

Financial Tools For Seniors



Credit Canada
Debt Solutions



Credit Canada

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Credit Canada Debt Solutions
 A not for profit charity since 1966
 45 Sheppard Avenue East, Suite 810
 Toronto, Ontario M2N 5W9
 Telephone 416 228 DEBT (3328)
 1 800 267 2272 from outside Toronto

For a free online assessment go to:
www.CreditCanada.com

Fax 416 228 1164
 Email info@creditcanada.com
www.creditcanada.com

Mon-Thurs 8-7, Fri 8-6, Sat 8:30-4:30



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Credit Canada Debt Solutions is the operating name for Credit Counselling Service of Toronto, the organization's official designation. An incorporated charity since 1965. A registered charity under the Income Tax Act (Canada) since 1967.



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Money Management

Benefits of creating a spending plan

A spending plan is a list of your planned expenses (money paid for items or services) and your income.

Why should I create a spending plan?

- It's important to know exactly where, when and how you are spending your money.
- When you are organized you gain control over your spending!
- A spending plan can be very detailed or simple, it is your choice.
- Making a spending plan is for your own personal benefit so it is important to be honest with yourself when you are tracking your expenses.

Do you know how much you are spending?

Ready to find out what you are spending every month – Put pencil to paper to look at your spending patterns. Determining how much you spend on a monthly basis is the first step in taking control of your money. You cannot keep those figures in your head as estimates. They need to be written down. Here's a handy worksheet that will help you track your expenses on a monthly basis. Gather all your bank statements, grocery receipts, credit card statements and monthly bills before starting.

A calculator may be a useful tool to have on hand.

Four steps to developing a personalized spending plan

1. List all sources of Income (after taxes)
2. List all Expenses
 - a. Fixed expenses
 - b. Variable expenses
3. Figure out the difference (total it up!)
4. Track, Trim and Target

Use this worksheet to add up your income and expenses for the last month.

Step 1: List all sources of income

INCOME

Gross Monthly income (1)	\$ _____
Gross Monthly income (2)	\$ _____
Federal tax deductions (less)	\$ _____
CPP deductions (less)	\$ _____
E.I. deductions (less)	\$ _____
Group Insurance (less)	\$ _____
Net Monthly Income	\$ _____

Step 2 A: List all your fixed expenses

HOUSING Due Each Month

Rent	\$ _____
Mortgage payment	\$ _____
Condo/Coop Maintenance fees	\$ _____
Property Taxes	\$ _____
Other	\$ _____
Sub Total	\$ _____

UTILITIES Due Each Month

Gas	\$ _____
Hydro	\$ _____
Water/Sewer	\$ _____
Trash/Recycling	\$ _____
Telephone	\$ _____
Cell Phone	\$ _____
Cell Phone	\$ _____

Cable/Satellite	\$ _____
Internet service	\$ _____
Security system	\$ _____
Other	\$ _____
Sub Total	\$ _____

TRANSPORTATION

Due Each Month

Public transportation (1)	\$ _____
Public transportation (2)	\$ _____
Car loan	\$ _____
Car lease	\$ _____
Auto maintenance	\$ _____
License plate renewal	\$ _____
Emissions test	\$ _____
Parking	\$ _____
Other	\$ _____
Sub-Total	\$ _____

INSURANCE

Due Each Month

House insurance	\$ _____
Rental insurance	\$ _____
Medical insurance	\$ _____
Life insurance	\$ _____
Long term disability	\$ _____
Other	\$ _____
Sub Total	\$ _____

FAMILY

Due Each Month

School activities	\$ _____
School tuition	\$ _____
Alimony	\$ _____
Child Support	\$ _____
Other	\$ _____
Sub Total	\$ _____

SAVINGS

Due Each Month

RRSPs	\$ _____
RESPs	\$ _____
Stocks	\$ _____
Other	\$ _____
Sub Total	\$ _____

TOTAL FIXED EXPENSES

\$ _____

Step 2 B: List all your variable expenses

HOUSING

Average Monthly Expense

Repairs/renovations	\$ _____
Furniture	\$ _____
Cleaning supplies	\$ _____
Appliances	\$ _____
Lawn & Garden	\$ _____
Snow clearing	\$ _____
Pool maintenance	\$ _____
Furniture/rug cleaning	\$ _____
Cleaning services	\$ _____
Sub Total	\$ _____

