

BETTER BUSINESS BUREAU

TOP 10 SCAMS

OF 2016



CANADA'S MOST
RECOGNIZED
SCAMS OF 2016



IT'S NOT GOOD NEWS...

While our numbers show that fewer Canadians were victims to fraud and scams in 2014 and 2015, unfortunately scammers are now reaching more Canadians with 2016's numbers on the rise again.

Canadians were scammed to the tune of \$91 million in 2016, \$30 million more than the previous year. It gets worse. That amount is still believed to be just five percent of what was actually taken from us due to a lack of reporting.

The Top 10 Scams of 2016 is a list comprised of data collected from BBB Scam Tracker, the Canadian Anti-Fraud Centre, and information brought forward by our concerned sponsors.

From employment scams to fake endorsements, Canadians must remain vigilant when it comes to protecting personal and financial information.

SCAM TRACKER

Spot a business or offer that sounds like an illegal scheme or fraud? Tell us about it. Help us investigate and warn others by reporting what you know.

Visit us at www.bbb.org/scamtracker.

1

EMPLOYMENT SCAMS

\$5.3 Million Lost



The most reported scam to BBB Scam Tracker.

You likely didn't apply, much less get an interview for a job you can do from home. It's just a cheque cashing scheme that is simply too good to be true.

- Do your research on any company before accepting a position
- If you are asked to deposit a cheque and send money back, it's not a real job

2

ROMANCE SCAMS

\$17 Million Lost



Online dating is big business to scammers.

Canadians give away a lot of money as they give away their hearts to catfishers. Catfishing is when a fraudster fakes an identity and tricks someone via dating sites into a phony romantic relationship for financial gain.

- Do not wire money to someone you've never met
- If they are out of the country or can never meet in person, walk away

3

IDENTITY FRAUD

\$11 Million Lost



Scammers steal your identity to secure credit cards, bank loans, and even rent property in your name.

Even children are susceptible to identity fraud.

- Never carry your SIN with you
- Change your online passwords regularly

4

ADVANCE FEE LOANS

\$1.1 Million Lost



Paying an up-front fee to get a loan is illegal in Canada and the U.S.

These scammers prey on those who don't qualify for loans through reputable lenders.

- You are not required to pay a fee to receive a loan
- Seek alternative finance options

5

ONLINE PURCHASE SCAMS

\$8.6 Million Lost



Scammers have new online avenues to take your money and trust.

Counterfeit merchandise, goods that never show up, fake websites, and free trial traps are everywhere.

- Shop on legitimate websites
- Use third party payment portals such as PayPal

6

WIRE FRAUD

\$13 Million Lost



Spearphishing is a big problem for the business community.

Millions are lost when scammers pose as company brass and demand money be wired to a fake company email.

- Create payment redundancies in your organization
- Be vigilant on any incoming emails



BINARY OPTIONS SCAMS

\$7.5 Million Lost*



High pressure sales tactics promising high returns and full payouts entice Canadians to take a chance. It's really just an unregulated 50/50 bet and not a trade at all. Winnings never materialize... losses are guaranteed.

- Understand high risk is involved
- Seek professional investment advice

**Source: Canadian Anti-Fraud Centre*



FAKE LOTTERY WINNINGS

\$3 Million Lost



If you didn't enter...you didn't win. Calls come in at all hours telling you you've won a big U.S. lottery! You just need to pay a tax or insurance fee before you get your millions. It's way too good to be true.

- You do not have to pay to receive lottery winnings
- Contact the lottery corporation directly



CANADA REVENUE AGENCY SCAM

\$4.3 Million Lost



One of the most prevalent scams over the past few years. While it is still being reported, a crackdown on a call centre in India in 2016 has seen a dramatic decrease in the number of calls targeting Canadians.

- The CRA does not make threatening phone calls
- The CRA does not request information over the phone or by email

10

FAKE ONLINE ENDORSEMENTS & SPONSORED CONTENT



Undetermined

Consumers are often enticed to purchase a product or service based on reviews by social media influencers.

Unfortunately, these reviews may not be genuine and the influencer may have been paid by a company to be used as a marketing tool.

- Take everything you read with a grain of salt
- Seek other review sources



PASSWORD DAY!

#bbbpasswordday
March 15th

One of the ways crooks access your online accounts is by stealing your passwords. Prevention is key. March 15 is now known as Better Business Bureau's Password Day! BBB Password day is a chance to remind Canadians about the importance of changing your online passwords.

To stop thieves from getting your personal information or money, change your passwords regularly. Creating strong passwords should also be part of your game plan.

Tips:

- Use at least 12 characters
- Use upper and lower case letters, numbers and symbols
- Avoid words found in the dictionary
- Avoid using family names

ALL ABOUT COUNTERFEIT CASH

Another way to get scammed is through counterfeit cash floating around in the marketplace. This hurts businesses and consumers. Canada's new polymer bank notes have leading edge security features that make it harder to do, but it still happens. The security features are easy to check if we take the time to do so. **The Bank of Canada** has free materials and a training program that can help protect yourself and the marketplace.

For more information, visit bankofcanada.ca/banknotes and select "Materials" or email info@bankofcanada.ca.

THANKS TO OUR SPONSORS

For their contributions to the financial education of consumers and businesses.



www.vancouver.ca/police/



www.rcmp-grc.gc.ca



www.bankofcanada.ca



www.cdpc1.com



www.competitionbureau.gc.ca



www.option-consommateurs.org



www.globalpaymentsinc.com



www.bcsc.bc.ca

CONTACT US

If you have any concerns that you may be the victim of a scam, contact your local authorities and local BBB.

Central & Northern Alberta

16102 100 Ave.
Edmonton, AB
T5P 0L3
780-482-2341
info@edmonton.bbb.org
bbb.org/edmonton

Southern Alberta & East Kootenay

5-1709 8 Ave. NE
Calgary, AB
T2E 0S9
403-531-8784
info@calgary.bbb.org
bbb.org/calgary

Atlantic Provinces

303-1888 Brunswick St.
Halifax, NS
B3J 3J8
877-663-2363
info@ap.bbb.org
bbb.org/atlantic-provinces

Manitoba & Northwest Ontario

1030 B Empress St.
Winnipeg, MB
R3G 3H4
204-989-9010
complaints@manitoba.bbb.org
bbb.org/manitoba

Eastern Ontario & the Outaouais

505-700 Industrial Ave.
Ottawa, ON
K1G 0Y9
613-237-4856
info@ottawa.bbb.org
bbb.org/ottawa

Central Ontario

903-30 Duke St. West
Kitchener, ON
N2H 3W5
519-579-3080
info@mwco.bbb.org
bbb.org/kitchener

Saskatchewan

980 Albert St.
Regina, SK
S4R 2P7
306-352-7601
info@sask.bbb.org
bbb.org/saskatchewan

Western Ontario

206-190 Wortley Rd.
London, ON
N6C 4Y7
519-673-3222
info@westernontario.bbb.org
bbb.org/western-ontario

Vancouver Island

220-1175 Cook St.
Victoria, BC
V8V 4A1
877-826-4222
info@vi.bbb.org
bbb.org/vancouver-island

Mainland British Columbia

404-788 Beatty St.
Vancouver, BC
V6B 2M1
604-682-2711
contactus@mbc.bbb.org
bbb.org/mbc

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