

Pattie Lovett-Reid: How to protect yourself against financial fraud



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There is a reason we have Fraud Prevention Month in March – and that is because fraud can hurt many and cause significant disruption in your life. Victims can feel helpless, embarrassed, angry and, in many cases, with little hope of ever recovering the loss.

Fraudsters don't discriminate and attacks can happen to anyone young or old, anytime, and anywhere – over the phone, via a text, email or in person. As technologies become more sophisticated and integrated into our lives, the easier it is for fraudsters to target Canadians in new ways.

A recent report out by TD found nearly one in three Canadians reported having been personally victimized by financial fraud, with most individuals (83 per cent) losing up to \$5,000. That is a lot of money. Money that in many cases victims clearly can't afford to lose.

The good news is that we can try to protect ourselves by taking a few simple measures and practicing them relentlessly:

1. Don't share your password – with anyone. Not your bank, your child, or even your spouse.
2. Frequently review your financial data. This includes bank accounts and credit card statements. Once a month isn't good enough.
3. Sign up for text message fraud alerts from your bank.
4. Enable two-factor authentication for added security.

A starting point is as easy as a conversation about the potential for fraud with family members. This isn't about age or financial status. Seniors can sometimes feel vulnerable when confronted with requests for money in things such as the "emergency scam" that attempts to coerce grandparents into sending money to their grandchild in a foreign country, or romance scams that use legitimate dating websites to extort money

from someone who is lonely and looking for companionship. Anyone can get caught off guard. The more we talk about it the more aware we become.

Taking a few precautions by not clicking on unknown links, recognizing the cheque that came in the mail is likely too good to be true, and always verifying sources to know who you are doing business with, can go a long way in protecting you from becoming a victim of financial fraud.

Finally, never ever give out any personal financial information until you are 150 per cent certain of the source; however, if you find yourself compromised, don't panic and notify your financial institution and the authorities right away.