



# DANA NESSEL

## ATTORNEY GENERAL



# Fighting Consumer Fraud

## **1. Wiring money is like sending cash: the sender has no protections.**

Con artists often insist that people wire money because it is nearly impossible to trace.

Don't wire money to strangers, to sellers who insist on wire transfers, or to someone who claims to be a friend or relative in an emergency (but wants to keep it a secret).

## **2. Don't agree to deposit a check from someone you don't know and then wire money back, no matter how convincing the story.**

By law, banks must make funds from deposited checks available within days, but discovering that the check is a fake can take weeks.

You "deposit" the check and then wire money on the strength of that deposit. You are responsible for the checks you deposit.

When a check turns out to be a fake, you are responsible for paying back the bank.

## **3. Don't pay an advance fee to a mortgage foreclosure rescue or loan modification company.**

Companies may not collect fees until the homeowner has:

- A written offer from his or her lender or servicer that the consumer decides is acceptable; and
- Written document from the lender or servicer describing the key changes to the mortgage that would result if the homeowner accepts the offer.

These companies also must remind consumers of their right to reject the offer without any charge.

## **4. Never provide personal information to anyone that calls or emails you out of the blue.**

Don't click on links in an email or call phone numbers that are left on your answering machine.

The crooks behind these messages are trying to trick you into giving up your personal information.

If you are concerned about your credit or debit card account status, call the number on your card - or your statement - and check it out.

## **5. Don't play a foreign lottery.**

It is illegal to play a foreign lottery in the U.S. You cannot win, no matter what they say. Although it is easy to be tempted by enticing odds and claims that you've already won, inevitably you will be asked to pay "taxes," "fees," or "customs duties" to collect your prize. If you send any money, you will not get it back.

## **6. Don't send money to someone you don't know.**

That warning applies to an online merchant you've never heard of - or an online love interest who asks for money or favors.

It is best to do business with sites you know and trust. If you buy items through an online auction, consider a payment option that provides protection, like a credit card.

## 7. Avoid debt elimination schemes.

When you sign on with a debt elimination company, you share enough personal information to easily fall victim to identity theft.

Most debt relief companies may not charge a fee until:

- They've successfully settled or changed the terms of at least one of your debts;
- There is a settlement agreement, debt management plan, or other plan that you've agreed to; and
- You've made at least one payment to the creditor as a result of the agreement negotiated by the debt relief provider.

Before agreeing to work with a company, conduct research and contact the Better Business Bureau and the Department of Attorney General to check complaint history.

## 8. There's no such thing as a sure thing.

When you hear pitches that insist you act now, guarantees of big profits, promises of little or no financial risk, or demands that you send cash immediately, stay away and report it to the Department of Insurance & Financial Services (DIFS). For more information on investing visit DIFS' website ([mi.gov/difs](http://mi.gov/difs)) or call 877-999-6442.

## 9. Invest in registered securities only through registered professionals.

Individuals selling insurance, stocks, bonds, or mutual funds, must be registered. Check the credentials of any person or firm that you plan to invest with and check the investment by calling Department of Insurance & Financial Services (DIFS) toll free at 877-999-6442 and visit the Financial Industry Regulatory Authority website ([finra.org](http://finra.org)).

Avoid promoters who do not provide clear explanations of how an investment works, or who refuse to provide detailed information in writing.

Don't be pressured into quick decisions. Check out the financial professional and the product.

## 10. During a crisis, give to established charities.

Pop-up charities probably do not have the infrastructure to get help to the affected areas or people, and they could be collecting the money to finance illegal activity.

Visit Michigan's Charitable Trust website ([mi.gov/agcharities](http://mi.gov/agcharities)) to learn more.

## VISIT ONGUARDONLINE

([onguardonline.gov](http://onguardonline.gov)) to learn how to avoid internet fraud, secure your computer, and protect your personal information.

## FILE A COMPLAINT

If you think you have been scammed or treated unfairly, use our online complaint form or write to the Consumer Protection Division to file a complaint against the business in question.

Our address and website are:

Michigan Attorney General  
Consumer Protection Division  
P.O. Box 30213  
Lansing, Michigan 48909  
Telephone: 877-765-8388 (toll free)  
[mi.gov/agcomplaints](http://mi.gov/agcomplaints)

If you have a complaint about a financial institution, insurance company, or investment advisor, you may file a complaint directly with the Department of Insurance and Financial Services (DIFS).

DIFS has several guides for filing complaints on their website ([mi.gov/difs](http://mi.gov/difs)). You may also call DIFS' toll-free consumer hotline, 877-999-6442.

Complaints filed with the Consumer Protection Division are also entered in the Federal Trade Commission's Consumer Sentinel Network, a secure online database used by hundreds of law enforcement agencies in the U.S. and abroad.

If your complaint deals with internet crime, consider also filing with the federal government's Internet Crime Complaint Center ([ic3.gov](http://ic3.gov)).



[mi.gov/ag](http://mi.gov/ag)