

*PROTECT YOURSELF AGAINST
FRAUDS AND SCAMS!!*



*SOME TIPS FOR NEW JERSEY
CONSUMERS*

Don't let a scam artist take your hard-earned money! Whenever you enter into a significant financial transaction, remain attentive for the following signs of a scam:

“I don't accept anything but cash as payment.”

Almost all reputable merchants and service people accept payment by check or credit card. Cash transactions are much harder to document and trace.

“I need the money right away.”

Don't get rushed by tight deadlines. Scam artists frequently try to get their targets to make their decisions quickly before they've had a chance to think it over or consult someone.

“I need full payment for the home repair up front. It's just the way I do business.”

Standard practice in the home repair industry is to pay one-third when the contract is signed one-third when the work is begun and the final one-third when the job is satisfactorily completed. If you pay the entire bill up front, you risk not having the work done at all or not having it completed as you wish.

“My company doesn't know that I had these materials left over. So let's just keep this between us.”

Be wary of transactions that are done out side of normal commerce. A so-called “special deal” may end up being a very bad deal for you.

“I’ll take you down to your bank so you can get the money and I can get started right away.”

Scam artists want to get their hands on your money as quickly as possible. Don’t be rushed! You should expect to pay in the normal course of events for that kind of transaction.

“I know I haven’t completed the repair job yet, but it would help me a lot if you would pay me the rest of the bill now so I can get the materials that I need to finish the job.”

It is not your job to be a repairman’s bank or finance company. Remember the general rule: 1/3, 1/3 and 1/3.

“I found this bag of money and I’ll split it with you if you’ll just help me pay the taxes on it.”

This is the classic “pigeon drop” scam. Unfortunately, it’s still being done.

“Congratulations! You’ve won our grand prize. All you have to do is send us a check for the taxes and the shipment charges and we’ll send it right out to you.”

This is a variation of the pigeon drop. Beware! Remember, income taxes are generally collected by the IRS.

“I don’t use written contracts. We don’t really need one, do we? Because I’ve already explained the deal to you.”

You should receive a written contract for all substantial transactions. Once you’ve gotten one, read it carefully to make sure it includes everything that you expect to get.

“Thanks for the payment. I’ll be going now.”

You should get a receipt when you have made payment. It is vital in any transaction in which you pay cash and is good practice in any regard.

“I don’t have my name on my truck and I don’t have business cards or business stationery, but I do very good work.”

Maybe so, but maybe not. You should expect that people in business have the usual “dressings” for their business activities. If they do not, you should check with the Division of Banking, the Division of Consumer Affairs or the local Better Business Bureau regarding their licensing, reputation and complaint history.

“I am calling you at home so you can take advantage of this limited time offer on our great line of products.”

Many telemarketers are reputable business people, but some are not. Because of the nature of the business, the payment and the product have to be shipped between persons who do not have face to face contact. It can be difficult to consumers to evaluate the quality of the products that they are being offered, or the reputation of the seller. This calls for increased care by consumers when entering into this type of transaction.

“I know this deal sounds too good to be true....”

You know how this sentence ends, right?

WHERE TO FILE A COMPLAINT

Various types of financial services providers are regulated by different government agencies. To avoid delay in resolving your complaint, you should file it with the agency that regulates the financial services provider that gave rise to your complaint.

○ To file a complaint against a state-chartered bank, state-chartered savings bank, state-chartered savings and loan association, state-chartered credit union, or any licensed lender doing business in New Jersey, contact the NJ Department of Banking and Insurance at NJDOBI, Office of Consumer Finance, PO Box 040, 20 West State Street, Trenton, NJ 08625. (1-800-446-7467) You may download a complaint form from our web page at www.njdoabi.org

○ To file a complaint against a federally-chartered bank, contact the Office of the Comptroller of the Currency (OCC) at Customer Assistance Group, 1301 McKinney Street, Suite 3710, Houston, TX 77010. (1-800-613-6743)

○ To file a complaint against a federally-chartered savings bank or federally-chartered savings and loan association, contact the Office of Thrift Supervision (OTS) at 10 Exchange Place, 18th Floor, Jersey City, NJ 07032. (1-800-253-2181). OTS also jointly regulates with NJDOBI state-chartered S&L's.

○ The Federal Reserve Bank jointly regulates with NJDOBI state-chartered banks that are members of the Federal Reserve System. For State-chartered member banks in northern New Jersey, contact the Federal Reserve Bank of New York at 33 Liberty Street, NY, NY 10045 (212-720-5000). For state-chartered member banks in southern New Jersey, contact the Federal Reserve Bank of Philadelphia at 10 Independence Mall, Philadelphia, PA 19106-1574. (215-574-6116)

○ For institutions insured by the Federal Deposit Insurance Corporation (all state- and federally-chartered banks, savings banks, and savings and loan associations) contact the FDIC at 20 Exchange Place, NY, NY 10005. (800-334-9593). For institutions insured by the National Credit Union Administration (all state and federally-chartered credit unions) contact the NCUA at 1775 Duke Street, Alexandria, VA 22314. (703-518-6300)

○ To file a complaint involving a violation of the New Jersey Consumer Fraud Law, N.J.S.A. 56:8-1 et seq., contact the Division of Consumer Affairs within the NJ Department of Law and Public Safety, at Division of Consumer Affairs, 124 Halsey Street, Newark, NJ 07102. (800-242-5846)