

Maybe you've gotten a phone call, an email, a letter or a pop-up that says you've won a prize. Cool!! Or is it? Does it mean you've really won something?

Maybe not.

Scam artists often promise a valuable prize or award. Their goal is to get you to send money, buy something that's overpriced, or send money to bogus charities. People who respond to these offers might pay more than their "prizes" are worth – if they even get a prize at all.

### The Pitch

Prize or sweepstakes scams sometimes say you've already won. Hmm. Do you even remember entering? You'll probably see:

- *Congratulations! It's your lucky day!! You've just won thousand\$!!*
- *You're a finalist and guaranteed to win an mp3 player, a DVR, or a brand new car!*
- *You've been specially selected to win our grand prize. Contact us to collect it!*

So imagine you get a text or a call saying you've won a new mp3 player. If you want to find out more about it, you might call the phone number in the message. Once you do, the person on the phone will tell you that he'll send the

mp3 player – but first, he needs your address. After you give it to him, he'll say you need to pay taxes, or shipping and handling fees. He might even say you could increase your chances of winning – or of winning something bigger or better – if you buy a subscription to a magazine.

Is this a good deal for you?

### Have a Nice (?) Trip

People in offices got faxes that looked like they came from their own company's travel division. The fax offered a big discount on travel: only \$349 per person for several nights in Orlando, Hawaii, or on a cruise. When people called the phone number on the fax, they found out they had to pay an extra \$149 per person to get this deal. People who paid for the vacation soon found out they couldn't cancel or get a refund. Some who tried to schedule their vacation found out there were even more costs. In fact, the company sometimes didn't even make the reservations unless the people paid more fees or paid for an "upgrade."

In a word, no. Free is free. If you've won a "free" prize, you should not have to pay anything to get it. And legitimate sweepstakes or contests never ask you to pay for your own prize or buy something to boost your chance of winning. In a scam, though, the "winners" almost always are asked to pay to collect their prize or to enter another part of the contest.

That's why it's a good idea to know what you're getting into – and how to tell a good deal from a bad one. If you enter contest drawings, especially at a public place like a mall or at an event, you'll probably get lots of promotions in the mail, lots of sales calls, and lots more spam. The prize promoters sell to advertisers the information that you put on an entry form.



### How to Protect Yourself

If you get a message that says you're a big winner, or if you're thinking of entering a sweepstakes or prize drawing, here are some things to know:

- Legitimate contests don't ask you to pay anything to collect a "free" prize or buy something to "improve" your chances of winning. (Raffles are different: with those, you're buying a chance to win a prize.)
- Real offers state the terms and conditions, including the rules, how to enter, and usually, the odds of winning.
- Scam promotions may ask you to send a check or money order or "wire" money to enter the contest or claim a prize. This lets scammers get your money before you get your prize.
- Some scammers use a toll-free number that tells you to call a "900" number to claim your prize. Calling "900" numbers costs money every minute.
- Giving a prize promoter a family credit card or checking account number puts you on a "sucker" list. You will get contacted in the future, and you could be charged for a slew of unexpected products or services.

The FTC got involved and the company stopped those practices. They promised to tell the truth about the costs and rules of the vacations in the future, as well as their refund policy.

### Where to Complain

If you think you know about a promotional offer or sweepstakes that doesn't live up to its claims, complain.

- Contact the promoter directly to see if the complaint can be resolved
- If any part of the promotion took place through the US mail, contact your local postmaster or the US Postal Inspection Service (1-888-877-7644 or [www.uspsig.gov](http://www.uspsig.gov))
- Complete the FTC's complaint form: [www.ftc.gov/complaint](http://www.ftc.gov/complaint)

### Things to Talk About and Do

- Design a prize promotion that uses some of the tricks that scammers use. When you've created your ad, label each of the tricks and explain why they're tricks.
- List five questions you'd ask a travel promoter before you paid for the trip.

### Want to Find Out More?

Federal Trade Commission  
[www.ftc.gov](http://www.ftc.gov)

