

**CANFIELD POLICE DEPARTMENT**

## How to avoid: Scam, Frauds and Con-Games

“An ounce of prevention is worth a pound of cure”

**D**efinition of Telemarketing Fraud: Described as a wide range of activities in which telephones are used dishonestly to deprive victims of money, property or to misrepresent the true value of goods or services they offer.

### **I. Telemarketing Fraud: Tips to Avoid Becoming A Victim:**

- Know who you are dealing with. Check with the State Consumer Protection Agency or Better Business Bureau.
- Don't believe “easy money” promises. Most scams involve these types of statements.
- A lack of formal complaints does not equal a legitimate business. Look for other signs of fraud since many companies open and close quickly.
- Check before entering contests with unfamiliar companies. Many of these just want personal information from potential victims.
- Never pay to play. It is illegal for a company to make you purchase something in order to win or claim a prize.
- Resist pressure. Legitimate companies will accept “NO.”
- Guard your personal information.
- Know your rights. You can have telemarketers place you on a do not call list and if they persist, you have the right to take them to small claims court.
- Report violations. Contact the Federal Trade Commission at 877-382-4357 or on line at [www.ftc.gov](http://www.ftc.gov). Also contact the Federal Communication

Commission at 888-225-5322 or [www.fcc.gov](http://www.fcc.gov).

## II. Types of Telemarketing Scams:

- **Advance-Fee Loan and Credit Schemes:** Telemarketers seek people with bad credit histories and offer loans in exchange for upfront fees.
- **Foreign Lottery Schemes:** Offer victims the opportunity to invest in well known foreign lotteries for opportunity to win substantial prizes.
- **Investment Schemes:** Victims are sold “investments” that appear to offer a high profit margin. These investments can involve stocks, precious metals, oil and gas, etc. . . .
- **Prize Promotion:** Victims are advised that they are guaranteed winners of a valuable prize or gift but need to pay up front fees to cover expenses.
- **Telefunding Schemes:** Telemarketers prey on the charity of a victim and seek money from people who are willing to make donations.
- **Travel Related Schemes:** Telemarketers offer substantial travel packages at very low cost but include terms and conditions that often times make the tickets you purchased unusable.
- **Recovery Room Schemes:** These target victims time and again. Often involve victims who have had a previous loss. They ask you to reinvest in order to recover previous losses.

## III. Tips to Avoid These Telemarketing Scams:

- Never give out personal information such as social security numbers, credit cards, etc.
- Ask for the companies name and telephone number. If they are reluctant to supply such information, advise them you are going to contact the authorities.
- Be firm and “Say No.” Don’t worry about being polite to a telemarketing representative. Quite often they prey upon the weak and desperate.

- If you are not confident in their credibility, tell them not to call again.
- Contact your local police department for assistance.
- Contact the Ohio Attorney Generals Consumer Protection Office at 1-800-282-0515.
- Contact the FTC at 1-216-263-3410.

### Additional Types of Scams:

- Pyramid Schemes
- Lottery Systems
- Envelope Stuffing
- Nigerian Scams
- Chain Letters
- Ponzi Schemes
- Contest Scams

these

For additional information on

types of scams go to:

[www.mazu.com/scams](http://www.mazu.com/scams)

### IV. Charity Scam Tips:

- If approached by an unfamiliar charity check it out. Most states require registration and reports showing donation usage. Contact 1-703-276-0100 or [www.give.org](http://www.give.org)
- Ask for written information concerning the charity.
- Beware of “Sound-alike” charities. Often scam artists will create an organization that resembles a well known charity, hoping name recognition will make them appear legitimate.
- Ask for the callers’ relation to the charity.
- Request the percentage of the donation that goes to the charity. Often frauds will create a real charity, however only a small percentage of the

proceeds ever reach those the organization claims to help.

Be Aware of:

- **Requests to support local police or fire fighters. Contact your local department to legitimize these claims and what percentage goes to their entity.**
- **Be especially cautious after natural disasters: Check with the Better Business Bureau prior to donating.**

## V. Home Repair and Maintenance Schemes: Do's and Don'ts

- Do not let people claiming to be from a utility company, delivery service, etc., enter your home without proper identification. Legitimate companies most times require their employees to display identification.
- Be wary of people that are soliciting for work that are not from your area. Ask for a name and phone number where they can be reached and also to provide you with references.
- Scam artist often target the elderly by offering to do work at a low price. Talk it over with your family before making the decision.
- Have a contract drawn up for the service and never pay in cash. Scam artists will often ask for money upfront for materials. A check can be traced and a stop payment placed on it if necessary.
- Appearances do not always equal legitimacy. Scam artists may often drive professional looking vehicles and throw out well-known names. If it sounds too good to be true, most often it is.
- **If you have any doubts contact your local police agency.**
- **Contact the Better Business Bureau at [www.bbb.org](http://www.bbb.org)**



## General Do's and Don'ts for Avoiding Con Games:

### Do's

- Always ask for references.
- Trust your instincts.
- Get a receipt for any work that has been paid for.
- Always be wary of friendly strangers offering goods and services at low rates.
- Be wary of telephone calls from unknown persons at banks, credit card companies, etc.
- Be alert of schemes that involve removing your savings or other valuables and turning them over to someone else.
- Demand everything in writing.
- **Always remember that you do not get something for nothing.**

### Don'ts

- Discuss personal finances with strangers.

