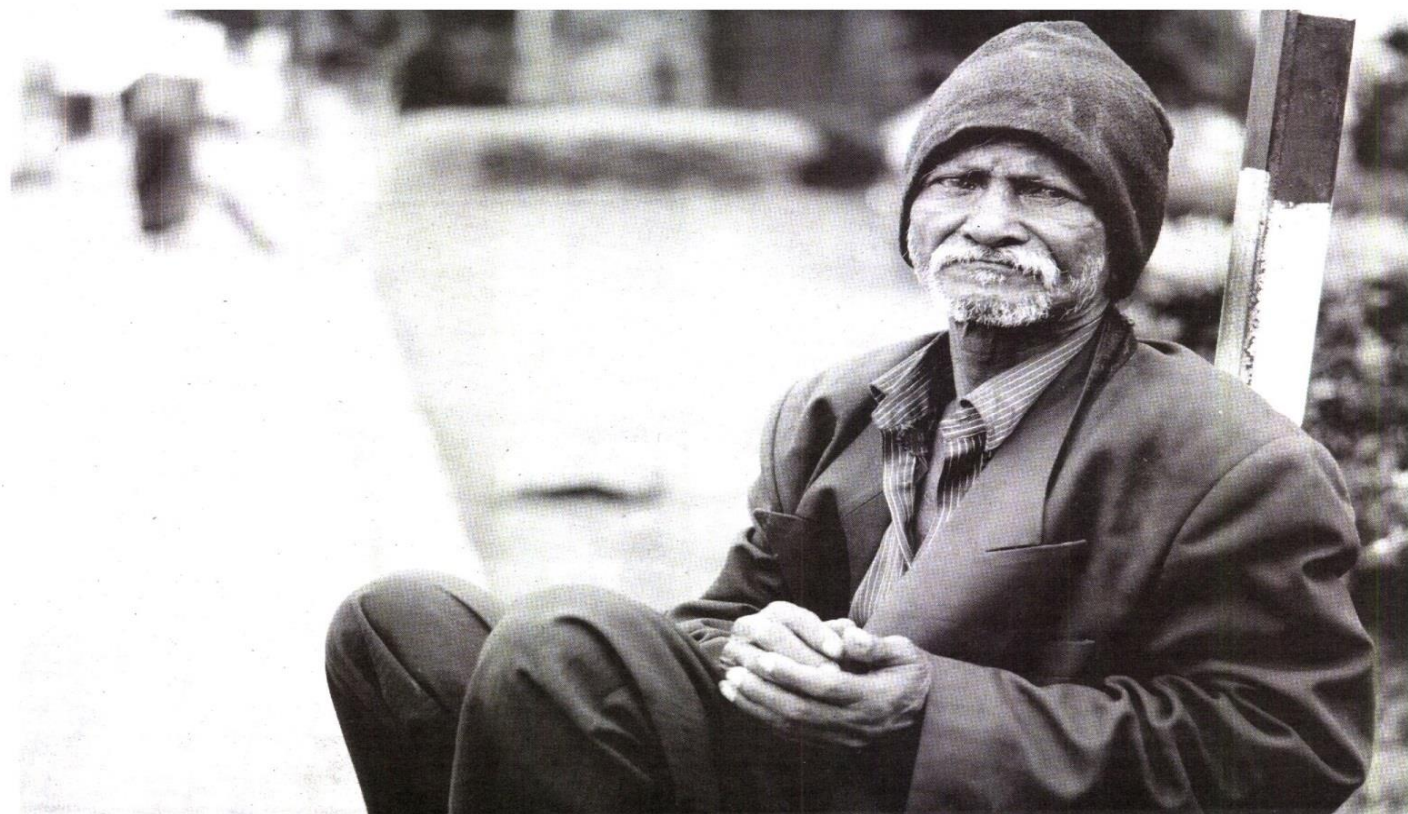




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Scams Targeting The Elderly And How To Protect Our Parents From Them

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more for your money

By Desiree Nair

Your parents and elderly relatives may often attract the attention of scam artists for a number of reasons. First off, your folks may be perceived to have big retirement funds and this will instantly make them an attractive target for fraudsters. But more importantly, scammers play on the sentiments of retired seniors who want to gain more financial stature or contribute something more to the family.

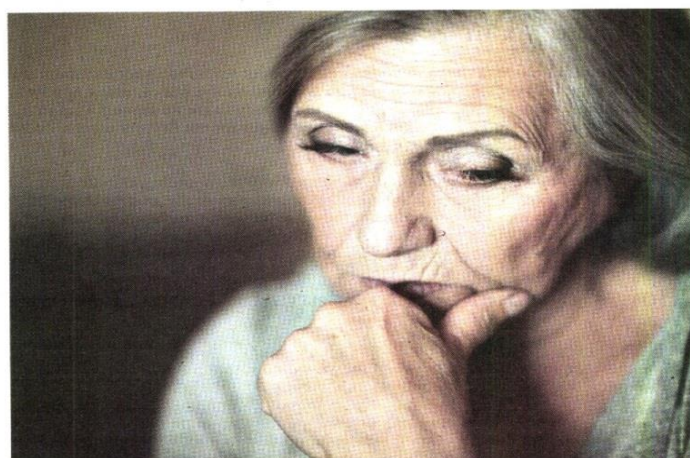
Here's a list of scams that tend to target your parents and what you can do to shield them from it.

