

Recently, the following information was posted on WalletPop.com, courtesy of financial planners [Ken and Daria Dolan](#). The scam-sharks are in the water in greater numbers now, thanks to the Internet. You should be aware of this timely information.

## **Financial Crisis Phishing Scams**

According to the Federal Trade Commission, there is a new round of e-mail scams out there that are tied to the financial crisis. Many of these e-mails "phish" for personal information -- your Social Security number, account numbers, passwords, etc. The scammer then uses that info to steal your identity. Proceed with extreme caution if you get an e-mail that purports to be from your mortgage company, a government agency, or other official institution. If the e-mail is requesting ANY personal information, you know it's a scam. No government or reputable financial institution will ask you to share confidential information in an e-mail.

## **Banking Crisis Scams**

The banking crisis is presenting scammers with another golden opportunity. We're hearing numerous complaints about official-looking e-mails that claim to be from a bank or from the FDIC (Federal Deposit Insurance Corporation). These e-mails prey on your fears, claiming your bank is in trouble or that money has been stolen from your account. Most ask for your personal information, which they then use to steal your identity or illegally access your account. If you receive an e-mail from your bank requesting any personal information, contact your bank immediately and do not respond to the e-mail.

## **Home Rescue Scams**

Mortgage rescue scams target people who fear losing their home and ruining their credit due to foreclosure. A "real estate investor" contacts you and offers to bring your payments current if you'll sign over the deed. He offers to keep making the payments in the future. You'll need to move out so he can rent the house, but you won't have a foreclosure on your credit. Here's what really happens: the "investor" rents the house, but he'll never make a mortgage payment. Eventually, the bank will foreclose, you get the black mark on your credit and the renter will be evicted. The only one who gains is the "investor," who collected his free rent.

## **Mortgage Renegotiation Scams**

A smooth-talking salesperson tells you he can renegotiate your mortgage with your lender and help you keep your house. He'll require a fee (as much as \$1,000 or more) before he can start. Problem is, the "deal" he gets is one that you could have gotten on your own, and it probably won't be enough to keep you in your home. However, because he was "successful" in getting the loan renegotiated, he has technically earned his fee and there's little that you can do about it. You don't have to pay someone else to negotiate with your mortgage company. If you're having problems making your payments, contact your lender yourself.

## **Fake Check Scams**

If you get a check in the mail that you weren't expecting, don't get excited -- and don't cash it. It could be one of the many "fake check" scams going around. These scams involve everything from claiming you won the Publisher's Clearing House Sweepstakes to offering you work as a "mystery shopper." But they all have one thing in common: you receive a check -- a real-looking check, payable to YOU -- for several thousand dollars. They tell you the money is to pay for contest fees, or is your fee for being a mystery shopper. They ask you to deposit the check and then wire them most of the money back. But the kicker is ...

### **Fake Check Scams -- Part Two**

That check they gave you is no good and will bounce eventually. When it does, you are left holding the bag for the amount you wired plus a bounced check fee plus the wire transfer fee! Here are a few warning signs to spot this kind of scam before you get taken:

- A. The check will have the name and address of a company completely unrelated to the offer. Scam artists steal the name and account number of real companies so that the check won't bounce as soon as you deposit it.
- B. Anytime you are asked to wire money at someone else's request, it's a big red flag.

### **Advance-Fee Credit Card Scam**

In today's tight credit market, getting a new credit card is becoming more difficult. That means this next scam is only going to get more popular and it's going to cost consumers millions. The gimmick is simple: get a \$7,500 credit limit with an unsecured card -- guaranteed, regardless of your income or credit history. All you have to do is send in a "processing fee" of \$79 to \$99. Of course, the credit card never comes. We don't know of a single legitimate credit card issuer that collects its annual fee before the credit card is approved or issued. Never, EVER agree to pay a fee in advance!

### **Credit Repair Scam**

Most of the claims that these "credit repair" companies make are downright false. The simple truth is nobody can legally remove accurate and timely negative information from your credit report. Nobody! There are no shortcuts to rebuilding your credit report. If you do have legitimate mistakes on your credit report, you can work with the credit bureaus on your own -- for free! -- without getting a credit repair company involved.

### **Work-at-Home Scams**

More and more people are trying to find ways to make extra money, so we're hearing a steady drumbeat about "work at home" scams. Most of these scams all try to accomplish the same thing, though, and that's to get an "application" or "initiation fee" out of you. You will be asked to pay \$49 to \$99 for the privilege of being added to their group, but of course, there's no real work to be had. Once they get your money, you never hear from them again! Never, ever give any of these work-at-home companies any money in advance.

## **Fake "Charity" E-Mails**

This is the time of year that many charities will be asking you to open your hearts and wallets to help others in need. And scam artists are right in the mix to take advantage of your charitable nature. Beware e-mails that appear to come from big charities such as Red Cross and UNICEF. These scams use images and domain names that are so close to the real thing it's VERY hard to tell the difference. But when you click a link to contribute, you're taken to a Web page that has NOTHING to do with the charity! When in doubt, make your donation through the organization's Web site or use their toll-free number.