Family in Need Scam

In November, 2012, the Washington Post ran a story about a scam that was targeting the elderly residents of a D.C. neighborhood\(^1\). According to police, scammers were contacting elders and claiming to be grandchildren in desperate need of cash. The scammers often claimed that they were in a foreign country and had been arrested, detained, in an accident, or in some other emergency. Victims of this scam were asked to wire money or deposit it directly into a fraudster’s bank account, and were also asked not to tell other relatives. In the span of six weeks, five elderly residents reported having been contacted. In two cases, the victims each sent $2,000 to the scammers.

Unfortunately the Family-in-Need scam is still relatively effective and still making news, despite being around for several years. While the details of the story underlying the scam may change, there are several common factors that continually pop up:

- The caller claims to be the grandchild or the friend of a grandchild;
- The caller is traveling and far from home;
- Some tragedy has occurred, and he or she needs money fast;
- The caller asks for a wire or a direct deposit of funds;
- The caller requests that you don’t tell other family members what has happened.

With so much information being shared on social media web sites, it is likely that the caller will know the grandchild’s name, the name of friends and other family members, and maybe even an address. If you receive a call like this, you may feel compelled to help in any way that you can. However, you should stop and seriously consider the story before taking action. Consider these tips if you or someone you know is contacted under these circumstances:

- **Don't overreact** – It may feel like a desperate situation, but if your grandchild is in jail somewhere, he or she will still be there in 15 minutes. Take some time to ask a few questions and follow up on the story. The caller may ask you not to tell his parents, fearing punishment when he gets home. A parent’s punishment is far better than spending weeks in a foreign jail, so you should definitely call the parents and follow up on the facts of the story.

- **Verify the story** – Ask some personal questions that only your grandchild would be able to answer. Hang up and try calling the grandchild back at a known phone number. Or, call other family members who can verify whether the grandchild is in a foreign country or not. Don’t take a stranger’s word for it.


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• **Contact law enforcement** – If you believe that you have been scammed, contact your local police department immediately and file a police report. If done quickly enough, they may be able to put a stop on a wire or cash transfer. If nothing else, your report will be on file and formal prosecution of the crime can begin.

• **Report fraud to FTC** – File a formal complaint with the Federal Trade Commission.
  
  By telephone: 1-877-382-4357
  
  Online: [www.ftccomplaintassistant.gov](http://www.ftccomplaintassistant.gov)

• **Contact the Florida Attorney General**
  
  By telephone: (850) 414-3990
  
  Online: [www.myfloridalegal.com](http://www.myfloridalegal.com)

For more information on consumer fraud and scams, including helpful preventative tips and contact information for other community resources, contact Stetson University College of Law’s Elder Consumer Protection Program by e-mail at elderconsumers@law.stetson.edu, or by telephone at (727) 562-7888.