FOOD

Average Monthly Expense

Groceries	\$ _____
Lunches	\$ _____
Restaurants	\$ _____
Order-in	\$ _____
Coffee	\$ _____
Snacks	\$ _____
Alcohol	\$ _____
Vitamins/supplements	\$ _____
Entertaining at home	\$ _____
Sub Total	\$ _____

AUTOMOBILE

Average Monthly Expense

Gas	\$ _____
Repairs	\$ _____
Maintenance	\$ _____
Tires	\$ _____
Car wash	\$ _____
Sub Total	\$ _____

MEDICAL

Average Monthly Expense

Prescriptions	\$ _____
Over the counter drugs	\$ _____
Dental/Orthodontist	\$ _____
Eye Exams	\$ _____
Chiropractor	\$ _____
Other	\$ _____
Sub Total	\$ _____

CLOTHING

Average Monthly Expense

Work clothes	\$ _____
Sport clothes	\$ _____
Casual clothes	\$ _____
Tailoring	\$ _____
Shoes	\$ _____
Coats	\$ _____
Accessories	\$ _____
Underwear	\$ _____
Laundry	\$ _____
Dry cleaning	\$ _____
Sub Total	\$ _____

ENTERTAINMENT

Average Monthly Expense

Movies	\$ _____
Plays	\$ _____
Concerts/Sporting Events	\$ _____
DVD rentals	\$ _____
Music downloading	\$ _____
Music/CDs	\$ _____
Books/magazines	\$ _____
Newspaper subscriptions	\$ _____
Vacations	\$ _____
Gym memberships	\$ _____
Hobbies	\$ _____
Gambling/lottery	\$ _____
Other	\$ _____
Sub-Total	\$ _____

PETS

Average Monthly Expense

Pet Food	\$ _____
Day care	\$ _____
Grooming	\$ _____
Toys/supplies	\$ _____
Walking services	\$ _____
Other	\$ _____
Sub Total	\$ _____

GROOMING

Average Monthly Expense

Haircuts	\$ _____
Colour	\$ _____
Permanent treatments	\$ _____
Hair treatments	\$ _____

Manicure/Pedicure	\$ _____
Waxing	\$ _____
Massages	\$ _____
Cosmetics	\$ _____
Personal hygiene products	\$ _____
Other	\$ _____
Sub Total	\$ _____

PROFESSIONAL

Average Monthly Expense

Fees	
Doctor	\$ _____
Lawyer	\$ _____
Accountant	\$ _____
Bookkeeper	\$ _____
Financial Planner	\$ _____
Tax preparation	\$ _____
Bank fees	\$ _____
Brokerage commissions	\$ _____
Other	\$ _____
Sub Total	\$ _____

HOLIDAYS & GIFTS

Average Monthly Expense

Birthday presents	\$ _____
Holiday presents	\$ _____
Wedding presents	\$ _____
Other presents	\$ _____
Greeting cards	\$ _____
Gift bags/wrapping paper	\$ _____
Sub Total	\$ _____

MISCELLANEOUS

Average Monthly Expense

Charity donations	\$ _____
Religious donations	\$ _____
Stamps	\$ _____
Cigarettes	\$ _____
Newsstand magazines	\$ _____
Computer supplies	\$ _____
Electronic gadgets	\$ _____
Unexpected expenses	\$ _____
Other	\$ _____
Sub Total	\$ _____

TOTAL VARIABLE EXPENSES

\$ _____

Step 3: Figure out the difference (total it up!)

Write down your net monthly income \$ _____
 Subtract your total Fixed monthly expenses \$ _____
 Subtract your total Variable monthly expenses \$ _____

TOTAL MONEY AVAILABLE \$ _____

This exercise was to show you how much you earn versus how much you spend. If you have money left over then you have more money coming in, than you have in expenses. If this is your case congratulations!

If you have no money left over, or you are in a deficit, then you are spending more money than what you are earning. The goal here is to help you see where you are spending your money and where you can make your changes.

If you want to keep track of your money more carefully we suggest that you use the "Monthly Budget Tracker" to help you keep track of your money.

Step 4: Track, trim and target

If you do not have enough income to pay your expenses, you need to look over your spending plan and see where you could spend less money.

Tips for a healthy spending plan

- Be honest. Make sure you list everything no matter how small the expense.
- Before you buy, always ask yourself is it a need or a want and do you have space for it. If the answer is no then you probably do not need it.
- Look for a no-fee or reduced fee bank account from your financial institution. This can save you over \$200 a year.
- If you have a bill you pay just once a year, divide it by 12 to get your monthly amount and put it in your monthly spending plan.
- Continue to keep track of your income and expenses every month.

