



Telecommunications Fraud

DEFINITION

Telecommunication fraud is the theft of telecommunication service (telephones, cell phones, computers etc.) or the use of telecommunication service to commit other forms of fraud. Victims include consumers, businesses and communication service providers.

TYPES OF TELECOMMUNICATIONS FRAUD

A) IDENTITY THEFT- The misuse of information that is specific to an individual in order to convince others that the imposter is the individual, effectively passing one self off as someone else.

B) INTERNET FRAUD - Any type of fraud scheme that uses one or more components of the internet - such as chat rooms, e-mail, message boards, or web sites to present fraudulent solicitations to prospective victims, to conduct fraudulent transactions, or to transmit the proceeds of fraud to financial institutions or to others connected with the scheme.

C) TELEMARKETING FRAUD - Any scheme to defraud in which the persons carrying out the scheme use the telephone as their primary means of communicating with prospective victims and trying to persuade them to send money to the scheme.

D) AUCTION AND RETAIL SCHEMES - These schemes typically attract consumers by purporting to offer high-value merchandise ranging from expensive jewelry to computers to sport memorabilia at attractive prices. After persuading victims to send money in the form of a personal check, money order, or cashier's check, schemers either send an inferior item or nothing at all.

E) NIGERIAN MONEY OFFER SCAMS - Potential victims receive, either through e-mail or fax, a request from a purported high ranking Nigerian government official (with the title of Doctor, Chief, or General) seeking permission to transfer a large sum of money out of Nigeria or some other African country into the victim's bank account.

F) ATM FRAUD - Use a special information storage device to secretly copy the magnetic strip on the back of credit and debit cards during normal transaction such as an ATM withdrawal or in-store purchase (this is called skimming)

G) INVESTMENT SCAMS- Market manipulation scams are the forefront of this type of scheme. Two methods are used, the first is commonly known as the pump - and dump, attempts to drive up the price of thinly traded stocks or stocks of shell companies by sending out e-mails that inflate the value of the company. When new purchases of the stock push its price to a high enough level, the scammers sell off the stock to realize a significant return which in turn drives down the stock price. The second method, referred to as short-selling or scalping, tries to decrease a stock value.

OVERVIEW

The advancement of technological tools such as computers, the internet, and cellular phones has made life easier and more convenient for most people in our society. However some individuals and groups have subverted these telecommunication devices into tools to defraud numerous unsuspecting victims. It is not uncommon for a scam to originate in a city, country, state, or even a country different from that in which the victim resides.

VICTIMS ASSISTANCE AND COMMUNITY OUTREACH

While senior citizens are believed to be the most frequent targets of scam artist, community outreach is another underutilized strategy to address telecommunications fraud. If community outreach can prevent even a few persons from being victimized, the effect on law enforcement resources can be very beneficial. Possible community outreach strategies include a fraud alert system, public service announcements released to the media, and training community groups about on-line and telephone safety.

In order to locate local victim service professionals that may be able to offer assistance, safety suggestions, and information referrals, please contact the Nassau County Police Department at (516) 573-7000, The Nassau County District Attorney's Office Complaint Bureau at (516) 571-3505 or refer to www.fraud.org

IF YOU ARE A VICTIM OF FRAUD UTILIZE THE FOLLOWING CREDIT REPORTING BUREAUS

Equifax Credit Information Services - Consumer Fraud Div.
P.O. BOX 105496
ATLANTA GEORGIA 30348-5496
Tel: (800) 997-2493
www.equifax.com

EXPERIAN
P.O. BOX 2104
Allen, Texas 75013-2104
Tel: (888) EXPERIAN (397-3742)
www.experian.com

Trans Union Fraud Victim Assistance Dept.
P.O. BOX 390
Springfield, PA 19064-0390
Tel: (800) 680-7289
www.transunion.com

FRAUD TIPS

- 1) Keep a log of all conversations with authorities and financial entities
- 2) As with personal information, only provide your credit card number to merchants you know
- 3) Protect you social security number. Notify the Social Security Administration's Office of Inspector General if your social security number has been used fraudulently.