

## Telephone Scams

### Helping you avoid problems in the marketplace



#### The Scenario (1-900 Telephone Scams):

*Beep, beep, beep!*

*The pager alerted the man to call an odd looking number beginning with 1-900. He answered, then sat through a long information message about health. Before he spoke with a live person, the line was automatically disconnected. Shaking his head, he hung up.*

*A few weeks later he received a telephone bill for \$35 with the 1-900 telephone number he had dialed earlier in the month indicated beside the amount. What now?*

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*The newspaper ad said to dial the 1-900 number splashed across the page in bright red print to win a trip to Mexico. "All you have to do is call!" -- It sounded simple enough.*

*The consumer decided to take the plunge. After all, what did he have to lose?*

*He dialed the number and waited patiently for the lengthy information message to end. But before he could speak with someone, the line was automatically disconnected after the message. He hung up.*

*One month later:*

*As the man opened his mail, his telephone bill showed a \$50 charge for the 1-900 call he had placed last month. Not only was he out fifty bucks, he didn't even win the prize!*

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#### Any time you call a "900" number:

- You are paying for the call often at a minimum charge of about \$35.
- Area codes 1-900, 1-976 and 1-809 have a similar minimum charge.
- The promoter gets a portion of the money from each incoming call.
- Pay-per-charge numbers are used by legitimate businesses to charge their customers for information services, however, such businesses advise of the fee up front.
- The names and telephone numbers of people who've lost money are often sold from one scam artist to another.
- If you are concerned, you may order a **call-blocking service** from your telephone company

that restricts your phone from making certain types of calls.

- Do not confuse 1-900 numbers with **toll free numbers**, which allow consumers to contact government and business services without paying a long-distance charge. Toll free numbers begin with area codes 1-800, 1-888 and 1-877.

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### The Scenario (Charity Telephone Scams):

*Ring, ring!*

*The Voice: This is the charity calling from your local police station. Last year, you gave generously and we'd like to ask you do the same again, please.*

*Man: Well, seeing as how it is the holiday season...*

*The Voice: That's right. Think of all of the people who will benefit from your generosity.*

*Man: All right. Who should I make the cheque out to?*

*The Voice: Just tell me your address and I'll come pick it up myself. You can even give cash if it's preferable.*

*Man: Um, okay. When will you come by?*

*The Voice: I'll be right over, dear. And thank you for contributing to our fundraising efforts.  
May the Lord be with you this Christmas.*

### The Solution:

Avoid getting scammed by following these tips:

- If you want to donate to a worthwhile charity, give to one you know or find out about it before you part with your money.
- Do not pay in cash.
- Ask for a copy of the charity's annual report and some information in writing before making a donation.

Be wary of any situation that involves the use of high-pressure tactics.

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## **The Scenario (Investment Telephone Scams):**

*Ring, ring!*

*The Voice: This is The Investment Firm calling. Are you interested in the commodities market, ma'am?*

*Woman: I dabble in it occasionally, yes.*

*The Voice: Well, do I have an exciting offer for you! The sprouts market is booming right now. And for only \$100 you can cash in on the investment of the moment.*

*Woman: Really?*

*The Voice: Only a \$100 initial investment can bring you hundreds of dollars, ma'am. But I need you to act now because timing is everything.*

*Woman: All right then, I will.*

*The Voice: Great! All I need is your credit card number and we're all set. [Warning bells ringing.]*

*Should the woman proceed or is she taking a risk of being scammed?*

## **The Solution:**

If a telephone promoter promises to make you rich, claims you're the "big winner" of a fabulous prize, or says they need your financial help, check the story carefully before you act. The Ministry of Consumer and Business Services advises you to protect yourself against phoney telephone promoters:

- If you get a telephone call from anyone who says you'll win or receive something (i.e. money, a free vacation or a prize) hang up.
- Don't be embarrassed. Come forward and help police capture the scam artist(s) to prevent others from being scammed.
- Usually investment scam artists will try to convince you to invest in several progressively larger "deals" before returning to tell you that all of your money was "lost."
- Be wary of a situation that involves a company promising you a valuable prize in return for a minor purchase.
- Try not to buckle under their high-pressure tactics to make a quick sale;
- Do not give your credit card number over the telephone to a stranger claiming to need it to cover "expenses" for a prize.

**Consumers who have been the victims of telephone or mail scams can call PhoneBusters, toll free at 1-888-495-8501.**

