

If You Feel You're a Victim of Telemarketing Fraud

Immediately contact the authorities
and file a complaint:

- ▶ **Local district attorney:** Call your county or city office for your local district attorney's contact information
- ▶ **Federal Trade Commission:** Call (877) FTC-HELP or go online to ftc.gov/complaint
- ▶ **National Consumers League:** Go online to www.fraud.org/complaint



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14-089

TELEMARKETING SCAMS

What to Know **BEFORE**
You Pick Up the Phone



You've just sat down to dinner and your phone rings. A telemarketer is calling to say you've won a free vacation. Sound familiar? Although not every sales call is selling fraudulent goods or services, many are.

What Is Telemarketing?

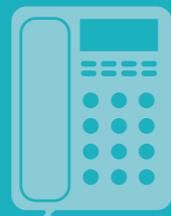
Telemarketing is the sale of goods and services over the phone. According to the Federal Trade Commission (FTC), every year people fall prey to telemarketing scams and lose money—from a few dollars to their life savings.

How to Spot a Scam

Here are some common ways, according to National Consumers League's Fraud.org, that a telemarketing scammer may try to steal money and/or personal information from you. The telemarketer:

- Promises that you can win money, make money, or borrow money easily.
- Demands that you act immediately or else miss out on a great opportunity.
- Refuses to send you written information prior to your purchase or donation.
- Tries to scare you into buying something.
- Insists you wire money or a messenger will come by to pick up your payment.
- Refuses to stop calling after you ask them to stop.





Protect Yourself

Take action to avoid getting scammed by an unlawful telemarketer.

Hang up. If you suspect you've received a fraudulent telemarketing call, immediately say, "No, thank you" and hang up.

Register on the Do-Not-Call List. Put all your phone numbers (including cell phone numbers) on the national "do-not-call" registry to stop most telemarketing calls. Register by calling (888) 382-1222, TTY (866) 290-4326, or go to www.donotcall.gov and register online.

Get caller ID. Purchase a caller ID service from your phone provider so you can see the number of the person who is calling you. Do not answer calls from phone numbers that you don't recognize.

Do not use cash. If you do choose to buy over the phone, never use cash, check, or money orders to pay. At least if you pay with a credit card, you can dispute the charges with your bank. Also, never use your debit card number.

Do not give out personal or bank account information. Never give out information such as credit card numbers and expiration dates, bank account numbers, dates of birth, or Social Security numbers.

Do not answer robocalls. If you answer the phone and it's a recorded message, hang up. These calls are generally illegal unless you have given a company written permission to call you.

Know Your Rights

The FTC Telemarketing Sales Rule (TSR) prohibits deceptive and abusive telemarketing acts and practices and includes standards of conduct. According to the TSR, telemarketers:

- Can only call between 8 a.m. and 9 p.m.
- Must immediately tell you that it's a sales call or calling for a charity, the name of the seller or charity, and what they're selling or that they're asking for a donation.
- Cannot ask you to pay or buy something to win a prize or say that paying money will increase your chances of winning.
- Cannot sell foreign lottery tickets by phone or mail.
- Cannot ask for payment in advance for services to help settle or lower your debts, repair your credit record, get a loan, or recover money lost to another telemarketer.
- Must tell you the total cost of the product or service before asking for payment and cannot charge you until you have agreed to make the purchase or donation.

If a telemarketer breaks one of these laws during a call with you, file a complaint with authorities (see contact information for list of organizations to file your complaint).



Before You Buy Anything over the Phone



If you do choose to buy from a telemarketer,

NEVER:

- ⊗ Feel pressured to make a buying decision. Take your time, understand all the terms, and do your research before buying.
- ⊗ Pay in advance for services.
- ⊗ Pay for a "registration" or "shipping" fee to get a prize or a gift.

ALWAYS:

- ✓ Ask for and wait until you receive written material about any offer or charity.
- ✓ Check out companies with your local consumer protection agency, Better Business Bureau, state attorney general, and consumer watchdog groups.
- ✓ Obtain a salesperson's name, business identity, telephone number, street address, mailing address, and business license number before you do business.
- ✓ Find out what percentage of your money goes to commissions and what percentage actually goes to the charity or investment.
- ✓ Be wary of companies that want to send a messenger to your home to pick up money.

Typical Telemarketing Scams

If a deal sounds too good to be true, it probably is. According to the FTC, these are some of the most common types of telemarketing scams:

- ◆ "Free" or "low-cost" travel packages
- ◆ Advance-fee loans, payday loans, credit card protection, and offers to lower your credit card interest rates
- ◆ Exaggerated business and investment opportunities
- ◆ Urgent charity/donation requests
- ◆ Foreign lotteries
- ◆ Extended car warranties
- ◆ "Free" trial offers