

9 Hidden Cell Phone Charges

If you own a cell phone and see new and unexplained charges on your bill each month, it may be due to premium text message services. People complain that they did not realize they were signing up for this service when they were signing up to play an online game or do an IQ test. In the end they were getting billed monthly and it is not through their cell phone service provider, but through a third-party company who may be hard to contact.

CONSUMER TIP: Premium subscription services require customers to confirm their subscription twice to insure they are aware of the cost per message, the frequency of messages, as well as the opt-out information. Read all the terms and conditions when signing up for a game and think twice if you have to give out your cell phone number. To file a complaint, consumers can contact the Commissioner for Complaints for Telecommunications Services (CCTS) at ccts-cprst.ca.

10 Mystery Shopping

Have you heard that you can get paid to shop as a mystery shopper or secret shopper? You believe that they will be paid to mystery shop a wire-transfer service. You are sent a cheque, told to deposit it, keep a small percentage of the money as your wage, wire the rest, and then complete the survey on the service you encounter. In the end, the address turns out to be bogus, the money wire-transferred to another unknown location and you are out the money transferred.

CONSUMER TIP: Be skeptical of mystery shopper ads in newspapers or on online job listings. In most cases these are bogus services requiring you to pay money upfront. Avoid companies that promise guaranteed jobs and that sell directories of companies that need mystery shoppers. If you are looking for mystery shopping work go to the Mystery Shopping Providers Association website at mysteryshop.org.



1 Credit Repair Schemes

The state of the economy has driven many people to look for fast, easy ways to fix or even erase damage to their credit history. People need to be very careful when searching for or using a credit repair agency and not buy into gimmicky advertising claims. In some cases consumers are being charged for work they could have done on their own, and in the worst case scenarios, consumers are unwittingly encouraged to engage in illegal activities.

CONSUMER TIP: Bogus credit repair companies will often charge large fees and only temporarily lower your credit rating. Remember, no one can legally remove accurate and timely negative information from a credit report. If a company suggests piggybacking on someone else's credit it can be construed as loan fraud. For credit help contact the Credit Counselling Society at nomoredebts.org.

2 Not So Free Trials

You may want to try out a new diet product, or an acne cream or tooth whitener, but be careful about signing up for 'free' trial offers. Many websites that offer a free trial for products do not disclose the billing terms and conditions or do not prominently display such details on their website. Before giving the company any credit or debit card information, review the website fully and be aware that free trials typically result in repeated billing.

CONSUMER TIP: Consumers considering trial offers are urged to determine whether they are enrolling in a membership, subscription or service contract that allows the company to charge fees to credit cards.

Check with BBB to find a company reliability report at bbb.org.

Promoting Trust & Ethics



Top 10 Scams of 2009 - *Protect Yourself*

3 ID Theft

ID theft is when someone uses your information to obtain loans, goods, or services and does not pay the bills. People often find out that they are victims of identity theft after they are contacted by a collections agency for an account they never set up or because their credit has taken a hit. Increasingly, people are being lured online into revealing personal information.

CONSUMER TIP: Do not fall for requests for information, or other scare tactics. Online scammers send emails that look legitimate, requesting that your “account information needs to be updated.” If you receive such an email just delete it and do not click on any links, as it may compromise your computer’s security. If you are a victim of ID theft call your financial institutions. Contact your local police and Canada’s main credit reporting agencies: TransUnion Canada at tuc.ca (1.866.525.0262) and Equifax Canada at equifax.ca (1.866.779.6440).

4 Home Safety Rip-Offs

Imagine hearing that your furnace is leaking dangerous carbon monoxide into your home. Many times homeowners are told that they need to do an immediate replacement due to a crack in their heat exchanger or because the contractor has a gas-sniffer device which shows high carbon monoxide levels. This high-pressure safety situation often ends up in unnecessary and costly repairs.

CONSUMER TIP: Start with the BBB and search for a company reliability report at bbb.org. Ask the person to provide a gas permit and a license with the BC Safety Authority and call to verify it at: 1.866.566.7233. Consumer Protection BC can help with allegations of misleading door-to-door sales practices. For complaints, contact Consumer Protection BC at 1.888.564.9963 or go to: consumerprotectionbc.ca.

5 Small Business Loan Scams

Looking for credit to keep your business afloat can be tough, and that is why you need to be careful of “no credit” or “bad credit” loan offers. What looks like some quick and easy credit can often end up in huge financial loss and possibly ID theft.

CONSUMER TIP: If you receive an unsolicited phone call, email, or letter from a lender be suspicious. Avoid dealing with a person who guarantees a loan without checking your credit or reviewing your business plan. Also, beware of lenders who cater to applicants with bad credit, pressure you to make a decision on the spot, and lenders who request payment by Western Union to a foreign address. To report a fraud contact the Competition Bureau at: competitionbureau.gc.ca or 1.800.642.3844.

6 Free Government Money Schemes

Consumers have reported a number of companies that offer “free” advice on how to get government grants. Often social networking sites and online ads will point to blogs that appear to be written by everyday people who are sharing the secret of how they received thousands of dollars in grants from the government to pay off their debt. The reality is it’s a mass marketing scheme that does not provide an easy way for you to get a government grant, but costs you money to participate.

CONSUMER TIP: While it’s true that the Federal government does give out billions of dollars in grant money every year, most grants are given to help students pay for college or for specifically defined reasons such as for research or to businesses in particular industries. There is no reason to pay for software or guides when applying for government grants. Such information is already available for free by Service Canada at servicecanada.gc.ca.

7 Investment Opportunities

Your good friend or family member may have invited you to attend a presentation involving an investment opportunity. You don’t know anything about the company, and are desperate to hear that it is legit. These investments appear lucrative, but often are more hype than substance. The promoter convinces investors that they can be part owners of investment portfolios if they enlisted new recruits, maybe promising commissions in cash and bullion.

CONSUMER TIP: In reality, this is most likely a pyramid scheme. The new capital brought on by new investors is keeping this imaginary investment afloat. Get the facts. If you do go to an information session, collect business cards, promotional materials, and ask lots of questions. Gather as much information as possible, before agreeing to anything. Go to the BC Securities Commission’s investright.org website for information on how to select an advisor and what to look out for when choosing to invest.

8 Cashback Fraud

It usually starts when you advertise something for sale, such as a car. A buyer agrees to pay your asking price, but sends you a cheque or banker’s draft for a larger sum. The person asks you to bank his cheque and send him a money transfer for the difference. Sure enough, his cheque bounces a few days after your money transfer has left your account. You’re now out of pocket and looking for a bogus buyer who’s out-of-reach.

CONSUMER TIP: Criminal cashback works because cheques take longer to clear than electronic bank transfers. Do not ever wire money to a stranger. Do not allow greed to be your guide – be careful of offers higher than the asking price. If you believe that you are a victim of fraud contact Phonesbusters at 1.888.495.8501 or phonebusters.com.