

The Elder Fraud Industry: New Tactics, New Technologies Bigger Losses

**David N. Kirkman, Author of “Elder Fraud Wars”
NC Spec. Dep. Attorney General - Retired**



**Lunch & Learn Series
October 16, 2024**



**“Because that’s where
the money is.”**

Willie Sutton, upon being asked why he robbed banks
The Saturday Evening Post, Jan. 20, 1951

From the NC Attorney General

Average Sr. Fraud Loss per NC Victim

• 2008-13	\$10,000
• 2014-17	\$8,000
• 2018-19	\$17,000
• 2020	\$29,300
• 2021	\$51,500
• 2022	\$59,500
• 2023	\$54,972

Source: Stuart (Jeb) Saunders and Megan Fullwood presentation to Osher Lifelong Learning Institute, NC State Univ., Raleigh 2/16/23; Email from S. Saunders 10-14-24

Traditional Senior Frauds and Worst NC Victimitizations

- **Foreign Sweepstakes and Lotteries** **\$900,000**
- **Sweetheart/Romance Fraud** **\$1,250,000**
- **Nigerian 419 \$\$\$ Transfer Fraud** **\$3,400,000**
- **Tech Support/Spyware Scams** **\$90,000**
- **Phony Gov't Agent (IRS, Jury Duty)** **\$60,000**
- **Grandparent Scams** **\$65,000**
- **Home Repair** **\$250,000**
- **Investments/Crypto** **\$2,000,000-plus**

From USA Today Feb. 13, 2024



TAX SEASON 2024
Where's my refund?

EXPERT PICKS: TOP-RATED CARDS
Choosing a credit card

FIND BEST OPTIONS FOR YOU
Best CD rates this month

SAFE, RELIABLE, CHEAP TO OWN
Best used hybrids

SUBSCRIBE NOW
\$1 for 1 year

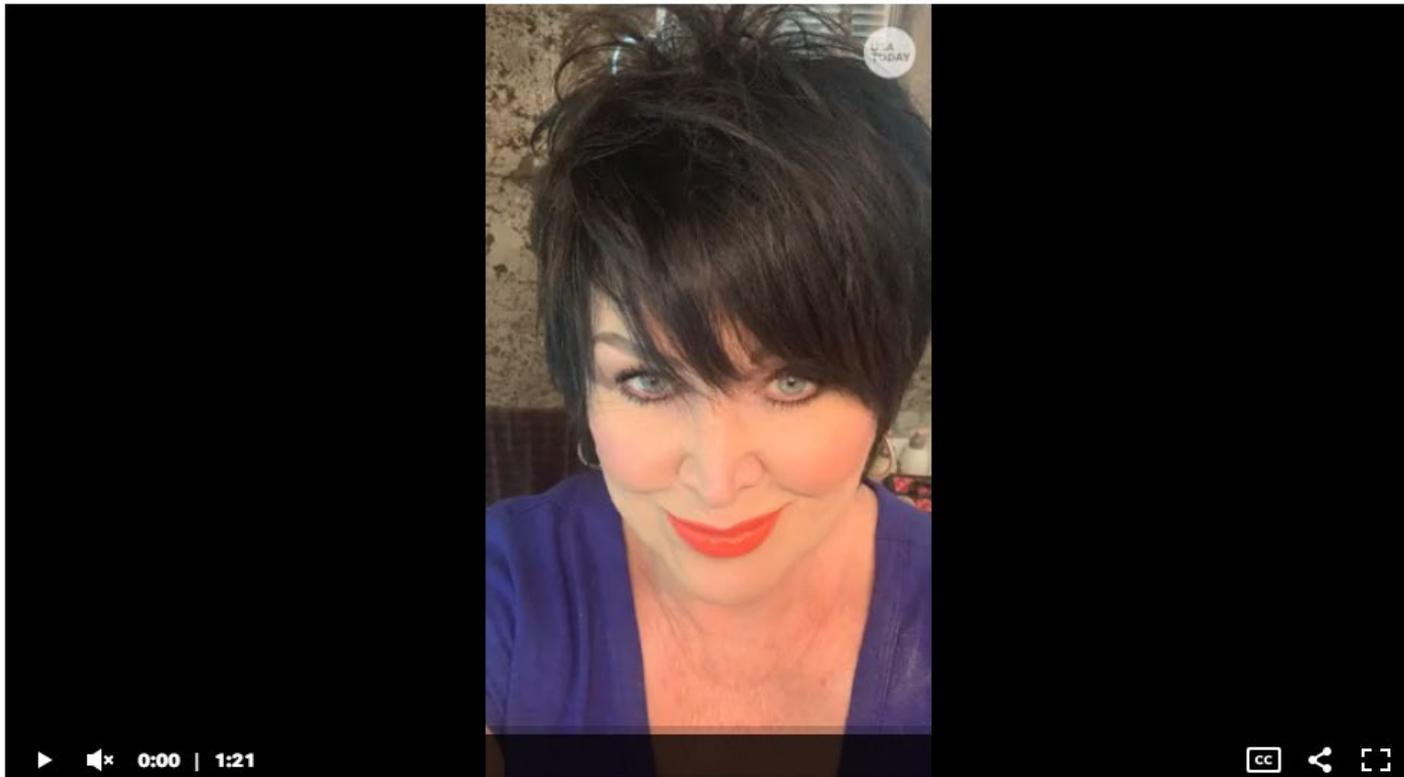
U.S. Elections Sports Entertainment Life [Money] Tech Travel Opinion 37°F Subscribe Sign In

