



Ohio Attorney General's
**Consumer Advocate
Newsletter**



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Don't Get Burned When Hiring a Holiday Light Installer

Have you ever considered paying a professional to hang your outdoor holiday lights? While relying on a pro may add a special sparkle to your home's holiday décor, be sure to do your homework before allowing an expert to do any work on your property.

The following tips will help ensure you hire a reputable installer to hang holiday lights or perform any work on your home:

- **Always check the reputation before hiring any professional.** Research whether any complaints have been properly resolved by contacting the Ohio Attorney General's Office and the local Better Business Bureau. Ask for references and contact prior customers to find out if they were satisfied with their holiday light installation.
- **Avoid paying for all of the work upfront.** Paying for the whole job before work has begun puts all your money at risk in case the holiday light installer fails to do a satisfactory job or skips town before hanging a single bulb.
- **Know if you have a three-day "right to cancel."** Under Ohio's Home Solicitation Sales Act, consumers generally have three days to cancel sales of \$25 or more made in their homes or at a location that is not the contractor's regular place of business (for example, a home improvement show or winter fair). In these cases, the installer should not begin hanging your holiday lights until three days after you authorize the work.
- **Receive a written contract.** This contract should include all details about the work that will be performed, including any promises made to the homeowner. If a verbal promise or agreement – such as removing the lights after the holiday season or supplying a certain type of decoration – is not included in the contract, it is not guaranteed.
- **Know how to cancel the contract.** Generally, in order for consumers to exercise their cancellation rights (under laws that provide such rights), consumers must cancel in writing. However, sellers can choose to make it easier for consumers to cancel, such as allowing them to cancel online. Make sure all acceptable cancellation methods are written into the contract.

Hiring a light installer can spice up your home for the holidays, but be sure to treat this work as you would any other home improvement project. Doing a little homework now will save you time and money if a holiday light installation is not done to your satisfaction.

If you suspect a scam or unfair business practice, report it to the Ohio Attorney General's Office at www.OhioAttorneyGeneral.gov or 800-282-0515.

Five Tips to Put Safety First When Shopping Online

Every year it seems more consumers are shopping for the holidays online for all different types of products and services. In fact, for many Ohioans, shopping online has become second nature. Consumers use apps on their smart phones, have their favorite online stores bookmarked, and compare prices online with those offered by traditional “brick and mortar” stores.

Regardless of exactly how much online shopping you choose to do, the Ohio Attorney General’s Office offers five tips to improve the safety of your online shopping experience. Applying these tips will reduce the potential for scammers to steal your identity or conduct unauthorized purchases with your credit or debit card.

- Keep your apps, anti-virus software, operating systems, and other important programs up to date. Installing updates can add new security patches and other critical files, but it is important to remember to download or update only from the official app-provider.
- Purchase goods only from trusted websites. Check a store’s reputation by researching its complaint history at the Ohio Attorney General’s Office and the Better Business Bureau. Use a search engine to look up customer reviews by searching for the company’s name, along with terms such as “complaint,” “scam,” or “review.” Also, find out a website’s refund and return policies before making a purchase.
- Only provide as much personal information as is necessary. Contact a store’s customer service department if you have questions about why certain information is “required” before submitting orders online. Also, be aware of a store’s privacy policy so you know upfront if your information may be stored, sold, or shared.
- Use credit cards to protect yourself against unauthorized purchases. Federal law limits consumers’ responsibility to the first \$50 if fraudulent charges appear on their statement. Some credit cards waive the first \$50 and advertise that their customers have zero liability. Be sure to save any communication from the online store, including invoices and confirmation emails, and compare them against your credit card statements to uncover any mistakes, fraudulent charges, or unauthorized purchases.
- Purchase using only secure websites. Whenever you plan to use a credit card or input other personal information, be sure the web address begins with “https” instead of “http.” The “s” indicates a secure connection. Also, do not use free, public Wi-Fi to log in to any accounts or conduct any credit card transactions.

Don’t forget to exercise caution when having packages delivered since packages may get stolen off of doorsteps. If possible, see if packages can be delivered to places of employment or with a friend or relative who is usually home during the day.

Shopping online using our smartphones, tablets, laptops, and other devices provides convenience. However, with that convenience comes responsibility. Applying these five tips will put you on the path to securely providing personal information to online stores.

