

FTC Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

INTERNATIONAL LOTTERY SCAMS

“Congratulations! You may receive a certified check for up to \$400,000,000 U.S. CASH! One Lump sum! Tax free! Your odds to WIN are 1-6.” “Hundreds of U.S. citizens win every week using our secret system! You can win as much as you want!”

Sound great? It’s a fraud.

Scam operators — often based in Canada — are using the telephone and direct mail to entice U.S. consumers to buy chances in high-stakes foreign lotteries from as far away as Australia and Europe. These lottery solicitations violate U.S. law, which prohibits the cross-border sale or purchase of lottery tickets by phone or mail.

Still, federal law enforcement authorities are intercepting and destroying millions of foreign lottery mailings sent or delivered by the truckload into the U.S. And consumers, lured by prospects of instant wealth, are responding to the solicitations that do get through — to the tune of \$120 million a year, according to the U.S. Postal Inspection Service.

The Federal Trade Commission (FTC) says most promotions for foreign lotteries are likely to be phony. Many scam operators don’t even buy the promised lottery tickets. Others buy some tickets, but keep the “winnings” for themselves. In addition, lottery hustlers use victims’ bank account numbers to make unauthorized withdrawals or their credit card numbers to run up additional charges.

The FTC has these words of caution for consumers who are thinking about responding to a foreign lottery:

- If you play a foreign lottery — through the mail or over the telephone — you’re violating federal law.
- There are no *secret* systems for winning foreign lotteries. Your chances of winning more than the cost of your tickets are slim to none.
- If you purchase one foreign lottery ticket, expect many more bogus offers for lottery or investment “opportunities.” Your name will be placed on “sucker lists” that fraudulent telemarketers buy and sell.
- Keep your credit card and bank account numbers to yourself. Scam artists often ask for them during an unsolicited sales pitch.

The bottom line, according to the FTC: Ignore all mail and phone solicitations for foreign lottery promotions. If you receive what looks like lottery material from a foreign country, give it to your local postmaster.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint or to get free information on consumer issues, visit www.ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

FEDERAL TRADE COMMISSION	TOLL-FREE 1-877-FTC-HELP
WWW.FTC.GOV	FOR THE CONSUMER

*Produced in cooperation with the U.S. Postal Inspection Service
January 2000*