1. Pyramid Schemes

While there are legitimate multi-level marketing (MLM) businesses in operation, some are actually more similar to pyramid schemes. Parents and elderly relatives who are hoping to still earn or are bored and looking for profitable activities may become involved in scammy MLM-type businesses.

Your parents may be asked to buy unsellable products at hefty prices, pay a large sign-up fee for materials and selling tools, or attend special and expensive training.

It's likely that you'll be alerted to scams like these because your folks and others involved in these types of ventures will often sell the products to those they know first. Unfortunately, at this point, it'll probably be too late to get their money back. Thus, it might be a better idea to



inform your parents about these potential scams now to help them avoid getting tangled up later on.

2. Hajj And Umrah Scams

Muslims both young and old who seek to perform Umrah and Hajj are at risk of scam packages. The scams operate by offering very cheap packages for the pilgrimage that turn out to be non-existent. According to the Tourism and Culture Ministry, there have been a total of 359 reported cases of umrah fraud since 2012, with total losses of RM12.4 million.

What you can do to help your parents is to check for them with the Saudi Haj ministry on the approved list of travel agents in Malaysia or the Tabung Haji list before buying a package. You can also assist with travel plans and check out the standard rate for these packages by shopping around. Advise your parents against choosing packages that offer discounts of 40% or more than the norm – unless under a government subsidy.

3. Sweepstakes Or Contest Scams

These scams often pop up on the Internet, or via email and text messages. They usually work by asking the intended target to send upfront payments to redeem their lottery or sweepstake winnings. Some scammers even use popular company names to gain the trust of their intended targets, attempt to steal private banking information through the Internet, or install viruses.

The offered "prizes" can appear so appealing that they may be hard for your elderly parents to turn down, especially if they are facing financial difficulties. The potential to win big is tempting to anyone regardless of age. Do guide your folks on safe Internet and smartphone usage to keep them from falling prey to such scams.

4. Real Estate Scams

This is an old school scam which targets the elderly and young alike. But the difference is that your parents may not have access to conduct the necessary searches to determine if a deal is real or fake. It usually involves a plan to sell a piece of land that the coman (or woman) has no right to sell. It's also possible that the land does not exist and that titles have been forged altogether.

Note that it is very difficult to recoup losses because these operations are so slick that the perpetrators are almost impossible to locate and prosecute once the bad deed is done.

Thus, it's best to let your parents know that you are there to help them look into any potential investment ideas that they may have. Help them do their homework before forking out any money, make an enquiry with the Land Office to check if the title is genuine, and do hire a lawyer when conducting land purchases.

5. Medical Supplement And Healthcare Scams

As they age, your parents will likely not be as healthy as they used to be. They may suffer from aches and pains, be tired, and easily fall ill. So naturally, if a scammer approaches them with a miraculous pill or doctor that can heal or make them younger, you can't fault them for wanting to buy what is being sold.

These supplements and remedies can be very expensive, but even worse, detrimental to one's health. Advise your parents to buy medical insurance or buy it for them to help improve their health via certified doctors and top hospitals without having to worry about the costs.

6. Macau Scam

The Macau scam is one of the most widespread types of scams to afflict members of the Malaysian public. Despite numerous warnings issued by the police, many Malaysians fall for these schemes and lose large amounts of money to the scammers – up to a six-digit sum at a time. The Macau scam losses in Selangor for the first six months of 2018 itself have amounted up to RM16 million.

Macau scams start with a phone call by someone who is pretending to be a bank officer, police officer, a representative from a government agency, or debt collector. The scammer will convince their victims that they owe money or are being investigated for money laundering. Victims end up transferring large sums of money in to the scammer's account to supposedly avoid being blacklisted or having their bank accounts frozen.

How To Shield Your Parents From Potential Scams

Although this seems like more work for you, know that your parents and elderly relatives certainly do need the help. Here's what to do:

- Advise your parents not to make their financial situation known. Ask them to refrain from informing friends and even other relatives about their retirement money or stipends.

- Ask them to come to you or a trusted family member if they intend to open a business or spend large amounts of money. Your parents might not appreciate being monitored, so just let them know that you are there to talk if they need you.

- Be open and understanding and don't shame them when they come to you. If they are embarrassed, they may not approach you anymore and fall prey again in the future.

- Consider hiring an executor or certified financial planner for your parents if you feel they need one to protect their money.



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