



GREG ABBOTT
Attorney General
of Texas

CONTACT information

For more information or to obtain copies of brochures, call the Attorney General's Consumer Protection Hotline at (800) 621-0508, or contact your nearest Attorney General regional office.

- Austin: (512) 463-2070
- Dallas: (214) 969-5310
- El Paso: (915) 834-5800
- Houston: (713) 223-5886
- Lubbock: (806) 747-5238
- McAllen: (956) 682-4547
- San Antonio: (210) 225-4191

All consumer complaints must be made in writing. Please call or write for a complaint form. Write to:

Office of the Attorney General
Consumer Protection and
Public Health Division/010
P.O. Box 12548
Austin, Texas 78711-2548

Complaint forms and additional information can also be found in the Consumer Protection section of our website, at www.oag.state.tx.us.

TELEPHONE
FRAUD




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TELEPHONE fraud

Telephone fraud comes in many forms – fake prize offers, bogus charity solicitations, attempts at identity theft and unauthorized charges on your bill. You can protect yourself by taking reasonable precautions.

TELEPHONE telephone FRAUD fraud



While many reputable companies sell goods and services by telephone, some use phony prizes and deceptive sales tactics to defraud consumers. You can protect yourself by:

- Being aware of the most common types of deception;
- Checking out the companies before doing business;
- Carefully considering any purchase; and
- Taking reasonable precautions when giving out credit card or other financial information.

COMMON TELEPHONE solicitation scams

There are many kinds of telephone solicitation scams:

- “Free gift” offers. These often require you to pay shipping and handling charges, redemption fees or “gift taxes” before delivery. The gift may be worth less than the extra charges.

- A very low-priced offer. Few legitimate businesses can afford to give away things of real value or substantially undercut everyone else's price.
- Get-rich-quick schemes. These are offers that promise "high-profit, no risk" investments, often in real estate or commodities such as gold, oil and gas, or gems. No high-profit investment is free of risk.
- Buy one, get one free deals. These often involve travel or vacation offers. The one you pay for may cost more than the entire package is worth.
- Donations to bogus charities. Some telephone solicitation callers claim to work for charities that do not exist or are not legitimate. Often, these callers will use a name that sounds like that of a well-known charity. Be wary of emotional pleas for disaster relief, families of soldiers, war victims, law enforcement personnel and so on.
- Phony contests offering prizes. Usually no contest has been held and everyone is a winner. To claim your prize, you may be asked to provide your credit card or bank account number for "verification purposes." The prize may have very little value and the caller may use your credit card or bank account information to bill you for merchandise that you did not order or to steal your identity.
- Ads featuring toll-free numbers. These are newspaper or magazine ads offering jobs, credit repair services or personal loan services. You are told to call a toll-free 800 number for more information. You then get a sales pitch and are told to call a 900 number for further

information. Dialing the 900 number will cost you anywhere from a few dollars to more than \$50 per minute. These charges then appear on your phone bill.

- Foreign lotteries. Although it is illegal to purchase tickets in a foreign lottery, scam artists sell such tickets under the pretense that you are part of a pool of ticket purchasers sure to win and split the proceeds. In another version of this scam, the caller will say you've already won, but that you must send money to cover the tax on your winnings. The caller may ask for a bank account number so your winnings can be deposited directly, or for a credit card number for "verification purposes." In fact, their only goal is to steal your money and loot your accounts.
- Calls offering "free trial offers." The free trial will be of limited duration and you will be billed.
- Calls requesting your personal identifying information (date of birth, Social Security number). This information can be used by identity thieves to obtain new credit cards or make purchases in your name.

HOW DO I protect myself?

When you receive an unsolicited telephone sales call, remember— When in doubt, say no. If you are not interested, say so and hang up the phone. They called you; you didn't call them.

Be Alert for the Common Signs of a Scam: High-pressure sales tactics. Beware if you must “act now” because the offer will not be available tomorrow. The caller may say the matter is urgent and requires your immediate attention. Remember that a genuine offer is not usually urgent. If it is a good deal today, it is usually a good deal tomorrow.