- Always consider other possibilities before spending, such as:
 - Prior to going grocery shopping: make a list, cut out coupons, and consider buying the alternative brands.
 - Consider bundling your land line, cell phone, cable and internet and you can save quite a lot.
 - Prior to buying clothes: Go through your wardrobe, you might be surprised to find items that you have not worn in a while or ever.
 - Consider buying at the end of the season, outlet stores, or at thrift stores.
- Use credit cards only for emergencies.
- Pay off your total credit card balances before the due date each month to avoid paying interest and other fees.
- Comparison shop for all large purchases and look for seniors' discounts.
- Learn to say "no" when kids, relatives, and friends ask for money.
- Save regularly into a tax free savings account.
- Update your spending plan every month. If circumstances change (e.g. change in income) remember to add the changes to your spending plan.

Financial Goals

Imagine what you would like to do with your money. What do you see? Are there specific items you want to buy? If so, you need to set specific goals for how to use your money. As you plan your goals, you must be SMART.

Each goal must have a set of rules that you follow in order to achieve those goals. They must be....

- Specific
- Measurable
- Achievable
- Realistic
- Timely

Take some time to think, and then write down your financial goals below.

My Financial Goals			
Short Term goals (To be met within a year or so)			
OBJECTIVE	ESTIMATED COST	TARGET DATE	MONTHLY
1-e.g. washing machine	\$450	1 Year	\$37.50
2.			
3.			

My Financial Goals			
Intermediate goals (To be met within five years or less)			
OBJECTIVE	ESTIMATED COST	TARGET DATE	MONTHLY
1-e.g. 4 year old car	\$6,000	3 Years	\$167
2.			
3.			

My Financial Goals			
Long Term goals (To be met within ten years or more)			
OBJECTIVE	ESTIMATED COST	TARGET DATE	MONTHLY
1-e.g. Downpayment of a house	\$25,000	5 Years	\$416.66
2.			
3.			

How can I increase my savings?

- A standard guideline is to save at least 5% of your pay (e.g. If you make \$1,000 a month, try to save \$50 from your pay).
- If you have a lot of debt, try saving a smaller amount until you're debt-free.
- If you have high interest debt, contact the creditor and find out if it can be transferred to a lower interest rate product.
- If your income changes each month, adjust your savings accordingly.
- Build savings into your monthly spending plan. For example, save 2-3 months of income for rent or illness.

How to avoid accumulating debt

- Make sure that your monthly spending plan is not running in a deficit. Credit is very often used to supplement income and pay for living expenses. Using credit to supplement income will lead to increased balances on your credit products. Eventually, you will be unable to sustain debt payments and this can lead to default.
- Pay off your credit card balances in full every month. Credit products are intended to be a convenient means for making purchases not as a source of income.
- Create savings in your spending plan for large expenses, infrequent expenses, and for an emergency fund. Planning for these expenses in the spending plan will allow you to pay for them without having to use credit.

How do I resolve my current debts?

Part of the process of managing your debt is getting in touch with your creditors to let them know your intentions such as:

- Explain to the creditors your financial situation and how you plan to proceed.
- Follow up the conversation with a letter (keep a copy of the letter and ensure that you send it by security register); inform them about your financial situation and outline terms for how you propose to pay them. Request a reply for your records.
- If you are unable to reach an agreement with your creditors, contact a not-for-profit credit counselling agency to discuss possible repayment options.

Helpful tips

Do you find that when you file income taxes each year you owe money? You may want to have a larger amount of income taxes deducted from your pension at source. Making a small adjustment monthly is much easier than trying to pay a large tax bill once a year.

Protecting Yourself and Your Assets

Estate planning

Estate planning is a definite plan for the administration and distribution of one's property during one's lifetime and at one's death. Estate planning includes power of attorneys, living wills, wills, and trusts. All of which are legal documents arranged through a lawyer.

Power of Attorney

A power of attorney is a legal document giving one person the authority to act on another person's behalf, either financially or with regards to personal care.

The Office of the Public Guardian and Trustee has a Power of Attorney Kit that will help you appoint the person you want to make decisions for you when you are no longer able to do so for yourself.

Where can you get a Power of Attorney Kit?

