Fraudsters rely on people being in a heightened emotional state due to pressure in a conversation or the shock of an accident.

(NC) What looks like a personalized ad promising low auto insurance rates could actually be the start of a costly scam. With more Canadians turning to social media for deals, fraudsters are getting smarter and harder to spot. In fact, a recent survey by TD Insurance found that only 58 per cent of respondents could successfully identify common real-world scenarios as insurance fraud.

"Fraudsters are becoming increasingly sophisticated, using fake websites, social media ads and messaging apps to appear legitimate," says Andrew Powell, manager, Special Investigations Unit at TD Insurance. "It's easier than ever for them to gain your trust and take advantage of it."

In many cases, fake or unlicensed brokers try to collect quick payments or personal information, or both, before disappearing. They often target people searching for affordable coverage, including newcomers.

Three common methods to watch for:

1. Ghost broker scams. Where a fake policy or fake proof-of-insurance is sold and the victim may not discover it until they need help or try to file a claim.

2. Premium shaving. Where a policy exists, but with false details: important information is misrepresented to reduce the premium, which can create challenges at the time of claim.

3. Staged accidents. Deliberate, planned collisions designed to generate fraudulent claims, often with the goal of making an innocent driver appear at fault. These schemes can involve co-ordinated activity across multiple touchpoints, including towing and repairs.

How to protect yourself

- Verify before you pay: Confirm the broker/agent is licensed through your provincial regulator.
- Be cautious with payments and pressure: a legitimate insurer won't ask for payments through e-transfers, cash or via social media. Pressure to "act now", or to avoid contacting the insurer directly are both red flags.
- If you're in an accident, slow it down: Contact your insurer before agreeing to towing or repairs, when safe. Take photos and videos, and don't sign incomplete paperwork or blank invoices.
- Report suspected fraud: You can use the Canadian Anti-Fraud Centre's reporting portal on their website.

If something feels off, trust your instincts, take a moment to double-check. Fraudsters rely on people being in a heightened emotional state due to pressure in a conversation or the shock of an accident. By slowing down and approaching the situation critically, you can deny them that advantage.

A guide to navigating life's big financial moments

By building simple financial habits, you can be better prepared for any surprises life throws at you.

(NC) Big life changes often manage to be exciting and disorienting at the same time. Moving, starting a new job, going back to school, welcoming a baby; any of these, and more, can upend your budget overnight. You won't be able to anticipate everything, but a little structure up front goes a long way.

When life throws a curveball, it helps to already know what to do. Here are some tips for making it through those major moments more stably.

Start with a cost map.

Before committing to anything, sketch out the real cost of the transition; not just the recurring monthly number, but everything it takes to actually get there. There are usually two categories worth separating:

- One-time costs, such as deposits, moving trucks, setup fees, uniforms, equipment, and furniture.
- Ongoing costs, such as rent, childcare, transit and new monthly bills.

To build your cost map, write out what's due immediately, what's due in the first week and what you'll owe each month after that. It will be a more honest picture than the headline number you're probably thinking about.

If your funds are stretched, focus on getting through the first 30 days before worrying about anything else. Not every purchase needs to happen right away.

Protect your credit with some simple habits. Credit comes up during transitions more often than people expect. Landlords, utility companies and financing providers check your credit, and it's often required if you need financing for anything.

Here are some ways you can help protect your credit:

- Pay on time, even minimum payments on your credit cards count.
- Keep your credit balances from climbing.
- Don't let due dates pile up unnoticed, calendar reminders are a handy way to keep track and are quick to set up.
- If you pull your credit report and spot an error, flag it early; disputes can take time to resolve.
- If anyone's promising a fast or guaranteed credit fix, be skeptical.

Be prepared, but respond deliberately. Whatever you can set aside each payday, even a small amount, makes the next surprise easier to absorb. And when something unexpected happens, don't react right away. Take stock of what's truly urgent, what can wait a few days and reach out to providers sooner rather than later if you need to talk through the timing.

Know when to ask questions. If you're feeling overwhelmed, that's a good time to look for reliable information, ideally before things have already gone sideways. Getting clarity early is almost always cheaper than dealing with the fallout later.

By building simple habits like these, you can be better prepared for any surprises life throws at you.