MONEY

Cyber Crime [Add Topic +](#)

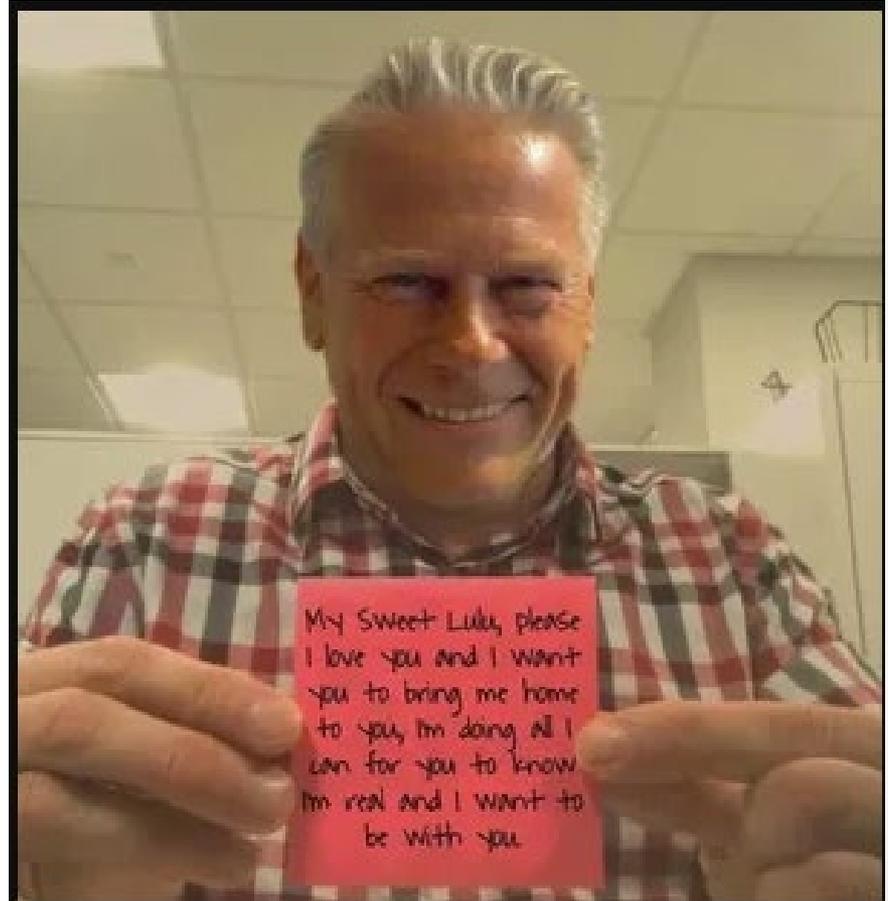
A widow opened herself up to new love. Instead, she was catfished for a million dollars.

