

Consumer **PROTECTION** GUIDE



Attorney General Greg Zoeller
Serving Indiana
...and justice for all

TABLE OF CONTENTS

Letter from the Attorney General3

About Your Consumer Advocate5

Finances: Informed Investing For Hoosiers7

Business Opportunities.....9

Internet Fraud and Other One-click Cons13

Buyer Beware: Safe Purchase Protocol For The 21st Century.....23

Give — Without Being Taken38

Telephone Fraud Tip-offs41

Especially For Seniors.....46

You Need To Know: Consumer Hot Topics For Today52

How To File A Complaint56

LETTER FROM THE ATTORNEY GENERAL

Welcome to the Indiana Consumer Protection Guide.

We've developed this one-stop resource to help Hoosiers make informed consumer decisions regarding online and real world purchases, investments, service provider selection and privacy protection. Whether you are looking to purchase a new car, participate in an online auction or hire a reputable contractor for an upcoming home improvement project, the Indiana Consumer Protection Guide can help.

Even if you aren't looking for information specific to a consumer concern, the information contained in this resource is worth a look. In these pages, we've compiled helpful information regarding a range of current issues, from recalled products to gasoline pricing resources to charitable fundraising.

In my role as attorney general, I hear some amazing stories about consumer fraud and scams that cause heartache, financial loss and fear for our Hoosier friends and neighbors. For that reason, I encourage you to explore this guide's consumer education resources and fraud protection tips. You can protect yourself and your assets.

Very truly yours,

A handwritten signature in black ink, appearing to read "Greg Zoeller", with a stylized, flowing script.

Greg Zoeller
Indiana Attorney General

ABOUT YOUR CONSUMER ADVOCATE

Indiana citizens should be able to rely on the quality of work done by professionals they choose to perform services.

The Consumer Protection Division of the attorney general's office investigates complaints against professionals in various fields to ensure safe and fair commerce. Its work protects Hoosiers from businesses, medical professionals and other service providers who fall short in their responsibilities to consumers.

The attorney general cannot act as your private attorney.

It is the responsibility of the attorney general to protect public interests. In doing so, the attorney general's office may file lawsuits on behalf of the state against companies that violate laws protecting consumers. The attorney general's office cannot represent individual consumers when filing lawsuits nor can the office file a lawsuit whose only purpose is to recover money or property for an individual. In these instances, the consumer should seek legal advice from a private attorney, legal aid society or other organization.

The Consumer Protection Division is divided into three sections:

Consumer Litigation and Mediation Division-Complaint Investigation And Mediation

This section handles most consumer complaints against businesses that are not regulated as licensed professionals or by other state or federal agencies. An attempt is made to mediate individual complaints. The complainant also may attempt to resolve the matter in small claims court or seek the advice of a private attorney regarding legal remedies outside the attorney general's office (by teph at testsforge service).

If it appears that a business or individual is involved in a pattern of deceptive practices, or has violated Indiana's Deceptive Consumer Sales Statutes, the division may initiate litigation under the Indiana Deceptive Consumer Sales Act or other state and federal consumer protection statutes. The state can seek restitution for any consumers affected by the deceptive practices of an individual or business.

Licensed Professionals

This section handles complaints against professionals licensed by the State of Indiana. Complaints are investigated to determine whether the licensee has violated any standards of practice or other rules and regulations of his or her particular profession.

Complaints appropriate for prosecution are litigated in an administrative proceeding before the board that issued the practitioner's license. There are 15 boards and commissions that regulate nonmedical licensed professions, including real estate professionals, real estate appraisers, plumbers, cosmetologists and architects.

Medical Professionals

This section investigates and prosecutes complaints against health care practitioners. There are 20 boards and committees that regulate health care practitioners, including doctors, nurses, pharmacists, nursing home administrators, veterinarians or other health care practitioners.

FINANCES: INFORMED INVESTING FOR HOOSIERS

Pyramid Schemes

There are no legal pyramid schemes. Pyramid promoters claim that members will make money by simply recruiting other members. It does not matter how the pyramid is set up, or if it allows members to leave after reaching a certain level. Pyramids are illegal because current members must continually recruit new members in order for the pyramid to survive. When there are not enough new members to sustain the current enrollment, the pyramid collapses, leaving most members out in the cold, never to see their original investment again.

