

FRAUD ALERT

OIG Information Bulletin No. 2

PROTECT YOUR CHARGE ACCOUNTS!

The minds of criminals are constantly developing creative schemes to cheat the innocent of their hard-earned dollars. One newly emerging scheme involves telephone calls informing you that your charge account has been misused.

The scammer will call you and state that he/she is from the Security and Fraud Department at Visa, MasterCard or some other charge account entity. He/she will say that your account has been flagged for an unusual purchase pattern and that he or she is calling to verify a purchase.

The question may be something like this, "Did you purchase a bicycle for \$497.97 from ABC Telemarketing Co. located in Nevada?" If you respond by saying "No", the caller will tell you that, "We will issue a credit to your account. This is the company we have been watching." The caller will tell you that before your next statement, the credit will be sent to the address shown on your account. The caller will tell you your address and ask you if it is correct. You say, "Yes."

The caller will tell you that he or she will start a fraud investigation and if you have any questions, you may call the 800 number listed on your charge card and ask for the Security and Fraud Department. The caller will give you a number stating that it is the control number assigned to your case. The caller will ask you to look at the back of your charge card. He/she will tell you that there are seven numbers and will provide the first four numbers. At that point he/she will ask you to read the remaining three numbers for the purpose of verifying that the cardholder is in possession of the card. If you give the requested information, you are giving the scammer your charge card.

We suggest that you be especially alert before answering any questions involving your financial matters; don't allow yourself to be fooled.