Top Frauds Targeting Veterans

2015
Why are Veterans Targeted?

- Steady Monthly Income
- Very Motivated Group
- Watch Out for One Another
- Give Freely of both Time and Money.

- Scammers know these facts, and will attempt to exploit them.
Top Scams Targeting Veterans
Affinity Fraud Scams
Affinity Fraud
(Method)

- Affinity Fraud occurs when the Scammer claims to be a member of an organization in order to gain access and trust.
- Often, the Scammer will claim to be a Veteran, or working for an organization that support Veterans.
- Can also include Religions, Ethnic Groups, Social Clubs, Etc.
The Deployment Scam
(Bogus Sales)

- Scammers will post on classified ad websites claiming to be a service member who is being deployed and needs to sell and expensive item, such as a car, motorcycle, or flat screen television in a hurry and at a discount.
- The Scammer will ask for a Wire Transfer of upfront fees. This is a sure sign of a Scam. NEVER wire money for a purchase.
Rental / Real Estate Scam

• The Scammer will post a fake rental property or real estate listing on classified ad websites promising military discounts and too-good-to-be-true incentives.

• Typically, the Scammer will use the address and pictures of a legitimate property to trick the veteran into wiring a security deposit or down payment to the landlord.
V.A. Phishing Scam

• The Scammer will call a Veteran stating that they work for the Department of Veterans Affairs and claiming that they need to update the Veteran’s information.

• BE AWARE: The V.A. will NEVER ask you for your sensitive personal information by phone, Email, or text message.
The Scammer will call a Veteran stating that there has been a glitch in the system, and that the Veteran needs to provide their Social Security Number, Banking Information, etc.

Particularly affects Veterans who Retired from the Military.
Fake Charities

• Fake Charities will use names that closely resemble those of a legitimate charity.
• Often, the name will reference the Armed Forces, a particular branch of the military, a specific military unit, or will include the words “Veteran” or “Military Family” to make the fake charity seem legitimate.
Fake Charities

• To determine if a Charity is legitimate, visit:
  – The Better Business Bureau’s Wise Giving Alliance: www.give.org
  – Charity Watch: www.charitywatch.org
Top Scams Targeting Veterans

Veterans Benefits Scams
Charging for Military Records and Forms

• Very well known Scam. Still very prevalent.
• Here, the Scammer tricks a Veteran into paying for information or services that is already available to the Veteran for FREE, such as military records and government forms.
Scammers claiming to be “Veterans Financial Advocates” will claim that a Veteran is entitled to additional benefits. The Scammer often wants to review the Veteran’s investment portfolio, and will attempt to get the Veteran to invest in an irrevocable trust or annuity so that the Veteran appears to have fewer assets than they really have, entitling the Veteran to an additional pension as well as Aid and Attendance benefits.
Investment / Pension Scam

• This DOES NOT WORK.
• If you follow through with the plan, you will not gain any additional benefits and may actually lose some of your VA benefits, lose eligibility for Medicaid services, or be cut off from your money for a Significant Amount of Time.
Benefits Buyout Scam

• Scammers target Veterans in need of quick cash, offering an upfront cash payment in exchange for their future disability or pension payments and benefits.

• However, these buyouts are typically only 30-40% of what the value of the benefit actually is, and are structured in such a way that they are harmful to the Veteran’s finances.
Avoid Benefits Scams

• When dealing with VA benefits, only use V.A. accredited representatives (Including Attorneys).
• A searchable list of VA-accredited representatives including Veterans Service Organizations, agents, and attorneys is available at the VA Office of General Counsel website: www.va.gov/ogc/apps/accreditation/index.asp.
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