

# **PROTECT YOURSELF**

## **A CONSUMER PROTECTION PAMPHLET**



## Money Transfer Scams

*Many scammers ask consumers to send money by wire transfer through companies like Western Union and MoneyGram. If you wire money and receive nothing, you may never be able to find the scammer or recover any of your money. Here's how you can protect yourself:*

- Never use money (wire) transfers to send money to people or companies you don't know.
- Don't trust a company that sends you a check – even a bank or cashier's check – and asks you to wire funds back after you deposit the check. Even if your bank accepts the check for deposit, it can still be a counterfeit check that never clears.
- Never purchase any online product if the only acceptable payment is a money transfer.
- Be wary of someone who calls or emails you claiming to be a relative in need of a money transfer, unless you are sure you know who it is.
- If renting an apartment, never wire money to pay for an application fee, security deposit, or first month's rent without visiting the apartment and talking to the landlord.
- Do not provide telemarketers with the routing and account numbers at the bottom of your checks. Those numbers may be used to withdraw money from your account.



If you've fallen victim to a money transfer scam, immediately contact the company through which you sent the money. Ask for the money transfer to be reversed. You can reach the complaint department of MoneyGram at 1-800-666-3947 or Western Union at 1-800-448-1492.

## Identity Theft

*If you find unexplained withdrawals from your bank account or receive bills or charges for services you never purchased, you may be a victim of identity theft. If you believe your identity has been stolen, you should immediately:*

- Place an Initial Fraud Alert. Visit: <http://www.consumer.ftc.gov/articles/0275-place-fraud-alert>, or contact the three national credit reporting agencies: Equifax (1-800-525-6285), Experian (1-888-397-3742), and TransUnion (1-800-680-7289).
- Order Your Credit Reports for Free. Visit: <https://www.annualcreditreport.com>, or contact the three national credit reporting agencies.  
Create an Identity Theft Report. Visit: <http://www.consumer.ftc.gov/articles/0277-create-identity-theft-report>, or call the Federal Trade Commission at 1-877-438-4338.

***Protect yourself from identity theft:***

- Keep personal records in a secure place and shred them once they are no longer needed.
- Before sharing personal information, ask why the information is needed and how it will be safeguarded.
- Do not leave mail in an unlocked mailbox for a long period of time. Have the Post Office temporarily hold your mail if you will be away from home for several days or more.
- Destroy labels on your prescription bottles before throwing them away.
- Keep your computer and mobile devices up to date with antivirus protection. Remove personal information from computers or mobile devices before throwing them away.
- If you receive an email requesting personal information – even one from a company you trust – do not click on links in the email. Instead, use your internet browser to find the company’s website.
- Immediately report lost or stolen ATM/bank/credit cards to the card’s issuer.
- The IRS does not use phone calls, emails, texts, or social media to make initial contacts with taxpayers. If you receive suspicious emails appearing to be from the IRS, report them to [phishing@irs.gov](mailto:phishing@irs.gov) or 1-202-803-9000.



## Debt Collection

*If you owe money to a creditor, your account may be sold to a debt collector who will contact you seeking payment. Even if attempting to collect on a debt that you do owe, a debt collector may not:*

- Harass you with excessive phone calls, calls outside the hours of 8 a.m. to 9 p.m., obscene language, or threats of arrest.
- Reveal your identity to anyone other than the credit reporting agencies.
- Make false claims relating to their identity or the amount of debt that you owe.
- Collect any interest or fee not authorized by the contract creating the debt.



*As a consumer, you have the right to:*

- Make a written request for a validation of your debt.
  - Specify towards which debt your payment is being made, if you owe multiple debts.
  - Make a written request stating that you do not wish to be contacted. After such a request, the collector may not contact you except to let you know that the collector or the creditor intend to take a specific action, like filing a lawsuit.
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- If you are sued for a debt, be sure to respond by the date specified in the court papers.

## Home Improvement Abuse

*Remodeling or performing construction on your home may require a contractor.*

- Research contractors before hiring them. Find out whether a contractor's license is valid and up to date. For a list of professional remodelers, contact your local National Association of Home Builders (NAHB) office at 202-266-8546, or visit: [http://www.nahb.org/reference\\_list.aspx?sectionID=716](http://www.nahb.org/reference_list.aspx?sectionID=716).
  - Request written estimates from several contractors.
  - Request a copy of the contractor's personal liability, worker's compensation, and property damage coverage insurance.
  - Obtain a written contract covering your project; make sure the contract states that it is the contractor's obligation to get all necessary permits.
  - Keep a record of all meetings, phone conversations, and payments.
  - Do not obtain a home equity loan from your contractor unless you have shopped around for a loan first and compared rates and terms. For a list of approved lenders in your area visit <http://www.hud.gov/ll/code/llslcrit.cfm> or call 1-800-877-8339.
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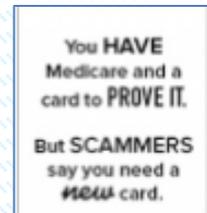
- Be wary of a contractor who claims to have “left-over material from another job or who “just happens to be in the neighborhood.”
- Do not hire a contractor who only accepts cash.
- Make sure a home improvement contract allows you to withhold the final payment until the work is completed and passes any required inspection.