Gifting Clubs

Gifting clubs are pyramid schemes that have participants fill out a “gifting” statement. This statement says the investor is giving a “gift” to other people in order to join. In reality, gifting clubs are illegal pyramid schemes where new members are promised money if they get additional members to join. Calling this scheme a “gifting club” is merely an attempt to make an illegal transaction look legal. Bottom line is that gifting clubs are also certain to eventually collapse.

Multi-level Marketing Plans

Unlike pyramid schemes, multi-level marketing programs are legal in Indiana. Multi-level marketing plans are a way of selling goods and services through distributors. These types of pyramids typically promise that distributors will receive a profit from the goods they sell and a commission from the sales of other members, usually two or more “levels” of people that are recruited into the group. Multi-level marketing plans paying commissions based on sales by lower level distributors may eventually result in a financial loss due to a reduction of new distributors joining at lower levels. These companies frequently advertise job positions; be aware that “interviews” for these positions may turn into high pressure sales pitches. Potential candidates are told they can join the company only by purchasing a membership or a certain amount of product to resell.

More Important Information

Under Indiana law, it is a violation to induce or to help induce just one person to join a pyramid. Therefore, it does not matter if you are not the person “running” the pyramid. You may be breaking the law by merely joining the pyramid.

Credit Service Organizations

Advertisements often promise miracles in repairing bad credit reports. Credit service organizations tell consumers that for a fee, bad credit, judgments, bankruptcies and bad debts can be erased from credit reports forever, prevent foreclosure or that a new

credit identity can be created to solve all the consumer's credit problems. In reality, such ads promise things that cannot be delivered.

What Indiana Law Requires Of For-Profit Credit Service Organizations:

- ◆ Have a written contract with consumers describing in detail the services to be performed.
- ◆ Provide consumers with a three-day right to cancel the contract.
- ◆ Maintain a \$25,000 bond to be used to satisfy consumer claims.

Remember:

- ◆ Negative but accurate credit information cannot legally be removed from a credit history except by the passage of time.
- ◆ No one can guarantee to erase bad credit.
- ◆ You can remove inaccurate or outdated information from your credit report yourself, at no cost.
- ◆ It is illegal to allow a credit service organization to set up a new credit file for you.
- ◆ Do not pay credit service fees before the services are completed.
- ◆ Indiana law gives you the right to sue credit service organizations for the greater of twice your actual damages or \$1,000 plus attorney fees.

FRAUD IN THE WORKPLACE

Business Opportunities

The thought of earning a lucrative salary from the comfort of home is a tempting one – and that’s precisely why so many organizations take advantage of unsuspecting Hoosiers through “work at home” business opportunities. Learn how to avoid being taken advantage of by knowing what to look for in these business opportunities.

Understanding Business Opportunities

- ◆ A business opportunity is commonly referred to as a “work at home” job. Examples of common business opportunities include:
 - ◆ Envelope stuffing
 - ◆ Transcribing medical records
 - ◆ Operating vending machines
 - ◆ Setting up display racks
 - ◆ Internet malls
- ◆ The Indiana Business Opportunity Transaction Act regulates the sale of business opportunities in the state of Indiana if they require an initial investment of more than \$500.
- ◆ Be wary of investment amounts just under \$500 (for example \$495), as this is likely an indication that the seller is trying to avoid regulation as a business opportunity seller.
- ◆ Most business opportunities are advertised in the classified sections of newspapers or through Internet sites and promise a large monthly income while allowing you to be your own boss and set your own hours.
- ◆ Most people find that the promise of a large income never materializes. Often, the sellers never deliver the goods. Or, if the goods are delivered, investors discover that they are low quality and/or the market for them does not exist or is already over-saturated.
- ◆ Many sellers require you to sign leases for credit card machines or other services that allow them to deduct money from your account each month. Many people find that the withdrawals continue long after they attempt to cancel the contract.

Helpful Tips

- ◆ Before soliciting or advertising the sale of a business opportunity, a seller must register and post a bond with the Indiana Attorney General’s Office.
- ◆ You can contact the attorney general’s office at 1-800-382-5516 to learn if the company is registered.