- On the internet visit: www.attorneygeneral.jus.gov.on.ca/english/family/pgt/poa.pdf
- Contact your local Member of Provincial Parliament (MPP). To find out who your local MPP is visit: http://fyed.elections.on.ca/fyed/en/form_page_en.jsp
- In person, visit your local office

Head Office (Toronto)

595 Bay Street
Suite 800
Toronto, Ontario M5G 2M6
Tel: (416) 314-2800
Toll-free: 1-800-366-0335
Fax: (416) 314-2698

Hamilton

119 King Street West
9th Floor
Hamilton, Ontario L8P 4Y7
Tel: (905) 546-8300
Toll-free: 1-800-891-0502
Fax: (905) 546-8301

London

199 Dundas Street
1st Floor, Suite 100
London, Ontario N6A 1G4
Tel: (519) 660-3140
Toll-free: 1-800-891-0504
Fax: (519) 660-3148

Ottawa

351 Preston Street
Suite 200
Ottawa, Ontario K1S 2E6
Tel: (613) 241-1202
Toll-free: 1-800-891-0506
Fax: (613) 241-1567

Sudbury Ontario Government Building

199 Larch Street
Suite 602
Sudbury, Ontario P3E 5P9
Tel: (705) 564-3185
Toll-free: 1-800-891-0503
Fax: (705) 564-3193

Sudbury Satellite Thunder Bay

189 Red River Road
Suite 101
Thunder Bay, ON P7B 1A2
Tel: (807) 343-7230
Toll-free: 1-800-891-0503
Fax: (807) 343-7223

Why do I need a Power of Attorney?

Many people believe their families will be able to step in if something happens and they cannot make decisions for themselves. This isn't always true. You can name someone to make financial decisions for you, such as paying your bills, with a [continuing power of attorney for property](#).

For personal care and health decisions such as where you live, what you eat or what medical care you will receive if you get sick or injured, you can name someone in a [power of attorney for personal care](#).

Tip: No one can make you sign a power of attorney if you don't want to. But, if you don't choose one, the government may have to appoint someone to make certain decisions for you. It's better if you choose someone you feel you can really trust, who knows your wishes.

Wills

How do Wills work?

A [will](#) is a legal declaration of a person's mind as to the division of his or her property after death. Preparing a legal [will](#) with an attorney will ensure that your assets are distributed as you wish them to be after your death. If you die without a legal [will](#) – intestate – your assets will be divided according to the rules of intestate succession that are in effect in your province, and this division may be in a way that you would not have wished.

Kinds of wills

1. [Handwritten will](#). A handwritten [will](#) is called a "holograph" [will](#) and is legal. It has to be totally handwritten in your own handwriting. Then you have to date it and sign it at the end. A pre-printed form that you fill in by hand is not a holograph [will](#) and must be signed by witnesses.
2. [Typed will](#). A typed [will](#) must be dated and signed in front of two witnesses. The two witnesses must also sign the [will](#). All three (you and your two witnesses) must be together when signing. The two witnesses cannot be people who will get something from your estate when you die.

3. [Videotaped will](#). A videotaped [will](#) is not valid in Ontario.

For more information on how to create your own [will](#) visit: <http://www.communitylegalclinic.ca/newsletters/will%20kit%20website.pdf>

Note: This is not to be construed as legal advice.

Trusts

A trust is a legal arrangement through which one's assets are held by a trustee. A trust is often set up to distribute an inheritance over a period of time, or to hold onto funds until a minor is of age to collect an inheritance. A [living trust](#) can be created and initiated during the settler's lifetime, allowing the settler to retain control over the management of assets. A [testamentary trust](#) is established by the settler's will and takes effect at the settler's death.

Warning Signs of Financial Abuse

What is financial abuse?

Financial abuse is when an abuser uses your money or assets contrary to your wishes, best interests, needs, or just for the abuser's own personal gain.

Some examples of this might be:

- Taking items from your residence.
- Not providing a service paid for by you.
- Using your credit cards or funds from a bank account for unauthorized purchases.
- Refusing to return borrowed money or items as agreed upon, at your request.

Understanding “undue influence”

“Undue influence” is when a person in a position of trust uses his position to use you, for the purpose of gaining control of your money or assets.

Some examples of how an abuser might use “undue influence”:

- Isolating you from family, friends, and community.
- Controlling your access to visitors, mail, phone calls, etc.
- Manipulating your medication or food.
- Making false promises to provide care.
- Lying to you about how others feel, “no one else cares”.
- Threatening you with physical harm.

Warning signs of Financial Abuse

- Increased banking activity that you cannot account for.
- Changes to your account beneficiaries that you did not make.
- Unusually large or frequent withdrawals by a caregiver who has access to your financial accounts.

