

# FTC Consumer Alert

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

## Border-Line Scams Are The Real Thing

Thousands of Americans are losing money every day to scam artists operating beyond the boundaries of the United States. In many cases, these international crooks are sitting across the border in Canada — just far enough away from U.S. laws and jurisdiction to reduce the chances that American victims will ever recover their money.

Foreign lottery ticket resales lure Americans to buy phony “low-risk” chances in supposed high-stakes lotteries. Victims of these scams not only lose their money, but also risk violating federal law, which generally prohibits playing lotteries by phone or mail. Through telemarketing and print ads, cross-border scam artists also offer advance-fee loans, lucrative sounding investment opportunities, and bogus prize promotions.

Cross-border scams seem to be a growth industry. According to the Federal Trade Commission’s consumer complaint database, Ontario, Quebec and British Columbia rank fourth, sixth and 20th among states and provinces as a geographic source of fraudulent telemarketing activity.

Although the FTC and state governments have joined forces to present a united front in the fight against telephone fraud by sharing information and resources, consumers still are in the best position to spot — and stop — these kinds of scams. Identifying cross-border fraud can be daunting. The reasons: con artists based in Canada often give a “mail drop” address in a U.S. city. In addition, Canada and most Caribbean island nations use telephone area codes that are integrated with the U.S. phone system and accessible by direct dialing, without long, cumbersome, and obvious foreign “country-codes.”

Here’s how you can stop telephone fraud, whether it’s cross-border or cross-town:

-  Ignore offers to buy tickets in a foreign-based lottery, no matter how tempting they are. Except for legitimate state lotteries, it is a violation of U.S. law to participate in foreign lotteries by phone or mail.
-  Don’t fall for a promise. Telephone solicitations that require an up-front fee for advance-fee loans, unidentified investment opportunities or prize promotions are against U.S. law.
-  Keep your credit card and bank account numbers to yourself. Don’t give them to anyone who asks during an unsolicited sales pitch.
-  If you don’t recognize a telephone area code, check it out in your telephone directory. Keep this list of Canadian and Caribbean area codes near your telephone book for reference.

## **Canada**

- 604 – British Columbia
- 250 – British Columbia
- 403 – Alberta
- 306 – Saskatchewan
- 204 – Manitoba
- 519 – Ontario-Windsor/London
- 807 – Ontario-Fort Williams/Thunder Bay
- 705 – Ontario-North Bay/Sault Ste. Marie
- 905 – Ontario-Hamilton/Missisauga
- 416 – Toronto
- 613 – Ottawa/Kingston
- 819 – Quebec-Sherbrooke/Trois-Rivieres
- 418 – Quebec City
- 514 – Montreal
- 506 – New Brunswick
- 709 – Newfoundland
- 902 – Nova Scotia and Prince Edward Island

## **Caribbean**

- 809 – Bermuda, Puerto Rico, Virgin Islands, and other Caribbean islands

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](http://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.



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