## Buying a Home

- Consider working with a reputable buyer’s broker who will represent your interests, rather than the seller’s interests.
  - ***Have the Home Inspected:*** Do not sign a sales contract unless it states that the sale is contingent on a completed inspection. Use a licensed home inspector to inspect the home.
  - ***If the Home Was Recently Renovated:*** Check with the D.C. Department of Consumer and Regulatory Affairs (DCRA) to make sure all renovations were performed with permits and by licensed professionals. For a list of DCRA-certified third party inspectors, visit DCRA’s website.
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## Health Care Fraud

- ***Health Insurance vs. Medical Discount Plans:*** Health insurance pays for medical bills resulting from a wide range of health care needs, while medical discount plans offer discounts when you purchase specific services and products from participating providers. Watch out for medical discount plans that offer little, if any, real savings.
- ***Medicare Part D:*** Do not purchase Medicare Part D prescription drug coverage in response to telemarketing calls, emails or texts, door-to-door solicitations, or other face-to-face contacts, unless you have contacted the seller first.
- ***Avoid Being a Victim of Health Care Scams:*** The government will not call you to sign you up for health insurance or to verify your Social Security number or bank account information. Do not provide your personal information to people who call offering to help you get health insurance.
- ***Generic Drugs:*** To learn more about generic drugs and whether they are the right substitute for your prescription drugs, talk to your doctor.
- ***Alternative Medicine:*** A product advertised to be “natural” is not necessarily safe or effective. Talk to your doctor to learn more about an advertised product or treatment.



## Charity Scams

*There are many fraudsters who solicit “charitable” donations and use the money primarily to enrich themselves. Avoid charitable solicitations that:*

- Refuse to provide detailed information about their identity, mission, and costs; how a donation will be used; and whether a contribution is tax deductible. Visit the Internal Revenue Service (IRS) website to find out if an organization is eligible to receive tax deductible contributions. <http://apps.irs.gov/app/eos/>
- Use a name that is very similar to that of a better-known, reputable organization.
- Use high-pressure tactics to try to get you to donate immediately.

### *Ways to protect yourself:*

- Ask for details about the charity, including its exact name, address, and phone number.
  - Research the charity online. Contact the Better Business Bureau’s Wise Giving Alliance. <http://www.bbb.org/charity/>.
  - Do not provide a charity or solicitor with your personal financial information.
  - Keep a record of all your donations.
  - Avoid sending cash or wiring money. It’s safer to pay by check or credit card.
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## Sweepstakes/Prize Scams

*Receive mail claiming you've won \$5000, a luxury vacation or more? More than likely, if there's actually a prize, it isn't worth much at all. Legitimate sweepstakes are free. That means no "taxes," "shipping and handling charges," or "processing fees." It's illegal to require you to pay or buy something to enter a sweepstakes or increase your odds of winning. Furthermore, promoters cannot claim you are a winner unless you've actually won a prize.*

A "sweepstakes" may be a scam if:

- You have to pay to enter, or you have to send money or buy something before your prize can be released.
  - The company's name sounds like a government agency, such as the fictitious "National Sweepstakes Bureau." No federal or D.C. government agency will contact you asking you to pay money so you can receive a prize.
  - Your "prize notice" was mailed by bulk rate.
  - To win, you are required to attend a sales meeting and receive a high-pressure sales pitch.
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## Investment Scams

*If a deal sounds too good to be true, it probably is. An investment opportunity cannot offer both low risk and a high rate of return. Here are some tips:*

- ***Independently verify any claims:*** It is easy for a company or its promoters to make exaggerated claims about the company's future. Consult independent sources.
  - ***Research before investing:*** Offers to sell securities must either be registered with the SEC or qualify for an exemption. To see whether an investment is registered, check the SEC's database:  
<http://www.sec.gov/edgar/searchedgar/companysearch.html>
  - ***Be skeptical of references:*** Fraudsters often use false references to reassure people that the claims made for an investment are true. Do your own research rather than relying on references provided by the seller of an investment.
  - ***Beware of high-pressure pitches:*** Don't believe that you are being offered a "once-in-a-lifetime" opportunity.
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## General Resources

To make a consumer complaint, you may contact:

### **Federal Trade Commission**

(202) 326-2222

<https://www.ftccomplaintassistant.gov>

### **Consumer Financial Protection Board**

(855) 411-2372

<http://www.consumerfinance.gov/complaint>

### **Office of the Attorney General for the District of Columbia**

(202) 442-9828

[consumerprotection@dc.gov](mailto:consumerprotection@dc.gov)

<http://oag.dc.gov/>

For a list of issue-specific agencies to contact, visit the Office of the Attorney General's website at:

<http://oag.dc.gov/page/consumer-help-agencies-orgs>

