

# Scambuster

Your guide to beating the scammers

**S** SCHEMING  
**C** CRAFTY  
**A** AGGRESSIVE  
**M** MALICIOUS  
DON'T LET THEM CON YOU

# Introduction

A scam is a scheme designed to con you out of your cash.

There's a scam out there for everyone. If you let down your guard and think that you won't be fooled, then you too could become a victim.

Scammers are becoming more sophisticated and aim to con us all. Bogus sweepstakes and lotteries, get-rich quick schemes and fake health cures are some of the favoured means of separating the unwary from their money. But the number of scams just keeps on growing.

If you think you have been the victim of a scam, or suspect a scam, see the back page for what to do. No matter how small the amount of money you have lost. It is important that the scamsters are stopped.

**Read on to find out how to protect yourself.**

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# LETTERS PREDICTING THE FUTURE

## What it is

These are one of the most common direct mail scams. Letters from so-called psychics or clairvoyants promise to make predictions that will change the course of your life forever – for a small fee. Sometimes these mailings are aggressive in tone, saying something bad will happen to you if you do not send them money.

If you send money you are likely to be bombarded with further scams, because your name will be added to a 'sucker' list.

**Most likely approach** – letter

**Don't be intimidated  
into replying**

## **How to protect yourself**

- Stop junk mail by registering with the Mailing Preference Service, so that you can spot scams more easily.
- Don't be intimidated into replying.
- For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)



# PYRAMID SELLING AND FREE GIFT SCHEMES

## What it is

A 'pyramid' scheme is a money-making club which promises, once you've paid a joining fee, that you can earn large amounts by recruiting new members. However, only those at the top make money and the schemes can collapse leaving you out of pocket.

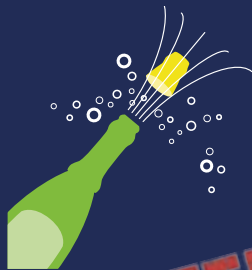
'Matrix' schemes offer a hi-tech gift, like an MP3 player, free. First you have to buy something low-value like a mobile telephone signal booster. If you do, you join a waiting list. The person at the top gets their free gift only if a large number of new members signs up – sometimes as many as 100. In reality, most people never get the gift.

**Most likely approach** – web advert or maybe even a personal approach – from a friend who has been taken in.

**Avoid schemes that offer money based solely on signing up new members**

## **How to protect yourself**

- Stop, think and be sceptical. Are you being offered something for nothing? If so, why?
- Avoid schemes that offer money based solely on signing up new members.
- For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)



# LOTTERIES, SWEEPSTAKES AND COMPETITIONS

## What it is

Every day, people open their post, turn on their computers or switch on their mobile phones to be told they have won something exciting in a prize draw, sweepstake or lottery – without even having entered. While some of these approaches are legitimate, many are dishonest.

You are asked to send an administration fee, but once you've sent your money you may hear nothing more. Or you are told to ring a premium rate 090 number to claim your prize. The longer you stay on the line, the more money the scammer earns. Usually you get nothing in return, but if you do receive something it is worth very little and not what you were promised.

**Most likely approach** – email, letter, telephone call, text message.



**Don't dial an 090 number unless you are absolutely sure how much you will be charged and you are willing to pay for it**

## **How to protect yourself**

- Don't dial an 090 number unless you are absolutely sure how much you will be charged and you are willing to pay for it.
- Remember that if you win something you shouldn't have to pay anything to receive your prize, not even the cost of a telephone call.
- For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)



# FOREIGN MONEY OFFERS AND ADVANCE FEE SCAMS

## What it is

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.

Ads offering you fast loans regardless of your credit history can be another type of advance fee fraud. If you reply, you may be told your loan has been agreed, but before the money can be released you must pay a fee to cover insurance. Once you have paid, you may never hear from the company again.

**Most likely approach** – letter, email, fax, newspaper ads.

**Never, ever, give your bank details to people you don't know**

## **How to protect yourself**

- Stop, think and be sceptical. Why does somebody you don't know want you to send them money upfront? Why should you trust them?
- Never, ever, give your bank details to people you don't know.
- For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)



# WORK-FROM-HOME OPPORTUNITIES

## What it is

These scammers advertise in local newspapers, on lamp posts or on the web. They advertise paid work from home, some making exaggerated claims about potential earnings. But they require money upfront to pay for materials or to reveal their secret. They take your money but some don't pay you for any work you do.

If you do reply to an ad and you're asked for money before you start work, it is likely to be a scam. Genuine employers will not ask for money in advance.

Scammers and fraudsters advertise for people to handle payments on their behalf for a percentage of the money – usually around 10 per cent. You are given a forged or stolen cheque to pay into your account. You are then asked to withdraw the cash to send it to the fraudster by money transfer less your 10 per cent. When the bank finds out the cheque is invalid, they debit your account leaving you out of pocket.

