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NORTH AMERICAN CONSUMER PROTECTION INVESTIGATORS

Ten Ways to Protect Yourself from Scams and Rip-Offs

According to a survey conducted in 2008 by the Consumer Federation of America, the National Association of Consumer Agency Administrators (NACAA), and the North American Consumer Protection Investigators, the top complaints that state and local consumer protection agencies receive concern everyday transactions: car sales and repairs, home improvement work, credit and loans, debt collection, retail sales, utility service, Internet sales, door-to-door and telemarketing sales, and apartment rentals.

In these tough economic times, it's more important than ever to protect yourself from scams and rip-offs and get the most for your money.

1. **Check the track record.** When you're considering making a purchase from an unfamiliar company, check its complaint records. Consult your state or local consumer agency, the Better Business Bureau, and online complaint forums.
2. **Do more than kick the tires.** Before you buy a used car, take it to a mechanic you trust to be thoroughly checked out. There are also services that can give you information on the history of the vehicle. Spending a little money upfront to check the car out can save you lots of money later.
3. **Hire licensed professionals.** If you're hiring professionals such as home improvement contractors, ask your state or local consumer protection agency whether they must be licensed or registered and how you can check to confirm that they are.
4. **Pay the safest way.** Pay with a credit card when you buy goods or services that will be delivered later so that you'll be able to exercise your right to dispute the charges if you don't get what you were promised.
5. **Don't pay in full upfront.** Pay only a small deposit, if requested, for home improvement or other services, never the full amount upfront.
6. **Recognize the danger signs of fraud.** Watch out for any request to wire money; scare tactics or pressure to act immediately; promises that you can borrow, win or make money easily as long as you pay a fee in advance; or any situation in which someone wants to give you a check or money order and asks you to send money somewhere in return.
7. **Get all promises in writing.** Verbal agreements are hard to prove. Carefully read contracts or finance agreements and make sure you understand them before you sign.
8. **Beware of bogus debt collectors that try to trick consumers into paying debts they don't owe.** Ask your state or local consumer protection agency how you can confirm whether the collection agency meets licensing or registration requirements in your state and what to do if you don't think the debit is valid.
9. **Watch out for foreclosure rescue and loan modification scams.** If your home is in danger of foreclosure and you can't work out a solution with the lender, contact your state or local housing finance agency, or call the HOPE NOW hotline, 1-888-995-4673. There is no fee for their assistance.
10. **Get financial advice from legitimate sources.** If you're having trouble paying your bills, consult your local nonprofit consumer credit counseling service. Check your local phone book or call the National Foundation for Credit Counseling, 1-800-388-2227.

If you have a complaint, your state or local consumer agency can provide advice and information about your legal rights and may be able to help you if your efforts to resolve the problem with the company don't succeed.