

LITTLE WHITE POSTCARD LEADS TO LOTS OF TROUBLE

A Clinton woman told me about the problems she set off when she decided to respond to an offer she received on a postcard received in the mail. Her story gives us several things to consider when evaluating “free” offers. This woman did not want to be named, so I will use a pseudonym, calling her Dora.

Dora received a standard size postcard in late July. I’ve seen many of these in the past – likely many readers received the same thing at some point. This postcard was printed on white heavy paper stock, and displayed a printed message in black print. The message informed Dora a company named Great Rewards made attempts to contact her to notify her of \$100 in store rewards at Target or Walmart, which they held for her. She needed to call an 800 number to claim the award.

Dora called the number and spoke to a representative. This representative repeated the message about Dora getting this award. But she needed to pay a fee of \$3.95 for shipping and handling in mailing the award to her. She offered her credit card number to the representative, who recorded it, but then told her the card number “didn’t work”. The representative asked if Dora used a bankcard. Well, she did. She gave him the bankcard number, which allowed access to her checking account. The conversation continued. Dora estimated she talked for about twenty minutes. The representative kept telling her she did not understand her, and asked her to repeat herself often. The representative asked her to repeat her answers, “after you hear the beep”. Eventually the call ended, and almost as soon as it did, Dora regretted ever calling.

Her fears turned out to be well-founded. Within days, she found out her credit card worked fine – this company charged it immediately. And she found out from her bank they debited her account five times within a week, for amounts ranging from \$3.95 to \$39.95. She received a letter from Great Rewards notifying her they planned to debit her checking monthly for \$39.95, but they gave her seven days to cancel. But the letter did not arrive until the seven day time period passed.

Wow. That’s a lot of bad stuff. Let’s unpack this and take a closer look. Why did the call-taker say the credit card didn’t work? Because it is much easier for a consumer to dispute a credit card transaction when they realize it is a

fraud than it is to get your money back from a withdrawal from your checking account. In Dora's case, her bank told her she may not get all her loss refunded, because she used her checkcard number.

Did Dora ever receive her \$100 store reward? No. Neither Target nor Walmart participate in such offers.

One of the most troubling things I heard from Dora was the way she described how the call-taker asked her repeat herself. Dora now realizes the call-taker recorded portions of the conversation. Why do that? This company is creating a recording of Dora agreeing to who knows what. They recorded selected portions of her side of the phone call, and can later manipulate and splice this recording to show she agreed to each and every withdrawal from her checking account. If Dora, or anyone else, wanted to dispute this matter, the company likely plans to use this doctored recording to support its position. This tactic likely would not work in a courtroom or with law enforcement, but might work if a bank or credit card company disputed these transactions.

This recording business illustrates why I tell people to just hang up on telemarketers or scammers, instead of engaging with them on the phone. Folks tell me all the time, "I just played along with them, to see what they were up to", or, "it's entertainment for me to lead them along." Well, this can be dangerous and counter-productive, just for the reason you don't know what portions of the conversation are recorded. And if you "play along", you will get more calls. These callers consider you a live target.

So there are some lessons to learn from Dora's misfortune. Ignore those little white postcards. Prizes or awards are free, never pay for a promise. Keep your credit card and bank account numbers to yourself; don't give them to a stranger calling you. It is always preferable to use a credit card over a bankcard when making a phone or internet purchase. If you suspect someone is selectively recording you, hang up immediately. No good can come from that.

OTHER SCAM NEWS

On June 16, a federal judge ordered two Georgia-based companies controlled by the same man, to stop using deception and false threats to

collect phantom debts. These companies, Williams, Scott and Associates, and WSA, obtained contact information on people who made online inquiries about payday loans. Callers from these companies then called those folks, and pretended to work for state or federal law enforcement, threatening arrest, lawsuit, revocation of driver's license and more. The Federal Trade Commission previously filed suit against these companies, freezing their assets, because of this fraud.

These kinds of tactics are exactly the kind I hear often from people who contact me, some in a panic state, after getting phone calls demanding immediate re-payment for payday loans. I wrote on this before, but it bears repeating – debt collectors claiming to collect on payday loans are almost always involved in a scam. Don't believe these calls! If you have any doubts, contact me and we will talk about it.

You can reach me at Seniors vs. Crime, 563-242-9211 ext. 4433, or by email at randymeier@gmail.com. Contact me with your reports of scams, frauds, other misrepresentations. Most of what I learn, I learn from readers.

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