# **Financial Pillar**

# Beware of Money Scams

The Consumer Financial Protection Bureau is a U.S. government agency dedicated to making sure you and your community are treated fairly by banks, lenders, and other financial institutions. The bureau has identified the most common types of fraud and scams. Learn what to watch for and what steps to take to help keep yourself, your loved ones, and your money safer.

## [Charity scams](https://www.consumerfinance.gov/about-us/blog/holiday-season-dont-let-scammers-take-advantage-your-generosity/)

A charity scam is when a thief poses as a real charity or makes up the name of a charity that sounds real in order to get money from you.

**What to do:** Ask for detailed information about the charity. Look up the charity through their website or a trusted third-party source to confirm that the charity is real.

## [Debt collection scams](https://www.consumerfinance.gov/ask-cfpb/how-do-i-tell-if-a-debt-collector-is-legitimate-or-a-scam-en-1699/)

Scammers may pose as debt collectors to get you to pay for debts you don't owe or ones you’ve already paid.

**What to do:** Don’t provide any personal financial information until you can verify the debt. You can use this [sample letter](https://files.consumerfinance.gov/f/201307_cfpb_debt-collection-letter-2_more-information.doc)  to request more information.

## Debt settlement and debt relief scams

Debt settlement or relief companies often promise to renegotiate, settle, or in some way change the terms of a person's debt to a creditor or debt collector.

**What to do:** Avoid doing business with any company that guarantees they can settle your debts. Work with a free or nonprofit credit counseling program that can help you work with your creditors.

## FDIC logo misuse

You can double-check whether a business is an FDIC-insured bank by using the lookup page on the FDIC’s site, called [BankFind](https://banks.data.fdic.gov/bankfind-suite/bankfind).

## [Foreclosure relief or mortgage loan modification scams](https://www.consumerfinance.gov/ask-cfpb/what-are-mortgage-loan-modification-scams-en-272/)

Foreclosure relief or mortgage loan modification scams are schemes to take your money or your house.

**What to do**: If you are having trouble making payments on your mortgage, a [HUD-approved housing counseling agency](https://www.consumerfinance.gov/find-a-housing-counselor/) can help you assess your options and avoid scams. If you think you may have been a victim of a foreclosure relief scam, you may also want to consult an attorney.

## Grandparent scams

If you get a call from someone who sounds like a grandchild or relative asking you to wire or transfer money or send gift cards to help them out of trouble, it could be a scam.

**What to do:** [Read more about other ways to protect against financial exploitation](https://www.consumerfinance.gov/consumer-tools/educator-tools/resources-for-older-adults/protecting-against-fraud/).

## [Imposter scams](https://www.consumerfinance.gov/about-us/blog/warning-lottery-scam-using-cfpb-employees-name/)

Imposter scammers try to convince you to send money by pretending to be someone you know or trust like a sheriff; local, state, or federal government employee; or charity organization.

**What to do:** Call the organization or government agency and ask if the person works for them before giving any money. [Read more about imposter scams](https://www.consumerfinance.gov/about-us/blog/warning-lottery-scam-using-cfpb-employees-name/).

## Mail fraud

Mail fraud letters look real but the promises are fake. A common warning sign is a letter asking you to send money or personal information now in order to receive something of value later. Examples of mail fraud might include notices of prizes, sweepstakes winnings, vacations, and other offers to claim valuable items.

**What to do**: The USPS has identified [common postal or mail fraud schemes](https://www.consumerfinance.gov/external-site/?ext_url=https%3A%2F%2Ffaq.usps.com%2Fs%2Farticle%2FMail-Fraud&signature=SATW7clrHwr7nIs-hOMWA1Ch4ZTIntwYTLd7bBkD5tA).

## [Money mule scams](https://www.consumerfinance.gov/ask-cfpb/what-is-a-money-mule-en-2108/)

A money mule is someone who receives and moves money that came from victims of fraud.

**What to do:** Don’t agree to receive or send money or packages for people you either don’t know or haven’t met. Also, be aware of jobs that promise easy money.

## Money transfer or mobile payment services fraud

Con artists use money transfers to steal people’s money.

**What to do:** Never send money to someone you don’t know. If you think you made a money transfer to a scammer, contact your bank or the company you used to send the money immediately and [alert them that there may have been a mistake](https://www.consumerfinance.gov/ask-cfpb/how-do-i-get-my-money-back-after-i-discovered-an-unauthorized-transaction-or-money-missing-from-my-bank-account-en-1017/).

## Mortgage closing scams

Mortgage closing scams target homebuyers who are nearing the closing date on their mortgage loan.

**What to do:** [Learn more about what steps you should take to help protect your closing funds](https://www.consumerfinance.gov/about-us/blog/mortgage-closing-scams-how-protect-yourself-and-your-closing-funds/).

## [Lottery or prize scams](https://www.consumerfinance.gov/about-us/blog/how-spot-scammer/)

Scammers may call or email to tell you that you’ve won a prize, then ask you to pay fees and taxes.

**What to do**: Avoid providing any personal or financial information, including credit cards or Social Security numbers, to anyone you don’t know. Also, never make an upfront payment for a prize.

## [Romance scams](https://www.consumerfinance.gov/about-us/blog/break-up-with-online-romance-scams/)

A romance scam is when a new love interest tricks you into falling for them when they really just want your money.

**What to do:** Don’t share sensitive personal information, such as bank account or credit card numbers or a Social Security number, with a new love connection.

## Reporting fraud and scams

If you’re a victim of a scam, you can report it to the authorities by:

* Submitting a complaint online with the [Federal Trade Commission](https://reportfraud.ftc.gov/#/)
* Contacting your local police or sheriff's office
* Reporting it to your [state attorney general](https://www.usa.gov/state-attorney-general)