

South Carolina Department of Consumer Affairs



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FOR IMMEDIATE RELEASE

DEPARTMENT OF CONSUMER AFFAIRS ISSUES WARNING ABOUT DEBT COLLECTION SCAM

Columbia, SC.... The South Carolina Department of Consumer Affairs is warning consumers to be on guard for a new telephone scam snaking its way through the state. The scam plays on consumer fears by threatening incarceration for past debt, but don't be fooled. It's simply the latest scam con artists have invented to rip you off.

The scam unfolds with an unsolicited telephone call informing you that you owe a large, unsettled debt and must pay it or face prosecution or imprisonment. The caller, however, is willing to make a deal. If you pay within the next 48 hours via Western Union or MoneyGram, you will only have to pay a fraction of the total bill.

This is a fraud! You do not owe any money. There is no debtor's prison, and you will not be taken to jail for owing money.

Consumers are reminded:

- Don't be fooled by the caller using the name of a real business.
- If you don't remember the debt, don't pay it! Check your credit report, personal records, or call the company directly before agreeing to pay any debt you don't recall.
- You cannot be jailed for private debts, and it is illegal for any debt collector to threaten such action.
- Never wire money to someone you do not know.

About the South Carolina Department of Consumer Affairs: Established by the Consumer Protection code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina Consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education. For more information, visit <u>www.scconsumer.gov</u>. If you receive one of these telephone calls, hang up and report it to the South Carolina Department of Consumer Affairs. If you have already fallen prey to this scheme, please contact the Department immediately.

For more information about the Debt Collection Scam, including ways to spot such a scam, please see our video <u>http://www.youtube.com/watch?v=Z346B15uNtc</u>. To view the Department's other consumer related videos, visit our YouTube channel at <u>www.youtube.com/scdcaty</u>.

You may contact the Public Information Division at 803.734.4190, toll free in SC at 1.800.922.1594, or online at <u>www.scconsumer.gov</u>.

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