

Power Against Telemarketing Fraud

Warning Signs:

You live alone and enjoy talking to anyone calling

You believe it's rude to interrupt a caller or to hang up

You must pay money up front for taxes or fees to participate

You must make an immediate decision, before the call ends, or the offer will be rescinded

You are called more and more frequently by a multiplying variety of telephone solicitors

Preventative Steps:

Never talk to strangers on the telephone – they are not calling to wish you a good day. They are invading your privacy - as though they have walked into your home.

Use an answering machine, voice mail or Caller ID to screen calls.

Never, under any circumstances, give any portion of your credit card, bank account, or Social Security numbers to a caller.

Stop Calling Me!

Tired of calls from strangers? Take back control of your telephone!

Sign up for the North Dakota DO NOT CALL List. It's easy and it's free! Call 1-888-382-1222 TTY 1-866-290-4236 or www.ag.nd.gov

The No-Call List applies to residential and wireless (cell) phones as well as faxes. Unfortunately, businesses and non-profits – including churches and synagogues – are not eligible to register.

Some telemarketers can still call you. Charities, politicians and companies with whom you do business are exempt from the law. But you always have the right to say "Put me on your Do Not Call list." This has been your federal right since 1996.

The DO NOT CALL List will not protect you from crooks! Never talk to strangers on the phone. Simply say, "I do not do business (do not give to charities) over the phone," then hang up – remember that you are in control of your phone!

Be careful what you sign. Companies can call with your written permission, so look carefully at contracts, order forms, contest entry forms, and other things you sign to make sure you're not agreeing to be called without realizing it.

It may take a while to notice fewer calls. Telemarketers check the North Dakota DO NOT CALL List every three months. If you told specific telemarketers to put you on their Do Not Call lists, they have 30 days to take your number off their lists.

Charity Scams

You want to help people in need, but you also want to be sure that your charitable donation isn't going straight into a crook's pocket. If you're approached by an unfamiliar charity, check it out. The Better Business Bureau Wise (BBB) Giving Alliance and Charity Navigator offer reports on national charities. Go to www.give.org or www.charitynavigator.org. For local charities, contact your Better Business Bureau at 1-800-222-4444 or www.bbb.org.

Ask for written information. Legitimate charities will be happy to provide details about what they do – such as an annual report - and will never insist that you act immediately.

Beware of sound-a-likes. Some crooks try to fool people by using names that are very similar to those of legitimate, well-known charities.

Ask about the caller's relation to the charity. The caller is likely a professional fundraiser, not an employee or volunteer. Ask what percentage of donations goes to charity and how much to the fundraiser.

Be wary of requests to support police or firefighters. Some fraudulent fundraisers claim that donations will benefit police or firefighters, when in fact little or no money goes to them. Contact your local police or fire department to find out if the claims are true and what percentage of donations, if any, they will receive.

Be especially cautious after natural or other disasters. Fraudulent charities take advantage of those situations to trick people who want to aid the victims. If you're not sure whether a charity is legitimate, check it out with the BBB before you donate.

Foreign Country Fraud

Fraud from foreign countries is increasing. The most common scams are foreign sweepstakes and lotteries, advance fee loans, travel bargains, credit card loss protection, work-at-home offers, and 'Nigerian Letter' schemes where you get millions for transferring a fortune in another country into your bank account. None of these are legitimate.

Fake check scams also often involve foreign crooks. Scammers offer to pay you for something you are selling, and send a check for too much, or from someone else who supposedly owes them money. You deposit the check and wire them the difference between the amount of the check and what you're owed. But the check is a fake and when it eventually bounces, you'll owe your bank the money you withdrew.

It may be hard to tell that you're dealing with someone in another country. Sometimes crooks use addresses in the U.S. to disguise their locations and have the mail forwarded to them. On the Internet, it's impossible to be sure where someone is physically located.

Con artists may pose as officials from other countries. In some sweepstakes scams, they pretend to be customs officials. Invitations to play foreign lotteries may seem to be from the government agencies.

Foreign crooks often want the money wired to them. That makes it quicker for them to get it and harder to trace.

It's harder to recover money from foreign crooks. Because of the differences in legal systems, the difficulties of conducting investigations in other countries, and the expense involved in pursuing cross-border fraud, chances of getting your money back are very, very slim.

Fake Check Scams

There are many variations of the fake check scam. They include: someone buying something you advertised; paying you to do work at home; giving you an 'advance' on a sweepstakes; and paying the first installment on money in a foreign country transferred to your account.

Fake check scammers hunt for victims. They scan newspaper and online advertisements for people listing items for sale, and check postings on online job sites. They place their own ads with phone numbers or email addresses for people to contact them.

They often claim to be in another country. The scammers say it's too complicated to send you the money directly from their country, so they'll arrange for someone in the U.S. to send you a check or money order.

They ask you to wire some of the money after depositing a check. If you're selling something, they'll pay you by having someone who owes them money send a check - for more than the sale. You deposit the check, keep what you're owed, and wire the rest. Or they may 'mistakenly' send you an overpayment and ask you to wire the excess.

