

FTC Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

The “Nigerian” Scam: Costly Compassion

Nigerian advance-fee fraud has been around for decades, but now seems to have reached epidemic proportions: Some consumers have told the Federal Trade Commission (FTC) they are receiving dozens of offers a day from supposed Nigerians politely promising big profits in exchange for help moving large sums of money out of their country. And apparently, many compassionate consumers are continuing to fall for the convincing sob stories, the unfailingly polite language, and the unequivocal promises of money.

These advance-fee solicitations are scams. And according to the FTC, the scam artists are playing each and every consumer for a fool. Here’s the play book:

- Claiming to be Nigerian officials, businesspeople or the surviving spouses of former government honchos, con artists offer to transfer millions of dollars into your bank account in exchange for a small fee. If you respond to the initial offer, you may receive “official looking” documents. Typically, you’re then asked to provide blank letterhead and your bank account numbers, as well as some money to cover transaction and transfer costs and attorney’s fees.
- You may even be encouraged to travel to Nigeria or a border country to complete the transaction. Sometimes, the fraudsters will produce trunks of dyed or stamped money to verify their claims. Inevitably, though, emergencies come up, requiring more of your money and delaying the “transfer” of funds to your account; in the end, there aren’t any profits for you to share, and the scam artist has vanished with your money.

If You Receive an Offer

If you’re tempted to respond to an offer, the FTC suggests you stop and ask yourself two important questions: Why would a perfect stranger pick you — also a perfect stranger — to share a fortune with, and why would you share your personal or business information, including your bank account numbers or your company letterhead, with someone you don’t know? And the U.S. Department of State cautions against traveling to the destination mentioned in the letters. According to State Department reports, people who have responded to these “advance-fee” solicitations have been beaten, subjected to threats and extortion, and in some cases, murdered.

If you receive an offer from someone claiming to need your help getting money out of Nigeria — or any other country, for that matter — send it to the appropriate U.S. officials. If the offer comes via email, forward it to the FTC at uce@ftc.gov. If it arrives via fax, fax it to the U.S. Secret Service at 202-435-5031.

If you have lost money to one of these schemes, send copies of your documentation to the U.S. Secret Service, Financial Crimes Division, 950 H Street, NW, Room 942, Washington, DC 20223. You also can reach them by phone (202-406-5850) or email (419.fcd@uss.treas.gov).

For More Information

More information about Nigerian Advance-Fee Loan scams is available from the Department of Justice (www.justiceonline.org/consum/nigerian.html), the U.S. Secret Service (www.secretservice.gov/alert419.shtml), and the U.S. Department of State (http://travel.state.gov/tips_nigeria.html or www.state.gov/www/regions/africa/naffpub.pdf).

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint or to get free information on consumer issues, visit www.ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.



September 2002