# Member Insights

## 4 Factors That Put You at Risk of Losing Money to Scams

Americans reported losing $12.5 billion to fraud and scams in 2024—a 25% increase over the previous year, according to the latest figures from the Federal Trade Commission. Although anyone can become a victim of fraud, research shows that there are several risk factors that make people more vulnerable.

These risk factors might come as a surprise because they aren't tied to age or intellect. In other words, you're not less likely to become a scam victim if you're young or smart.

Instead, the likelihood of losing money to fraud is more closely correlated with situations when your defenses are down, according to an AARP National Fraud Frontiers Report. The study found that there are four factors, in particular, that create these vulnerable moments. It's important to understand what these risk factors are to put protections in place.

**Risk factor #1: Stressful life events**

Scam victims reported experiencing twice as many stressful life events, such as illness, loneliness, loss of a job and death of a loved one, than non-victims, the AARP study found. Because stressful events consume your mental energy, it can be harder to spot and resist scams—and scammers know this.

"The scammer will intentionally probe for the presence of such stressful life events and when the potential victim reveals a recent divorce or illness, scammers will focus the victim's attention on that event to keep them off balance and drain even more of their cognitive power," according to the AARP study.

**Risk factor #2: Strong emotions**

Scammers try to get potential victims into a heightened emotional state. That way, they are no longer thinking rationally and can be more easily manipulated.

In the AARP study, respondents were asked to what extent they felt certain emotions during encounters with scammers. Those who lost money to scams were much more likely to have felt strong emotions—both positive and negative. Victims also were more likely to respond that, in general, they tend to act without thinking when either upset or excited.

**Risk factor #3: Less family and social support**

People who lose money to scams tend to have less support from family and friends than non-victims. In particular, victims were less likely to report that they could turn to family in times of crisis, according to the study. And they were less likely to say that they had someone to turn to for financial help.

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## Snapshots of Summer: Celebrating our Summer Raffle Winners






*Pictured left to right, our winners, Boguslawa Socha and Jesse Rodriquez.*

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**Risk factor #4: More exposure to scams**

The AARP study found that fraud victims reported an average of 58% more fraud encounters than non-victims. They were significantly more likely to enter free drawings, listen to telemarketers, and open and read junk mail. They engaged in more activities that could result in a scam experience, such as purchasing products from sellers they weren't familiar with or through pop-up ads online. And scam victims were more likely to say that they enjoy taking risks.

**How to protect against scam risks**

Considering that fraud can happen to anyone under the right circumstances, it's important to take steps to limit risk factors.

**Be alert to vulnerable moments**

Scammers will try to get you into a heightened emotional state by promising a positive outcome or threatening something bad will happen if you don't act immediately. So pay attention to what you're being told if you receive an unsolicited call, email or text message—even if it appears to be a trusted source, such as your financial institution or a government agency. Scammers will pose as representatives of known organizations to gain your trust.

Also, be alert to whether strangers who have contacted you are trying to gather personal information about you. Are you being asked to elaborate on your bad day or discuss stressful events in your life? If so, it could be a scammer looking to manipulate you.

**Limit exposure to potential scams**

Reduce your chances of interacting with scammers by using a call-blocking app on your phone that flags spam calls. You also could let all calls go to voicemail to screen them. Also, don't click on links or download attachments in emails and text messages. Instead, directly contact the company that supposedly is trying to reach you to see if there is an issue you need to address.

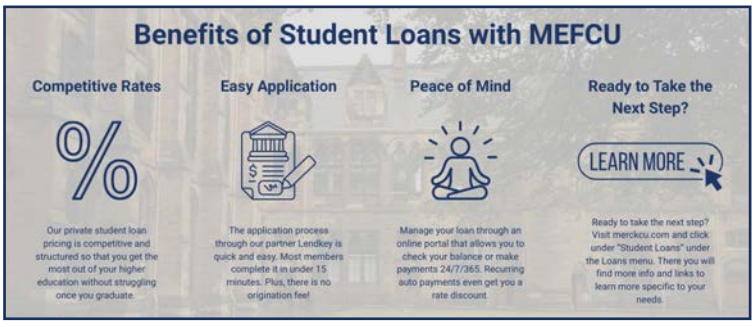
Placing a security freeze on your credit reports at each of the three credit bureaus—Equifax, Experian and TransUnion—can prevent scammers who get your personal information from opening lines of credit in your name. And using a financial safety service such as Carefull can provide you with 24/7 account, credit and identity monitoring to alert you to unusual transactions, signs of fraud and misuse of your personal information.

**Build support systems**

Identify trusted relatives, friends, neighbors or even employees at your bank or credit union you can reach out to for a second opinion if you get a suspicious call, email or text message. It's hard to think rationally if a scammer is manipulating your emotions. Having that trusted person you can contact can help break the scammer's spell. If someone is telling you that you can't hang up or get a second opinion, then it likely is a scammer.

If you can't reach a trusted contact, you can use a resource such as Carefull's ScamCheck. Carefull members can share an image or the text of a suspicious message, email, call or mail with ScamCheck to identify whether it is a scam. Carefull also includes a trusted contacts feature that can alert trusted family members if unusual activity is detected on your accounts.

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