

Ohio Attorney General's
Consumer Advocate Newsletter
Keeping Consumers Safe and Informed



June 2023



Don't get scammed when moving to a new home

Are you planning to move soon? As part of your preparations, take care in choosing a moving service.

Some con artists pretend to be movers – providing cost estimates and accepting deposits – but don't show up for the job.

Other scammers estimate a price based on the weight or volume of the items being moved, but switch gears on you come moving day. After loading your items on a truck, the scammer informs you

that your belongings weigh more or total more cubic feet than quoted in the estimate – then tells you the move will cost significantly more.

A third type of moving scam starts out well – it seems to be smooth sailing – but your belongings don't show up at your new home. The belongings are either lost forever, or they're held hostage until you pay an additional fee.

Before hiring a mover, consumers should learn their rights and research moving companies using resources available through the Ohio Attorney General's Office, Public Utilities Commission of Ohio (PUCO) and Better Business Bureau (BBB).

Be sure to find out how long a moving company has been in business, look for reviews from previous customers, and ask for proof that the company is licensed and insured. Do an internet search of the company's name and words such as "scam" and "complaint" to learn more about the company's reputation and any customer grievances.

The PUCO has important information about [consumers' rights](#) when hiring movers. For consumers moving across state lines, [the Federal Motor Carrier Safety Administration](#) regulates interstate moving companies. Also, you may want to review [the BBB's June 2020 study of moving scams](#), which primarily concentrates on state-to-state moves.

Here are some red flags to look for and tips to consider when hiring a moving company:

- Be suspicious if the company doesn't list an address or provide information about its registration and/or insurance coverage. The same goes for a business that doesn't use a company name when answering a phone call or that uses rented trucks instead of its own vehicles. These may be signs that the mover isn't in business for the long haul.
- Avoid companies that require a large down payment or payment in full before the move. And do not pay cash unless services are completed.
- Be sure to get a written contract from the moving company and read the terms, conditions and any other fine print before signing it. Be sure the written contract spells out the dates that your belongings will be picked up and delivered, as well as how the rate is calculated. Save all documentation in case you need to refer to or provide it if questions or concerns arise.
- Most movers base pricing on a flat rate or an hourly rate. Some flat-rate estimates might be higher because they account for the fact that the move may take longer than expected. Flat-rate quotes may offer you peace of mind and more certainty. For long-distance moves or larger homes, some experts say a flat rate may be better for the budget-minded consumer.
- Some movers may quote an estimate based on the weight or volume of your items. According to the BBB, "Rogue operators prefer to give estimates in cubic feet. Volume is easier to manipulate than weight, so they can later claim additional charges."
- Get at least three in-person or virtual estimates as part of your research. Scammers may refuse face-to-face meetings and low-ball their estimates over the phone.

- Inventory all of the items being moved and the number of boxes being transported to your new home. Look for companies that provide full-value protection insurance in case any items are lost or damaged. Also, find out what your existing homeowner's policy will cover.
- Take photos before and after the move in case you have insurance claims involving broken or damaged items.
- Consider moving certain items yourself. especially your Social Security card, passport and other personal documents.

If you suspect a scam or an unfair business practice, contact the Ohio Attorney General's Office at www.OhioProtects.org or 800-282-0515.

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Investors, beware: Investment scams take aim at your money

Many consumers invest their money to build wealth.

When it comes to investments, it's wise to rely on professionals: the Ohio Department of Commerce and the U.S. Securities and Exchange Commission (SEC) are the state and federal experts. The Ohio Department of Commerce's Division of Securities has an investor alert designed to help expose scammers so you don't fall prey to these all-too-common cons:

- **Affinity fraud:** With this kind of fraud, a friend or member of a club or organization uses his or her affiliation with that organization to establish the credibility of a proposed investment. This can happen within a religious group, charity, business/professional organization, social club, fraternal club or any other established group. The promoter uses her or her status to build trust with would-be investors. Never let a common bond inspire automatic trust with someone. It is vital to thoroughly and independently research any investment offer.
- **Unregistered products /unlicensed sales representatives:** Generally, securities such as stocks and bonds can be handled only by licensed salespeople, so it's a red flag when anyone without a license pitches you an opportunity to buy securities. Many of these situations involve unregistered investments that are promoted as limited-risk or no-risk and high-profit.
- **Ponzi schemes:** Ponzi schemes typically operate as phony "investment management services." The portfolio manager may claim to offer a handsome profit, but when you start asking to withdraw funds, the manager merely uses money from new investors to pay the existing clients. No real investments are actually made, and the fraudulent structure often collapses when new money dries up – so little or no funds are available to provide payouts to earlier investors.
- **Pyramid investments:** These unlawful business practices are structured so that new "investors" are recruited to sell a product or service but are also responsible for bringing additional investors into the scheme. According to the Ohio Department of Commerce, "Each

investor pays the person who recruited them for the chance to sell this item. The recipient must share the proceeds with those at the high levels of the pyramid structure.”