They may falsely promise to transfer money directly to your bank. You provide your account information for an electronic fund transfer, but they wire your bank a counterfeit check or money order.

The checks or money orders are fake but they look real. Some are counterfeit money orders, some are phony cashier's checks, and others look like they're from legitimate business accounts.

The money may be available, but the check or money order may not be good. Under federal law, banks will make the funds available within one to five days; but the check or money order may be phony.

Advance Fee Loans

A promise to give you a loan - even if you have bad credit - may sound encouraging. But beware – it could be a crook trying to steal your money.

Don't pay upfront. It's against the law for telemarketers to charge any fees in advance if they guarantee or claim that it's likely that they can help you get a loan.

Don't fall for promises that you'll get a loan regardless of your credit problems. If you have poor credit or haven't established good credit yet, it's unlikely anyone will lend you money. Your credit history is what legitimate lenders use to decide if you are a good credit risk.

Do business with licensed companies. Ask your state banking or finance department about the licensing requirements for lenders and loan brokers, and find out if the company has complied.

If you can't get a loan yourself, get a co-signer. A friend or relative may be willing to apply with you for a loan. You will both be 'equally' responsible for the payments.

Get all the costs and other details before you decide. Shop around for the best loan rates and fees.

Have proof of what you were promised. Get the agreement in writing or in an electronic form that you can use to document the deal.

If you have credit problems, get counseling. Your local Consumer Credit Counseling Service can provide free or low cost advice on how to build good credit and may set up payment plans with your creditors.

Magazine Sales Scams

Fast-talking con artists try to get you to spend more than you realize, pay for magazines that you'll never receive, or trick you into disclosing your bank or credit card account numbers.

Ask for written information before you decide to subscribe. Salespeople may describe the cost as "pennies a month" but may not explain the length of the subscription commitment or the total cost. Legitimate companies will send you the details upfront and never insist that you act immediately.

Be wary of "free prizes." They're not free if you have to buy magazines to get them.

Know the cancellation policy. Some subscription services don't allow cancellations once they have placed the orders with the publishers.

Watch out for imposters. Crooks may pretend to be calling on behalf of well-known publishers, seek payment to renew your subscriptions; but are actually imposters who will simply pocket your money.

Don't give your credit card or bank account information unless you're making payment. There is no reason why the company would need that information for any other purpose.

Check the prices. It might be cheaper to buy the magazines directly from the publishers than through a subscription service.

If you're not interested, say no. Tell the caller to put you on the company's "Do Not Call" list.

Telephone 'Slamming'

Know what slamming is. Slamming occurs when your phone service is switched from your current company to another without your permission.

Read the fine print. Entry forms, coupons, and other promotions may include an agreement to switch. If a company offers a check, it must state clearly on the front and back that you are agreeing to change.

Beware of imposters. Someone posing as your current phone company may trick you by asking if you are satisfied with your service or if you're interested in a new calling plan or billing arrangement. A "yes" answer could be tape-recorded 'proof' that you agreed to switch.

Don't return calls to numbers on your pager or voice mail that you don't recognize. A slammer may use Automatic Number Identification to see your number and then process an unauthorized switch of service.

Check your phone bill carefully. If you notice a new company, call the number that's listed on bill and ask for an explanation. If you've been slammed, tell the company that you didn't agree to use its service. Contact your original company to be reinstated in your old calling plan.

Know your rights. Under federal law, you can switch back for free, and not pay for the first 30 days from the slammer. If you used the slammer's service beyond 30 days, you pay your original company for that service from day 31 until the date you switch back. If you paid the slammer, your original company can try to help you get your money back.

Request a 'Preferred Service Provider Freeze', a free service by calling 1-800-922-1879 to prevent changes in your telephone service.

Travel Fraud

Be skeptical of offers for 'free' trips. Airlines and other well-known companies sometimes operate contests for travel prizes. However, other companies offer 'free' trips to lure people into buying their products or services. It's never "free" if you have to pay something.

Know exactly what's included. A 'free' or incredibly cheap trip may have hidden costs. For instance, the cruise may be free, but you have to pay to fly to the departure point and stay in a hotel at your own expense. Or you may have to endure a long, high-pressure sales pitch for a timeshare or travel club membership as part of the trip.

The deal may not be as good as you think. The offer may require you to make reservations through a specific company at a higher cost than if you had used your own agent or booked your own travel. Or the offer may be valid only if you bring a companion at full fare.

Be aware of restrictions. Usually the travel is for off-peak times. Confirm the arrangements. If transportation and hotel are included in the travel package, ask how to contact those companies and confirm with them directly that the reservations have been made.

Do your own travel research. It's easy to get information from a local travel agent and other sources such as newspapers, books, and the Internet. You may be able to get the trip you want for far less than the "bargain" price a company is offering.

Pay with a credit card. Fraudulent operators take the money and run, and even legitimate companies can suddenly go out of business. Use a credit card so you can dispute the charges.