



# Telemarketing Fraud

It can be hard to resist a phone call from a charity seeking desperately needed funds for flood victims, endangered species, or the homeless. A postcard claiming you have won a prize if you'll just call and send in an "administrative fee." Or an investment offer giving you an "exclusive chance to earn potentially enormous profits. But you must resist. These are just a few examples of the kinds of fraudulent schemes Americans run across every day. Experts estimate that consumers lose more than \$100 billion annually to a broad assortment of frauds, cons and scams. Fraudulent telemarketing and direct mail appeals account for \$40 billion of this total.

Alarming, the elderly are a major target for con artists, especially phony fund raisers and for cons offering bogus investment and insurance schemes. Whether they are widowed and lonely, eager to help others, or merely intrigued by a "once in a lifetime" opportunity, increasing numbers of older Americans are falling for sophisticated and slick appeals that can wind up costing them thousands of dollars, not to mention untold anguish and stress.

Among the major scams of the 1990s are postcard sweepstakes offers. In a recent pole, 30% of Americans said they had responded to such mailings, sometimes sending hundreds of dollars to "register" for seemingly fabulous prizes or trips.

False charities are another popular consumer con. Telephone trouble makers claiming to represent everyone from police officers to the disabled take advantage of American's generosity to the tune of billions of dollars every year. Adding to the problem is an array of fraudulent appeals - in newspaper ads, on television and by mail - about business and investment opportunities, vacation homes, and even "miracle cures" for everything from baldness to cancer.

*What can you do?*

- If a caller asks for your credit card, bank account or social security number to verify a free vacation, a prize, or gift, say "NO" and hang up.
- If you are calling a 900 number in response to an advertisement or something you received in the mail, make sure you know all the charges up front.

Before you agree to support a charity that calls seeking money, ask for written information about its finances and programs. If you feel you've been scammed, call the police or Better Business Bureau. Remember: consumer fraud is a crime. Finally, an offer that sounds too good to be true probably is.

The Derby Police Department  
125 Water Street, Derby, CT 06418  
(203) 735-7811