- **Investment seminars:** If you’re invited to an investment seminar, be wary of promises that tout big profits for little or no work. Examples from the Ohio Department of Commerce include house flipping, stock market day trading, commodity investments and other get-rich schemes. The promoters get rich from seminar fees and/or the sale of books and audiotapes. Before you attend a seminar, the Ohio Department of Commerce suggests researching the host company or individual to check for a history of complaints or fraud.
- **Oil and gas wells:** Although legitimate opportunities for oil and gas investments do exist, many fraudulent oil and gas deals have a physical presence outside the state. Out-of-state schemes, according to the Ohio Department of Commerce, make it hard to uncover the fraud and less likely that “investors” check up on the physical well site or a nonexistent company building.
- **Real estate:** Certainly, real estate can be a legitimate investment opportunity for Ohioans, but regulators see Real Estate Investment Trusts (REITs) as potential trouble spots. Although conventional REITs traded on a stock exchange may be legitimate, non-traded REITs sold directly to investors may be much riskier.

The SEC identifies these red flags of investment fraud:

- Unlicensed investment professionals
- Aggressive sellers who may provide exaggerated or false credentials
- Offers that sound “too good to be true”
- “Risk-free” investment opportunities
- Promises of great wealth and guaranteed returns
- “Everyone is buying it” pitches
- Pressure to invest right now
- Over-the-top, sensational pitches that may have fake testimonials
- Unsolicited pitches seeking to obtain your personal information
- Requests for investment payment by credit card, gift card or wiring money abroad or to a personal account

More information, including how to check the background of an investment professional, can be found at the SEC’s website at www.investor.gov/. The SEC also has an investor assistance phone line: 800-732-0330.

To help avoid potential securities fraud, investors can contact the Ohio Department of Commerce, Division of Securities’ Investor Protection Hotline at 877-683-7841.

Consumers who suspect a scam or who have problems they can't resolve should contact the Ohio Attorney General's Office at www.OhioProtects.org or 800-282-0515.

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Consumer Protection Up Close

Consumer Protection Up Close is an occasional column that examines and explains cases filed by the Ohio Attorney General's Consumer Protection Section.

In February 2023, Attorney General Yost sued two used-car dealerships in the Columbus area in an effort to dial back alleged odometer-tampering schemes by the company owners.

The lawsuits, filed against [S Automotive](#) and owner Simon Nwaru Jr. and [Kalango Links](#) and owner Korite Michael Kalango, also accuse the defendants of failing to inform customers that they were buying rebuilt salvaged vehicles.

"These dealers went out of their way to make sure that customers had no idea what they were actually buying," Yost said. "Consumers didn't realize their car would come fully equipped with buyer's remorse."

The Attorney General's Office received 57 consumer complaints about the dealerships, prompting Yost to file suit in Franklin County Common Pleas Court.

Thirty-nine complaints centered on S Automotive, currently operating in Whitehall. Of those, 33 were about the dealership's failure to deliver titles, three were about misrepresentations, and three were about odometer discrepancies. Twenty-six of the consumers who filed complaints about title issues were not aware that the vehicles they bought had odometer discrepancies.

In the Kalango Links case, the Attorney General's Office received 18 consumer complaints, with most alleging odometer tampering. The dealership operates on Cleveland Avenue in Columbus.

Yost's investigation of S Automotive and Kalango Links found in some cases that the dealerships had been selling cars with rebuilt titles but did not disclose the information in writing to consumers – as required by law. A rebuilt title is issued to vehicles that have been repaired after having been declared a total loss by an insurance company as a result of collision damage, fire or flood, or even because of a manufacturer's buy-back due to a Lemon Law claim.

The lawsuit accuses S Automotive of violating the Ohio Consumer Sales Practices Act, the Certificate of Motor Vehicle Title Act, and the Odometer Rollback and Disclosure Act by:

- Failing to file applications for certificates of title within 30 days after the assignment or delivery of motor vehicles.
- Selling motor vehicles to consumers and then failing to obtain certificates of title on or before the 40th day after the sale.
- Failing to disclose to consumers that they were purchasing a rebuilt salvaged vehicle.

- Misrepresenting the odometer disclosure statements.
- Failing to provide true and complete odometer disclosures.
- Adjusting, altering, changing, tampering with or setting back an odometer of a motor vehicle.

The Ohio Attorney General's Office is seeking reimbursement from Nwaru for the vehicles that consumers bought and seeks to recover the amount of money the Title Defect Recision Fund paid to resolve the consumer complaints. Additionally, the complaint asks the court to impose civil penalties and prohibit Nwaru from maintaining or applying for auto-dealer or sales licenses.

Likewise, the lawsuit against Kalango Links accuses the dealership of violating the Ohio Consumer Sales Practices Act and the Odometer Rollback and Disclosure Act.

