

Holiday Shopping Tips

Stores are already advertising seasonal décor and gift ideas, spurring the beginnings of holiday spirit among many of us. But before making all those purchases on your shopping list, be sure to read advertisements closely and review your consumer rights.

- **Evaluate advertisements:** All exclusions and limitations must clearly be disclosed in advertisements. For example, a supplier cannot advertise "20 percent off all shoes" if only children's shoes are reduced. In addition, if an advertisement includes a picture of an item that is not included in the advertised offer, the exclusion must be stated.
- **Rain checks:** If a store runs out of an advertised product or service, you may have the right to a rain check. Rain checks allow consumers to buy the advertised good for the sale price at a later date. Sellers do not have to issue rain checks if the advertisement mentions the limited number of goods available; that the merchandise is seasonal or clearance; or that no rain checks will be given. They also are not required to issue a rain check if the consumer agrees to buy a similar item at the same price or if the seller proves it had a reasonably sufficient supply.
- **Return policies:** Ohio's Consumer Sales Practices Act doesn't require businesses to have any particular return policy, but it does require businesses to clearly post their return policy — including any conditions or restrictions or if they do not accept returns for any reason. Before making a purchase, be sure to ask about a business' refund and cancellation policy and keep your receipt. A store disclosing its return policy only on the back of a purchase receipt does not meet Ohio law requirements. Also, pay attention to return policies around the holidays, as they may differ from a store's normal return policy.
- **Gift cards:** Under Ohio and federal law, businesses must honor most single-store gift cards for at least five years from their issue date and generally they may not charge fees that reduce the card's value for at least two years. However, gift cards received as result of awards, loyalty, or promotional programs may not be subject to gift card laws. For example, if you purchase two gift cards and receive one gift card "free" as part of a promotional program, the "free" gift card may be subject to a different expiration date.
- **Credit card vs. debit card:** Consumers who pay with credit cards have added protection if something goes wrong. Federal law allows consumers to dispute unauthorized credit card charges within 60 days after the first bill containing the error was mailed. Debit card providers are not required to provide the same protections. Regardless of your payment method, carefully review your statements for errors.
- **Layaway:** If you use layaway to make a purchase, make sure you understand all the terms and conditions, especially the store's policy regarding fees and late payments. Find out what would

happen if you fail to keep up with the payments. Consider whether layaway is your best purchase option.

- **Rebates:** Follow rebate directions closely and make sure you complete all the requirements within the specified timeframe.
- **Online purchases:** Shop carefully. Research the seller's reputation, and make sure the website is secure by looking for the "s" in "https" before you enter payment information such as a credit card number. If a deal sounds too good to be true, it probably is.

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

Don't Get Scammed Preparing for Colder Weather

When the temperature begins to drop, some scams begin to heat up. Before cold weather arrives, many homeowners consider steps to prepare for winter, including getting their furnaces inspected, chimneys swept, and air ducts cleaned. Follow these tips to avoid wintertime home improvement scams:

- **Use trade associations' resources to search for a professional.** For example, before having your chimney cleaned, you can search through the [Chimney Safety Institute of America](#) for a list of certified professionals. For air duct cleaning, look for professionals in your area through the [National Air Duct Cleaners Association](#).
- **Check the reputation of a business before work begins.** Ask for several references from prior customers and contact them to see if they were satisfied with the company's performance. Research [previous complaints with the Ohio Attorney General's Office](#) and the Better Business Bureau and consider performing a simple Internet search of the company.
- **Get multiple estimates.** If expensive repairs are recommended during an inspection, do not feel pressured to act immediately. Consult with additional companies to obtain second and third opinions along with competitive estimates for the recommended work. By law, you are entitled to a written or oral estimate if the repair or service exceeds \$25.
- **Receive a written, detailed contract.** Make sure the contract includes all important details such as when the work will begin and end and who will be performing the work. If a promise is not included in the contract, it is not guaranteed. Be sure to keep a copy of all estimates, contracts, and receipts.
- **Ensure companies comply with Ohio's Home Solicitation Sales Act.** The law protects you from many kinds of home improvement fraud and applies to purchases of \$25 or more made via door-to-door sales or outside of a company's regular place of business. For these purchases, consumers have three days to cancel a contract. The cancellation must be made in writing and sent through the postal mail or hand-delivered.
- **Do not pay for an entire project up front.** Be especially cautious when an individual or company requires the full payment up front. Consider paying one-third of the total cost as a down payment. Next, pay one-third when half of the work is completed to your satisfaction. Finally, pay the remaining third once the project is successfully completed.