- ◆ Properly registered sellers must use the attorney general's office registration number in any advertisements.

Resources

You can contact the Federal Trade Commission at:

1-877-FTC-HELP

www.ftc.gov/bcp/conline/edcams/bizopp

Scams Against Businesses

Scam artists can cost business owners a lot of time and money. Learn what to look for — train your employees to recognize potential scams.

Common Scams Targeting Businesses

- ◆ Telemarketers may call a receptionist and ask for a mailing address to send a free sample, only to send a shipment along with a significant bill claiming that the receptionist authorized the “purchase.”
- ◆ Telemarketers may call a receptionist or maintenance employee representing themselves as your company’s “regular supplier” of business supplies, stating that a price increase is imminent and obtaining authorization for an order that is significantly higher in price than what your regular supplier charges.
- ◆ You may receive a solicitation through the mail that resembles an invoice. If you process and pay this solicitation as an invoice, you may be inadvertently purchasing goods and/or services you didn’t intend to.
- ◆ You may receive a check through the mail, usually in a nominal amount, and commonly for Internet Web site services, Internet directory advertising or yellow pages advertising. If endorsed and deposited, this check authorizes the solicitor to bill you on a monthly basis.

Tips To Reduce The Chances Of Becoming A Victim

- ◆ Educate your employees about scams.
- ◆ Limit those authorized to make telephone purchases, and train those not authorized to make purchases about how to handle cold telemarketing calls.
- ◆ Review billing statements and shipments to ensure they were authorized.
- ◆ Review each bill carefully to make sure it is a bill and not a solicitation that resembles an invoice.
- ◆ Do not pay for unsolicited or unauthorized shipments. Federal and state laws allow such shipments to be treated as gifts, and you are not required to pay for or return the unauthorized shipment.

- ◆ Review checks received through the mail carefully for fine print.
- ◆ Report scams to the Federal Trade Commission.

Business Issues

The attorney general's office is mandated by the legislature to handle only **consumer** complaints against businesses and licensed professionals. The attorney general's office is unable to assist with business-to-business complaints.

Unsolicited Faxes

Across the state, citizens have spoken out against unsolicited faxes, which waste ink and paper purchased for personal and business uses. In 2006, the Indiana General Assembly unanimously passed a law that allows the Indiana Attorney General to take action against these annoying and costly solicitations. Unlike the Do Not Call Law, the Do Not Fax Law does not require people to register their fax number. The law applies to every fax number in the state.

Stop Unsolicited Faxes

If you've received an unsolicited advertising fax that you believe has violated the law, you can file a complaint with the attorney general's office. In order to submit the complaint, select and download the "Unsolicited Fax Complaint" form from www.indianaconsumer.com. Send the completed form and a copy of the unsolicited fax to the address below.

Office of the Indiana Attorney General	
OAG Online Complaints	www.IndianaConsumer.com
OAG by phone	1-800-382-5516
OAG by mail	Office of the Indiana Attorney General Telephone Privacy Division 302 W. Washington St. Indianapolis, IN 46204

Additional Options

Indiana Small Claims Court

The Federal Telephone Consumer Protection Act allows recipients of unsolicited faxes to sue the sender in small claims court. You can recover either your actual monetary loss, or up to \$500 in damages for each violation. You can also get treble damages ($\$500 \times 3 = \$1,500$) if you prove the sender willfully or knowingly committed a violation.

Contact your county clerk's office to file a claim in small claims court.

The Federal Communications Commission

The Federal Communications Commission (FCC) also monitors complaints about unsolicited faxes and may take action if it receives a significant number of complaints against a particular sender.

FCC Online Complaints	www.fcc.gov/cgb/complaints.html
FCC's Consumer Center	1-888-225-5322 (1-888-835-5322 TTY)
FCC by mail	FCC Consumer & Governmental Affairs Bureau Consumer Inquiries and Complaints Division 445 12th Street SW Washington, D.C. 20554

Remember

There is an exception to the law if you have done business with the firm or company that sends the fax. To end this business relationship, contact the sender directly. Be sure to keep documentation of your request.

