

# Lesson 5: Consumer Fraud Facilitator Guide

## Overview

The lesson aims to point out some common scams. Students then watch a video of a real life example. They are then provided some tips help protect themselves falling victims to the various types of frauds discussed. At the end of the session students will reflect on the skills and knowledge they have developed and their potential next steps.

## Purpose

The purpose of this lesson is to raise awareness around the topic of consumer fraud with students.

## Objectives

Students will be able to:

- ☐ Develop an understanding of how consumer fraud may affect them in their day to day life.
- ☐ Describe actions they can take in order to remain protected.

## Agenda

### Getting Started (10 min)

- Pre-Assessment

### Consumer Fraud (40 min)

- Common types of fraud
- Discussion around types of consumer fraud
- A real life example
- Protecting yourself from scams

### Wrap-up & Reflection (10 mins)

- Post-Assessment

## Preparation / Materials Needed

- ☐ Post-its, or paper and tape, or scraps of paper
- ☐ Print 'Consumer Fraud Assessment' handout (one per student)
- ☐ Download the session PowerPoint
- ☐ Download 'Consumer Fraud Assessment Answer Key'
- ☐ Queue up video on slide 12

## Vocabulary

**Fraud** - wrongful or criminal deception intended to result in financial or personal gain.

**Money Laundering** - Money laundering is the process of making large amounts of money generated by a criminal activity, such as drug trafficking or terrorist funding, appear to have come from a legitimate source

# Teaching Guide

*This guide includes a suggested script for the session (in orange). However, please feel free to tailor and adapt this accordingly when delivering.*

## Section 1: Getting Started (5 minutes)

*Good morning/afternoon everyone. My name is \_\_\_\_\_. Thank you for having me in your class today. Today we are going to talk about consumer fraud.*

Share the objectives of the session on the screen (slide 2)

Ask students whether any of them are already familiar with the term 'consumer fraud'. Have students raise their hands.

To find out what they already know about consumer fraud, get the students to complete the 'pre-assessment' portion of the 'Consumer Fraud Assessment' handout. **(5 minutes)**

Ask students to think about what they already know - this could be a story or a fraud incident that they have read or heard about. Give students **2 minutes** to write down their responses on a post-it and stick it on the wall. Survey the post-its on the wall to see the diversity of responses.

*An alternative to this would be to do it in groups. Take post-its and make groups of 4. Once in groups, give each student 2 minutes to:*

- *introduce themselves*
- *explain what they know about consumer fraud*
- *tell the group a story or event based on a fraud incident*

Explain that when we are talking about fraud, we are talking about someone who is trying to **trick** another person. When we are talking about **consumers**, we are talking about people who are buying a good or service. All of this really has to do with someone trying to trick you so that they can get your money.

## Section 2: Consumer Fraud (40 minutes)

Students should remain in groups established during the getting started activity (if used); otherwise, ask students to get into groups of 4.

### Activity 1 - Common Types of Fraud (11 minutes)

*Fraudsters aim to prey on people's basic instincts, for example fear of losing something, being able to receive money quickly and easily or to help someone in trouble. We are all susceptible to getting scammed. We need to learn to be more wary of situations where we could be left vulnerable and to question these situations.*

A "**scam**" is a fraudulent scheme performed by a dishonest individual, group, or company in an attempt to obtain money or something else of value.

As a class, assess each situation (4 situations) and determine whether it is a scam or not. **(10 minutes - 2 minutes per scam, plus time for discussion)**

Things to think about (slide 4):

1. Is it actually a scam that they are seeing?
2. What are the 'giveaways' that it was a scam or not?
3. What are the risks that they should be aware of?

## Answers

### Example 1 - Flat Rental – Scam

Looks legitimate because:

- Listed on well-known website
- Reasoned argument for asking for deposit

Scam giveaways/suspicious points:

- Extremely low price for 1 bedroom flat in Chelsea – “too good to be true”
- Abnormal terms – deposit before viewing flat
- No images of interior – anyone could take a picture from the outside
- No phone number listed – can only contact via e-mail – no real contact with the seller

### Example 2 - Facebook Profile – Not a scam

But dangers are:

- Information is open to the public, which could lead to identity theft
- Raises the question of personal security of data...do you need to have such data on your social network profile?

### Example 3 - Bank Account Notice – Scam

Looks legitimate because:

- E-mail name matches the bank name
- Reads like an official notice
- Business-like structure
- Simply asks for ‘confirmation of identity’ – no payment, so no suspicion
- Official looking copyright message and disclaimer in footer

Scam giveaways/suspicious points:

- ‘Dear customer’ – your bank should be expected to know your name
- The bank would likely contact you by phone, not by email
- Hovering the mouse over the link and the taskbar shows a different website – they should be the same – may be being redirected to another site

### Example 4 - App Installation – Scam

Looks legitimate because:

- Simply a mobile phone game – which is not suspicious by nature

Scam giveaways/suspicious points:

- Why does a game need to read your SMS messages and phone calls?
- Why does a game need to send SMS messages? It could be sending messages to premium numbers without you knowing, which you could be charged for

## Activity 2 - Discussion around common types of fraud (15 minutes)

Here are some common scams and we will proceed to establish how they work.

Read the list (slide 9) to identify some common scams. On the next slides (10-13), run through how these types of scams work. (10 minutes - 2 minutes per scam plus time for discussion)

In groups, get students to discuss and try to identify what the following scams are: online shopping scams, Subscription Traps, Sweepstakes Scam. As a group, think of examples of who the Fraudster may target with these scams and how. (3 minutes)

- **Online shopping scams:** Targeting people who are looking for a good deal or bargain, particularly in the run up to (e.g.) Christmas / Black Friday. Use of social media to advertise “dodgy deals”. Scam emails advertising the “amazing deals”. Counterfeit items advertised as authentic.
- **Subscription Traps:** When you sign up online/by phone for free or cheap trials but end up becoming unwittingly trapped into costly repeat payments. (e.g. slimming pills, health foods, pharmaceuticals). Targeting those who are keen to make the most of the “amazing deal” being offered - details tend to be hidden in the small print.
- **Sweepstakes Scam:** You are contacted (by fraudsters) to tell you you’ve won a large sum of money in a lottery, sweepstake or other prize draw - in order to access your prize, you will be asked for personal information (e.g. your bank details or identity documents) which the fraudsters will use to steal your money or your identity. Targeting people who play sweepstakes and might therefore believe the notification of “you’ve won £xxx!”, usually via email or a phone call.

Debrief the discussion and hear back from each group. (2 minutes)

### Activity 3 - Protecting yourself from scams (15 minutes)

Show video (slide 15) "I Watched as Fraudsters Stole £71,000 From My Bank Account":  
<https://www.youtube.com/watch?v=GL-B4JXOaJI>

This video is almost **6 minutes** long - plus **2-3 minutes** for thoughts or discussion afterwards.

Afterwards, run through slides 16 (**2-3 minutes**) depicting situations that students should avoid and reflect on what students have learnt about consumer fraud and how to protect themselves from it.

### Section 3: Wrap Up & Reflection (10 minutes)

To find out what they have learnt and now know about consumer fraud, get the students to complete the 'post-assessment' portion of the 'Consumer Fraud Assessment' handout. (**5 minutes**)

Allow additional **3 minutes** to debrief the answers and for questions. Time permitting, ask individuals from each group to explain their understanding of consumer fraud and protection. If time is short, ask for feedback from two students.

Time permitting, allow students time to reflect on what they have learnt from this session and what employability skills they have developed (use slide 19 as a reference or discussion starter).

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