

Encouraging Seniors to Say NO to Telemarketing Fraud

Senior citizens grew up in an era when trusting and being trustworthy were normal behavior, and generally that trust was reciprocated. Unfortunately, because of this mind-set today, they may fall victim to unscrupulous people through various forms of fraud. Seniors may be incapable of making the distinction between a pleasant voice on the other end of the phone and that of an individual involved in an illegal scheme or activity. And they may not know that such fraudulent actions are crimes and punishable by law.

Telemarketing is the action generated by way of selling a product or service over the telephone. Telefraud is the use of the telephone for sales that are not legitimate. Telefunding is the name of the act performed when fraud like sweepstakes, contests, and charitable solicitations are executed over the telephone. Many telemarketing scams originate out of boiler rooms—places in the basement next to the heating unit—where most unscrupulous people use high-pressure telephone sales tactics to sell fraudulent goods and services.

Both good and bad telemarketers use 800 or 900 numbers. Toll-free numbers like 800, 877, 866 or 822 are long distance telephone lines, except audio entertainment or information services. The percentage of long distance calls to 800 numbers is

about 40 percent. Numbers such as 900 and 976 are caller paid long distance services that allow consumers and businesses to retrieve information over the telephone. Watch out for unfamiliar area codes such as 809 in the Caribbean. This code could also represent an international number and the charges could be very expensive.

HOW TO PROTECT SENIORS:

- Instill in them the awareness that the voice on the other end of the telephone could be a crook and that giving money to a telemarketer means losing it forever.
- Tell them illegal telemarketing is big business that robs thousands of seniors daily. A telephone is the weapon that does the robbing instead of a gun.
- Inform them that telemarketing fraud is a crime and punishable by law, and encourage them to report illegal telemarketing scams to authorities.
- Instill in seniors that illegal telemarketers do not care about the pain that seniors encounter when losing their life savings in such deals.
- Tell them that **legitimate** telemarketers are willing to send written information about products or services they are selling.
- Inform them that a call is generally a scam if the caller asks for a social security number, a credit card number, or a bank account number if they are not buying anything or paying with those accounts.
- Inform them that they have a right to investigate any telemarketing product or service.

WARNING SIGNS:

- Watch for unusual amounts of junk mail on winning contests, prizes, free trips, and sweepstakes, particularly if the advertisements are asking for payment to cover administrative processing fees, customs and taxes. Legitimate sweepstakes or prize offers do not ask for payments because it is illegal.
- Be aware of frequent calls from people making offers for alleged valuable awards or great money-making opportunities, or asking for charitable donations.
- Watch for the evidence of many cheap items such as costume jewelry watches, pens and pencils, small appliances, beauty products to be purchased in order to win something or to receive a so-called valuable prize.
- Watch for secretive or guarded behavior regarding telephone calls.

- Notice if a private courier stops by the senior's home. Perhaps he/she is having payments picked up or is wiring money to companies.
- Observe whether the senior is having unexpected problems paying bills or buying food or other necessities.
- Watch for the receipt of calls from someone or an organization stating they can help seniors recover money paid to telemarketers for a fee.

DO:

- Help the person gather information to report the fraud to the state attorney general's office, a local consumer protection agency, and/or to the National Fraud Information Center (NFIC).
- Stress the importance of reporting this crime. Bring awareness to the criminal nature of telemarketing fraud and help the individual learn how to identify such deals.
- Encourage the person to hang up on telephone solicitations that seem unreal or too good to be true.
- Have a heart-to-heart, calm and peaceful discussion about the person's finances and try to come to an agreement about the best way to handle finances in the future. If the senior

seems incompetent, seek legal advice. If necessary, insist that the person change his/her telephone number.

DON'T:

- Blame or accuse the person of being stupid, greedy or foolish. Telemarketing swindlers are good at what they do and take advantage of a person's honesty, politeness and hopefulness.
- Threaten to take away the person's financial or physical independence. This may only make the person secretive and resentful.

A few regulations from the Federal Trade Commission on telemarketing:

- Callers must identify their company and product being sold.
- If a prize is offered, they must inform you that "no purchase/payment" is needed to win.
- They cannot ask you to pay in advance for services.
- They cannot call you before 8:00 a.m. or after 9:00 p.m. (local time).

IMPORTANT TELEPHONE NUMBERS

While many callers make offers that sound very good, even too good to pass up, seniors should not be afraid to take time to make up their mind.

National Fraud Information Center 1-800-876-7060

Although they specialize in telemarketing and Internet fraud, NFIC also makes referrals for other types of fraud.

Alabama Attorney General's Consumer Affairs..... 1-800-392-5658

Alabama Public Service Commission 1-877-727-8200

Call and ask to be put on the do not list call list, so that telemarketers cease contacting you. This may be a fee-based service.

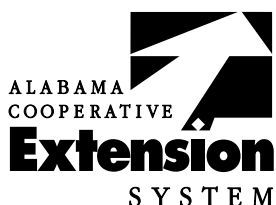
FOR UNWANTED MAIL CONTACT

**The Direct Marketing Association
1120 Avenue of the Americas
New York, NY 10036-6700
Phone: (212) 768-7277
Fax: (212) 302-6714**

PHONE RESOURCES FOR FIGHTING CREDIT FRAUD

American Financial Services Association Education 1-888-400-2233

Contact this organization for a free copy of "Making Credit Work for You."



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Your Experts for Life

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For more information, call your county Extension office. Look in your telephone directory under your county's name to find the number.

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