

WHAT ARE THE FACTS ABOUT FRAUD?

- Crimes involving fraud affect millions of people and billions of dollars annually. "The numbers are astronomical." (FBI)
- Anyone can be a victim of fraud. Certain groups tend to be targeted for particular schemes; but, there is a scam for every age, race, income, residence or circumstance.
- In 2003, for fraud complaints overall, Washington ranked 4th in the nation with 7,335 complaints filed at a rate of 119.6 per 100,000 population. (FTC report 2003).
- Seattle/Bellevue/Everett place second behind Washington DC for fraud-related complaints in metropolitan areas, with 3,254 complaints in 2003 at a per capita rate of 134.8 per 100,000 population. (Lbid)
- The FBI estimates that only about 15% of crimes involving fraud are reported.

Call to Get Help
1.866.751.7119



Program of

Lutheran Community Services

210 W. Sprague Ave., Spokane, WA 99201

Tel: 866.751.7119 (24 Hours)

Fax: 509.747.0690

Your Resource for Information and Assistance

Spokane Crime Victim Service Center
1.866.751.7119

National Association of Securities Dealers
1.800.289.9999

National Consumer League Fraud
Information Hotline
1.800.846.7661

National Fraud Information Center
1.800.876.7060

National Insurance Consumer Help Line
1.800.942.4242



Protecting the rights of crime victims



**SPOKANE CRIME VICTIM
SERVICE CENTER**

Your Resource for Information and Assistance

FRAUD

WHAT IS FRAUD?

There is no precise definition of a 'crime of fraud.' Fraud occurs when a person or business intentionally deceives another with promises of goods, services, or financial benefits that do not exist, were never intended to be provided, or were misrepresented.

Fraud is generally characterized by the following kinds of activities:

- **Intentional perversion of truth**; deceitful practice or device resorted to with intent to deprive another of property or other right.
- **Intentional deception** resulting in injury to another person.
- Something intended to deceive; **deliberate trickery** intended to gain an advantage.
- **Deceit, concealment, or violation of trust**, and are not dependent upon the application or threat of physical force or violence. (Source: www.utcourts.gov/resources/glossary.htm)

The Federal crimes of fraud include: converting and obtaining money or property by false pretenses other than forgery or counterfeiting. Crimes involving fraud are typically thought of as 'financial crimes' or white collar crimes.

There are hundreds of types of fraud. Some frauds are directed at businesses or institutions but individuals are equally targeted. Some examples of types of fraud include:

1. Telemarketing fraud (telephone solicitation for phony goods or services).
2. Mail fraud.
3. Health care and insurance fraud.
4. Pension and trust fund fraud.
5. Credit card and check fraud (including fraud by impersonation resulting from a theft of mail or credit cards).

If You Are a Fraud Survivor

Victims almost always suffer financial losses which can destroy financial security. Individuals who are particularly vulnerable—such as the elderly, disabled or individuals on a fixed income—and lack opportunities to recover the losses may even lose their independence.

Victims also suffer emotional impact. Fraud crime is a personal violation. An individual's trust in his or her own judgment, and trust in others, is often shattered. Fraud victims often suffer:

- Self-blame
- Shame
- Guilt
- Societal condemnation and indifference (the attitude that victims of fraud deserve what they get as a result of their own greed and stupidity),
- Isolation (when victims suffer their losses in silence rather than risking alienation and blame from family members, friends, and colleagues). (Source: DOJ, OVS, Providing Service Victims of Fraud)

Crimes involving fraud involve multiple jurisdictions. Fraud crimes can be prosecuted at either the state or federal level, depending on a number of factors:

1. Type of fraud scheme and amount of money stolen
2. Laws violated (federal, state, or both)
3. Method of operation
4. Use of public services that fall under federal or state regulation and authority (such as the U.S. Postal Service, telecommunications systems, or Medicare)
5. Location of the crime (within a state or across state or national borders)

The legal proceedings can be slow, complicated, and complex and may not result in beneficial financial outcomes.

Where Can You Get Help?

If your losses were severe and you are unable to meet your financial obligations, your credit rating may be affected. Consider some of these options:

- Contact your creditor immediately. Creditors will often work with you to reduce or modify your payments
- Consult a nonprofit consumer credit counseling service, which may be able to negotiate new payment arrangements or consolidate or reduce payments or interest
- Submit a written statement to local and national credit reporting agencies about your victimization

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