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

AG Announces \$30 Million Multistate Settlement with Discount Club Marketer

Imagine discovering monthly charges on your credit card statement for a membership you don't recall signing up for — and the frustration of trying to deal with those charges. That was the experience of many consumers who filed complaints with the Ohio Attorney General's Office regarding charges to their credit cards or bank accounts for Affinion, Trilegiant and/or Webloyalty memberships.

Connecticut-based Affinion and its subsidiaries, Trilegiant and Webloyalty, agreed to pay more than \$30 million to 47 states, including Ohio, to settle allegations that they misled consumers into enrolling in discount clubs and memberships. More than \$19 million in consumer refunds will be available throughout the nation as a result of the settlement.

Affinion runs discount clubs and membership programs offering credit monitoring, roadside assistance, discount travel, and other services. It uses a practice called “negative option marketing,” in which it charges consumers a monthly fee until the consumer affirmatively cancels. It also markets programs through “marketing partners” — well-known banks and retailers that present the programs to consumers, often immediately after the consumer has made a transaction with that bank or retailer.

Consumers complained that Affinion charged them without authorization or that they had trouble canceling or getting a refund from Affinion. Some were confused about Affinion's identity because the offers appeared to come from Affinion's marketing partners rather than Affinion itself.

The states found that Affinion did not clearly and conspicuously disclose its identity or the cost and nature of its charges to consumers. Under the settlement, Affinion agrees to provide consumers with clearer information about its memberships and improve its cancellation policies.

Ohio's share of the settlement is \$450,000, which will be paid into the Consumer Protection Enforcement Fund. Additionally, Affinion is establishing a fund of more than \$19 million to provide refunds to consumers who received unauthorized charges for Affinion's programs.

Ohio consumers should check their credit card and bank account statements for the names of [Affinion's affected membership programs](#).

Consumers who sign up for a “free” 30-day trial offer for a service or product should beware of a process — called a negative option — in which the consumer is required to affirmatively cancel within the 30-day trial period or be charged a continuing monthly fee.

Those who believe they were improperly charged by Affinion, Trilegiant, or Webloyalty should file a complaint with the Ohio Attorney General's Office at www.OhioAttorneyGeneral.gov or 800-282-0515.

Debt-Collection Scams Continue to Target Ohioans

Complaints filed with the Ohio Attorney General's Office suggest that scammers continue to contact Ohio families with phony debt-collection ploys. Recently, people who have applied for or inquired into payday loans are among their targets. Using information possibly obtained from online payday loan applications, the scammers attempt to trick consumers into paying for loans they may never have taken out or have already paid off.

According to consumer complaints, there are several variations of the scam. In Lake County, a consumer reported that a supposed “debt collector” threatened arrest for a debt that was already paid off. A consumer from the Cincinnati area stated that after partially completing an online payday loan application, a “debt collector” called and threatened the consumer’s arrest, even though the consumer never received the loan.

Meanwhile, in central Ohio a consumer with a history of taking out and paying off payday loans was contacted by an unfamiliar loan company regarding an alleged outstanding debt. The consumer repeatedly asked the company for information, which the company refused to provide. The loan company even threatened to send a legal notice to the consumer’s employer if she did not immediately pay the alleged debt.

Phony debt collection scams aren’t limited to payday loans. The Ohio Attorney General’s Office has also received complaints about phony debt collections for “utilities.” In this scam, “debt collectors” contact businesses and threaten to shut off utilities if a “payment” isn’t immediately sent via wire-transfer or prepaid credit card.

Fortunately, many consumers notice one or more signs that the tactic is a scam and avoid getting duped into paying for loans they do not owe. A debt collection call may not be legitimate if the caller:

- Requests personal information, such as a consumer’s name, address, credit or debit card number, bank account number, or Social Security number
- Requests payment via wire-transferred funds or a pre-paid money card
- Refuses to provide information regarding the supposed debt
- Uses vulgar language or threatens arrest if payment isn’t immediately provided

If a third-party debt collector contacts you about a debt that you supposedly owe, you have a number of rights under laws such as the [Fair Debt Collection Practices Act](#). For example, a third-party debt collector must send a letter within five days after contacting the consumer by phone. The letter must include the amount of money owed, the lender the debt is owed to, and the amount of time the consumer has to dispute the debt.

Third-party debt collectors also cannot contact consumers without identifying themselves, tell others about the debt, or contact consumers at work if they or their employer disapproves.

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



For more information, contact Ohio Attorney General Mike DeWine’s Consumer Protection Section at **800-282-0515** or www.OhioAttorneyGeneral.gov.