

Security: Fraud

By Richard Lowe

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Internet Tips And Secrets <http://www.internet-tips.net>

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Fraud is rampant on the internet. It is everywhere that you look. When you are lurking in newsgroups you will find hundreds of messages inviting you to spend money here, there and everywhere. You'll get email demanding your time, attention, and, of course, money for something. Surfing the web will turn up many sites with some incredible offers which, of course, just happen to require your credit card number - but don't worry, they "just need it to validate your age" (or whatever) - **DON'T GIVE THEM YOUR CREDIT CARD NUMBER UNLESS YOU ABSOLUTELY KNOW IT'S SAFE.**

The web is a media of communication. It allows everyone to communicate with anyone for the price of a computer, phone line and internet service - and even most of that can be gotten for free if you try. This is perhaps the most wonderful invention in the history of man to date for it's sheer power of getting us all just to talk to each other, but there are dangers.

In a way, it's just like any other part of life. However, what the internet does is to allow you to communicate (and be communicated with) exceptionally fast. Where else could you surf a hundred sites, receive 200 emails and examine 250 newsgroup messages all in one evening?

Some of the schemes that you will need to be on the lookout for include:

Pyramid schemes galore. These are the things that say "send a dollar to a bunch of people with your name and address". They are all illegal (in spite of what they claim) and unethical. You will get ripped off and if you partake you are breaking the law.

<http://www.internet-tips.net/Moneymaking/chain.htm>

Startup companies which offer stock or "points" - these are not frauds, per say, but the vast majority of these will never pay anything to anyone. For example, many pay-to-surf programs at their beginning will not pay anything. Instead, you will get points or stock, with the promise of money down the road if they (a) go public or (b) get lots of people signed up or whatever. Beware - you are taking a risk to never get anything.

Credit card fraud - be very careful with your credit card number on the web. DO NOT EVER send it in email or post it in a newsgroup. And DO NOT USE YOUR DEBIT CARD FOR ANYTHING ON THE WEB. That comes directly out of your checking account - you may get it back from the bank if you can prove fraud, but at least with a normal credit card you are risking the banks money and not your own.

Multi-Level Marking (MLM) - I'm sure there are good MLM companies out there, but they really only tend to benefit those who get in early. Those on the bottom wind up supporting those on top, then the whole thing loses steam and falls apart. Of course, those who do get in early make a lot of money.

<http://www.internet-tips.net/Moneymaking/mlm.htm>

Pay-To-whatever - There are some pay-to-do-something companies that are legitimate. My experience is that the vast majority of these have minimal financing, an exceptionally poor business model and little, if any, likelihood of actually paying anything to anyone. Usually there is not fraudulent intent - just a lot of silliness and idiocy.

<http://www.internet-tips.net/Moneymaking/paidchat.htm>

<http://www.internet-tips.net/Moneymaking/paidclick.htm>

<http://www.internet-tips.net/Moneymaking/paidemail.htm>

<http://www.internet-tips.net/Moneymaking/paidradio.htm>

<http://www.internet-tips.net/Moneymaking/paidshop.htm>

<http://www.internet-tips.net/Moneymaking/paidsurf.htm>

<http://www.internet-tips.net/Moneymaking/paidsurveys.htm>

Cons - There are some unbelievable cons out there on the internet and in the real world. The Nigerian scam is a particularly nasty example. In this scam, you receive a letter or email which tries to get you involved in "helping" some ex-Nigerian official by giving him your bank account number. Get involved and you will lose money and perhaps more than that.

<http://www.internet-tips.net/Moneymaking/809areacode.htm>

<http://www.internet-tips.net/Moneymaking/donlapre.htm>

<http://www.internet-tips.net/Moneymaking/nigerian.htm>

Identify Theft - Perhaps the most significant threat on the internet is identify theft. This is simply the stealing of your social security number (and other identifying information) with the intention of using it to obtain credit. Give out your information to the wrong person and you could find your credit rating is destroyed.

Sweepstakes - There is no doubt that there are a tremendous number of contests and sweepstakes which are perfectly valid. I even personally know of some people who have won. However, many sweepstakes are thinly veiled attempts to invade your privacy while making lots of money at the expense of your time. For most of these, I would not bother. Not exactly fraud, but skating on thin

ice.

<http://www.internet-tips.net/Moneymaking/sweepstakes.htm>

For more information, check out Scams And Frauds

<http://www.internet-tips.net/Moneymaking/scams.htm>

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