INTERNET FRAUD AND OTHER ONE-CLICK CONS

Phishing

In February 2007, The Washington Post reported that about 109 million U.S. adults received phishing e-mail attacks in 2006, compared with 57 million in 2004. The average loss per victim in 2006 was \$1,244, nearly five times the \$257 average loss reported in 2004.

Understanding the ups and downs of the Internet and online transactions is one of the best ways to start practicing “safe computing.” Armed with a good understanding of common threats and a few practical tips to help you and your information stay secure, you can click to your heart’s content.

Phishing — also known as carding or brand-spoofing — is a type of deception designed to steal your identity. In a phishing scam, a thief tries to get information like credit card numbers, passwords, account information, or other personal information from you by convincing you to provide it under false pretenses.

Phishing schemes usually come via spam e-mails or pop-up windows, and often pose as legitimate businesses with which consumers may do business.

In a phishing scam, the messages often look very authentic, featuring corporate logos and formats similar to the ones used for legitimate messages. Typically, they ask for verification of certain information, such as account numbers and passwords, allegedly for auditing purposes. And because these e-mails look so official, up to 20 percent of unsuspecting recipients may respond to them, resulting in financial losses, identity theft and other fraudulent activity.

Con artists will continue to develop new and more creative ways to take advantage of consumers online. But following these five steps can help you reel in phishing scams, and protect yourself, your identity and your assets:

- 1) **Never respond to requests for personal information via e-mail.** Legitimate businesses and financial institutions never ask for personal information like passwords, credit card numbers or other personal information in an e-mail. If you do receive an e-mail requesting this kind of information, don’t respond. If you think the e-mail is legitimate, contact the company by phone or through their Web site to confirm.
- 2) **Don’t click on links you receive in unsolicited e-mails, rather type Web addresses directly into your browser.** Be suspicious of unsolicited e-mails you receive from any business. Look for misspellings and bad grammar in e-mails you receive. While an occasional typo can slip by any organization, more than one is a tip-off to beware. If you suspect that an e-mail from your credit card company, bank, online payment service or other Web site you do business with is not legitimate, don’t follow the links to the Web site from an e-mail message. Those

links may take you to a spoofed site that might send all the information you enter to the scam artist who created the site. Sophisticated hackers can even display a fake URL in the address bar of your browser.

- 3) **Check to make sure the Web site is using encryption.** Before you enter any personal information, check to see if the Web site uses encryption to transmit your personal information. In Internet Explorer, you can do this by checking the yellow lock icon on the status bar. If the lock is closed, then the site uses encryption to help protect any sensitive personal information — such as credit card numbers, Social Security numbers, or payment details — that you enter. Double-click the lock icon to display the security certificate for the site. The name should match the site you think you're on. If the name differs, you may be on a spoofed site.
- 4) **Routinely review your credit card and bank statements for suspicious charges.** Review your bank statement and credit card statements at least monthly for fraudulent charges.
- 5) **Report suspected abuses to the proper authorities, including the Office of the Indiana Attorney General's Consumer Protection Division.** Also report the scam to the company that's being spoofed. Visit the company's Web site to get the correct contact information. The company may have a special e-mail address to report such abuse.

Internet Auction Scams

The number of people purchasing items over the Internet continues to grow each day. In general, Internet auctions are a relatively safe and convenient means of purchasing goods; however, there are inherent risks. In fact, Internet purchases are one of the largest source of complaints filed with the Indiana Attorney General's Office.

Tips To Ensure Your Online Transaction Goes Smoothly

- ◆ **Use Common Sense.** Luxury goods account for a large portion of online auctions. Be aware that some items may be counterfeit. If the deal sounds too good to be true, it probably is.
- ◆ **Read Feedback.** Most auction sites have a forum for rating sellers. Read this input before making a purchase.
- ◆ **Use Insurance.** Postal insurance is approximately \$1 for every \$100 of insurance you choose to purchase. This is a small price to pay in comparison to losing your entire shipment.
- ◆ **Watch For The Phrases “As Is” Or “Information Only.”** Read the auction listing closely. Some sellers use the language “as is” to protect themselves. “As is” protects a seller against implied warranties, but not explicit warranties, made to

the buyer. If the item's description says it is a brand name item with no qualifying language, then the seller cannot sell counterfeit items and protect himself by using the language "as is" or claim ignorance. Similarly, be aware that some sellers offer electronics for sale and bury the phrase "information only" in the auction listing. Consumers who purchase these items are referred to an illegal matrix site that operates much like a pyramid scheme and requires consumers to encourage others to join before receiving the item. If you find you have inadvertently purchased a misrepresented item under either of these conditions, the seller should provide a refund.

