

Signs of a Scam

Often, scammers who operate by phone don't want to give you time to think about their pitch; they just want you to say "yes." But some are so cunning that, even if you ask for more information, they seem happy to comply. They may direct you to a website or otherwise send information featuring "satisfied customers." These customers, known as skills, are likely as fake as their praise for the company.

Here are a few red flags to help you spot telemarketing scams. If you hear a line that sounds like this, say "no, thank you," hang up, and [file a complaint with the FTC](#):

- *You've been specially selected (for this offer).*
- *You'll get a free bonus if you buy our product.*
- *You've won one of five valuable prizes.*
- *You've won big money in a foreign lottery.*
- *This investment is low risk and provides a higher return than you can get anywhere else.*
- *You have to make up your mind right away.*
- *You trust me, right?*
- *You don't need to check our company with anyone.*
- *We'll just put the shipping and handling charges on your credit card*

Join the national Do Not Call List

Register your home and mobile phone number with the National [Do Not Call Registry](#). This won't stop all unsolicited calls, but it will stop most. If you do get a

How They Hook You

Scammers use exaggerated — or even fake — prizes, products or services as bait. Some may call you, but others will use mail, texts, or ads to get you to call them for more details. Here are a few examples of "offers" you might get:

- **Travel Packages.** "Free" or "low cost" vacations can end up costing a bundle in hidden costs. Some of these vacations never take place, even after you've paid.
- **Credit and loans.** [Advance fee loans](#), [payday loans](#), protection, and offers to [lower your credit card interest rates](#) are very popular schemes, especially during a down economy.
- **Sham or exaggerated business and investment opportunities.** Promoters of these have made millions of dollars. Scammers rely on the fact that business and investing can be complicated and that most people don't research the investment.
- **Charitable causes.** Urgent requests for recent disaster relief efforts are especially common on the phone.
- **High-stakes foreign lotteries.** These pitches are against the law, which prohibits the cross-border sale or purchase of lottery tickets by phone or mail. What's more, you may never see a ticket.
- **Extended car warranties.** Scammers find out what kind of car you drive, and when you bought it so they can urge you to buy overpriced — or worthless — plans.
- **"Free" trial offers.** Some companies use free trials to sign you up for products — sometimes lots of products — which can cost you lots of money because they bill you every month until you cancel

PHONE SCAM PROTECTION

* Source: Federal Trade Commission



How to Handle an Unexpected Sales Call

Questions to Ask

When you get a call from a telemarketer, ask yourself:

- **Who's calling... and why?** The law says telemarketers must tell you it's a sales call, the name of the seller and what they're selling before they make their pitch. If you don't hear this information, say "no thanks," and get off the phone.
- **What's the hurry?** Fast talkers who use high pressure tactics could be hiding something. Take your time. Most legitimate businesses will give you time and written information about an offer before asking you to commit to a purchase.
- **If it's free, why are they asking me to pay?** Question fees you need to pay to redeem a prize or gift. Free is free. If you have to pay, it's a purchase — not a prize or a gift.
- **Why am I "confirming" my account information — or giving it out?** Some callers have your billing information before they call you. They're trying to get you to say "okay" so they can claim you approved a charge.
- **What time is it?** The law allows telemarketers to call **only** between 8 am and 9 pm. A seller calling earlier or later is ignoring the law.
- **Do I want more calls like this one?** If you don't want a business to call you again, say so and register your phone number on the [National Do Not Call Registry](#). If they call back, they're breaking the law.

Some Additional Guidelines

- Resist pressure to make a decision immediately.
- Keep your credit card, checking account, or Social Security numbers to yourself. Don't tell them to callers you don't know — even if they ask you to "confirm" this information. That's a trick.
- Don't pay for something just because you'll get a "free gift."
- Get all information in writing before you agree to buy.
- **Check out a charity** before you give. Ask how much of your donation actually goes to the charity. Ask the caller to send you written information so you can make an informed decision without being pressured, rushed, or guilted into it.
- If the offer is an investment, check with your [state securities regulator](#) to see if the offer — and the offeror — are properly registered.
- Don't send cash by messenger, overnight mail, or money transfer. If you use cash or a money transfer — rather than a credit card — you may lose your right to dispute fraudulent charges. The money will be gone.
- Don't agree to any offer for which you have to pay a "registration" or "shipping" fee to get a prize or a gift.
- Research offers with your [consumer protection agency or state Attorney General's office](#) before you agree to send money.
- Beware of offers to "help" you **recover money** you have already lost. Callers that say they are law enforcement officers who will help you get your money back "for a fee" are scammers.

Why They're Calling You

Everyone's a potential target. Fraud isn't limited to race, ethnic background, gender, age, education, or income. That said, some scams seem to concentrate in certain groups. For example, older people may be targeted because the caller assumes they may live alone, have a nest egg, or may be more polite toward strangers.

What To Do about Pre-Recorded Calls

If you answer the phone and hear a recorded message instead of a live person, it's a **robocall**. Recorded messages that are trying to sell you something are generally illegal unless you have given the company written permission to call you.

If you get a robocall:

- Hang up the phone. Don't press 1 to speak to a live operator or any other key to take your number off the list. If you respond by pressing any number, it will probably just lead to more robocalls.
- Consider asking your phone company whether they charge for blocking phone numbers. Remember that telemarketers change Caller ID information easily and often, so it might not be worth paying a fee to block a number that will change.
- Report your experience to the [FTC online](#) or by calling 1-888-382-1222.