Plus: The man whose photos were stolen for scam speaks out.



Romance Scammers Used This Man's Real Facebook Photos to Defraud Multiple Victims Around the World

**“Photo Search”
Would Have Exposed
the Scam**



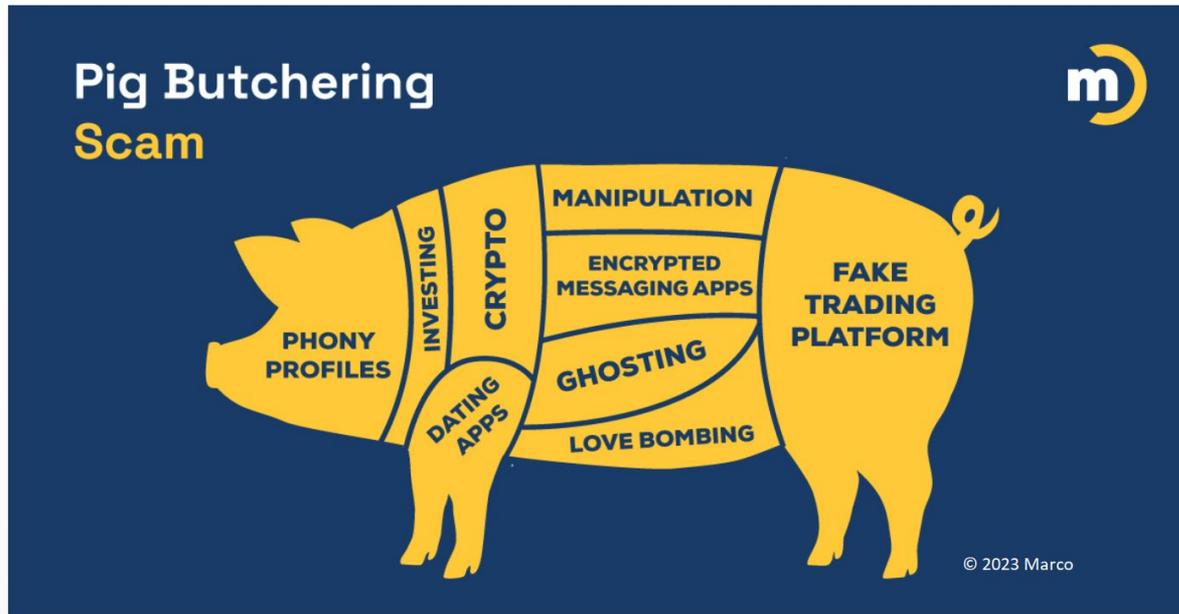
My Sweet Lucy, please
I love you and I want
you to bring me home
to you, I'm doing all I
can for you to know
I'm real and I want to
be with you.

In 2023 the average reported loss
for NC Romance Scam victims
was...

...\$53,238.00

Source: Jeb Saunders, Head of NC Atty. General's Elder Fraud Unit.
Email to David N. Kirkman, Jan. 29, 2024.

Growing Threat: Pig Butchering



Investment Fraud: Guarding Your Assets in a Scary World (3-14-24, New Bern, NC)

“Hello. Is Martha there?”

Wednesday, March 23, 2022



MMS
11:10 PM

Hey sweetie beautiful
photo but I believe you got
the wrong number.

