

# Information Network Bulletin



Welcome to our Scamnesty Special Edition of the Information Bulletin brought to you by **Croydon Trading Standards**



February sees the launch of Scamnesty Month, both in Croydon and nationwide. It's a campaign spearheaded by The Office of Fair Trading, its aim being to draw attention to the kinds of scams out there and to advise you on the kind of steps you should take to avoid falling victim.

Between 1 and 28 February we are asking you to drop details of any scam mailings you have received into one of our 'Scamnesty' boxes, located in every library in the borough as well as other easy to reach places, the details of which can all be found on our website:

[www.croydon.gov.uk/tradingstandards](http://www.croydon.gov.uk/tradingstandards)

We hope that you find this edition to be informative and useful and we would welcome your feedback.

Try our quiz at the end of the bulletin to see if you can spot a scam, and remember – 'IF IT LOOKS TOO GOOD TO BE TRUE, IT PROBABLY IS!!'

## What To Look Out For.

Every day, people throughout the UK are falling victim to scams of one kind or another. It could be an unexpected prize draw or lottery win, or a chance to invest in an exciting new money-making or investment programme. But remember - if it sounds too good to be true, it probably is.

Scams are dishonest attempts to part you with your money. Scams may reach you in the form of letters, emails, telephone calls and text messages and take many forms including fake lotteries, miracle health goods, bogus holidays, phoney job offers, pyramid schemes, internet fraud and financial scams.

Look out for these warning signs if something seems too good to be true:

- Was the offer unsolicited?
- Why do I have to respond at once? What's the rush?
- Do I have to make a purchase to win a prize?
- Do I have to ring a premium rate number?
- Do I have to give my bank or credit card details?
- Is the business reluctant to give their address or contact details?
- Am I being asked to keep it confidential?
- Does it look too good to be true?

## Useful Tips

Follow these useful tips to safeguard yourself from scammers:

- Ask for full contact details, including the street address of the company
- Take notes of conversations, including names, dates and times
- Read letters carefully and seek professional advice [such as an accountant or solicitor if significant amounts of money or responsibilities are involved]
- Independently verify any claims made by a sales person, investment adviser or advertisement. In the UK, all companies must be registered with Companies House.
- Read the small print on any documentation and be sure you understand all the terms and conditions of any offer made to you
- Take your time to make a decision and resist any urge to 'act now'  
Don't provide any personal or financial information before you establish the company is legitimate.
- Don't judge a company or sales person by how professional they or their promotional material seems.
- Don't ever be afraid to ask questions and don't let embarrassment or fear prevent you from reporting fraud or abuse to the appropriate authorities

Never pay for a 'free' gift. If it's a 'free' gift, you shouldn't have to pay for it

You might want to consider The Mailing Preference Service (**020 7291 3310** or online at [www.mpsonline.org.uk](http://www.mpsonline.org.uk)) to request that unsolicited mail addressed to you be stopped, or the Telephone Preference Service (**020 7291 3320** or online at [www.tpsonline.org.uk](http://www.tpsonline.org.uk)) to request that unsolicited phone calls be stopped.

You can visit the website of Companies House to check whether a company has been registered and is trading legitimately within the UK – [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

Visit the Charities Commission website for advice on whether a charity is genuine – [www.commission.gov.uk](http://www.commission.gov.uk).

Check the following website for advice about being safe on the internet – [www.getsafeonline.org](http://www.getsafeonline.org)

If you think you have been the victim of a scam, please call Consumer Direct for advice.



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## Fake Prize Draws and Lottery Scams

You are contacted about enticing odds in foreign lotteries. You may even be told you've already won! You just have to pay to get your prize or collect your winnings.

### Unexpected Winnings

Every day people throughout the UK open their post, receive a telephone call, turn on their computers or switch on their mobile phones to find they have unexpectedly won an exciting prize in a prize draw, lottery, sweepstake or other form of promotion. While some of these approaches are legitimate, others are a dishonest attempt to trap you into parting with your money.

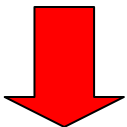
Many common scams take the form of a fake prize draw or lottery scam designed to trick the unwary. Scams are usually based outside the UK, although they may use UK Post Office or mail boxes.

