

Telemarketing Fraud

Warning Signs

- High-pressure sales techniques.
- Insist on immediate action.
- Offers that sound too good to be true.
- A request for your credit card number for any purpose other than to make a purchase.
- An offer to get your money quickly (i.e., pay for overnight mail, send someone to your home or office to pick it up).
- A statement that a product or service is free, followed by a request that you pay for something.
- Claims of an investment that is "without risk."
- Inability or refusal to provide written information or references about the company, product, service, or investment.
- Suggestions that you should make purchase or investment based on "trust."

How to avoid being a victim

- Don't be pushed into a decision.
- Request written information about the organization and product or investment.
- Don't buy anything on terms you don't fully understand.
- Request the name of the federal agency by/with whom the firm is regulated or registered.
- Investigate the company or organization.
- Find out about refund, return, and cancellation policies.
- Don't believe testimonials you can't verify.

- Don't provide any personal financial information.
- If you must, hang up!

Federal trade commission telemarketing sales rules

The federal trade commission's telemarketing sales rules include the following provisions to protect consumers:

Calls are prohibited to consumers who have said they don't want to be called.

Telemarketing calls before 8 a.m. and after 9 p.m. are not allowed.

Telemarketers must tell you that it is a sales call, the name of the seller, and what they are selling.

If a prize promotion is involved, you must be told that no purchase or payment is necessary to enter to win.

Telemarketers may not misrepresent any information about the cost, quantity, and other aspects of the offered good or services.

Before you pay, telemarketers must tell you the cost of the goods and any restrictions on getting or using them; or that a sale is final or non-refundable.

Telemarketers are prohibited from withdrawing money from your checking account without your express, verifiable authorization.

Telemarketers offering to arrange loans, provide credit service, or recover money from another scam may not seek payment before rendering the promised service.

State law enforcement officers are authorized to prosecute fraudulent telemarketers who operate across state lines.

For additional information, contact the Federal Trade Commission, Office of Consumer Education, Washington, DC. 20580. Web site: **www.ftc.gov**