- ◆ **Be Extra Careful Regarding Payment Methods.** Be certain the site is secure. Be suspicious if the seller states you can only pay by a money transfer service, such as Western Union, as it is difficult to track someone down without a paper trail. Always request a return receipt. Consider using an online payment service, such as PayPal, or your credit card, which may offer additional protections.
- ◆ **Don't Spend More Than You Are Willing to Lose.** If things go wrong, it is extremely difficult to get your money back — at best, it is expensive and time consuming.
- ◆ **Location, Location, Location.** Ideally, the seller should list a location. If you are buying a luxury item, beware of addresses located outside of the U.S., because if a non-U.S. seller fails to deliver the merchandise, it will be extremely difficult to obtain a refund.

Safe Computing

Understanding the ups and downs of the Internet and online transactions is one of the best ways to start practicing "safe computing." Armed with a good understanding of common threats and a few practical tips to help you and your information stay secure, you can click to your heart's content.

Tip #1: Safeguard Personal Information

Don't fall for e-mail scams asking for your Social Security number, bank account number, passwords or any other private information. Any kind of personal information should be protected, but most commonly, identity thieves are in search of:

- ◆ Name
- ◆ Address
- ◆ Date of birth
- ◆ Social Security number
- ◆ Driver's license number
- ◆ Mother's maiden name

- ◆ Account numbers
- ◆ Card expiration dates
- ◆ Internet passwords
- ◆ Personal identification numbers
- ◆ User IDs for online account access
- ◆ Security codes from the back of credit and debit cards

Tip #2: Use Good Passwords

Some systems can be accessed remotely by scammers who want to gather and misuse users' personal login and password information. If you have a weak password, your information is vulnerable to dictionary attacks — rapid, automated guessing of common passwords. This is of special concern on systems where you've set yourself to log in automatically and may be unaware of a totally blank administrative password.

Here are a few tips to keep in mind:

- ◆ **Never share your password.** Even someone you trust could misuse your information. Keep this information exclusively private.
- ◆ **Never write down your password.** If you lose the piece of paper your password is written on, it could end up in the hands of identity thieves.
- ◆ **Change your password frequently.** The longer that you have used your password, the more likely it is that someone else will manage to figure it out. Just how frequently you should change your password depends on how frequently you use it and what you are protecting with it. For example, you may wish to change a password used to give access to financial information more frequently.
- ◆ **Never store a password in a program.** Many e-mail and Web programs will offer to store your password for you so that you don't need to type it in each time you want to use it. But this convenience makes it easy for thieves to recover your password if they have access to your computer. It is also possible for some computer viruses to recover your password from such stores and e-mail them to random people or post them publicly on the Internet.

Tip #3: Be Spyware Savvy

Spyware is software loaded on your computer without your consent, and often without your knowledge. The goal is to monitor or control your computer use — you might receive a large number of pop-up ads, be directed to Web sites you don't want to view or lose use of your computer's systems. It might take a long time to open or save files, or you may receive strange error messages. Sophisticated spyware programs may even record your keystrokes to steal your passwords or other sensitive personal information, leaving you vulnerable to identity theft or other fraud.

