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Top financial scams play on emotions and have huge financial implications

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According to the Canadian Anti-fraud Centre (CAC), Canadians were victimized by financial scams to the tune of 70-million dollars in 2014.

“Romance scams” topped the list costing Canadian’s slightly over \$13,736,000 in losses. In this scam the fraudster develops a relationship with the victim, over time, through various displays of affection. As the bond develops and more trust is gained, the fraudster requests to meet the victim in person. After the victim buys in to the idea, the fraudster advises they are not in a financial position to cover travel costs and seeks assistance from the victim.

In second was “Enterprise Fee Scams” which vary in style: inheritance, lottery, investment, etc., but typically are unsolicited requests for financial assistance in exchange for recovering a substantial sum of money. The common theme is the disclosure of personal information or upfront payment from the victim to cover taxes and/or transaction costs.

2013 CAC statistics indicated people aged 50-70, were hit the hardest, second to those aged 40-49. Not surprising, social media and email were reported to have become the main platforms for facilitating such activities.