Name: **Date:**

Don't Get Played

how your money gets targeted, and what to actually do about it · Aydin Ali

Nobody sits teenagers down and explains predatory debt and scams until after it's already happened to someone they know. This is Handout 3 of 6 — the protective one. Two different threats live in this handout: debt products designed to trap you, and scams designed to just take your money outright.

PREDATORY DEBT

Three traps that are legal, and still traps

1. **Payday loans.**
   You borrow against your next paycheck. A common structure: borrow $300, owe $345 in two weeks. That $45 fee sounds small, but stretched over a year that's an annualized rate commonly in the 300–400%+ range. Missing the payback date usually means rolling it over into a new loan with a new fee, which is how a $300 problem turns into a much bigger one.
2. **Rent-to-own.**
   Furniture or electronics "rented" weekly until you "own" them — by the end, you've often paid two to three times the retail price for the same item you could have bought outright.
3. **Buy-now-pay-later (Klarna, Afterpay, Affirm, etc.).**
   Not automatically predatory, but genuinely risky: it's real debt that doesn't feel like debt, it's easy to stack several plans at once and lose track of what you actually owe, and missed payments can carry real fees and increasingly can affect your credit.

A fourth one worth a mention: "buy here pay here" auto lots, which pair very high interest with aggressive repossession — sometimes with a GPS-based kill switch built into the car.

SCAMS

What specifically targets people your age

- **Fake job / mystery shopper offers.** They send you a check, ask you to deposit it and wire part of it back or to a "vendor." The check later bounces — and you owe the bank the full amount you already sent out.
- **Phishing texts** pretending to be your bank, Zelle, Venmo, or CashApp, with an urgent "suspicious activity, click here" link.
- **"You won a prize" scams** that just need you to pay a small shipping or processing fee first.
- **Crypto or investing "guaranteed returns"** pitches, especially from strangers who message you first.
- **Romance or friendship scams** that build trust over time before asking you to send money quickly.

> **Red flags, basically every time:** urgency ("act right now"), a request to pay in gift cards, contact you didn't start, a promise of guaranteed or unusually high returns, pressure to keep it secret, or anyone asking you to move money on their behalf.

SPOT IT — SCAM OR NOT?

1. A company DMs you offering a "mystery shopper" job. They mail you a $900 check, tell you to deposit it and wire $700 to a "vendor" for supplies, and keep $200 as pay. Scam or not: ____________________ Why: ____________________

2. A text says your bank account is locked and to click a link to verify your identity right now. Scam or not: ____________________ Why: ____________________

3. A friend from school asks to borrow $20 in person and pays you back the next week. Scam or not: ____________________ Why: ____________________

4. Someone in your class DMs saying they made $2,000 in a week on a crypto app and can get you in too, but only if you send money today. Scam or not: ____________________ Why: ____________________

IF IT HAPPENS

What to actually do

Stop contact immediately — don't send more money trying to fix it, that's often the next stage of the scam. Contact your bank or payment app right away to dispute or reverse the transaction if possible. If personal information was exposed, freeze your credit for free through Equifax, Experian, and TransUnion. Report it at **reportfraud.ftc.gov**. And tell a parent or trusted adult even if it's embarrassing — that embarrassment is exactly what scammers are counting on to keep you quiet.

QUESTIONS I ACTUALLY GET ASKED

FAQ

If someone sends me a check and asks for some of it back, is that ever legitimate?
Essentially never for a random job or prize offer. Treat it as an automatic red flag, no exceptions.

Does buy-now-pay-later actually hurt my credit?
Depends on the provider, but missed payments increasingly can. It's real debt either way, even when the app makes it feel casual.

I already sent money to a scam — is it too late?
Contact your bank or payment app immediately; fast action sometimes allows a reversal. Report it regardless, even if the money's gone — it can help protect someone else.

QUICK RECAP

- ☐ Payday loans and rent-to-own can carry effective rates in the hundreds of percent.
- ☐ Buy-now-pay-later is real debt, even when it doesn't feel like it.
- ☐ Urgency, gift cards, and unsolicited contact are red flags almost every time.
- ☐ A "job" that mails you a check to deposit and wire part back is a scam.
- ☐ Report it immediately, even if it's embarrassing — that's exactly what scammers count on.

TRY THIS BEFORE NEXT SESSION

Next time a text or DM pressures you to act urgently about money, wait ten minutes and check with someone before doing anything at all.

Not legal advice. If you're a victim of fraud, report it at reportfraud.ftc.gov and contact your bank directly. Handout 4 covers a much bigger borrowing decision that deserves the same skepticism: paying for college. — aeacapitalresearch.com