In this case, Yost is demanding that Kalango reimburse consumers for the vehicles they bought, and pay civil penalties and court costs. The suit also seeks to prohibit Kalango from maintaining or applying for auto-dealer or sales licenses.

In late April, the Ohio Attorney General's Office received a judgment against S Automotive. The case against Kalango Links remains pending.

When buying a used car, consumers are urged to take the following steps:

- Check with the Ohio Attorney General's Office and the Better Business Bureau for any complaints against the dealership.
- Get everything in writing and read the fine print.
- Take the vehicle for an extended test drive.
- Ask about prior damage, defects and repair history. Check out the vehicle's history through the National Motor Vehicle Title Information System at nmtis.gov
- Ask a trustworthy mechanic to check the car for problems.
- If a dealer does not provide the title within 30 days of the purchase date, contact the Ohio Attorney General's Office.

Ohioans who suspect unfair or deceptive business practices should contact the Ohio Attorney General's Office at www.OhioProtects.org or 800-282-0515.

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Be aware of elder abuse

In commemoration of Elder Abuse Awareness Day – June 15 – the Ohio Attorney General's Consumer Protection Section wants to remind Ohioans about its year-round efforts to help educate older adults and those who work with them about varying forms of abuse

**The Ohio Attorney
General's Office, Consumer
Protection Section,
encourages older adults...**

...TO ALWAYS:

and exploitation.

Experts acknowledge that financial abuse, which is the illegal or improper use of an older person's money or property, is vastly underreported. According to one New York expert, for every case of financial abuse that is reported, 43 additional cases go unreported – and, thus, unprosecuted.

In many cases, the abuse consists of both physical violence and financial exploitation. For example, a family member may hit an older adult when he or she refuses to cooperate with a demand for money.

The Consumer Protection Section's Elder Justice Unit reports that financial abuse is generally perpetrated by three categories of individuals:

- Family members, friends, neighbors or acquaintances
- Professionals (such as a lawyer, doctor, financial adviser, clergy member, caregiver or guardian)
- Strangers (such as a telemarketer, a door-to-door sales or repair person, a new love interest or a TV/radio announcer)

In some cases, financial abuse can be difficult to stop because of complicating factors. For example, victims may be reluctant to address the abuse due to their ties to the abuser (who may be, say, a friend or relative), fear of retaliation, shame, dependence on the abuser for assistance, complex health care or economic reasons. The older adult may be suffering physically and/or emotionally. Also, the financial abuse may have resulted in one or more losses for the older adult – money, time, retirement income, homes/residence, self-esteem, and/or the inability to provide for oneself.

The Elder Justice Unit recommends that older adults help prevent financial abuse by doing the following:

- **Plan** in advance for your legal, medical and estate matters.
- **Seek** independent advice from someone you trust before signing any documents. If you don't understand a financial transaction or if you think you are being pressured to give money and/or sign a document, ask for help.
- **Know the person** with whom you are speaking before providing your personal information.

- Be skeptical when someone requests immediate payment via wire transfer, prepaid money card, gift card, cryptocurrency or peer-to-peer payment network.
- Research businesses and charities through the Ohio Attorney General's Office and the Better Business Bureau.
- Beware of strangers who seek new, quick personal connections with you or a loved one.
- Get all verbal promises in writing and review contracts.
- Keep your personal information private and shred outdated documents containing such information.

...TO NEVER:

- Send money to a stranger via wire transfer, gift card or prepaid credit card.
- Give personal information to someone who has contacted you unexpectedly.
- Carry unnecessary personal information, such as your Social Security card, in your wallet or purse.
- Pay to win a prize or sweepstakes.

- **Make sure** proper screening and background checks are completed before hiring someone for any services.

To educate professionals who work with older adults, the Ohio Attorney General’s Elder Abuse Commission will present an upcoming conference, “From Research to Practice: Integrating Trauma-Informed Responses to Elder Abuse.”

Date: Wednesday, June 28, 2023
Time: 10 a.m.-4:30 p.m. (doors open at 9 a.m.)
Location: The Ohio State University Fawcett Center, Columbus
Cost: \$30, including training materials, lunch and professional credits

For more information, including conference registration, click [here](#).

This conference is designed to help advocates who work with older Ohioans realize that society as a whole must understand trauma among older adults in order to effectively respond to victims of elder abuse.

The Elder Abuse Commission provides annual events and activities because such outreach is essential to advancing conversation and building partnerships to increase awareness, prevention and detection of elder abuse statewide. The commission works to identify best practices, advocates for laws and policies to improve protection of older adults, shares its expertise and promotes research to advance its mission, and supports a safe and just Ohio for everyone.

- Give anyone “remote access” to your computer.
- Pay the full amount upfront before any work has been done.

Consumers who suspect a scam or an unfair business practice should contact the Attorney General's Office at www.OhioProtects.org or 800-282-0515.