## How does it work?

Typical scams may:

- ✚ Offer access to a winning ticket or prize in a bogus prize draw or fake lottery or membership of a lottery syndicate, in return for an 'administration' or 'registration' fee.
- ✚ Require a purchase of some kind to receive a 'prize'.
- ✚ Require you to use a premium rate telephone number.
- ✚ Suggest that there is a very short time in which to respond to claim your prize or winnings.
- ✚ Require you to provide personal or financial information.
- ✚ Contain an invitation to send money out of the country, particularly to the Netherlands or Canada, by money transfer, or list the prizes in a foreign currency.

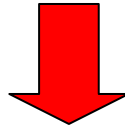
More often than not, there is no prize or reward on offer. Anything that is 'won' is usually sub-standard, overpriced or misleadingly described and worth much less than the requested fee.



### To avoid becoming a lottery scam or fake prize draw victim, remember these points

- ✚ Ask yourself 'how could I win a lottery prize if I haven't bought a ticket?'
- ✚ Usually, if you win something you don't have to pay anything to receive your prize.
- ✚ Once you respond to bogus promotions, your name and address is likely to be placed on other lists for similar scams.
- ✚ If asked to use a premium rate telephone number, remember these can be very expensive and may be part of the bogus prize draw or scam.

- ✚ Never reveal credit card or bank account details unless absolutely sure who you're dealing with. These details may be asked for as 'identification'.



### Typical warning signs include:

- ✚ The approach, whether in writing, by phone or by email, is unsolicited.
- ✚ There is a very short time in which to respond to claim your prize or winnings.
- ✚ An invitation to send a 'processing' or 'administration' fee to obtain a prize or reward.
- ✚ The need to use premium rate phone lines.
- ✚ The source of the promotion is based overseas.
- ✚ An invitation to send money out of the country, particularly to the Netherlands or Canada, by money transfer.
- ✚ Prizes are expressed in foreign currency.
- ✚ An invitation to provide credit card or bank account details.



### How to Protect Yourself

- ✚ Remember that if you win something you shouldn't have to pay anything to receive your prize.
- ✚ Do not enter sweepstake contests unless they are run by a company you know.

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If you think you have been the victim of a scam, please call Consumer Direct for advice.





## Working from Home

Work-at-home scams are advertisements that promise a large income for minimal work – such as envelope-stuffing, craft assembly work, or other jobs. The ads make similar claims – fast cash, minimal work, no risk with the advantage of working from home when it's convenient for you.

**Work-at-Home** scams are often advertised in local newspapers, magazines, shop windows, lamp posts or online.

What they **don't** tell you is that you might have to pay up front for supplies or equipment to do the job, or cover hidden costs to place newspaper ads, make photocopies or buy software.

Once you put in your own time and money, your promoters may refuse to pay you, claiming that your work isn't up to their 'quality standards'. **OR** you may find that there is no work on offer, only commission for getting other people to sign up.

Legitimate work-at-home business promoters should tell you in writing exactly what is involved in the programme. Before you commit any money, find out:

- + What tasks you will have to perform.
- + Whether you will be paid a salary or work on commission
- + Who will pay you.
- + When you will get your first payment.
- + The total cost of the programme (including supplies, equipment and membership fees).
- + What you will get for your money.
- + Can you verify information from current workers?

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## Vehicle Matching Scams

When you place a car ad, someone may cold call you claiming to have an immediate buyer for your car. They may ask for an up-front fee which they say is refundable if your car isn't sold.

In many cases the promised buyers do not materialise and neither does the promised refund.

### **If someone calls you:**

- + Don't feel pressured into anything.
- + Don't give your credit or debit card details to people you don't know.

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## Letter Advance Fee Fraud

In a letter or email you might be offered a huge sum of money in return for your help to get money out of a foreign country. The scammers use the information you give them to empty your bank account, or to convince you to send them money upfront.

### **Arranging a Transfer**

This scam is often based on the premise that some major event or misfortune, such as the overthrow of a government, has resulted in large sums of money being held in a country by a person or persons who are seeking help in transferring the money to another country. A proportion of the money is offered for help in arranging the transfer.