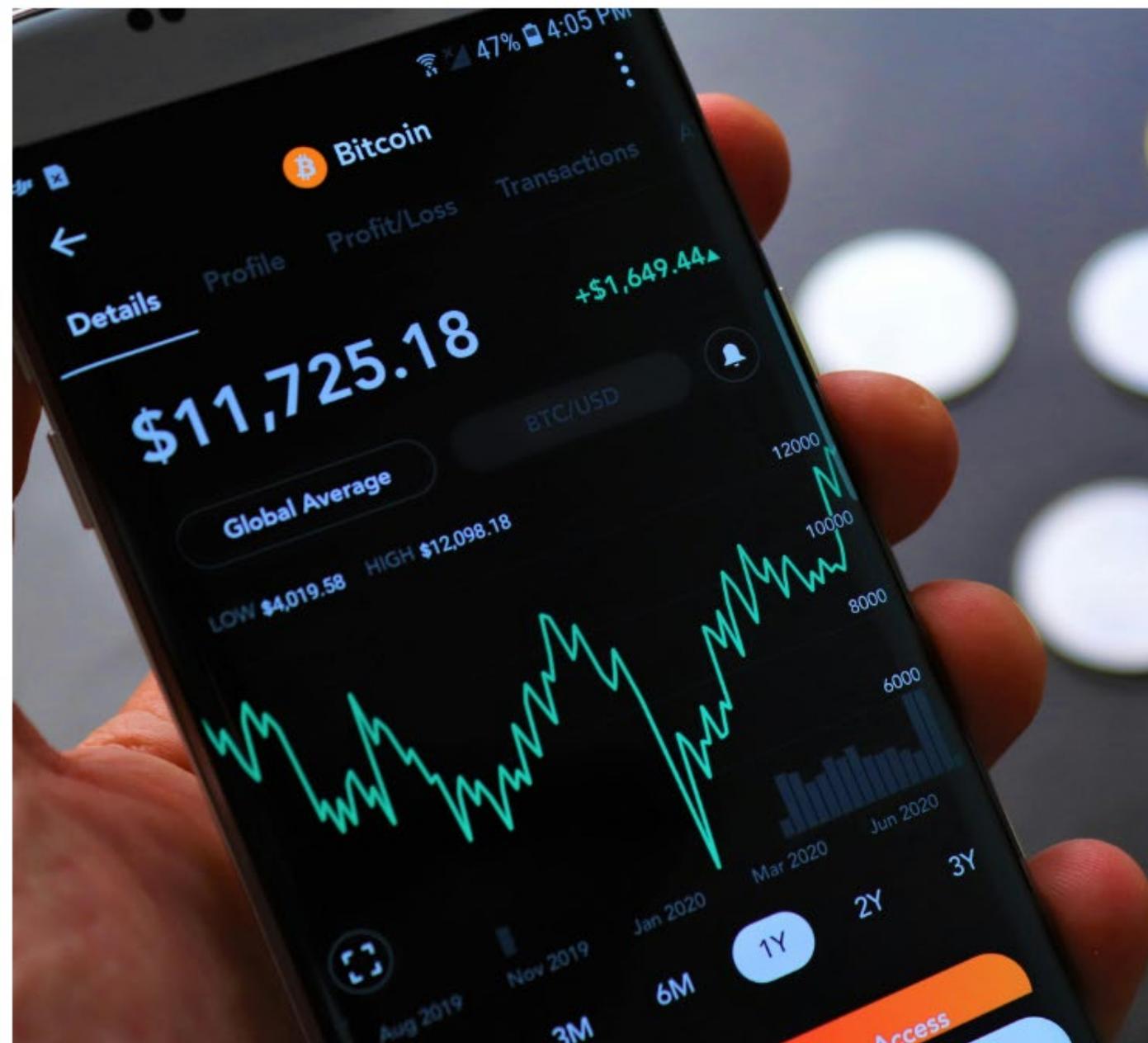


11:35 PM



I'm extremely sorry!! I
assume I got stood up.
Anywho, wht are you
doin today?

