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ATTORNEY GENERAL WARNS ABOUT CREDIT CARD INTEREST RATE REDUCTION SCAMS

Calls using spoofed numbers blanket North Dakota

BISMARCK – Attorney General Wayne Stenehjem warns consumers about a barrage of prerecorded messages in a scam offering to lower credit card interest rates for a fee. The illegal prerecorded messages “spoof” legitimate telephone numbers belonging to innocent North Dakota residents and businesses, so the phone number displayed on the consumer’s caller ID is not the actual phone number being used by the fraudulent entities. Telephone subscribers are understandably frustrated and this, unfortunately, has resulted in some angry calls to the legitimate owners of phone numbers who did not make the bogus calls.

Stenehjem emphasizes the most important message to consumers is to ignore these calls. “These offers to lower interest rates on credit cards are not legitimate and won’t result in any benefit to consumers who pay hundreds of dollars for these worthless or nonexistent services,” Stenehjem said. According to Stenehjem, the companies behind the sales pitches falsely claim to have special relationships with credit card issuers and they guarantee the reduced rates will save thousands of dollars in interest. In addition, they often claim the lower interest rates are available for a limited time so the consumer needs to act now. Some offer money back guarantees that are worthless.

According to Parrell Grossman, director of the Attorney General’s Consumer Protection Division consumers have frequently paid \$1,000 or more for these worthless offers to lower credit card interest rates. “Instead of providing help to consumers who may be struggling with credit card debt, these fraudulent companies further victimize people who most need legitimate assistance,” Grossman said.

Current technology makes it possible to spoof a telephone number to display as the source of the call. While spoofing phone numbers is illegal it is virtually impossible to trace the source of these calls, which typically are generated by the thousands from locations outside the country. Stopping this practice is difficult because the true identities of the callers are buried behind a line of entities that lease and then re-lease the telephone numbers to others. “It’s like peeling back an onion,” Stenehjem said. “Ultimately, there is a questionable company claiming it had no idea the phone number was being used for fraudulent purposes by an entity outside the country.”

Consumers who have questions about these types of calls can contact the Attorney General’s Consumer Protection Division toll-free at 1-800-472-2600 or 701-328-3404.

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