



Scam Gram!

Keep the sharks at bay

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SCAM GRAM is Consumer Action's monthly e-newsletter alerting you to the dirtiest players in the world of tech fraud, credit card scams, ID theft and general con-artistry. Don't be fooled by liars, cheats and crooks--wise up with SCAM GRAM!

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Debt relief scams don't pay

If it sounds too good to be true, it probably is. When the Federal Trade Commission (FTC) caught wind of [an operation](#) that promised consumers it would "settle all their debts and repair their credit," it decided to investigate. What it found was scammers working as a business called DebtPro 123. According to the FTC, after contacting distressed consumers and assuring them that all would be well with their debts, DebtPro then "told the consumers to stop paying and communicating with creditors, which led to more debt and worse credit because of accrued interest, late charges, creditor lawsuits, garnished wages, and sometimes bankruptcy." Yikes! It turns out that DebtPro caused a whopping \$7.9 million in financial harm--the same fine that the FTC has since proposed in a ruling against the organization's ringleader. The moral of the story: Crime doesn't pay (and if you're looking to manage your debt, avoid shady organizations with names like DebtPro 123 and speak with a [reputable credit counselor](#) instead).

Getting out of jury duty

"This is the sheriff's office. You failed to appear for jury duty. A warrant will be issued for your arrest unless you pay the following fine..." If you pick up the phone to this shocking news, don't buy it (and don't pay). Jury duty scams are heating up across the country (one unfortunate [North Carolina woman](#) was even duped out of \$1,000), with callers typically threatening would-be jurors with jail time if they don't pay up via prepaid card or debit card. Sometimes the threat arrives through email as well. Real court officials [would never ask](#) for your financial information, so if someone claiming to represent the court is demanding money and threatening you with jail, help put *them* in the hoosegow by alerting the cops and the local courthouse.

Volkswagen emissions fraud impacts 11 million!

Volkswagen's foul emissions have run afoul of regulators across the U.S. (and the entire world, really). As it turns out, the German auto manufacturer built 11 million cars with [not-so-clean diesel engines](#) designed to cheat emissions standards--

that's 11 million consumers impacted (about half a million of them in the U.S.)! If you're one of them, fear not: Volkswagen owners will likely receive some sort of redress, as [federal enforcers](#) are gearing up to slap the company with all sorts of penalties. What's more, Volkswagen itself has already announced that it has set aside over \$7 billion to address the problem and appears to be planning on recalling and fixing millions of cars in the coming months. Meanwhile, many consumers are joining one of the hundreds of class action lawsuits created in the wake of what is turning out to be one of the biggest auto fraud cases the world has ever seen.

A chip off the old card

The deadline for retailers to install payment systems that accept chip cards occurred earlier this month (although, it should be noted, many have failed to meet said deadline). While consumers can benefit by using the more secure cards ([click here](#) to learn about their features), crooks have also positioned themselves to benefit from the transition. As [USA Today](#) writes: "Ingenious scam artists, the only criminals we refer to as artists, are taking advantage of the situation by contacting people by email posing as their credit card company informing them that in order to issue a new EMV chip card, they need them to either update their account by confirming some personal information or click on a link to continue the process." You can guess what happens next (identity theft, malware, yada, yada, yada...). So while the new cards are more secure, remember to remain vigilant, as crooks can still pose as chip card distributors (and they can also continue to do things the old-fashioned way, i.e., stealing your card or writing down your account number to make online purchases).

All the resources!

Con this be true? Conventions (cons) aren't just for comic nerds and gamer geeks--it turns out the FTC is hosting a free and open-to-the-public "[privacy con](#)" in Washington, DC this January! Maybe we'll see you there?

A call from the prez. According to President Obama, October is National Cyber Security Awareness Month. The Department of Homeland Security is celebrating with [lots of tips](#) to help you navigate our digital world.

Hey, fella, need a job? Refugees and immigrants to the U.S. have a lot to deal with, including scammers who prey on vulnerable people. Fortunately, the FTC just [created a guide](#) for recent arrivals (and those who work with them) addressing everything from fake job offers to government imposters. [Click here](#) for resources in Spanish (and five other languages).

Tips to keep you safe

Be wary in the wake of the **Experian/T-Mobile hack**. Advocacy groups (like Consumer Action) are encouraging the companies to offer free security freezes to all affected customers, while others [are suggesting](#) that customers call one of the three major credit bureaus and immediately put fraud alerts on their credit reports (the one you call will notify the other two). Either way, it's important that you remain vigilant for [things like phishing email scams](#) that ask for information such

as bank account or Social Security numbers.

Investments can be risky, particularly when you're investing in **digital currency**. Bitcoin's founder just [pled guilty](#) to a Ponzi scheme that cost depositors around \$150 million. Meanwhile, the founder of a similar currency called Gemcoin (which claimed to be an improvement on Bitcoin) is [under investigation](#) for engaging in a fraudulent pyramid scheme.

You're not going to like this **Facebook "dislike" button** scam, so avoid clicking on any links on the social media site that [make it sound](#) like you have to jump through hoops to download or otherwise use the feature (which Facebook still has not fully committed to creating, to the dismay of many).

Does it get any worse than preying on Californians who have evacuated their homes due to the **recent wildfires**? Consumer Action's Joe Ridout [has some advice](#) for thwarting these low-life scammers.

A few readers have written us this month reporting calls from someone asking for "taxes due on the amount" of scholarships they've received. While the "taxes due" are bogus, these **"scholarship scams"** are, sadly, [a real thing](#).

In news of the truly disturbing, **unlicensed "surgeons"** have been [performing hack jobs](#) on patients in order to financially benefit from medical fraud. Starting with contacting your state medical board, the *Washington Post* [offers suggestions](#) for making sure the person wielding the scalpel is the real deal.

Thanks for reading SCAM GRAM. (Use our ["Tell a Friend"](#) page to let your friends know they can sign up for their own copy.)

Consumer Action empowers low- and moderate-income and limited-English-speaking consumers nationwide to financially prosper through education and advocacy.

