



# FRAUD OF THE MONTH

**Generosity  
Sometimes Leads to  
Additional Victims**

**Don't Let Solicitations to Help Victims of Terror Turn You Into a Victim Yourself**

October 2016

## **THE "HOOK"**

In the aftermath of the terrorist attacks in Brussels and Paris, the United States government gave out warnings to its citizens about the potential for fraudulent solicitations of donations for the victims of these attacks. Disasters always open opportunities for scammers to take advantage of kindhearted people hoping to lend a helping hand to victims of senseless violence or catastrophes. These solicitations come in many forms, such as crowdfunding schemes, e-mail spam, or cold calls. The solicitors sound so convincing, but they may divert all or some of the funds for their own use.

Several charities and crowdfunding campaigns started soon after these recent terrorist attacks. While the FBI has not received any reports of fraudulent donation schemes relating to these attacks, because of previous trends, and out of an abundance of caution, the Federal Trade Commission assumed that such schemes might develop to target individuals in the United States. In the past, similar incidents triggered fraudulent donation schemes claiming to help victims but which only bilked good people out of their money, and thereby created more innocent victims.

## **THE LESSON**

In general, people and businesses should be suspicious of e-mails, telephone calls, or websites that ask for money in response to any tragic event. Through the growing use of Crowdfunding (online solicitation of small donations from a large group of people) by many legitimate organizations, the Internet offers scammers a new way to easily solicit funds with minimal danger to themselves. Red flags to look for are the following:

- The charity refuses to provide detailed information about its organization or how the donation will be used.
- The charity uses a name closely resembling that of a reputable organization.
- The charity pressures individuals to donate immediately.
- The charity asks for donations to be sent through wire transfers, cash or virtual currency.
- The charity guarantees a monetary return for a donation.

If there are one or more of these signs it does not necessarily mean a charity is fraudulent or fake; but, private organizations, people and businesses should always check if a charity is real before making any donations. Suspicious solicitations should be reported to the Federal Trade Commission at [www.ftc.gov/complaint](http://www.ftc.gov/complaint).

Play it safe and make your contributions through well known reputable charities such as the American Red Cross, United Way, the USO, and the Salvation Army.

This article draws heavily on information located at <https://www.ftc.gov/>