

# FTC Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Division of Consumer & Business Education

## **A Scam Based on Relative-ity: Would-Be Grandchildren Bilking Honest Grandparents**

*“Grandma! Hi, how are you?”*

*“Hi, Billy. How are you?”*

*“Actually, I’m in some trouble, and don’t want Mom and Dad to know...”*

Seems like an ordinary phone call from your grandchild, right? It may be — at least until the caller claims that he needs cash to fix a car, get out of jail, or leave a foreign country. He begs you to wire money right away and to keep the request confidential. If you think that sounds like a red flag, the Federal Trade Commission (FTC), the nation’s consumer protection agency, says you’re right.

Victims of this scam often don’t realize they’ve made a mistake until days later, when they speak to their grandchild and he knows nothing about the phone call. By then, the money the grandparent wired is not only long gone, but also irretrievable. Scammers usually pressure people to wire money through commercial money transfer companies like Western Union and Money Gram because wiring money is the same as sending cash. The chances of recovery are slim to none.

The FTC says the number of complaints about this type of scam is on the rise. In some cases, the scammers know the names of family members and manage a deft impersonation. In others, they trick a grandparent into giving up a grandchild’s name. The callers often claim to be in Canada and ask that the money be wired there. Sometimes, a third person gets in the act, pretending to be a police officer or bondsman to confirm the bogus story.

Regardless of the particulars, a grandparent’s love and concern often can outweigh their usual skepticism. In fact, say fraud fighters at the FTC, that’s what the bad guys are banking on.

But grandparents and other caring individuals can learn how to avoid being taken in by a fake emergency. If you get a call from a family member asking you to wire money, for example, don’t panic — and do resist the urge to act immediately. The FTC says:

- Try to verify the caller’s identity by asking personal questions a stranger couldn’t answer.
- Resist the pressure to act immediately; don’t be afraid to use a phone number you know to be genuine to call back. If you don’t have the relative’s phone number, get in touch with

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the person's parent, spouse, or another close family member to check out the story before you send any money, even if you've been told to keep the event a secret.

- If you can't reach a family member and still aren't sure what to do, call your local police on the non-emergency line. They can help you sort things out.
- No matter how dramatic the story, don't wire money. Don't send a check or money order by overnight delivery or courier, either. Con artists recommend these services so they can get your money before you realize you've been cheated.
- Report possible fraud at **ftc.gov** or by calling 1-877-FTC-HELP.

The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or to get free information on consumer issues, visit **ftc.gov** or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters consumer complaints into the Consumer Sentinel Network, a secure online database and investigative tool used by hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

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| FEDERAL TRADE COMMISSION | ftc.gov          |
| 1-877-FTC-HELP           | FOR THE CONSUMER |

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