11:37 PM



\$11,725.18

+\$1,649.44▲

Global Average

LOW \$4,019.58 HIGH \$12,098.18

BTC/USD

12000
10000
8000
6000



Aug 2019

Nov 2019

Jan 2020

Mar 2020

Jun 2020

3M

6M

1Y

2Y

3Y

Access

Location of Many “Pig Butchering” Operations



“Federal Agents” Scam Millennial - \$50K

INTELLIGENCER | THE CUT | VULTURE | THE STRATEGIST

NEW YORK

CURBED | GRUB STREET | MAGAZINE

SUBSCRIBE | SIGN IN

THE CUT

STYLE | SELF | CULTURE | POWER

FIRST PERSON | FEB. 15, 2024

The Day I Put
\$50,000 in a Shoe
Box and Handed It
to a Stranger I
never thought I was
the kind of person
to fall for a scam.



By Charlotte Cowles, the Cut's financial-advice columnist. ▾



AARP Warning re Explosion of Scam Texts



Two-Factor Authentication Scams

- **Text arrives from your bank w/ code number**
- **Then a robocall, text or email from your bank arrives**
- **“There is a problem” or a “suspicious debit”**
- **“Bank” directs you to recite or enter the code number it just texted you**
- **What is happening???**



Someone has already figured out the login ID and password for your bank account and is on the verge of hacking into it

The scammers just need the code that the bank texted to your phone

Text Message
Tue 12:23 PM

North Carolina Toll
Services, our records
indicate that your vehicle
has an unpaid toll invoice.

To avoid additional
charges of \$76.00, please
settle your balance of
\$7.60 at [https://
ncquickpasstollservices.-](https://ncquickpasstollservices.-)

/photo/1

8:38



+1 (847) 809-6085 >

Text Message
Today 7:23 AM

1Prime_info,
we're unable to process
your
subscription_payment.
Pleas sign-in and confirm
your details.
[https://www1adjust-
myprimeinvoice.com](https://www1adjust-myprimeinvoice.com)

10:11



+1 (727) 554-7190 >

Text Message
Sun, Dec 11 at 10:58 AM

State Employee Credit
Union:
Did you attempt a
purchase at WALMART
STORE. for \$304.87? If
[YES] reply 1, If [NO] visit
[https://tiny.one/
v8wuhc3z](https://tiny.one/v8wuhc3z) to cancel now

The sender is not in your contact list.

[Report Junk](#)

2:48



72799 >

Text Message

Wed, Jan 17 at 11:36 AM

SECU: Unusual activity on
Visa Credit Card ending in
6172.

17Jan, \$1991.11, EXPEDIA
5898;

17Jan, \$0.00, EXPEDIA
[72738954035898](#);

11Jan, \$9.63, SQ *SAINTS
ROW BREWING;

11Jan, \$88.39,
MANHATTAN PIZZA &
PASTA;

If authorized reply YES, if
not reply NO. Or call [\(866\)](#)
[961-1371](#).

To opt out, reply STOP.

YES



Compose



< [Back](#)

20

- + [Account](#)
- Job Related
- Job Openings
- Longfellow 1
- Meetings and Experts 1
- Summer 2012-2013
- [Account](#)

Your bill

Your automatic monthly payment **didn't go through**

Your monthly automatic payment was **declined by your bank**.

Since your payment did not process, you will need to update your payment to **avoid any late fees or service interruption**.

[Update Payment](#)

Your automatic payments have been turned off because your payment did not process. To re-enroll in automatic payments, [click here](#).

Xfinity app

[xfinity.com](#)

Ask Xfinity

Any time ▾

Has attachment

To me

Is unread

Advanced search

31

Did you recently verify your User ID or reset the password that you use to manage your American Express® Card account online?

If so, you can dis <http://pianco.com.br/ryqavph6/index.html> our identity online, we wanted to be sure

Click to follow link

If not, please [click here](#), or log on to <https://www.americanexpress.com/> so we can protect your account from potential fraud.



Thank you for your Cardmembership.