Scams

Home improvement scams

What contractors do

General contractors are individuals or groups that are hired by a homeowner to perform construction, renovation, or demolition, usually on the homeowner’s land or property. Contractors are usually responsible for supplying all materials, equipment and labour needed to complete the project. The contractor and the homeowner will often work out an agreement with a work schedule

and payment schedule for completion of the project and remittance of payment.

To help prevent you from hiring a contractor who is incompetent – or worse, trying to scam you – here are some scenarios to watch out for...

“I was working in your neighbourhood and noticed...”

A contractor knocks on your door – unsolicited – and informs you that he just completed a job on a neighbour’s home and noticed some structural issues with your home. Maybe he did just finish a job on a neighbour’s home, but that doesn’t necessarily mean that your home is in need of any repairs.

It may be that this contractor is legitimate and has good intentions, but consider that most high quality contractors get enough business from referrals and word-of-mouth that they don’t need to solicit business door-to-door.

“I can offer you a discount because I have materials left over from a previous job.”

Sometimes this can be in combination with the “I was working in your neighbourhood and noticed...” scam. Ask yourself, why does this contractor have so many materials left over? Did he purchase far too much? Did he not complete his previous job? Does he know what he is doing?

“I need payment in full before I start the project.”

If the contractor has been paid in full already, he may have little incentive to complete the job to your satisfaction and in a timely manner. Create a payment schedule so that the project can be paid for as milestones have been reached. Final payment should be made after the project has been completed.

“I know a lender you can speak with about financing.”

Why is your contractor recommending a specific lender? Does he receive a kickback? What’s in it for him? If you need to finance a home improvement project, shop around yourself and get the best deal for you – not your contractor.

When dealing with a contractor, remember the following:

1. Ask for proof that the contractor is insured, licensed and bonded.
2. Create a payment schedule at the start of the job.
3. Whenever possible, use a referral from someone that you know and trust.

Foreign lottery prizes and sweepstakes scams

How do they work?

Playing the lottery is an enjoyable pastime for many people who dream of winning millions of dollars and living a life of luxury. Unfortunately, lottery scams play on this vulnerability by falsely representing potential jackpots and chances of winning.

There are many variations on the foreign lottery scam but they all follow the same basic pattern.

The consumer receives a mailer that appears to claim that she has won a jackpot of millions of dollars. In order to release the funds, a payment is required to cover the cost of processing and administration. Once the payment is sent, the consumer will never hear from the lottery again, and will never receive payment of the winnings.

According to Competition Bureau Canada, here are some of the more popular lottery scams...

“You have already won.”

The consumer receives a mailer that appears to claim that she has won a jackpot of millions. The mailer goes on to reveal that the consumer has the opportunity to participate in a pool with hundreds of other participants who each contribute money to buy lottery tickets in various national lotteries. When the pool wins, the proceeds are shared amongst the winners.

Unfortunately, the firm running the scam uses only a very small portion of the fees paid by the participants

to actually buy lottery tickets. So the chances of winning are slim to none.

These firms often demand more payments from participants to remain eligible for winnings and then fail to pay winnings. They will also encourage participants to reinvest winnings to have a chance to win greater prizes.

“Phony collection letter”

A demand letter from a collection agency goes out to a consumer that has already responded to a foreign lottery mailer, for failure to pay for lottery ticket purchases – that were never bought.

“Unauthorized charges”

Some lottery scams acquire a consumer’s bank account information purporting to use the account to direct deposit lottery winnings into. Once they have the bank account information, they make unauthorized withdrawals.

“Winning numbers service”

For a monthly fee, consumers can sign up for a service that has an incredible ability to pick out winning lottery numbers. Once the consumer pays for the service she is sent – more-or-less – random numbers.

“Fee for prize collection”

A mailer that claims that a consumer has won a prize in a foreign lottery and that in order to claim the prize the consumer must pay a small administration fee. Once the fee is paid, the consumer does not receive the prize.

Warning signs and avoidance

- Beware of lotteries asking you to send funds to cover the cost of releasing your winnings.
- Beware of being asked to disclose your bank account information or credit card numbers.
- Beware of lotteries claiming that you have already won, when you don’t even remember entering the contest.

Investment fraud

How does it work?

A consumer receives a phone call or an email informing her about an investment opportunity of a lifetime. The opportunity will allow her to stay financially independent for many years to come and to leave a large inheritance to her children and grandchildren.

