

## BBB warns public about fraudulent, aggressive collection calls

Written by

Thursday, 26 August 2010 12:37

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### Consumers report being threatened with arrest

The Better Business Bureau of Minnesota and North Dakota (BBB) has received reports of fraudulent and aggressive collection calls targeting area consumers. In some cases, consumers have been threatened with arrest if they don't pay off alleged debts immediately.

"People need to be aware that these calls are occurring and they need to know what to do if they receive a call like this," said Dana Badgerow, President and CEO of the BBB of Minnesota and North Dakota. "The threat of arrest is a dastardly tactic, and it's important to know what your rights are."

The BBB urges the public not to be intimidated by debt collectors or people claiming to be debt collectors, and to keep in mind they have rights under the Fair Debt Collection Practices Act (FDCPA). Under that Act, debt collectors may not harass, oppress, or abuse debtors or any third parties they contact, nor can they state that anyone will be arrested if they don't pay their debt.

Consumers who have reported these calls to the BBB have all either received or applied for a payday loan. However, all have stated that when they received these collection calls they were either not behind on their loans or had decided not to receive a payday loan. They also stated that when they contacted the payday loan companies they worked with, they were told these companies were not aware of or affiliated with any collection efforts. Some consumers have said the people making these collection calls had heavy foreign accents.

The fraudulent debt collectors, who have claimed to be both the Law Group of California and the Cyber Crime Unit of California, seem to have sensitive personal information of the people they're calling. In one case, they had the last four digits of the consumer's bank account and Social Security number. It's unclear how this information was obtained. The Law Group of California (DBA United Attorney Services) has an F rating with the BBB of Los Angeles. <http://os-angeles.bbb.org/Business-Report/United-Attorney-Services-100096503>

Consumers who receive aggressive calls like this are advised to retain their composure. Don't be bullied or pressured into sending the company a payment. Check the company's Reliability Report with the Better Business Bureau at [www.bbb.org](http://www.bbb.org) and also check to make sure the company has proper state licensure. In addition, consumers should keep the following in mind:

- Within five days after you are first contacted by a debt collector, the collector must send you a written notice telling you the amount of money you owe, the name of the creditor to whom you owe the money and what action to take if you believe you do not owe the money.
- If you send a letter to the collection agency disputing that you owe the money within 30 days of receiving a collection notice, the debt collector cannot make further collection efforts until you receive proof of the debt. If you cannot obtain an address by which to contact the collection agency in writing, you may be the target of a scam.
- You can file a complaint with the BBB, the FTC ( [www.ftc.gov](http://www.ftc.gov) ) or with your state's Attorney General's Office.

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For more information on collection agencies and your rights under the Fair Debt Collection Practices Act, go to: <http://www.bbb.org/us/article/4732>

The mission of the Better Business Bureau is to promote, through self-regulation, the highest standards of business ethics and conduct; and to instill public confidence in responsible businesses through programs of education and action that inform, protect and assist the general public. Our hours of operation are 8 a.m. to 5 p.m. Monday through Friday. Contact the BBB at [www.bbb.org](http://www.bbb.org) or 651-699-1111, toll-free at 1-800-646-6222.