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Protecting Alaska's Future

FOR IMMEDIATE RELEASE: February 7, 2006

**Attorney General Joins the FTC to Remind Alaskans that February 6th
Marks National Consumer Protection Week**

(Anchorage) – This week marks National Consumer Protection Week (NCPW) and Alaska Attorney General David Márquez announced today that Alaska is joining in this effort by encouraging consumers to become more educated about consumer fraud.

“Some of the most frequently reported scams in Alaska include various forms of financial fraud and identity theft,” said Márquez. “Many financial fraud scams are variations on a theme. The two most important things I urge Alaskans to remember are this: never share personal information with strangers and avoid any offers you see for “free” money. The only “free” money is what the scammers may get from you.”

Here are a few scams to avoid:

Advance Fee Scams, part I: Sweepstakes and Lotteries. A consumer may be contacted by regular mail, e-mail, phone, or may see an advertisement in a newspaper, informing the consumer they won a lottery or sweepstakes, or that they qualify for a loan, and all the consumer needs to do to collect the funds is send a sum of money to pay for the taxes or processing fee. The consumer sends the money and never receives the funds. Or worse yet, after the consumer sends the money, the consumer is contacted again and is told that they need to send more money. This can be repeated many times. In the end, no matter how much money is sent, the consumer will never receive the promised funds because it is all a lie and a scam.

Advance Fee Scams, part II: Government grant scams. Some Alaska consumers report receiving phone calls, e-mails, or letters claiming they qualify for a government grant because they have paid taxes on time, or because they have paid bills on time (or some other bogus reason). The amount of the grant can range from \$1,000 to in excess of \$10,000. In order to claim your money, the scammers ask that you send them a "processing fee," "application fee," tax, or other fee to claim the money. Once you send the money, you will never hear from the scammer again, unless they want even more money from you. This is a scam. The government does not randomly select people to receive government grants who have paid taxes or bills. In some cases, the scammer will even send you a cashier's check, claiming this will cover the application fee, and ask you to deposit the check and wire transfer the money back to them. The check is fake, and once you wire transfer the money, you can never get it back.

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Counterfeit cashier's check. A consumer might receive a cashier's check as the result of some kind of transaction. It may be the sale of an item, as part of a lottery scam, as up-front payment for a service, part of the government grant described above, or other scam. The consumer is then asked to deposit the check and wire transfer the funds (or excess funds) back to the scammer. Of course, the cashier's check is counterfeit, and if the consumer wired money before the bank cleared the check, then the consumer is on the hook for the funds. These cashier's checks look very real, and even use the name and address of legitimate business and banks on them. But they are fake. Never assume the validity of a cashier's check until your bank has had plenty of time (usually several days) to verify its authenticity.

Phishing scams. A phishing scam occurs when you receive an e-mail or phone call telling you that an account you have (or even an account you never heard of) has some kind of problem that requires you to verify your personal information. None of these e-mails are legitimate. Your bank and other creditors know everything about you they need to know. If you have questions about your accounts, call the number on your bank or credit card statements (not the number on the phony e-mail!). Some of these e-mails look very authentic, and it is difficult to distinguish them from the real deal. But rest assured, your bank and other financial service providers never send out these kinds of requests, and you should never provide any personal information in response to these requests. Once you do, identity thieves can use the information to transact business in your name.

Here are some tips that will keep you out of trouble most of the time:

- Never use a wire transfer as a form of payment for any transaction. Sending money via a wire transfer is like sending cash. You cannot trace it, and cannot get a refund. The overwhelming majority of transactions that require wire transfers are scams.
- Be extremely cautious when dealing with sellers or buyers located in other countries. You will never locate a person in another country if you have a problem, and it is very difficult to prosecute scammers in foreign countries.
- You have not won the lottery. No one will ever give you a big chunk of cash for helping them transfer money to the U.S., and that cashier's check you got in the mail is a counterfeit.
- Never give personal information to anyone you do not know and trust, and never respond to an e-mail or phone call asking for this information. DO not respond to callers claiming to be government officials who need your information.
- You will never have to pay a penny to receive something you won. If you are asked to pay any kind of fee to receive a prize, it's a scam.
- If it's too good to be true, it is. Always. You are not the exception.

NCPW is sponsored by the Federal Trade Commission and the U.S. Postal Service. For information on consumer protection initiatives offered by these entities, visit www.ftc.gov. The State maintains a web site with valuable consumer information, and links to other resources that can help you avoid becoming a victim. Visit www.law.state.ak.us/consumer/ for more information.