The consumer hands over large amounts of cash – often her life savings – and expects to receive sizable and regular returns on her investment after a short time. Unfortunately, no return is received. The consumer is unable to reach the investment firm and her money is gone.

Here are some common investment fraud schemes...

Internet and telemarketing scams

They offer deals that “can’t be passed up” to “select consumers”. Cash is invested in a “can’t fail” investment that promises large returns. Once the money is handed over, the consumer receives no returns and is unable to contact the investor.

Pyramid schemes

The consumer profits by recruiting new members to join the pyramid. These new members then recruit new members, and so on. No product is actually being sold. Each new member pays a fee to his recruiter.

The problem is that an endless stream of new recruits is needed in order for everyone to profit. Eventually the pyramid collapses when the recruitment cannot keep up with demand and the consumer loses his initial investment.

Fraudulent offshore investments

This investment fraud claims that investing your money in foreign investments through an offshore bank account is a great way to earn large profits and avoid domestic taxes. However, funds in Canadian bank accounts are insured by the Canadian Deposit Insurance Corporation

and once those funds are transferred to a foreign bank account, you give up that protection. The funds are then taken from the bank account, and the investor has little recourse to recover the funds.

Warning signs and avoidance

- Salespeople who push you to “act now” and want you to commit immediately. They give you the impression that if you do not act soon, you will miss your chance at this opportunity.
- Salesman guarantees that an investment will perform or claims that the investment has performed positively on a far too consistent basis – regardless of market conditions. No investment performs consistently every month despite market conditions.
- Salesman cannot explain the investment strategy of the product or claims that the success of the product is due to the complexity of the investment strategy.

Fake emergency appeals

How do they work?

You receive a call from your grandson...or so he claims. He says that he’s in trouble and he doesn’t want his mom and dad to know. He’s been arrested and needs you to send some money to pay for bailing him out of jail... or maybe his car has broken down and he needs to pay for the tow truck and repairs...or maybe he’s stranded out of town and needs you to send money to cover his transportation costs.

You’re paralyzed with worry and agree to send the money. He says that he’ll call you when he has received the money and is safe. You wire the money but you don’t hear back from your grandson. When you call him to find out if he is okay, he has no idea what you’re talking about and the money that you wired is gone.

The reason these scams are successful is because when you hear that a loved one is in trouble, you become distressed and can’t think straight. You can’t see that it is obviously a lie because all you want to do is help your family member out of the emergency.

Some common scams to watch out for

Fake bail money scam

Your grandson needs money to be bailed out of jail. He urges you not to tell his parents.

Fake stranded scam

Your grandson’s car broke down. He needs you to send money to pay for the tow truck and repairs.

Fake in distress scam

Your grandson is stuck in a hotel. He owes money for the room and cannot check out until he is able to pay the bill. He needs you to wire some money to pay for the hotel bill so that he can leave.

Warning signs and avoidance

- Resist the urge to act immediately.
- Verify the caller’s identity by asking questions that a stranger should not be able to answer.
- Call family to verify story – even if you have been asked not to.
- Call the police on the non-emergency line and ask for guidance.

Charitable solicitations

How do they work?

Fake charities solicit donations from unsuspecting well-wishers on a regular basis. During times of global disasters like after the 2004 Indian Ocean tsunami, or after hurricane Katrina in 2005, or after the Haiti earthquake of 2010, even more fake charities surface to take advantage of would be contributors. These fraudulent charities prey on the good intentions of compassionate people who want to assist those in distress.

Telemarketers call claiming to represent well known charitable organizations, but the names of these

organizations are slightly off. They will attempt to solicit a contribution or sell a product that supports a specific charity. Telemarketers often say they are calling from a police or fire departments so that you will feel intimidated or feel an obligation to make a donation in order to continue to be eligible to receive the service they provide. Any contribution that you do make is likely never to make it to an actual charitable cause.

How can I tell if a charity is fraudulent?

Check the name of the company carefully. Verify the company name on the internet. Check for any complaints about the company at the Better Business Bureau <http://www.bbb.org/canada/charity/>

Warning signs and avoidance

- Ask the telemarketer to mail you printed material about the charity. If you receive the printed material, it should give details about how the money is used and what percentage of donations received actually reach the given cause. If you do not receive the printed material, or you receive it and it is vague about how donations are used and what percentage makes it to the given cause.
- Avoid giving payment information to anyone over the phone.
- Reputable charities have a street address and a phone number so beware of charities that have a PO BOX and no phone number listed.

Credit card fraud

How does it work?

