Name _____ Date _____

Avoiding Scams and Protecting Your Identity

Directions: Most questions describe a situation involving money and ask what the person involved should do. Read every detail carefully, because scams usually hide behind a believable, urgent-sounding story.

1. Which two of these situations are warning signs that a request for money is probably a scam?

- ☐ A. Getting a receipt after paying for groceries at a store
- ☐ B. Getting a dentist's bill for a checkup you actually had
- ☐ C. Being pushed to pay right away, before there's time to think it over
- ☐ D. Being told to pay with gift cards
- ☐ E. Seeing a price tag on a shirt in a store

2. Match each scam or crime with the description explaining exactly how it operates on its victims. Write the letter of the matching answer on each line.

1. _____ Fake prize scam
2. _____ Fake check scam
3. _____ Government impostor scam
4. _____ Identity theft

Choices for question 2

A. Sends a check for more than you're owed and asks you to send the difference back

B. Says you won something, then asks you to pay a fee before you can collect it

C. Pretends to be an official agency and demands quick payment with gift cards

D. Sends a receipt by email after you buy something you really ordered

E. Uses someone's personal details, such as a Social Security number, to open accounts in that person's name

3. Bianca receives a text message announcing that she won a $1,000 gift card in a contest she never entered, but she must first pay a $35 processing fee before the prize can be delivered. What should she do?

A. Pay nothing and delete the message, because being charged a fee to collect a prize is a sure sign of a scam

B. Pay the processing fee immediately so the prize isn't awarded to someone else

C. Reply with her bank account number so the fee can be withdrawn automatically

D. Pay half the fee now and the rest after the gift card arrives

4. A caller claiming to represent a government agency insists that Ethan owes a $300 fine, which must be paid immediately with gift cards or the police will arrest him. What should Ethan do?

A. Pay with gift cards but ask the caller to mail a receipt

B. Give the caller his Social Security number to prove who he is

C. Buy the gift cards and read the card numbers to the caller

D. Hang up without paying, then check with the agency using a phone number he looks up himself

5. After Kai answers an online advertisement for a part-time job, the 'employer' mails him a $900 check before his first day and instructs him to keep $100 as payment and send the remaining $800 to an equipment supplier using gift cards. What should Kai do?

A. Deposit the check and keep all $900 without telling anyone

B. Send the $800 first, then deposit the check once the supplier confirms

C. Deposit the check and send the $800 right away so he doesn't lose the job

D. Refuse to deposit the check or send any money, because a real employer won't mail a check and then ask him to pass part of it to someone else

Lena's Online Sale

The details of an online sale Lena is arranging with a buyer she has never met in person.

Sale detail	Amount (dollars)
Keyboard's selling price	120
Amount on the buyer's check	520
Money the buyer asks Lena to send back	400

6. The buyer, explaining that the overpayment was an accident, asks Lena to deposit the check immediately and return the extra money right away. What should Lena do?

A. Deposit the check and send the extra money as soon as it shows up in her account

B. Ship the keyboard first and sort out the extra money later

C. Send the extra money with gift cards so the buyer gets it faster

D. Refuse the check and send nothing back, since a request to return an overpayment is a sign of a fake check scam

7. Lena is considering two plans in case the buyer is a scammer: under Plan A she would deposit the check, send the buyer $400 in gift cards and ship the keyboard, while under Plan B she would return the check, send no money and keep the keyboard. Counting the keyboard at its $120 selling price, if the check turns out to be fake, which plan leaves Lena better off, and by how much?

A. Plan B, by $120 B. Plan B, by $400 C. Plan A, by $400 D. Plan B, by $520

8. Suppose Lena deposited the check and the full $520 appeared in her account the following day; why wouldn't that prove the check is genuine?

A. Banks show money only from checks they have already confirmed.

B. Deposited money can appear before the bank finishes verifying the check, and if the check proves fake, even weeks later, the bank reverses the deposit.

C. Money that appears in an account can never be taken back.

D. A check that clears in one day is always genuine.

9. While reviewing his credit report, Noah discovers a credit card account that he never opened. Which step follows the Federal Trade Commission's advice for responding to identity theft?

A. Post about it online with his Social Security number so the bank can find the thief

B. Ignore it, since the card isn't in his wallet

C. Report it at IdentityTheft.gov, the FTC's site, to get an identity theft report and a recovery plan

D. Pay off the card's balance so it doesn't hurt his credit

10. Someone steals Yusuf's wallet, which contained his Social Security card. Which step would make it considerably harder for a thief to open new credit accounts in his name?

A. Place a free credit freeze with the nationwide credit reporting companies

B. Wait until a bill in his name shows up before doing anything

C. Apply for several new credit cards before the thief can

D. Close his savings account and keep his money in cash at home

11. Why is it a valuable habit for Camila to carefully review her bank and credit card statements every month, even when nothing seems unusual?

A. It stops scammers from ever calling her.

B. Banks require customers to review statements before every purchase.

C. Spotting unfamiliar charges she didn't make lets her report them to her bank or card company quickly.

D. It raises her credit score each time she reads them.