To lower your risk of spyware infection:

- ◆ **Set your browser security high enough to detect unauthorized downloads.** Update your operating system and Web browser software — many offer free software “patches” to close holes in the system that spyware might exploit.
- ◆ **Use anti-virus and anti-spyware software and a firewall, and update them frequently.** A firewall blocks unauthorized access to your computer and will alert you if spyware on your computer is sending information out. Anti-spyware software should be set to scan on a regular basis — at least once a week — and every time you start your computer.
- ◆ **Download free software only from sites you know and trust.** Free software is often bundled with unsolicited spyware. Custom toolbars, games or peer-to-peer sharing software are common offenders.
- ◆ **Don’t click on links inside pop-up windows.** Always close pop-ups by clicking on the “X” icon in the title bar. Or better yet, install a reputable pop-up blocking software.
- ◆ **Don’t click on links that claim to offer anti-spyware software.** Ironically, links that claim to offer anti-spyware software often actually provide spyware and trick you into downloading it yourself. Take the time to read the end-user license agreement before downloading any software. If the license agreement is too hard to find or understand, it may not be a safe download.

Safe Online Shopping

The number of people purchasing items over the Internet continues to grow each day. In fact, Internet purchases are one of the largest source of complaints filed with the Indiana Attorney General’s Office.

The following tips can help you become a savvy and safeguarded online shopper:

- ◆ **Research vendors and personal sellers before making any online purchases.** Confirm an online seller’s physical address and phone number in case you need to get in touch with them. If you get an e-mail or pop-up message from the seller while you’re browsing that asks for financial information, don’t reply or click on the link in the message. Legitimate companies don’t ask for this information via e-mail or pop-ups.
- ◆ **Know what you’re getting.** Read the seller’s description of the product closely, especially the fine print. Words like “refurbished,” “vintage,” or “close-out” may indicate that the product is in less-than-mint condition. Name-brand items with “too good to be true” prices could be counterfeits.

- ◆ Calculate the costs. Check out Web sites that offer price comparisons and then compare “apples to apples.” Factor shipping and handling into the total cost of the order and evaluate this final, complete cost against your budget and needs.
- ◆ Carefully choose payment methods. Be certain the Web site is secure. Be suspicious if the seller states you can only pay by a money transfer service, such as Western Union, as it is difficult to track someone down without a paper trail. Do not send cash under any circumstances. Consider using an online payment service, such as PayPal, or your credit card, which protects your transaction under the Fair Credit Billing Act. Many companies do not hold consumers responsible for unauthorized charges made online, and some card issuers may provide additional warranty, return or purchase protection benefits. Regardless of your payment method, always insist upon a receipt for your purchase.
- ◆ Purchase insurance. Postal insurance is approximately \$1 for every \$100 of insurance purchased. This is a small price to pay in comparison to losing your entire shipment.
- ◆ Maintain a paper trail. Print and save records of your online transactions, including the product description and price, the online receipt and copies of any e-mails you exchange with the seller. Read your credit card statements as you receive them to be on the lookout for unauthorized charges.
- ◆ Check a company's privacy policy before doing business with it. A company should allow you to know what personal information its Web site operators are collecting, why and how it will be used. If you can't find a privacy policy — or if you can't understand it — consider taking your business to another site that's more security-conscious and accommodating to customers.

Spam Scams

What Is Spam?

Also known as unsolicited commercial e-mail (UCE), spam consists of e-mail messages sent in bulk without prior request or consent. Low in cost and often untraceable, spam promotes get-rich-quick scams and other misleading schemes.

Typically, e-mail solicitors or spammers obtain e-mail addresses by buying lists from brokers who harvest addresses from Internet newsgroup postings, chat rooms, Web sites and other online services' membership directories. The spammers then use special software to send thousands, and in some cases millions, of e-mail messages to potential victims.

How To Protect Yourself From Spam

If you're tempted to respond to an e-mail message that is likely a spam, the FTC and the Office of the Indiana Attorney General suggests you stop and ask yourself two important questions:

- 1) Why would a perfect stranger pick you to share a fortune with?
- 2) Why would you share your personal or business information, including your bank account numbers or your company letterhead, with someone you don't know?

