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## NEWS RELEASE

FOR IMMEDIATE

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### Consumer Alert “Don’t Fall Prey to Online Advance-Fee Loan Scams”

(Boise) – Gavin Gee, Director of the Idaho Department of Finance raises a warning flag to consumers regarding an online loan company that purports to be located in Boise, Idaho.

The purported company, *Lending Hands of Idaho, Inc.*, appeared to have pirated website information from a legitimate Michigan-based company named Lending Hands of Michigan, Inc. The Michigan-based company has indicated that the bogus company has no affiliation with Lending Hands of Michigan, Inc. and wants the public to be aware of the fraudulent use of the Michigan-based company’s website content.

The Idaho Department of Finance’s investigation has determined that the bogus company, whose website appears to be from Africa – listed its location as Boise, Idaho.

The bogus company, Lending Hands of Idaho, Inc. / Lending Hands, Inc. perpetrated an advance fee loan scam and, based on complaint information received by the Department, advertised consumer loans online.

A victim of the advance fee fraud found the fake loan company online and made two advance payments, for a promised loan. The victim communicated with the perpetrator via e-mail, and in an attempt to continue its ruse, the lender, who identified himself as “Kevin” e-mailed a copy of his own driver’s license; a commercial driver’s license that appeared to have been stolen from an unsuspecting Boise resident.

The Department, upon receiving the complaint, immediately communicated with the domain server and was successful in blocking the fraudulent lender’s website. However, the Department warns consumers that online advance fee fraud is rampant and there is no guarantee that the perpetrator will not resurface with a new name and continue its victimization of unsuspecting borrowers searching for online loans.

Bottom line, states Gee – “Idaho law as well as federal law, prohibits advance fees to obtain a consumer loan. The Department urges consumers to be extremely cautious when dealing with companies they are not familiar with.” Consumers also need to be vigilant in safeguarding private and personal information such as credit card, social security, and account numbers.

The Department of Finance urges Idahoans to do their research and avoid falling prey to advance fee loan scams. Never pay an upfront fee for a loan, and make certain the company offering the loan is licensed or registered with the Department or a federal regulatory agency.

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*Consumers can obtain information about financial firms, professionals or products, as well as view more Department press releases and other information on the Internet at <http://finance.idaho.gov> or by contacting the Department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378.*