

Crooks Using Very Elaborate Plan to Trick You

There is a new and vicious scam being perpetrated by con artists who want to steal your hard earned money. It is more calculated and cunning than anything we have seen before and it involves imaginary delinquent pay day loans. Today's con artists are doing their homework and that homework is investigating you. They are finding out as much as they can about you, their potential victim, before they make contact and are using that information to establish credibility. Once they've made contact, these crooks will use any means necessary to make you pay. Please take caution when receiving phone calls, emails, or visits from someone claiming to be a process server alleging that you are delinquent on a payday loan you never took out in the first place.

This new breed of criminal is smart and they have done research both on you and on how the collections process works. Here is how the scam is perpetrated. First, the scammers will investigate their victims attempting to learn as much as possible about you. These thieves may have your date of birth, social security number, bank account number, current and past addresses, employment history, and even the names and phone numbers of your family and friends. Most of which can easily be purchased online for \$15 or less.

Armed with all of this personal information, used to bolster their credibility, they make contact. They inform their marks that they have a delinquent payday loan, when in fact the loan does not exist. They know all the right terminology to scare you into thinking you owe them money, and this is where the viscous harassment begins. They use any means necessary. They may claim to represent the government and will relentlessly harass and threaten you, your friends, your family, and possibly your employer with legal action and physical violence if you refuse to pay. Your home and place of work are not safe. They have no regard and have appeared at victim's homes and places of work to embarrass and bully their victim's into paying. These thieves might insist there is a warrant out for your arrest since you have not paid the phony loan. They will intimidate you with emails created to look like official messages from the U.S. Attorney's office. These emails demand action within 48 hours or face the consequences of court proceedings and action by the Federal Bureau of Investigation. They will accuse you of committing "collateral check fraud, theft by deception and fraudulent electronic funds transfer,"¹ as well as other federal banking regulation violations all related to the payday loan you never took out.

Do not be intimidated or bullied into paying a debt you do not owe. If you are a victim of this scam:

- Contact your local police department—call 911 if you feel that you are in immediate danger.
- Contact all of your financial institutions (credit unions, banks, and credit card companies).
- Contact the 3 major credit bureaus and request a fraud alert be put on your file.
 - [Equifax](http://www.equifax.com) - 1-800-525-6285
 - [Trans Union](http://www.transunion.com) - 1-800-680-7289
 - [Experian](http://www.experian.com) - 1-888-397-3742
- Contact the Federal Trade Commission [online](http://www.ftc.gov) or by calling them at 1-877-438-4338 to report the fraudulent use of your social security number.
- If you have a loan and want to verify that you do not have any outstanding debt, contact the financial institution directly. Do NOT use contact information given to you in any email or letters relating to the payday loan. Go to a trusted source to verify contact information.
- You should also file a complaint with The Internet Crime Complaint Center at [www.IC3.gov](http://www.ic3.gov)

¹ Credit Union National Association. (2012). News Now: New variations of payday loan scams surface. <http://www.cuna.org/newsnow/12/system102412-10.html>

² The Internet Crime Complaint Center. (2012). Intelligence Note: New Variation on Telephone Collection Scam Related to Delinquent Payday Loans. <http://www.ic3.gov/media/2012/120221.aspx>