Office.

PAYDAY LOANS

“Get cash until payday!...\$100 or more...Fast.”

You’ve seen or heard these advertisements on the television, radio, Internet, and in the mail. These advertisements refer to payday loans, which come with a very high price. Check cashers and finance companies make small, short-term, high-rate loans to consumers. To get a payday loan, a borrower usually writes a personal check, payable to the lender, for the amount he or she wishes to borrow plus a fee. The company gives the borrower the amount of the check minus the fee. Fees charged for payday loans are usually a percentage of the face value of the check or a fee charge per amount borrowed.



While many payday lending companies are legitimate, scam artists have created fraudulent payday lending sites to scam consumers in need of cash. Before you receive a payday loan, ensure that the company is legitimate.

Alternatives to Payday Loans:

- When you need credit, it is important to shop around. Look for the credit offer with the lowest annual percentage rate (APR)—consider a small loan from your credit union or small loan company, an advance on pay from your employer, or a loan from a family member or friend.

Abusive Lending Practices

Beware of the following lending practices that may cost you your home:



Equity Stripping: A lender tells you that you could get a loan even though you know your income isn’t enough for the monthly payments. The lender tells you to “pad” your income on the application.

Once you can’t make your payments, the lender will foreclose on your home and strip you of the equity you have built up.

Hidden Loan Terms: If you have fallen behind on your mortgage, you may face foreclosure. A lender may offer to refinance your mortgage and lower your monthly payments. The payments may be lower because you are only repaying the interest on your loan each month.

At the end of the loan term, you must repay the entire amount you borrowed in one lump sum. If you cannot pay the entire balloon payment, you may face the loss of your home.

Loan Flipping: The lender persuades you to repeatedly refinance the loan and to borrow more money. Each time you refinance you pay additional fees and interest points, which only increases your debt.

MORTGAGE FRAUD

Scam artists target people who are having trouble paying their mortgages. Some claim to be able to rescue homeowners from foreclosure, while others promise to modify your loan for a fee.

Signs of a Foreclosure Rescue Scam

Contact your mortgage company as soon as possible if you are having trouble paying your mortgage or if you get a mortgage foreclosure notice. If you are in danger of foreclosure, avoid any individual or company that:

- Requires a fee in advance.
- Promises to find mistakes in your loan documents that will force your lender to cancel or modify your loan.
- Guarantees to stop the foreclosure.
- Advises you to stop paying or to stop all communication with your mortgage company.

Home Equity Scams

Homeowners who are strapped for cash may be the targets of a home equity scam. If you are in need of cash and are thinking about getting a home equity loan, be careful! The elderly, minorities, and those with low income or poor credit histories, should be careful when borrowing money based on the equity in their home because certain abusive lenders target these borrowers who may unknowingly risk losing their home.

- Ask your creditors for more time to pay.
- Find out what the fee is for a late payment and whether there is an additional finance charge or a higher interest rate.
- Find out if you have, or can get, overdraft protection on your checking account. If you regularly exceed the amount of money in your checking account, overdraft protection can help protect you from future credit problems. Learn the terms of overdraft protection.
- Prepare a realistic budget, and calculate your monthly and daily expenses.
- Contact a local consumer credit counseling service if you need to work out a debt repayment plan.
- If you decide the only alternative for you is to use a payday loan, borrow only as much money as you can afford to pay with your next paycheck. Make sure you still have enough funds to make it to your next payday.

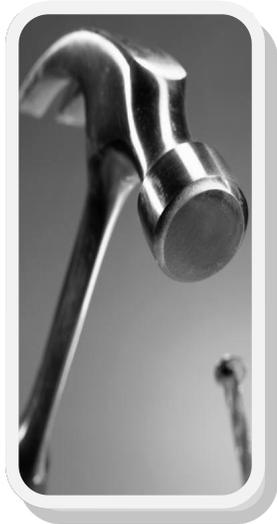
Did you know?

Under the Truth in Lending Act, the cost of payday loans must be disclosed. You must receive, in writing, the finance charge and the annual percentage rate.

CONTRACTOR FRAUD

Older Americans are usually the target of unscrupulous contractors who are trying to make a quick buck.

