

Karima M. Woods, Commissioner

DISB CONSUMER ALERT

Beware of Romance Scams

The District of Columbia Department of Insurance, Securities and Banking (DISB) is warning residents to be on the lookout for romance scams.

According to the Federal Trade Commission (FTC), over the past few years, victims have reported losing more money to romance scams than any other fraud identified in the FTC's Consumer Sentinel database. The FTC has reported that in 2020, losses due to romance scams totaled a record \$304 million, up nearly 50 percent from the previous year. From 2016 to 2020, reported total dollar losses increased more than fourfold, and the number of reported romance scams nearly tripled.

EXAMPLES

Romance scams can be perpetrated in many ways. For example, a scammer may create a false profile on a social media or online dating site. The scammer takes on a false identity using fake photo images copied from the internet to attract a potential victim. The scammer strikes up an online friendship or romance with the victim and eventually convinces them to send money based on a tale of woe.

Many of the largest reported dollar losses related to romance scams occur when victims believe that their new love interest has sent them a large sum of money. Scammers claim to have sent money that needs to be returned to them or sent to a third party. By following these instructions, victims believe that they are helping someone they care about. In fact, what they may be doing is unwittingly laundering stolen funds.

TAKE ACTION

Romance scams are not limited to a specific age group. According to the FTC, reports of money lost on romance scams increased for every age group in 2020. People ages 20 to 29 saw the most striking increase, with the number of reports more than doubling since 2019. People ages 40 to 69 were once again the most likely to report losing money to romance scams. And people 70 and older reported the highest average losses at \$9,475 per person.

Check in on your loved ones with a phone call or an email, especially if it has been a while since you last communicated with them. Ask them how they are doing and what is new in their lives. Listen carefully to what they say. If they mention an online love interest, ask if they have met the love interest in person. If they have not met in person and tell you that the love interest has

requested money, that is a clear indication of a romance scam. Only scammers ask love interests to send gift cards, transfer money or transmit cryptocurrency.

TIPS TO AVOID ROMANCE SCAMS

- Never send money or gifts to someone you haven't met in person, even if they send you money or a check first.
- Talk to someone you trust about your new love interest and ask for their honest opinion about how the relationship has progressed.
- If you care for an elderly relative or other vulnerable adult, ask them to authorize their financial institution to notify you or another trusted person about any unusual withdrawal activity detected on their accounts.
- If you or someone you know has any suspicion that a new love interest may be a scammer, you can perform a [reverse-image search](#) of the profile photographs they sent you. If the images are associated with another name or with details that don't match up, a scam may be underway.

REPORT FRAUD

If you believe you have been the victim of a romance scam or of any other financial fraud, you may contact the FTC at reportfraud.ftc.gov to file a report or call the FTC's Consumer Response Center at 877-382-4357. You may also get in touch with the DISB Enforcement and Consumer Protection Division at 202-727-8000 or visit disb.dc.gov/page/consumer-services-division.

DISB Mission

Our mission is three-fold: (1) cultivate a regulatory environment that protects consumers and attracts and retains financial services firms to the District; (2) empower and educate residents and (3) support the development and expansion of business.

Social Media

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