Any time ▾

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To me

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- ☆ > Amazon.com Inbox Your Amazon.com order #113- has shipped - Amazon Shipping Confir... Mar 19
- ☆ > Amazon.com Inbox Delivered: Your Amazon.com order #113- .Amazon Mar 18
- ☆ > Amazon.com Inbox Your Amazon.com order #113- Amazon.com Order Confirmation ww... Mar 18

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Fraud Industry Tactics

The Narrative

- **Must be exciting or alarming**
- **“Rinse and repeat”**

Excitement!!!



Fear and Alarm!!!



1. Your computer has been hacked!
2. Someone is charging your account!
3. Your Medicare will be cancelled!
4. Your fiancé is in jail overseas!

Press **Esc** to exit full screen



Microsoft Security

** ACCESS TO THIS COMPUTER HAS BEEN BLOCKED FOR SECURITY REASONS **

Your PC has alerted us that it has been infected with a Trojan Spyware. The following data has been compromised.

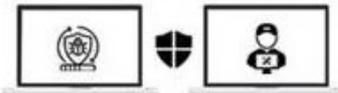


Scanner

Windows Defender - System Warning

Windows key code is not valid and seems pirated.

Therats-Detected : Banking Trojan



All Files and Online Accounts may be banned permanently.

Microsoft Support: (833)759 0417 (Toll-Free)

 Error Code : 0x80070426

GET HELP **DISMISS**



Press **Ctrl+Shift+S** to scan for updates. Press **Ctrl+Shift+X** to scan for updates.

Ignore

Run Safe



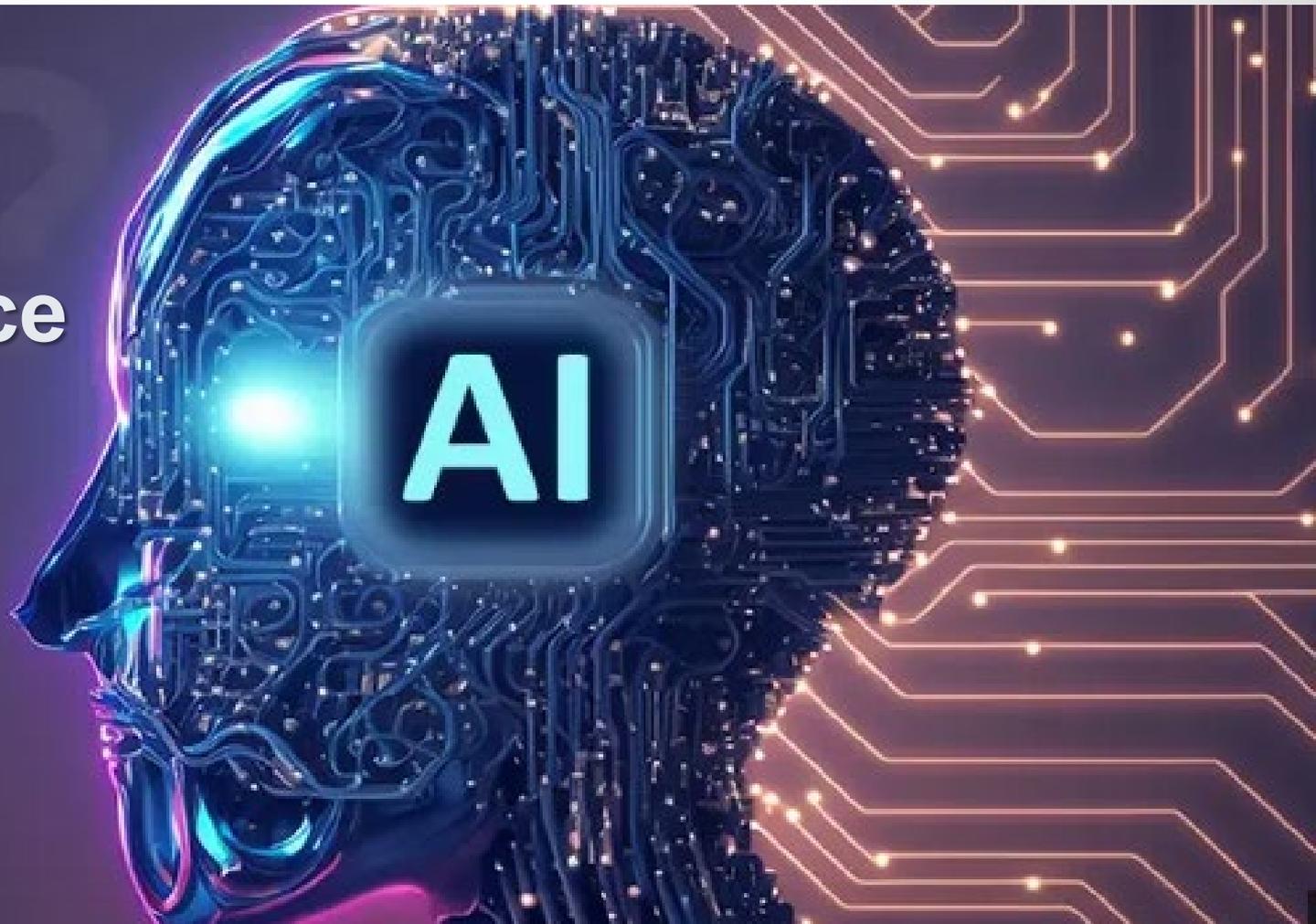
Microsoft Security: Microsoft Helpline (833)759 0417 (Toll-Free)