**Most likely approach** – classified ads, emails.

**Stop, think and be sceptical if you are asked for money in advance**

## **How to protect yourself**

- Stop, think and be sceptical if you are asked for money in advance.
- If you are looking for work to do at home, think about approaching local companies. For more information on homeworking, call the National Group on Homeworking – 0800 174 095, for free advice and information.
- For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)



# ONLINE DATING – A DREAM PARTNER FROM OVERSEAS

## What it is

You sign up to an online dating agency and meet someone who is also looking for love. You write to each other for a few months until the person, who happens to live overseas, decides that they want to come to the UK. But they need help with money for the flight. You pay up to help your new friend – but he or she disappears, along with your cash.

**Most likely approach** – through a website or email.

**Never send money to someone  
you don't know however plausible  
they sound**

## **How to protect yourself**

- Never send money to someone you don't know however plausible they sound.
- Report it to the dating site that arranged the introduction.
- For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)



# GOLDEN INVESTMENT OPPORTUNITIES

## What it is

The scamsters will offer you the opportunity to put money into things like shares, fine wine, gemstones, or other 'rare' high value items. The promise is that these will rocket in value.

But what they offer is often over-priced, very high risk and difficult to sell on.

Many scamsters of this type work from overseas. Those dealing with 'investment' may not be authorised by the UK's Financial Services Authority. Therefore you may not get your money back if things go wrong.

**Most likely approach** – phone, websites.



**Get independent financial advice  
before making an investment**

## **How to protect yourself**

- Stop, think and be sceptical. It is generally against the law in the UK to call people out of the blue to sell them shares.
- Ask for advice. Call the Financial Services Authority on 0845 606 1234 to check whether the company is authorised.
- Get independent financial advice before making an investment.



# MIRACLE HEALTH CURES

## What it is

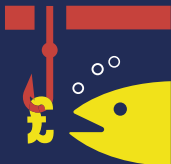
Pamphlets or advertisements from unscrupulous sellers of medical products often promise 'miracles'. Beware exaggerated claims such as 'instant cures for arthritis', 'lose weight without effort' or 'grow hair overnight'. Similarly, beware of claims that medical appliances, such as hearing aids, are only available from one place.

**Most likely approach** – advertisement, letter, website.

**Stop, think and be sceptical.  
If something sounds too good  
to be true it probably is.**

## **How to protect yourself**

- Stop, think and be sceptical. If something sounds too good to be true it probably is.
- Consult your doctor or pharmacist before you buy any medicinal product by mail order or over the web.
- For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)



# PHISHING FOR YOUR IDENTITY

## What it is

Phishers send an email or pop-up message that claims to be from an organisation that you may deal with — for example, a bank or auction site. The message may ask you to ‘update’, ‘validate’, or ‘confirm’ your account information. Some phishing emails threaten that there will be consequences if you don’t reply.

The messages direct you to a website that looks just like the real thing, but it is in fact a very convincing copy of a genuine site. The sole purpose of the bogus site is to trick you into revealing your personal information and confidential passwords, so the operators can steal your identity and run up bills or commit crimes in your name.

**Most likely approach** – email.

**Check through your credit card  
and bank statements as soon as  
you get them for any purchases  
you don't remember**

## **How to protect yourself**

- **Stop, think and be sceptical. If you get an email or pop-up message that asks for personal or financial information, do not reply. Don't click on the link in the message either. Legitimate companies don't ask for this type of information by email.**
- **Check through your credit card and bank statements as soon as you get them for any purchases you don't remember.**
- **For clear, practical consumer advice call Consumer Direct 08454 04 05 06 or go to [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)**

# What to do if you are unsure about or don't want:

## a mailing

- Check if the mailing comes from a member of the Direct Marketing Association (DMA). Go to [www.dma.org.uk](http://www.dma.org.uk)
- To reduce unwanted mail register, free, with the Mailing Preference Service (go to [www.mpsonline.org.uk](http://www.mpsonline.org.uk) or call 0845 703 4599). Registering will make it easier for you to spot a scam in your mail.
- If in doubt, bin the letter.

## a telephone call

- Telephone Preference Service (TPS): to reduce unwanted sales calls register your telephone number, free, with the TPS – go to [www.tpsonline.org.uk](http://www.tpsonline.org.uk) or call 0845 070 0707.
- Number block service: many telephone companies offer this service. It blocks callers from the UK and Channel Islands who withhold their number.
- Call barring: you can bar all calls to premium rate services and/or international rate numbers. Some phone companies charge for this service.
- If in doubt, hang up.

## **a text message**

- You cannot be charged for receiving a text unless you sign up to a service.
- If you are signed up to a text message service you don't want, text the word STOP – and the service has to end immediately.
- To reduce unwanted sales text messages register your details with the TPS (see above).
- If in doubt, don't reply.

## **an email**

- Use anti-virus software and a firewall. Keep them up-to-date.
- Don't email personal or financial information.
- Be cautious opening any attachment or downloading any files from emails you receive, regardless of sender. These files can contain viruses or other software that can weaken your computer's security.
- If in doubt, don't reply.

# What to do if you discover a scam

**Tell your friends and family. If you think you have been the victim of a scam, or you suspect a scam, call Consumer Direct for clear, practical consumer advice 08454 04 05 06 [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)**



**This leaflet is produced in association with Local Authority Trading Standards Services.**

Order our free leaflet *How to recognise a scam* on **0800 389 3158**

The information in this booklet is available in other formats.

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