



Financial Scams



Leading on from the Rogue Traders information sent recently. This is further knowledge to help you understand the different types of scams that are around. This information can be found on the Citizens Advice for future reference and further reading. Scams are schemes to con you out of your money. They can arrive by post, phone call, text message or email or a scammer may turn up at your home.

1. Advanced Fee

Advanced fee scams trick you into paying money upfront with the promise of receiving goods, services, or money later on. But none of these things ever arrive.

Some examples are:

- Offering you huge fees in exchange for 'helping' someone transfer money out of a country that's in trouble
- Asking you to pay upfront fees for loans or credit cards that you don't receive
- A buyer sending a cheque for something you're selling, for more than the agreed price. You're then asked to return the difference in the price. The cheque bounces and you lose your money.

2. Investment Opportunities

You may be contacted out of the blue and asked to buy shares in a company you've never heard of. Or you could be invited to invest in gemstones or fine wines that are 'guaranteed' to rocket in price.

Share scams are often called **boiler room scams** because they are run from 'boiler rooms' where scammers cold-call investors. If you buy these shares you may find that the companies don't exist or that the shares are worthless. You should never buy shares from firms that aren't authorised by the **Financial Conduct Authority** (the FCA). If you do buy shares from an unauthorised trader you won't be entitled to any compensation if things go wrong.

If you invest in something like gemstones or fine wines, you may find that you have bought something overpriced and difficult to sell on.

3. Fake Websites

Some sites look like the websites of banks or internet auction sites but are fake sites set up to steal your money or personal identity. Scam ticket websites claim to be able to sell you tickets for popular events but, after you've paid, the tickets never arrive and your calls and emails aren't answered.

There are also copycat websites that look like the websites of well-known brands but which sell fake goods. These are often poor quality or even set up to steal your financial details.

This information is not the endless list of all scams. This information above is just to keep the communities aware of what scams are most popular. Please remain vigilant and report anything suspicious to 101.

More information is available on Citizens Advice, Action Frauds websites.

<https://www.citizensadvice.org.uk/>

<https://actionfraud.police.uk/>