Windows Defender SmartScreen prevented an unrecognized app from starting. Running this app might put your PC at risk. Windows Defender Scan has found potentially unwanted Adware on this device that can steal y

THREATS

- **Caller: “This is the IRS... We will arrest you if you don’t pay now!”**
- **Fake Jailer: “Your grandchild will be beaten up by the older inmates if you don’t send bail money!”**

Artificial Intelligence





**You'll Know It's Not
Okay by the Way
You Have to Pay**

Cross-Border Fraud Traditional Payment Methods



gift cards

For your protection

Be aware of gift card and reloadable card scams

- Someone calls claiming to be a family member in trouble
- You are asked to purchase a large number of gift cards
- Someone calls claiming to be the IRS
- You are pressured to buy gift cards to pay your taxes

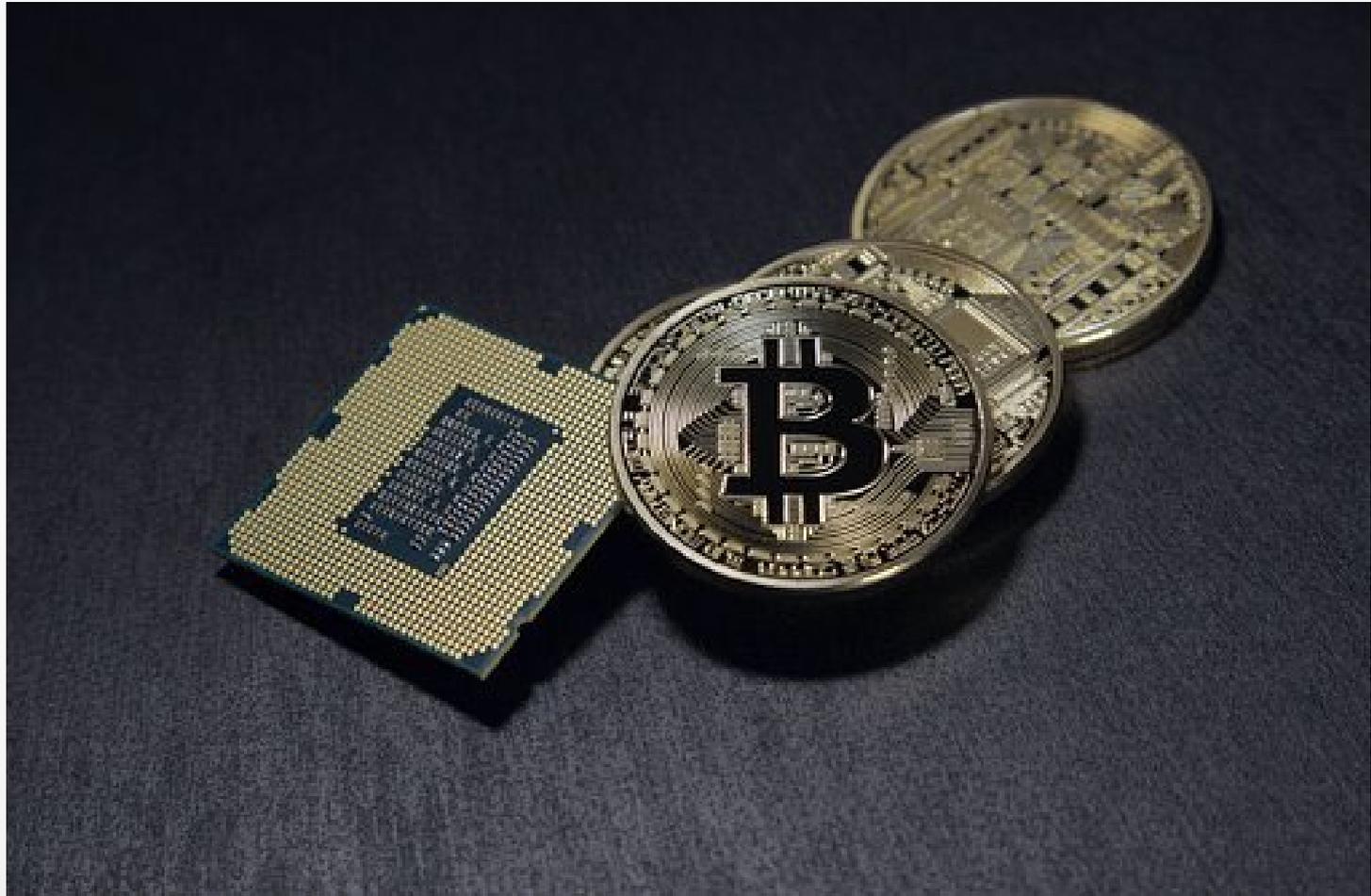
Remember:

- Gift cards cannot be used to pay legal fees, bail or taxes
- Do not share card numbers or PINs with anyone
- Report any scam to local authorities

Please remove this tab after purchase



Cryptocurrency



Take a Photo



New Bulk Discount! Buy \$1000 or more and save 2%



Bitcoin

Buy Coins

Withdraw Cash

Redeem

English Français Spanish 简体中文 繁體中文 日本語 

NUMERIC KEYPAD

1	2	3	CANCEL
4	5	6	SELECT
7	8	9	ENTER
0	*	#	

CARD READER