- Reluctance to answer questions. Callers should also be willing to send written information.
- Persistent requests for your bank account or credit card numbers. Never provide personal financial information to an unsolicited caller.
- Blocking identification for Caller ID units. This is illegal under Texas law.
- A request to send payment by private courier. Using courier or wire transfer or having someone come to your home to pick up a check may be an effort to avoid penalties for mail fraud.

Ask Detailed Questions About The Business: Under Texas law, telephone solicitors must provide you with the name and street address of the business on whose behalf they are calling, together with a phone number where you can call them back. Solicitors must also tell you who is calling, who is in charge and what their titles are. Be aware, though, that fraudulent firms change their names frequently to avoid detection.

Make Sure You Know The True Cost: Find out the total amount you might be obligated to pay, including shipping and handling fees and any hidden costs. If you are purchasing a travel package, find out what is included and

what the restrictions are. Do you have to buy airfare through their company? Are you limited to traveling during certain off-peak or inconvenient times? Can you confirm your reservations with the travel provider?

Don't Be Pressured: Insist on getting all information about the company and the offer in writing before you agree to buy. Make sure the written information confirms everything you were told by phone. Be wary of anyone who claims the offer will expire before details can reach you by mail, that the information is unavailable or that it will only repeat what you have heard over the phone.

Check Them Out: Do some research on the company you are dealing with. For example:

- Check with the Office of the Attorney General or the Better Business Bureau for any complaints that may have been filed against the company or organization.
- Check with the Texas Secretary of State to see if the company is registered and bonded as a telemarketer, as many are required to by state law.

Be Careful About Disclosing Personal Financial Information: Don't give your credit card number over the phone unless you know the company is reputable and you contacted them. An easy way for a scam operator to close a deal is to get your credit card number and then charge your account. The same applies to bank account numbers and other personal financial information.

Know Your Rights: Under Texas law, if you use your credit card to purchase goods or services from a telephone solicitor, other than a public charity, the seller must:

- Offer a full refund for the return of undamaged and unused goods within seven days after you receive the goods or services (the seller must process the refund within 30 days after you return the merchandise or cancel your order due to nondelivery); or
- Provide you with a written contract fully describing the goods or services being offered, the total price charged, the name, address and business phone of the seller, and any terms and conditions affecting the sale.

Under federal law, you may have the right to contest a charge by disputing it with the bank that issued your credit card. You must file a written dispute of the charge with your credit card company. You can refuse to pay a questionable portion of your credit card bill pending settlement of the dispute that you have put in writing to your credit card company.

REMEMBER — THEY CALLED YOU.

DON'T BE AFRAID TO JUST HANG UP.

SLAMMING and cramming

Local and long distance phone companies sometimes use deceptive sales practices to get your business. The most common of these are 'slamming' and 'cramming'.

'Slamming' is when your local or long distance phone service is switched from one provider to another without your knowledge or consent.

'Cramming' is adding unauthorized charges to your phone bill. These include charges for products or services you

are not familiar with, or regulatory fees billed by companies other than your service providers.

Read Your Phone Bill Carefully: Notify service providers about unauthorized charges or changes in your phone service. If you have been slammed, ask your local phone company to switch you back to your preferred long distance provider. If you are a victim of cramming, ask to have the unauthorized charges removed. Under Texas law, you are not required to pay unauthorized charges.

REDUCING UNWANTED telephone solicitations

Sign up for the state and federal “No Call List.” This will stop many unwanted telemarketing calls to your home phone.

To register for the state and federal list, you can call toll free, (888) 382-1222, from the number you wish to register. Or, register online at **donotcall.gov** if you have an active email address.

HOW DO I REPORT DECEPTIVE telephone solicitation practices?

If you are a victim of a deceptive telephone sales or service practice, file a complaint with the OAG Consumer Protection and Public Health Division online at **www.oag.state.tx.us** or by mail. You can learn more about the complaint process by visiting the Consumer Protection and Public Health section of the Attorney General’s website, by calling our **Consumer Protection Hotline at (800) 621-0508**, or by contacting your nearest Consumer Protection Division regional office.

You can also file a complaint with the Texas Public Utilities Commission (PUC). The PUC can be contacted at:

PUC - Consumer Protection

P. O. Box 13326

Austin, Texas, 78711-3326

(888) 782-8477

(call (512) 936-7120 in Austin)

consumer@puc.state.tx.us