

- It's illegal for a telemarketer to withdraw money from your checking account without your express, verifiable authorization.

## BE WARY OF OFFERS FOR CREDIT REPAIR, RECOVERY ROOM, OR ADVANCE-FEE LOAN/CREDIT SERVICES

- *Credit repair* companies claim that, for a fee, they can change or erase accurate negative information from your credit report. **Only time can erase such information.**
- *Recovery room* operators contact people who have lost money to a previous telemarketing scam and promise that, for a fee or donation to a specified charity, they will recover your lost money, or the product or prize never received from a telemarketer.
- *Advance-fee* loans are offered by companies who claim they can guarantee you a loan for a fee paid in advance. The fee may range from \$100 to several hundred dollars. **This is illegal.**
- If you have the slightest doubt about a telephone offer, wait until you can get information in writing and check it out!

## EXCEPTIONS TO THE RULE

Some types of calls are not covered by the FTC's Telemarketing Sales Rule (TSR), regardless of whether the entity making or receiving the call is covered. Examples include:

- Unsolicited calls from consumers.
- Calls placed by consumers in response to a catalog,
- Business-to-business calls that do not involve retail sales or nondurable office or cleaning supplies.

- Calls made in response to general media advertising (with some important exceptions).
- Calls made in response to direct mail advertising (with some important exceptions).

FURTHERMORE, placing your number on the National Do Not Call Registry will stop most telemarketing calls, but not all. Here are the types of calls/callers you can still expect to receive:

- Calls from or on behalf of political organizations, charities, and telephone surveyors,
- Organizations with which you have an established business relationship,
- Companies to which you've made an inquiry or submitted an application.

You can read You Make the Call:  
The FTC's Telemarketing Sales Rule at:

<http://www.ftc.gov/bcp/online/pubs/tmark/donotcall.pdf>

You can find the full report on Complying with the TSR at:

<http://www.ftc.gov/bcp/online/pubs/buspubs/tsrcomp.pdf>



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# TELEMARKETING FRAUD

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How many times has this happened to you? You sit down to dinner and the telephone rings. You answer the phone, and a pleasant voice is trying to sell you something. If you're tempted by the offer, you'd better GET THE FACTS before a potential fraud gets you.

While some telephone sales pitches are made on behalf of legitimate organizations offering bona fide products and services, many such calls are frauds. Consumers lose billions of dollars a year to telemarketing fraud.

The heart of the telemarketing operation is usually a "boiler room", a rented space with desks, telephones, and experienced, slick talking sales people who talk with hundreds of people across the country every day.

## COLD CALLS

You may get a call from a stranger who got your number from a telephone directory, mailing list, or "sucker list". The latter refers to lists of consumers that have been victimized in the past by telemarketers and their schemes. "Sucker Lists" are bought and sold by unscrupulous promoters. They are invaluable to scam artists who know that consumers, who have been deceived once, are vulnerable to additional scams.

## DIRECT MAIL

You may get a letter, or postcard saying you've won a prize or a contest. This often is a front for a scam. If you respond, you will be called by a salesperson that may use high pressure sales pitches and make false promises and exaggerated claims for you to send them money.

## HOW YOU CAN AVOID BEING A VICTIM

- Use the National Do Not Call Registry which gives you a choice about whether to receive telemarketing calls at home. Call 1-888-382-1222 or go to [www.donotcall.gov](http://www.donotcall.gov)
- Resist high-pressure sales tactics. Legitimate businesses respect the fact that you're not interested.
- Take your time. Ask for written information about the product, service, investment opportunity or charity. Get the address and phone number of the company the caller represents.
- Before you respond, talk to a friend, family member or financial advisor.
- Check out testimonials to make certain they are genuine, not statements that paid endorsements.
- Don't send money – cash, check or money order by courier, overnight delivery or wire to anyone who insists on immediate payment.
- Keep information about your bank accounts and credit cards to yourself, unless you know with whom you are dealing.

Before you pay, check with the Ohio Attorney General at (800) 282-0515 to see if the company is legally registered and allowed to conduct telemarketing business in Ohio.

## THE TELEMARKETING SALES RULE

The Federal Trade Commission (FTC) Telemarketing Sales Rule (TSR) gives you the power to stop unwanted telemarketing calls and gives state law enforcement officers the authority to prosecute fraudulent telemarketers who operate across state

The rule covers most types of telemarketing calls to consumers, including calls to pitch goods, services, "sweepstakes," and prize promotion and investment opportunities. It also applies to calls consumers make in response to postcards or other materials received in the mail.

Keep this information near your telephone. It can help you determine if you're talking with a legitimate telemarketer or a scam artist.

- It's illegal for a telemarketer to call you if you've asked not to be called. If they call back, hang up and report them to your state Attorney General.
- Calling times are restricted to the hours between 8 a.m. and 9 p.m.
- Telemarketers must tell you it's a sales call and who's doing the selling BEFORE they make their pitch. If it's a prize promotion, they must tell you that no purchase or payment is necessary to enter or win. If you're asked to pay for a prize, hang up. Free is free.
- It's illegal for telemarketers to misrepresent any information, including facts, about their goods or services, earnings potential, profitability, risk or liquidity of an investment, or nature of a prize in a prize-promotion scheme.
- Telemarketers must tell you the total cost of the products or services offered and any restrictions on getting or using them or that a sale is final or non-refundable, before you pay. In a prize promotion, they must tell you the odds of winning, that no purchase or payment is necessary to win, and any restrictions or conditions of receiving the prize.