

Fraud Prevention Tip

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How to recognize and avoid the Grandparent Scam

When it comes to fraud, criminals have set their sights on seniors with grandchildren using a particularly malicious trick known as the “grandparent scam”. While the scam has been around for years, there have been more reports on it recently across Canada.

Here’s how the scam works

The exact details may vary but, in general, the scam works this way. A call starts with “Grandma? Do you know who this is?” Thinking it’s their grandchild, victims will say “Yes, I know it’s you John.” The caller now has a first name that they will start using to gain credibility. The scammer will now ask for money because they say they were in a car accident or they’re under arrest and in jail in another city or country. Sometimes they’ll put another person on the phone to act like a police officer, bail bondsman or lawyer. The victim will withdraw funds from their bank account and wire money to the “grandchild” to help.

How seniors can protect themselves

Fortunately there are a few simple steps seniors can take to avoid falling victim to this scam. Here are the tips that the Canadian Bankers Association offers to seniors:



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Canada's banks take the issue of privacy, security and fraud prevention very seriously. They work hard to prevent their operations and customers from being used for any kind of financial crime and to raise awareness about the ways that customers can protect themselves.

As a consumer, you also have an important role to play in preventing fraud. One of the best ways to protect yourself is to be aware of the different

- Never offer information. If someone asks “Do you know who this is?” simply say no.
- Press your caller for details and ask them to repeat their story.
- Ask questions that your real grandchild could answer but an imposter could not
- After you hang up, verify the story by calling the parents of the “grandchild”.
- Never wire money to someone under uncertain conditions as it’s nearly impossible to trace.
- Never provide your credit card number over the phone or web unless you are sure the funds request is legitimate.

If you think you’re a victim, call your local police. **Remember, this is not your fault.**

Bank staff are aware of these kinds of scams and are trained to pay attention if a customer makes an unusual transaction like withdrawing more money than usual. However, as the owner of the account, you are ultimately responsible for any funds that you withdraw from your own bank account. That’s why it’s especially important to ask questions and be 100 per cent positive about who you’re talking to before you send any money.

For more fraud prevention tips from the Canadian Bankers Association or to sign up to receive new tips by e-mail please visit the [Fraud Prevention](#) section of the Canadian Bankers Association website.

types of scams and frauds. This month we’ll take a look at the Grandparent Scam.

The Canadian Bankers Association works on behalf of 59 domestic banks, foreign bank subsidiaries and foreign bank branches operating in Canada and their 275,000 employees. The CBA advocates for effective public policies that contribute to a sound, successful banking system that benefits Canadians and Canada’s economy. The Association also promotes financial literacy to help Canadians make informed financial decisions and works with banks and law enforcement to help protect customers against financial crime and promote fraud awareness.