..... **OR**

You will receive a letter, fax or email from someone who says they need help in transferring money overseas, usually US\$20-30 million. Typically, the writer claims to be a senior government official, an accountant with a state-owned corporation, or perhaps a relative of a deposed or dead politician. It will probably be marked 'Strictly Confidential' or 'Urgent', and offer the opportunity to share in a multi-million pound bonanza.

The writer will tell you he needs to transfer his cash to a bank in your country, and if you let him use your bank account you can keep a big slice for yourself, usually 25 to 30 per cent.

If you reply and give your banking and personal details, you will be sent fake bank statements and similar documents, all intended to prove that the money exists and is heading your way.

***It Doesn't and It Isn't***

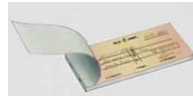
This scam has been in operation for some considerable time, suggesting that it continues to be successful for its operators. Although this type of scam frequently originates from parts of Africa, it can have other sources. There is evidence that a similar scam has operated from the USA.

This sort of scam usually arrives by email. If the email is impersonating a known company, you can forward it to the legitimate company to let them know that they are being impersonated. Some email providers also have a phishing or spam reporting function.

If you think you have been the victim of a scam, please call Consumer Direct for advice.



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***Cheque Overpayment Scams***

This could be a response to your ad or online auction posting, offering to pay with a cheque. At the last minute, the buyer comes up with a reason for writing the cheque for more than the purchase price, and asks you to transfer back the difference after you deposit the cheque.

Typically, the cheques are counterfeit, but they're good enough to fool bank staff – when they bounce, you are liable for the entire amount.

Don't accept a cheque for more than your selling price, no matter how tempting the plea or convincing the story. Ask the buyer to write the cheque for the purchase price. If the buyer sends the incorrect amount, return the cheque. Don't send the goods.

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***Clairvoyant or Psychic Scams***

Unsolicited emails and letters from bogus clairvoyants and psychics prey directly on the vulnerable and can be particularly unpleasant. There are a number of instances where they have been received by people at the time of some misfortune, such as bereavement, and have caused considerable distress.

In some cases, these mailings adopt a more aggressive tone, suggesting that the recipient will actually experience some misfortune if they do not respond by sending the money requested, another version of this is when the scammer sends a letter hinting that they have

seen wonderful or terrible things in your future and requests money from you in order to provide you with a full report.

If you think you have been the victim of a scam, please call Consumer Direct for advice/



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### Test yourself with our **Scamnesty Quiz**

**Q1. You buy a jacket on a fashion website, and on arrival you don't like it. Are you entitled to a refund?**

- a) Yes, as long as I return it within the seven working days cooling-off period that applies when you buy on-line.
- b) No, I am only entitled to exchange it for something else.

**Q2. You buy two new matching sofas but shortly after they have been delivered you notice the pattern on one is different. The retailer you bought it from tells you to call the manufacturer to sort it out. Is this correct?**

- a) Yes, because it must be a manufacturing fault so you need to deal with them direct.
- c) No, your contract is with the retailer and it is up to them to talk to the manufacturer.

**Q3. An elderly relative has entered into a contract yesterday after answering the door to a salesman. He doesn't really need a new front door. You call the company and are told that you can't cancel the contract just because he's changed his mind or doesn't really need it. Is this correct?**

- a) Yes, he is stuck with the new front door.
- b) No, when a trader visits to see to you in your home, you have a 'cooling off' period of seven days during which an order can be cancelled without any reason and a full refund made.

**Q4. Whenever you buy something you are protected by your consumer rights. What THREE rights apply to whatever you buy?**

- a) Must be delivered for free if you ask.
- b) Just fit the description given.
- c) Must be fit for purpose.
- d) Must be guaranteed to last for a year or more
- e) Must be of satisfactory quality
- f) Must be sold to you with a smile.

**(Answers to Quiz in next Edition of the Bulletin)**

### Useful contact telephone numbers

Age concern 0208 680 5450

Citizen's Advice Bureau New Addington  
01689 846 890,

Citizen's Advice Bureau Thornton Heath  
0208 684 2236,  
Money Advice 0208 683 5210

