

## HOW TO PREVENT MAIL ORDER FRAUD -- PART 2

Nobody would fall for fraud if it looked like fraud, right? So most of the time it looks like something else -- a good deal, a business opportunity, a gift, or a chance to make a quick buck.

Here are some ways to help you spot some of these "sugar coated" rip-offs."

### Work-at-Home Schemes

Envelope stuffing is the most common kind of work-at-home fraud. There is nothing to stuff. Instead, you receive instructions to place ads like the one you responded to. You get free postage and envelopes from SASEs (self-addressed stamped envelopes) a few people may send you in response to your advertising -- which you paid up front to place in a publication.

Other schemes require you to make baby booties, Christmas wreaths or other specialty products for which there is little or no market.

Work-at-home schemes will NOT guarantee regular salaried employment. They will require you to invest your money before explaining how a plan really works or before you are sent instructions.

### Charity Fraud

Charity fraud does a lot of harm. The swindler takes advantage of people's good will and takes the cash from people who are really in need.

Therefore, only give to charities you know. Be suspicious of charities that only accept cash. Always make out your check or money order to the organization -- not to an individual.

And if you want to check one out, call your local *Better Business Bureau* or their *National Charity Information Service* at 703-276-0100.

### Land Fraud

People are always interested in finding a good deal on land -- especially when they can make low monthly payments and own it when they retire. But when you discover the land is in the middle of nowhere and can't be resold for even a fraction of the price paid, your life-long dream is not only destroyed, but your family's future may be adversely affected forever.

The best advice you can take for putting a stop to this crime is to never buy land by mail without first visiting the property. Also, get verbal promises and guarantees in writing. Obtain a property report from the salesperson or developer. And, locate a local real estate broker and compare land prices.

To register a complaint or to determine whether there are any complaints on file against a firm, contact: *Department of Housing and Urban Development, Office of Interstate Land Registration, 451 7th Street S.W., Room 6278, Washington, DC 20410-8000.*

Remember -- you have the right to cancel your sales agreement within seven days if you have already seen the property report. You also have the right to cancel the agreement within two years if you have not seen the property report before signing the agreement. Any case of fraud enables you to take legal action to get your investment back.

## Lottery Fraud

Federal law makes it a crime to mail letters or circulars containing lottery material -- including tickets or forms claiming to represent tickets, chances, shares or interests in lotteries. The only exception to this rule is that state-owned and operated lotteries may mail to addresses within their own states when authorized by law.

Three elements that make a lottery illegal are: (1) a payment is required; (2) a prize is offered; (3) a return on investment depends on chance.

## Chain Letter Fraud

People lose hundreds of dollars every year through these schemes. The promise that all participants in a chain letter will be winners is mathematically impossible. The first investor in the chain may receive some money, but later participants rarely even get their original investments back.

A typical scheme may require you to mail the chain letter, along with a certain amount of money, to five or six people. Each of these people must then mail letters to five or six more people, and so on. But look at the chart below and you can see that more participants are required than there are people on the entire planet Earth!

	<b>Number of Mailings</b>	<b>Number of Participants</b>
1.....		6
2.....		36
3.....		216
4.....		1,296
5.....		7,776
6.....		46,656
7.....		279,936
8.....		1,679,616
9.....		10,077,696
10.....		60,466,176
11.....		362,797,056
12.....		2,176,782,336
13.....		13,060,694,016
	United States Population:	Almost 300 million
	World Population:	Over 4 billion

Do not confuse regular or multi-level with prayer chain letters that promise good fortune but require no investment. These are not illegal -- just a nuisance. And don't be intimidated by implied threats of bad luck, personal injury or disaster to anyone who breaks the chain. Throw them away!

## **Unsolicited Merchandise**

Suppose you get your mail and there is a free issue of a national magazine in your mailbox. A week later you receive a bill for a year's subscription. What do you do? If you're the kind of person the con artist company is looking for, you will feel guilty and pay the invoice -- but you don't have to.

If you have not opened the package, simply mark it "*Return to Sender*" and the postal service will send it back free of charge. If you opened the package and don't like what you find, throw it away. Even if you open the package and like what you find, keep it FREE. This is a rare instance when "finders-keepers" applies unconditionally.

Whatever you do, don't pay for it and don't get conned if the sender follows up with a phone call or visit. By law, unsolicited merchandise is yours to keep free of charge.

## **Sexually-Oriented Ads**

Are you tired of having your mailbox used by smut peddlers? Then simply ask the window clerk at your post office for the **SOA Consumer Protection Packet**.

The first form authorizes the Postal Service to issue an order prohibiting a specific mailer from sending you ads that you think are erotically arousing or sexually provocative.

The second form authorizes the Postal Service to add your name to a list of people who do not want to receive sexually explicit ads from any mailer.

## **Phony Job Opportunities**

We've all seen the ads in the local newspaper offering non-existent employment or false employment information. A fee is always required. These offers misrepresent the number of jobs actually available and their salaries.

Some things to look for that indicate fraudulent employment are: (1) guarantee placement on a job; (2) claim that no experience or skills are needed to qualify; (3) offer a too-good-to-be-true salary; (4) offer overseas employment.

Don't waste your time. Follow your gut instinct when reading ads. It's sad -- but not everything in print is the truth.

## **Want More Information?**

To obtain free information, call the National Fraud Information Hotline at 800-876-7060 or write: *Federal Trade Commission, Bureau of Consumer Protection, 6th and Pennsylvania Avenue N.W., Washington DC 20580.*

To receive information about consumer alerts on a variety of topics, write: *U.S. Office of Consumer Affairs, 1620 "L" Street N.W., Room 700, Washington DC 20036.*

For a free 97-page Consumer Resource Handbook, write: *Handbook, Consumer Information Center, Pueblo, CO 81009-0001.*