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Attorney General DeWine, FTC, and Illinois AG Announce \$22 Million Settlement with Credit Monitoring Service

The business that owns ScoreSense has agreed to change its business practices and pay \$22 million to resolve claims that it deceptively marketed its online credit monitoring services, according to an agreement recently announced by Ohio Attorney General Mike DeWine, the Federal Trade Commission, and Illinois Attorney General Lisa Madigan.

Of the total payment, \$21.9 million will be made available for consumer restitution.

“Consumers thought they were signing up to get a free credit score but really they were enrolling in a service costing \$29.95 a month,” Attorney General DeWine said. “We are pleased to be part of this settlement, which provides substantial relief for consumers. Not only will the business pay millions to reimburse consumers, it also will significantly change the way it markets its services.”

ScoreSense is owned by One Technologies, a Texas-based business that also operated MyCreditHealth and marketed through at least 50 websites, including FreeScore360.com, FreeScoreOnline.com, and ScoreSense.com, according to the lawsuit.

The business bought advertising on search engines, such as Google and Bing, so that ads for the websites appeared near the top of search results when consumers looked for terms such as “free credit report.” The most prominent ad stated, “View your latest Credit Score from All 3 Bureaus in 60 seconds for \$0!”

In the lawsuit, the Federal Trade Commission, Ohio Attorney General, and Illinois Attorney General allege that the business purported to offer consumers “free” online access to their credit scores but failed to adequately disclose that, by accessing their score, they would be enrolled in a credit monitoring program costing \$29.95 per month until they called to cancel.

Consumers who wanted to cancel often had to call repeatedly and, in some cases, consumers who claimed they did not knowingly enroll in the service were denied refunds.

At least 210,000 consumers contacted banks, credit card companies, law enforcement agencies, and the Better Business Bureau to complain about the scheme. More than 50 complaints were filed with the Ohio Attorney General’s Office alone.

The lawsuit charges the business with violations of state and federal consumer protection laws, including the Restore Online Shoppers’ Confidence Act (ROSCA). ROSCA regulates online transactions involving a negative option, in which the seller interprets consumers’ silence or inaction as permission to charge them.

In addition to the injunctive relief, the settlement includes a \$50,000 payment to Ohio and a \$50,000 payment to Illinois. The remainder of the \$22 million will be paid to and distributed by the Federal Trade Commission.

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Layaway Plans: What to Consider This Holiday Season

Many companies offer layaway plans to help with the cost of the holiday season. This allows consumers to make installment payments on reserved items. Once the item is paid for in full, the consumer can pick it up. Before signing up for a layaway plan, consumers should understand all the terms and conditions.

It is important to know the risks and all the fees associated with a layaway plan, which may include initiation or cancellation fees. Here are sample terms and conditions for a layaway plan:

- Service fee (5% or \$10, whichever is greater, non-refundable)
- Deposit (20%, paid up front)
- Contract term (8 weeks)

- Cancellation fee (10% or \$25, whichever is less)

For example, if a consumer purchased a product for \$100 using the above sample terms, the service fee would be \$10; the deposit would be \$20. The weekly payment would be \$10 for the eight-week contract, and the consumer would receive the item for a total cost of \$110. If you canceled the agreement, the store would be entitled to a \$10 cancellation fee in addition to the \$10 non-refundable service fee you paid at the start of the plan. You would pay \$20, but would receive nothing.

Under Ohio law, in a layaway plan for an item worth less than \$500, stores are not required to provide a written contract to consumers, but they must give consumers written notice if they miss a payment. Consumers then have 10 days to make up the missed payment. If they don't make up the payment in that time period, the store is entitled to \$25 or 10%, whichever is less.

For layaway agreements of \$500 or more, the store must provide the consumer with a written contract. If they want to cancel, consumers must do so in writing. They can cancel within five days with no penalty. After five days, if the consumer cancels or defaults, the store can keep up to 50% of the amount the consumer has already paid.

Follow these tips when signing up for layaway:

- Ask for a written description of the store's layaway program before you agree to it, regardless of the cost of the items you place on layaway.
- Ask if you can get a sale price for an item if it goes on sale during the time you have it on layaway.
- Understand the terms and conditions of the layaway. Some stores only offer certain merchandise, or have days where layaways may not be available.
- Save all payment receipts, contracts, and related documentation until you receive your product.
- If a branch of a company shuts down, call the corporate headquarters and explain the situation, citing all necessary documentation.

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