CASH DISPENSER



Peer-to-Peer (P2P) Payment Apps

- **Zelle, Venmo, several others**
- **Transfers usually instantaneous, irreversible**
- **Only use P2P to pay friends, relatives**

No Legitimate Business or Government Agency Will Send Someone to Pick Up Cash



Protect Yourself!!



Protect Yourself!

1. **Buy good computer security (e.g., Norton, McAfee...)**
2. **Limit personal info on social media (e.g., Facebook)**
3. **Let all calls not from your friends or “contacts” go to voice mail or answering machine**
4. **Get the best call screening features possible from your phone service provider**
5. **Only contact the organization using info on its website. Don't click that link!**

Protect Yourself! (Cont'd)

- **Know all the scams and be alert.**
- **Hang up or click off if anyone requests payment by gift card, P2P, wire, Bitcoin or cash in a FedEx, UPS or US Mail envelope.**
- **“He ain’t real ‘til he hands you flowers!”**
- **Reverse Image Search your new “love”**
- **Only download apps from the iPhone or Android “app store”, never from the Web**

Check Out the Pitch

- **NC Attorney General's Office**
919-716-6000 **NCDOJ.gov**
- **Call 2-1-1 (United Way of NC)**
- **AARP Fraud Watch Network**
1-877-908-3360 **AARP.org**

Questions?

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