You get a call in the evening. The person on the phone is very friendly and wants to offer you a way to lower the rate on your credit cards. How do you know if the call is legitimate? While there are many trustworthy companies that use the telephone for marketing, it's sometimes hard to tell the difference between reputable telemarketers and the con artists who use the phone to take your hard earned money. Telemarketing scams target as many as 17.6 million Americans annually and as much as $40 billion dollars a year are lost to phone scams. You can protect yourself by learning how to recognize the danger signs of telemarketing scams.

Most telemarketing calls are subject to local and federal laws that require telemarketers to promptly identify themselves at the beginning of the call. Telemarketers are also prohibited from calling you before 8 a.m. or after 9 p.m. Telemarketers must also disclose that the purpose of the call is to sell a good or service and they must inform consumers of their cancellation and refund policies.

What are some of the warning signs of telemarketing scams?

You get a call from a person who claims to be calling from your bank or credit card company stating that your account has been compromised and that they need to confirm your identity and financial information to protect you.

You get a call from a stranger asking you to “help” a person that is located in another country transfer money out of their homeland (examples of some of the typical countries used are Nigeria, Sierra Leone or Iraq). These requests tend to include long and often sad stories explaining why the money cannot be transferred by the rightful owner and include a reward if you deposit a large check in your bank account.

You get a call informing you that you have won a free gift, vacation, or prize, but you have to pay a fee or come to a local office and attend a presentation in order to claim your winnings. A legitimate prize promotion does not require any purchase or payment of money for a consumer to participate or win.

The caller leaves a message that is “urgent” and that you must return the call right away because it is a limited time offer.

You are told not to take time to think about the offer because it is “risk-free” or “guaranteed.”

You are unfamiliar with either the company or the service that is being offered.

To purchase the service offered, you must pay a large up-front fee. Many services, such as credit repair, debt consolidation and relief services, and credit offers, bar the collection of fees until the services have been performed.
How do I avoid being scammed by a telemarketer?

- Don’t be afraid to hang up if you feel pressured, the telemarketer is not answering your questions, or even if you do not get a “good feeling” from the telemarketer.
- Do not give your checking account number or other personal account numbers over the phone. Your bank, credit card company or broker will not call you to ask for your account number. Typically, they will only ask for such identifying information when you call them.
- Never give a telemarketer personal information about yourself, including your social security number.
- Avoid making purchases over the phone that require payment up-front via money order, wire transfer, international funds transfer, pre-loaded card or electronic currency. These forms of payment are virtually impossible to trace and very difficult to recover.
- Avoid high-pressure offers that require you to act immediately. Legitimate merchants will give you time to consider their offers.
- Avoid returning calls to unknown area codes. Calling back an unknown area code can be expensive because the merchant may be located in Canada or the Caribbean. A call lasting just a few minutes could cost you $20 or more.
- Never pay money up front to receive a prize, credit offer, or for debt relief services.

How do I stop unwanted telemarketing calls?

Register on the “Do Not Call” List. If you want to stop unwanted telemarketing calls, you can add your phone number to the national “Do Not Call” Registry by either calling 888-382-1222 or visiting www.donotcall.gov to register your phone number; include both your home and mobile phone. You should also ask callers to put your phone number on their own internal do not call lists.

Do not answer anonymous calls. Many phones come with caller ID features. Telephone service providers also offer this service. If you do not recognize the caller, do not answer the phone. Often telemarketers will keep calling a phone number if they know a live person will pick up the phone.

Use a Blocking Service. There are call blocking programs (“apps”) and services offered by telephone service providers (smart phones tend to have these apps as well) that may be used to block unwanted calls. These programs or services can block certain types of calls such as anonymous calls or specific phone numbers.

Do not share your phone number. Each time you share your number with a business, or provide it in connection with a prize offer, this increases the likelihood that either the recipient will call you or will sell your number to another telemarketer. This is because businesses or other organizations that collect consumer information can sell consumer lists without your permission to other businesses, including telemarketers.

What should I do if I’m the victim of a telemarketing scam?

You can file a complaint with the District of Columbia Attorney General’s Office of Consumer Protection by calling (202) 442-9828, email (consumer.protection@dc.gov), or by writing to the Office of Consumer Protection at the Office of the Attorney General.

You may also file a complaint with the Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, D.C. 20580; (877) 832-4357; www.ftc.gov.