

Spot Fraud: Key Terms

Advance fee scheme — a type of fraud where you pay money to someone who promises you something valuable in return but doesn't deliver on that promise once you send the money

Charity fraud — when a person or group pretends to be from a legitimate charity or nonprofit to raise money and keep it for themselves

Consumer fraud — when you (an individual person or consumer) take a financial or personal loss because of dishonest business practices

Contractor and vendor fraud — when individuals pose as contractors or repairmen to collect money for work or repairs they'll never complete

Credit repair fraud — when fraudsters pretend to be credit repair “counselors” to scam you

Debt collection scams — when fraudsters pretend to be debt collectors and scare you into paying “debts” you don't actually owe to them

Disaster fraud — when fraudsters try to steal from you or the government after a catastrophe

Forgery — altering a document (or creating a fake document) for dishonest gain

Fraud — when someone uses deception to get ahead or profit in some way

Fraudster — the person or organization committing fraud

Identity theft — when someone steals your personal information (like your name, Social Security number, or banking info) so that they can pretend to be you

Imposter scams — any type of scam that involves impersonating another person to get you to send money

Lottery or prize scams — when fraudsters try to convince you you've won an award or money so that they can collect information or money from you

Mail fraud — when fraudsters use the mail system to scam you

Non-circumvention agreement — a business contract between you and another person or organization where you promise not to go around them to cut them out of a deal

Nondisclosure agreement (NDA) — a contract between you and another person or organization where you agree not to share confidential information (can also be called a confidentiality agreement)

Online scams — when fraudsters scam you over the internet

Online shopping fraud — when a fraudster deceives you through purchases you make online

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Phishing — an email that looks legitimate but is actually a scam (You'll usually be asked to click on a link or open an attachment.)

Phone scams — when fraudsters use the phone to scam you

Pyramid scheme — a scam where members profit solely by recruiting new members or “investors” to buy in

Romance scams — when fraudsters create a fake romantic relationship with you to later ask for money or information

Smishing — phishing over text message (“SMS phishing”)

Spoofing — when fraudsters disguise their real numbers or email addresses so that they look legitimate when you receive them

Telemarketing fraud — when scammers lie to you over the phone to get you to provide your financial information or money

Trustworthy entities — people and organizations who have a right to request certain personal information from you

Unfair advertising — false advertising that misrepresents a product, service, or price

Unfair business practices — when companies or people use dishonest, deceptive, or fraudulent methods to get your business

Upfront fee — a payment you have to make before you receive a product or service

Vishing — phishing over the phone (“voice phishing”)