

Common Phone Scams Explained

LOTTERY, SWEEPSTAKES & PRIZE SCAMS

HOW IT WORKS:

You get a call from someone who tells you that you've won! It could be a sweepstakes, vacation, lottery or prize. The person calling is very excited and can't wait to get you your prize, but there's a catch. Before you get your winnings, you'll have to pay a fee, some taxes or customs duties. Then they ask for your bank or credit card information, or ask you to wire the money. If you pay the fees, you still won't receive a prize. Instead, you'll just get more requests for additional payments and promises that you'll see your prize soon.

RED FLAGS TO RECOGNIZE:

1. You're contacted out of the blue. If you don't remember signing up for their sweepstakes, consider it a red flag. You can't win a sweepstakes, lottery or prize drawing that you never entered.
2. It sounds too good to be true. It's an adage we all know. If it sounds too good to be true, it probably is.
3. An upfront investment or payment is required. Real prizes are free. You shouldn't ever pay a fee to claim a prize you've supposedly won and never pay taxes or fees "in advance."
4. Untraceable payment methods. If traditional, traceable payment methods aren't an option, be cautious.
5. Requires you to provide personal information. Never share your financial information with someone who contacts you unexpectedly. There's no reason to give your bank account or credit card number to claim any prize or sweepstakes, ever. If they ask for this information, it's probably a scam.

HOW TO HANDLE IT:

If you spot a scam, you can report it to the Federal Trade Commission by calling 1-877-382-4357 or visiting their website at [ftc.gov/complaint](https://www.ftc.gov/complaint). You can also report scams to the South Dakota Attorney General's Division of Consumer Protection by calling 605-773-4400.