Credit card fraud is the unauthorized use of credit card products to obtain goods without paying, or to obtain unauthorized funds from an account. The credit card itself, or the data associated with the account, is stolen and the thief uses the credit card product to obtain goods or funds. The unauthorized use is not detected until well after the transaction has been completed, often when the victim receives an account statement and detects the unauthorized transactions.

“Card skimming”

Organized criminals have acquired technology to capture information from the magnetic strips of credit cards. Once the data is captured, phony cards are manufactured and the cards are fraudulently used to purchase goods or obtain funds.

“No-card” fraud

Fraudulent telemarketers or websites obtain credit card details from unsuspecting consumers. Fraudsters then use the credit card details to process CNP transactions (card not present) like buying goods from online merchants.

“Non-Receipt” fraud

Credit cards are intercepted prior to being delivered to the cardholder’s address. Fraudsters then activate the card and use it to illegally purchase goods or obtain funds.

“False applications” fraud

A criminal obtains a creditworthy person’s personal information and uses it to apply for a credit card. The card is obtained and activated and the criminal uses the card to illegally purchase goods or obtain funds.

Warning signs and avoidance

- If your card is lost, stolen, or is retained by an ABM, notify your financial institution and have your card cancelled immediately. Once the card is cancelled you can have a new one issued to you. A thief could easily use your card to purchase goods or obtain funds before your card has been cancelled.
- Keep your card in a safe place and never lend it to anyone or give anyone your pin. If you have given away your pin, contact your financial institution and inquire about changing your pin.
- When you select your pin, avoid choosing obvious pins like your date of birth, phone number, address, etc.
- After completing a transaction remember to obtain your card and your receipt or record of transaction.

Identity theft

How does it work?

Identity theft is the unauthorized collection and use of your personal information for a criminal purpose. Your date of birth, address, social insurance number, in conjunction with credit card numbers and bank card numbers can be used by criminals to attempt to open bank accounts, open credit cards, redirect mail, open cell phone accounts and rent vehicles and equipment. This can lead to loss of money, unauthorized charges, NSF cheques and an affected credit rating.

How do thieves get your personal information?

- Searching public sources and online sources like telephone books, newspapers, email accounts and social networks sites like Facebook.
- Going through your garbage or “dumpster diving” for bank statements and credit card statements containing personal information.
- Removing mail directly from your mailbox or fraudulently redirecting your mail.
- Stealing personal information from wallets, purses, from vehicles, your home or office.
- Obtaining customer mailing lists from companies.

Preventing identity theft

- Store identification documents such as birth certificate, social insurance number card, and passport in a safe and secure place when not using them. Destroy them with a shredder when they expire or are replaced with new documents.
- Review your credit card statements and bank statements on a monthly basis to ensure there is no unauthorized activity. Report any unauthorized activity to your financial institution.
- Obtain a copy of your credit report once per year to ensure that information is accurate. It is free to obtain a copy of your credit report once per year from each of the credit bureaus in Canada.

- If personal identification cards like credit cards, bank cards, social insurance number card, driver’s license, passport, health card, birth certificate etc. are lost or stolen, report it immediately.
- Choose difficult passwords. Avoid the obvious like date of birth, phone number, and your address. Avoid writing down your passwords. Try to memorize them.
- Consider asking the post office to hold your mail if you will be away from home on a vacation for more than a day or two.

Warning signs that may indicate identity theft

- Credit card bills and bank account statements stop arriving in the mail as they are supposed to.
- Credit card bills and bank account statements show transactions that you do not remember making.
- Creditors call you to discuss accounts that you did not know that you had or to discuss credit that you do not remember applying for.
- You are turned down for credit for reasons that do not seem to fit what you understand your credit position to be.
- There are accounts listed on your credit report that you did not know that you had.

Steps to Take if You Become a Victim

Lost or stolen government issued identification

1. Access the Service Canada website, go to Life Events and choose “Lost Wallet” <http://www.servicecanada.gc.ca/eng/lifeevents/wallet.shtml>.

2. Contact the appropriate government department (as indicated in the link) to report your government identification card as lost and to apply for a replacement card.
3. Monitor your bank statements, credit card statements, and other financial statements to look for unusual activity. If there is any unauthorized activity, contact your financial institution to report it.
4. Obtain a copy of your credit report from both of Canada’s national credit bureaus Equifax www.equifax.ca and Trans Union www.transunion.ca. Review your reports for suspicious activity.
5. If you suspect that your government issued identification card has been stolen or is being used illegally, contact the police non emergency number to report it. Ask for a reference number, the officer’s name and telephone number.

