

CON GAMES, FRAUD, & SWEEPSTAKES SCAMS



Con Games, Fraud Schemes & Sweepstakes Scams

It's not always easy to spot a CON GAME or FRAUD SCHEME. The con artists are charming and persuasive. It's their job; and they do it well. They can approach you in person, on the phone, over the Internet, or through the media. Most people feel they are too smart to be conned. The fact is, people from all walks of life are defrauded every day and lose billions of dollars every year!

CON GAMES

Pigeon Drop

A stranger approaches you about finding a large sum of money and wants to share it with you. The catch is, you need to put up "good faith" money. Ask yourself why a stranger would want to give you money THEY found? (This is similar to the Nigerian Scam emails constantly being sent out.) <http://www.fbi.gov/scams-safety/fraud>

The Bank Examiner

A person claims to be a bank official or detective and wants you to withdraw your money to catch a crooked employee. No bank or police agency will ask you to withdraw money for any reason.

The Obit Column Sting

Fast-buck artists send a surviving spouse bills for phony debts, purchases, etc. If you get an unfamiliar bill after the death of a loved one, check it out before you pay. It is also not uncommon for robbers to break into the home of someone recently deceased while the family and friends are at the funeral. The information as to time and location of the funeral is usually published in the obituary.

Home Repairs

Beware of unsolicited home repair deals that offer unbelievable discounts. Often these deals result in shoddy workmanship, inferior materials and incomplete jobs.

The Pyramid Scheme

Someone offers you a chance to invest in an up-and-coming company with a guaranteed high return. The idea is that you invest and ask others to do the same. You get a share of each investment you recruit. They recruit others, and so on. When the pyramid collapses (either the pool of new investors dries up or the swindler is caught), everyone loses — except the person at the top.

A GOOD RULE TO FOLLOW: IF IT SEEMS TOO GOOD TO BE TRUE, IT PROBABLY IS.

FRAUD SCHEMES

Medical Fraud

Offers "miracle cures", lab tests, etc. Beware: see your physician if you have health problems.

Charity Fraud

Give only to charities you are familiar with. Call the Better Business Bureau if in doubt. Listen carefully to the name of the charity requesting money. Fraudulent charities often use names that sound like a reputable, well-known organization such as the American Cancer Association (instead of the American Cancer Society). Ask for a financial report before you donate; a reputable charity will always send you one.

Vacation/Travel Fraud

Offers free or low cost travel. Beware of hidden costs.

Foreign Lotteries

Illegal. They ask you to pay taxes to collect your "winnings."

Investments

Get rich quick, Pyramid, and Ponzi schemes. Check out the company before you invest.

Recovery Fraud

Offer to help you recover the money you lost to other fraud schemes!



Tips for Spotting a Con Artist

- They offer you something for nothing.
- The offer is too good to be true.
- “One time only” offers.
- Offer is void if not accepted immediately.
- Don’t give you a chance to think, or consult with someone.

Foil the Con Artist

- Stop and think before handing over money to any person or company.
- Don’t let someone into your home without proper identification. Call their office to check them out using the phone number from the phone book.
- Don’t sign anything unless you understand it. See a lawyer if needed.
- Don’t be pressured into making a decision right away.
- If they don’t give straight answers to your questions, end the conversation.
- Call the police if you are suspicious.
- Never give a caller your credit card, phone card, Social Security, or bank account numbers over the phone. It’s illegal for telemarketers to ask for these numbers to verify a prize or gift.

SWEEPSTAKES SCAMS

There are many sweepstakes that are legitimate and some people do win money. But the odds of winning these sweepstakes are extremely slim and it may not be worth your time to send in the entries. When considering a sweepstakes, make sure you read the fine print that lists the rules, odds of winning, and certain restrictions to the contest that explain what you have to do to win.

Although some sweepstakes are legitimate, many are not. Here are some tips to avoid being a victim of a sweepstakes scam: If you did not enter a contest, chances are you did not win one.

- Do not respond to offers that ask you to purchase something first.
- Do not give out your checking account or credit card number for any sweepstakes contest.
- Chances are, if you enter one contest you will be placed on a “sucker” list and many more offers will follow.
- Beware of offers that ask you to call 900 numbers for a free gift. You may spend more money on the phone call than the gift is worth.
- Be aware that not all numbers beginning with “8” are toll free. Dispute your phone bill for an 800 or 888 number if you don’t have a pre-subscription arrangement. (Some companies break the law by charging improperly for entertainment and information services that you reach by dialing an 800 or 888 number.)
- Just because you make a call in response to a mail, newspaper, television or magazine solicitation doesn’t mean the offer is legitimate.
- If you have any questions or suspicions about mail solicitation, contact the local authorities, such as the police department, U.S. Postal Service, or the Attorney General’s Office.
- A good rule of thumb — if you have to pay money to “win” something, then it’s probably a scam.

BE A WISE CONSUMER

Don’t buy health products or treatments that include a promise for a quick and dramatic cure, testimonials, imprecise and non-medical language, appeals to emotion instead of reason, or a single product that cures many ills. Quackery can delay an ill person from getting timely treatment. Look closely at offers that come in the mail. Con artists often use official-looking forms and bold graphics to lure victims. If you receive items in the mail that you didn’t order, you are under no obligation to pay for them. Throw them out, return them, or keep them.

Be suspicious of ads that promise quick cash working from your home. After you’ve paid for the supplies or a how-to book to get started, you often find there’s no market for the product and there’s no way to get your money back.

TO REPORT FRAUD:

Better Business Bureau www.austinbbb.org 512.445.2911

Texas Attorney General <https://www.oag.state.tx.us/> Consumer Protection Hotline (800) 621-0508

National Fraud Information Center (if you have been swindled by phone) 1-800-876-7060

Federal Trade Commission Consumer Fraud or Federal Trade Commission Telemarketing Fraud Project www.ftc.org

