



# News Release

Attorney General Robert E. Cooper, Jr.

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## **DON'T BE AN APRIL FOOL TO STIMULUS SCAMS, ATTORNEY GENERAL CAUTIONS**

Attorney General Bob Cooper and Director Mary Clement warn Tennesseans to beware of telemarketing, email, and website schemes offering "government grants." Some of these schemes are designed to deceive consumers into expensive monthly membership plans while others may be out to quickly steal your identity and your savings.

Some fraudulent offers circulating online offer "FREE" information, usually in the form of a CD. Many online grant offers market their information as "free" and highly effective in securing government grants for anyone who applies. Some sites even present themselves as consumer blogs with "testimonials" of recipients who have allegedly gotten rich thanks to "free government money!" Some companies may accept your money and not send anything consumer or provide useless items to the consumer.

The catch may come when consumers sign up for the so-called "FREE" Grant Program CDs. For example, there may be small, gray print hidden over a gray background located beneath several opportunities to "click here" for "FREE" information may disclose that consumers who request the FREE CDs are actually agreeing to pay a variety of charges to their credit card, some of which are expensive monthly re-occurring charges for services which the consumer must cancel before the "trial period" ends to avoid.

Needless to say, a consumer unaware that he had been enrolled in these trial memberships has no idea he must cancel them within 7 to 14 days to avoid charges to his credit card. When his credit card statement arrives well past the 7 to 14 day right to cancellation, he is informed that the charges are non-refundable and the company asserts that it was right there in the inconspicuous fine print. They may also charge your credit card before the "cancellation period" expires.

"Government grant offers and 'free information' have always been around but the President's new stimulus package has regrettably fostered false claims about receiving stimulus grants or money," General Cooper said. "Consumers should be very careful to scroll down the web page and read all of the fine print before signing on to any 'free' offer. Consumers should also check out a company and know who they are doing business with before sending money or personal information."

You can get truly free and accurate information about government grants online by visiting [www.grants.gov](http://www.grants.gov).

If the online grant schemers don't hook you, the telemarketers and email scammers may try. Calls from companies stating that you qualify for a federal grant to cover home improvements, education, or other expenses are phishing for your personal information. These calls are a scam. Government grants are not awarded to people who have not applied for them. These callers may say they are

“verifying information” they supposedly already have. Don’t fall for it. Never give out your personal information to an unknown caller.

Another identity theft threat happens when some online grant companies do not properly secure the personal information you provide to them. Some government grant websites require you to set up a personal profile in order to set up a “password protected” account page. When a site is inadequately secured, identity thieves can access that information. Using the stolen information, thieves call pretending to be affiliated with the website company. They use your own profile information to convince you to “verify” your credit account number. Even if it sounds like the real thing, General Cooper and Mary Clement advise you not to give out your credit card information to anyone over the phone unless you make to the call.

Tennessee Division of Consumer Affairs Director Mary Clement added, “I urge any Tennessean that has been victimized by an economic stimulus or government grant program to contact my Division as soon as possible by calling (800) 342-8385.”

General Cooper and Director Clement also encourage consumers to check with the Tennessee Division of Consumer Affairs and their Better Business Bureau to determine whether consumer complaints already exist with an entity before electing to do business with them.