Lost or stolen bank card or credit card

1. Contact your financial institution that issues the bank card or credit card to report your card was lost or stolen.
2. Monitor your bank statements, credit card statements, and other financial statements to look for unusual activity. If there is any unauthorized activity, contact your financial institution to report it.
3. Obtain a copy of your credit report from both of Canada’s national credit bureaus Equifax www.equifax.ca and Trans Union www.transunion.ca. Review your reports for suspicious activity.
4. If you suspect that your bank card or credit card has been stolen or is being used illegally, contact the police non emergency number to report it. Ask for a reference number, the officer’s name and telephone number.

Contact PhoneBusters and SeniorBusters

PhoneBusters (The Canadian Anti-fraud Call Centre)
www.phonebusters.com
 1-888-495-8501

PhoneBusters collects information on mass marketing fraud, internet fraud, and identity theft. They do not specifically conduct investigations but do provide information to law enforcement agencies when appropriate.

SeniorBusters

www.phonebusters.com/english/stopit_seniorbusters

The SeniorBusters program involves volunteer seniors helping seniors combat mass marketing fraud (telemarketing fraud). The program offers counselling and referrals for senior victims of mass marketing fraud.

Problem Gambling

More and more seniors are gambling every year. Although, gambling doesn't hurt anyone, some people do become addicted on gambling.

Seniors have a lower rate of problem gambling than other groups in society; even though the risk may be low the consequences can be quite severe.

Reasons for gambling

- Many seniors have fixed incomes and want to gamble to have a chance at increasing their income.
- Many seniors experience isolation from family and gambling provides an escape from loneliness.
- Increased free time due to working less or being retired. Gambling can be a way to fulfill that extra time.

Problem gamblers lose the sense that it's only a game.

Signs of problem gambling

- Spending increasing periods of time gambling

- Being preoccupied with gambling
- Borrowing money to gamble
- Increasing debt because of gambling
- Lying to cover up gambling
- Neglecting family, friends or work

Low risk gamblers look at gambling as a form of entertainment, not as a way to make money.

Low-risk gambler's tips

- Never borrow money to gamble
- Set a time limit
- Decide on a loss limit ahead of time and stick to it
- Don't gamble when stressed, depressed or troubled in some other way

Where to get help

1. [Centre for Addiction and Mental Health](http://www.camh.net)
www.camh.net
1-800-463-6273

Call for information on what resources are available to assist with problem gambling.

2. [ProblemGambling.ca by CAMH](http://www.problemgambling.ca)
www.problemgambling.ca
416-535-8501

Call for help or information about treatment for problem gambling.

Resources and Referrals

Service Canada

www.servicecanada.gc.ca

1-800-622-6232

Call Service Canada between 8am and 8pm for all questions about what government services are available for your needs and how to contact the proper department.

Service Ontario

www.serviceontario.ca

1-800-267-8097

Call Service Ontario or visit a local Service Ontario counter to access Ontario government services.

Lost your wallet

www.ontario.ca/en/life_events

Visit the Ontario government website for help with what to do if you lose your wallet, get divorced, want to change your name, or for various other life events.

Equifax & Trans Union

www.equifax.ca

1-800-465-7166

www.transunion.ca

1-800-663-9980

Equifax and Trans Union are Canada's two credit bureaus. Visit their websites for information about credit rating and how to order a copy of your credit reports.

Better Business Bureau

<http://www.bbb.org/canada/>

Need to check whether a company has had complaints registered against it before you do business with it? Visit the website of the Better Business Bureau.

Centre for Addiction and Mental Health

www.camh.net

1-800-463-6273

Contact the Centre for Addiction and Mental Health for information on the treatment and support services available for people affected by mental health and addiction problems.

211 Ontario.ca

www.211toronto.ca

211

Visit the website to get access to community, social, health, and related government services across Ontario.



Credit Canada

Debt Solutions

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Credit Canada Debt Solutions
A not for profit charity since 1966
45 Sheppard Avenue East, Suite 810
Toronto, Ontario M2N 5W9
Telephone 416 228 DEBT (3328)
1 800 267 2272 from outside Toronto

For a free online assessment go to:
www.CreditCanada.com

Fax 416 228 1164
Email info@creditcanada.com
www.creditcanada.com

Mon-Thurs 8-7, Fri 8-6, Sat 8:30-4:30



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A registered charity under the Income Tax Act (Canada) since 1967.

