



Protect Yourself from Telemarketing Fraud

How do you know if a telemarketing call is a scam? That friendly voice on the phone may belong to an honest person who is just trying to make a sale or a crook who wants to trick you out of your money.

One tip-off is if the call violates your telemarketing rights. Legitimate companies usually follow the rules, scammers don't. Is an unfamiliar company calling you even though your phone number is on the National Do Not Call Registry? Is it a recorded sales pitch when you never gave the company written permission to make that type of "robocall" to you? Is the company's number blocked on your Caller ID? Consumer Federation of America's guide to [Understanding Your Telemarketing Rights and Avoiding Fraud](#) explains what telemarketers should and shouldn't do and how you can report violations. If the telemarketer is violating your rights, STOP! HANG UP! It may be a scam.

Other danger signs of telemarketing fraud include:

- Pressure to act immediately or you'll lose this great opportunity.
- Promises that you can make easy money working from home.
- Offers to help you get a loan, fix your credit record, settle your debts, save your home from foreclosure, or recover money you've already lost to a scam, if you pay a fee in advance.
- Guarantees that you can make big returns on investments with little or no risk.
- Requests that you pay a fee to enter a sweepstakes or lottery or send money for taxes, bonding, or legal expenses to claim your winnings. It's also a danger sign if a prize is being offered as part of a sales pitch and the telemarketer doesn't tell you that no purchase is necessary.

Another clue that it's a scam is how you're asked to pay. Fraudsters usually want to get paid fast and in cash – they don't want to wait for your check to clear or to have payments go through credit cards – so they'll look for other ways to get the money. If a telemarketer has money transfer as the only method of payment it accepts, it's probably a scam! Those services should only be used to send money to companies you know and trust and to individuals you have met in person. It should always be your choice whether to use a money transfer or another form of payment. Scammers may also suggest that you put cash between the pages of a magazine and send it to them. Legitimate telemarketers would never ask you to do that. Some fraudsters are exploiting new payment methods – for example, they may ask you to load money onto a prepaid card and send it to them, or tell you to put money on a MoneyPak, a product that can be used to transfer funds to prepaid cards or make payments to authorized merchants, and give them the serial number. Their aim is to cash in and disappear before you realize that you've been robbed.

Crooks are also taking advantage of prepaid cell phones, Internet phone service, Caller ID "spoofing" and other technologies to mask who and where they are. Often they're in foreign countries, making it difficult for U.S. law enforcement to pursue them. That's one more reason why it's so important to recognize telemarketing fraud. Money sent to scammers is often gone for good. Learn more about how to protect yourself from telemarketing fraud and other scams at www.consumerfed.org/fraud.