Before you hire a contractor, use the following recommendations:



- Get at least 3 estimates (bids) in writing before hiring a contractor. Remember cheap does not mean qualified.
 - Ask friends and family for contractor recommendations and check all contractor references.
 - Have a written contract with the contractor.
 - All oral promises should be added to the written contract.
 - Inspect the entire job before making the final payment.
- Know with whom you are dealing. Check the contractor's license or registration number with the Louisiana State Licensing Board for Contractors.
 - Keep a signed, legible copy of the contract in a safe place. All paperwork and contracts related to home repair should be in one place.
 - Never pay cash! Always pay by check or money order and keep the receipts.
 - Check out the contractor's dissatisfaction record with the Consumer Protection Section, Louisiana State Licensing Board for Contractors or with the Better Business Bureau.



Before you sign on the dotted line:

- Contact an attorney or banker with experience in estate planning to see if a living trust is right for you.
- Resist high-pressure sales tactics.
- Avoid salespeople who give the impression that their product is endorsed by the AARP. Remember that AARP does not endorse any living trust product.
- If you decide a living trust is right for you, make sure the property has been transferred from your name to the trust. If the transfers aren't done properly, the trust is invalid.
- Contact the Attorney General's Office or the Better Business Bureau to check out the company offering the living trust.

Did you know?

If you buy a living trust in your home or somewhere other than the seller's permanent place of business, the seller must give you a written statement of your right to cancel the deal within three business days.

LIVING TRUSTS



There is a lot of misinformation and misunderstanding about estate laws and con artists have found a new way to scam seniors by selling living trusts.

Consumers often receive postcards inviting them to attend a seminar about living trusts or asking them to call for an in-home appointment to see if a living trust is right for them. During the seminars or in-home meetings, it is not unusual for the salesperson to exaggerate the benefits of a living trust. In many cases, a living trust is not appropriate for the consumer and the salesperson will falsely claim that locally licensed attorneys will prepare the documents.

Living Trust “Kits”

Some businesses advertise living trust “kits.” Consumers send money for these do-it-yourself kits and receive nothing in return. Other businesses use estate-planning services to gain access to consumers’ financial information or sell them other products.

A living trust, created while you are alive, lets you control the distribution of your estate. You transfer ownership of your property and your assets into the trust. You can serve as the trustee or you can select a person or an institution to be the trustee. If you are the trustee, you will have to name a successor trustee to distribute the assets at your death.

Although a living trust can be a valuable estate-planning tool for some people, it may be a waste of time and money for others.



Get it in Writing

Before signing a home repair contract, make sure the contract contains:

- Contractor’s name, address, phone and license number.
- An estimated start and completion date.
- All contractor’s responsibilities under the contract including what the contractor will and will not do.
- A detailed list of all materials and how change orders will be handled.
- A payment schedule for the contractor, subcontractors and suppliers.

Did you know?

A less reputable contractor does the following: solicits door-to-door, tells you he/she has materials left over from a previous job, pressures you for an immediate decision, asks you to pay for the entire job up-front and/or asks you to get the necessary permits.

FUNERALS AND BURIALS



Funerals and burials are one of the most expensive purchases that a consumer will ever make. However, most of us are not fully prepared to make these purchases.

The Funeral Rule, enforced by the Federal Trade Commission,

ensures that families know what funeral and burial options are available and the cost of these services prior to purchase.

Pre-planning a funeral allows a person to choose items he or she wants and compare prices of funeral providers. If you decide to pre-plan your funeral, it is important to put your wishes in writing and gives copies to family, friends and your attorney. It is also a good idea to review your funeral plans every few years.

Be Informed

Many consumers not only want to pre-plan, but pre-pay for their funerals, as well. If you want to pre-pay for your funeral, you may want to ask the following questions:

- (1) What am I paying for?
- (2) Can I cancel the contract if I change my mind?
- (3) Am I protected if the funeral home goes out of business?

The Funeral Rule

- Every funeral home must provide:
 - (1) a general price list,
 - (2) a casket price list, and
 - (3) an outer burial price list.

You must use all three lists to determine the total cost of a funeral.

- The casket will be the most expensive item you will buy. If you are shopping for a pre-need funeral, get a casket price list from various funeral homes to compare the costs.
- Many cemeteries require an outer burial container. An outer burial container surrounds the casket in the grave. Remember, not all cemeteries require an outer burial container.

Funeral Planning Tips:

- If possible, shop around in advance and compare prices.
- Resist high-pressure sales tactics.
- Avoid emotional overspending.

Did you know?

According to the Federal Trade Commission, every year Americans spend billions of dollars arranging over two million funerals.