

Recovery Scams



The Office of the
Minnesota Attorney General
helping people afford their lives and live with dignity, safety, and respect

Recovery scams target people who have lost money to scams in the past with promises to help the victim recover their money. Victims who pay recovery scammers do not get the money they lost back, but rather lose even more money, making a bad situation even worse.

Recovery scams can accompany almost any type of scam.

Recovery scams can follow almost any type of scam and take many forms. Here are some examples:

Work-at-Home Scam

After “Trina” learned that she’d been the victim of a work-at-home scam, she was pleased to receive a call from a man who claimed to be from a consumer advocacy organization that worked with victims of work-at-home scams to get their money back. The man told Trina that she would recover almost twice what she initially lost. All she had to do to guarantee her refund was send a large upfront fee.

Trina became suspicious and checked the Internet. Sure enough, the organization was well known for duping scam victims into parting with even more of their hard-earned money.

Timeshare Resale Scam

“Lynn,” eager to sell her timeshare, was contacted by a company that offered to sell it for her. She paid the company several thousands of dollars in fees, which it promised to return when the timeshare was sold. Months went by, and the company had still not found a buyer. Lynn called every week to check on the progress of the sale, but eventually the company’s telephone line went dead. A few weeks later, Lynn received a call from an attorney who promised to get her money back from the company for a small retainer fee. After doing some background research, Lynn found out that the individual who claimed to be an attorney had stolen the identity of a legitimate attorney

and was actually a fraudster trying to con her out of even more money. Lynn walked away, counting herself lucky that she was not victimized again.

High-Tech Computer Scam

“Sam” received a call from a woman who claimed to be a computer support technician and offered to help them speed up their computer, which seemed to be running slowly. Sam provided their credit card information to pay for the service, but soon realized the technician had done no work at all. Sam tried to call the technician back, but their telephone number was disconnected. A week later, Sam received another call from a man who asked if Sam was satisfied with the technician’s work. Sam said they were not and the man offered to deposit a refund directly into Sam’s checking account if they would provide their debit card information. Sam hung up before they lost any more money to the fraudsters.

Prize Promotion Scam

“Mary” received a letter congratulating her for winning an expensive fur coat. The letter instructed Mary to send a \$150 “shipping and handling” fee to receive her prize. Mary sent the money, and in return received a dyed fake fur coat worth less than \$50. After a few weeks, Mary received a call from the “Resolution Department” of the “U.S. Recovery Agency,” and was told that for a small upfront fee, she could get her money back. Suspicious, Mary hung up the phone.

Investor Recovery Scam

“James” lost thousands of dollars in a securities investment. Several months later, he received a call from a man who claimed to be associated with the “Regulatory Trade Commission.” The man claimed he could help James recover the money he lost on the investment. He also emailed James official looking documents describing a “regulatory guarantee,” assuring James that the money was waiting in an account and would be released if he

paid the amount stated on the documents. James was wary, but the man encouraged James to research his name on an online broker database. James did some additional research, and found that the “Regulatory Trade Commission” did not exist, and the man had impersonated a registered securities professional. James was relieved he had not become the victim of a scam.

Tips to Avoid Being Victimized Again

- ✓ Don't trust calls, emails, letters, or other communications from someone who claims to be able to recover money lost in a scam if you pay them a fee.
- ✓ Know that government agencies do not charge for their work.
- ✓ Never provide your bank account or credit card information to pay upfront fees for a refund or assistance recovering money lost to a scam.
- ✓ Research people or organizations that contact you.
- ✓ Always beware of someone who want to pay you more than you lost and return the balance.

Report Refund Recovery Scams

If you have fallen victim to a recovery scam, you may wish to contact the following federal agencies:

Federal Bureau of Investigation

Minneapolis Office
1501 Freeway Boulevard
Brooklyn Center, MN 55430
(763) 569-8000

Federal Trade Commission

Consumer Response Center
600 Pennsylvania Avenue Northwest
Washington, D.C. 20580
(877) 382-4357
TTY: (866) 653-4261
www.reportfraud.ftc.gov