



CONSUMER ADVOCATE

From the Consumer Protection Section at the office of Ohio Attorney General Mike DeWine

CELEBRATING SENIORS DURING OLDER AMERICANS MONTH

May is Older Americans Month, a time to honor our seniors and to encourage everyone, regardless of age, to live life to the fullest.

Older Ohioans are a valuable resource, with their knowledge, skills and experience. Unfortunately, seniors have long been a target of scam artists, and as the population of older Ohioans grows, that trend likely will continue.

According to recent reports from U.S. Census data, Ohio's median age is growing, and the number of Ohioans who are 65 and older grew by about seven percent from 2000 to 2010.

Scam artists often target older Ohioans because they may have retirement savings and assets that younger generations do not. Plus, seniors may live alone or be isolated from family members or friends.

Older Ohioans should beware of the following scams:

Fake check scams: Someone sends you a check and asks you to deposit it, then send some of the money via wire-transfer. Regardless of the pitch, the result is the same: the check is counterfeit. It will be returned to your bank unpaid and the full amount will be deducted from your account. Never wire transfer money to a stranger.

Grandparent scam: Con artists pose as grandchildren and call saying, "Hi Grandma" or "Hi Grandpa." They say they are stuck in another country and need you to send money via wire transfer. Of course, any money you send will go to the scammer, not to your real grandchild. When in doubt, hang up and call a trusted family member.

Living trust scams: Beware of people who make exaggerated or false claims about probate costs or the tax advantages of living trusts. These scams usually target lower-income consumers.

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WORK AT HOME OFFERS USUALLY SCAMS

As the school year closes, many high school and college graduates will be hunting for jobs and considering job placement services or work-at-home opportunities.

Some job placement services are legitimate, but others misrepresent their services, promote outdated or fictitious job offerings, or charge high fees for services that never lead to a job.

When researching job placement firms, the Federal Trade Commission recommends that you:

- Reject any company that *promises* to get you a job.
- Be skeptical of companies that charge first, even if they guarantee refunds.

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FEDERAL BENEFITS TO BE PAID ELECTRONICALLY

The U.S. Department of the Treasury now requires all federal benefit and nontax payments to be paid electronically.

People applying for Social Security, Veterans benefits or other federal benefits on or after May 1, 2011 will receive their payments electronically starting with their first payment. People currently receiving federal benefit checks will need to switch to an electronic payment option by March 1, 2013.

Those who do not choose an electronic payment option at the time they apply for federal benefits or those who do not switch by the deadline will receive their benefit payments via the Direct Express® Debit MasterCard® card, so they will not experience any interruption in payment. People who are already receiving benefit payments electronically do not need to take action. They will continue to receive their payment as usual on the payment day.

Having federal benefits paid electronically by direct deposit into the bank or credit union account of one's choice or into a Direct Express® card account is safer, faster and more reliable than receiving paper benefit checks. In 2010, more than 540,000 Treasury-issued checks were reported lost or stolen, and had to be reissued.

With direct deposit, the Treasury Department sends an electronic message to one's bank or credit union account on the usual payment day with the exact amount of the benefit payment from Social Security, VA or other federal agency. People don't have to worry about their money being stolen out of their mailbox and there's no need to make a trip to cash or deposit a check. Plus, it's better for the environment and saves taxpayer dollars.

CELEBRATING SENIORS, *Continued*

Phishing: Some scammers pretend to be your bank or a government agency, and ask for your bank account number, password or Social Security number. Never respond to unexpected requests for your personal information.

Phony charities: You may receive letters or calls from someone who is only pretending to represent a charity. Before you donate, ask how much of your donation will go to the charity and verify that the charity is legitimate by calling the Attorney General's Help Center at 800-282-0515.

Prizes/sweepstakes scams: Someone claims that you have won a lottery or other prize, but you're asked to pay a fee, often via wire transfer, to collect your winnings. This is a scam; legitimate sweepstakes are free and require no purchases.

DIRECT TV COMPLAINT?

Ohio consumers who have outstanding complaints against DIRECTV dating back to January 2007 may be eligible for settlement money, if they file written or online complaints by May 30.

DIRECTV agreed to provide compensation for eligible consumers under a 2010 settlement with the Ohio Attorney General, 48 other states, and the District of Columbia to resolve allegations of deceptive and unfair business practices.

The settlement involved advertising, contract terms and other issues. If you believe you might be eligible, file a written or online complaint with the Ohio Attorney General's Office by May 30 at www.OhioAttorneyGeneral.gov or by mailing a complaint form to the Consumer Protection Section.

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- Get a copy of the firm's contract and read it carefully before you pay any money.
- Understand the refund or cancellation policy.
- Get all verbal promises in writing.
- Avoid high-pressure sales pitches that require you to pay now.
- Don't trust a firm that is reluctant to answer your questions.

Also research the company's reputation with the Ohio Attorney General's Office and the Better Business Bureau before you sign a contract or make a payment.

In late April, Ohio Attorney General Mike DeWine announced a settlement with Akron-based work-at-home companies NSA Technologies LLC and Home Job Placement, and their owners. The settlement resolved allegations that the companies violated consumer law when offering work-at-home programs online. Under the agreement, they will pay more than \$35,000 to affected consumers.

Although the Akron companies agreed to pay back consumers, most work-at-home offers are scams that usually are located out of the country.

For example, a Warren County consumer said she received notice about becoming a secret shopper. The company sent her a cashier's check and told her to deposit the check, keep a portion for herself, and wire the rest to England. She wired more than \$3,500 before she realized the check she had deposited didn't clear the bank. Unfortunately, she fell victim to the scam.

Keep in mind that you can find many legitimate job postings for free. For example, state job listings are available at www.Ohio.gov and federal job posts can be found at www.usajobs.gov.

NEED MONEY FOR COLLEGE? WATCH FOR SCAMS

With the cost of college steadily increasing, many Ohioans are looking for creative ways to finance a college education.

To apply for federal financial aid for free, visit www.fafsa.ed.gov. Other similar-sounding websites and companies may charge fees for their services.

For example, a Central Ohio consumer said she completed what she thought was a free government application for financial aid. She later discovered that it was an application to a student aid advisory service that charged \$79 to complete the application.

Some financial aid companies make false promises for scholarships, grants and financial aid. They may use high pressure sales pitches at seminars where you're required to pay fees, or make false promises that they can get you a scholarship if you pay an advance fee.

Before paying for financial aid help, watch for the signs of a scam:

- Scholarship applications that cost money
- A "guaranteed" scholarship
- Claims of exclusive scholarship information
- Requests for your credit card information
- Winning a scholarship for which you never applied

Students also should pay attention to federal and state deadlines for applying for aid. Each college also may have a different deadline. Check with the college(s) you are interested in attending and ask about their deadlines.