To avoid spam and other forms of unwanted solicitation, please review the following helpful hints:

- ◆ Be cautious about opening any attachment or downloading any files from e-mails.
- ◆ Avoid ever e-mailing personal or financial information.
- ◆ Try not to display your e-mail address in public.
- ◆ Contact the company or agency cited in an e-mail to confirm legitimacy.
- ◆ If you get an e-mail or pop-up message that asks for personal or financial information, do not reply or click the link in the message.
- ◆ Read and understand the entire form before you transmit personal information through a Web site.
- ◆ Remind yourself to ignore the promises of strangers.
- ◆ Check the privacy policy when you submit your address to a Web site.
- ◆ Use anti-virus software and a firewall, and keep them up to date.
- ◆ Forward spam that is "phishing" for information to spam@uce.gov.
- ◆ Decide if you want to use two e-mail addresses: one for personal messages and the other for newsgroups and chat rooms.
- ◆ Use a unique e-mail address that utilizes both letters and numbers to decrease spam.
- ◆ Use an e-mail filter.
- ◆ Complain to the sender's Internet service provider. Most ISPs have rules against using the system to spam others.
- ◆ Report spam to the FTC.
- ◆ Let the FTC know if a "remove me" request is not honored.

Typical eScams

The Nigerian Scam

FTC informants have reported receiving dozens of offers from supposed Nigerian officials who promise big profits in exchange for help moving large sums of money out of their country. According to the FTC, these “officials” offer to transfer millions of dollars into your bank account in exchange for a small fee.

Vacation Prize Promotions

Electronic certificates congratulating you on “winning” a fabulous vacation for a very attractive price are another common scam. Often, the cruise ship and hotel accommodations are shabby, and you may be required to pay more for an upgrade.

Credit Repair

Credit repair scams offer to erase accurate negative information from your credit file so you can qualify for a credit card, auto loan, home mortgage or a job. However, only time, a deliberate effort and a personal debt repayment plan will improve your credit. Remember, if you lie on an application for a loan, job or credit card, you will be committing fraud.

Business Opportunities

These scams promise a lot of income without much work or cash outlay. The solicitations trumpet unbelievable earnings and claim that the business doesn’t involve selling, meetings or personal contact with others. These scams are usually illegal pyramid schemes masquerading as legitimate opportunities to earn money.

Bulk E-mail

Bulk e-mail solicitations offer to sell you lists of e-mail addresses so you can send your own bulk solicitations. However, sending bulk e-mail violates the terms of service of most Internet service providers (ISPs). Several states have laws regulating the sending of unsolicited commercial e-mail, which you may unwittingly violate by sending bulk e-mail.

Chain Letters

You’re asked to send a small amount of money — usually between \$5 and \$20 — to each of four or five names on a list, replace one of the names on the list with your own and then forward the revised message via bulk e-mail. Chain letters are almost always illegal and nearly all of the people who participate in them lose their money.

Work-at-home Schemes

Envelope-stuffing solicitations promise steady income for minimal labor. Commonly, you’ll pay a small fee to get started; then, you’ll learn that the e-mail sender never had real employment to offer. Instead, you’ll get instructions on how to send the same

envelope-stuffing ad in your own bulk e-mailings. If you earn any money, it will be from others who fall for the same scheme.

Health And Diet Scams

Pills promising you'll lose weight without exercising or changing your diet and cures for common problems are among the scams flooding e-mail boxes. Beware of testimonials from "cured" consumers or "famous" medical experts you don't recognize. These ads usually use phrases like "scientific breakthrough," "miraculous cure," "exclusive product," "secret formula" and "ancient ingredient."

Effortless Income or Investment

The trendiest get-rich-quick schemes offer unlimited profits exchanging money on world currency markets, newsletters describing a variety of easy-money opportunities, the perfect sales letter and the secret to making \$4,000 in one day. The thought of easy money may be appealing, but success generally requires hard work. Investment schemes promise outrageously high rates of return with no risk. Promoters of fraudulent investments often close down before they can be detected and reopen under another name to sell another investment scam.

Free Goods

Some e-mail messages offer valuable goods, like cell phones, TVs and computers, at no cost to you. You're asked to pay a fee to join a club and then told that to earn the offered goods, you have to bring in a certain number of participants. Most of these messages are pyramid schemes that inevitably collapse.

Some e-mail messages offer home equity loans that don't require equity in your home, regardless of your credit history. Usually, the home equity loans turn out to be useless lists of lenders who will turn you down if you don't meet their qualifications.

The Usual Suspects—The Most Common Spam Scams

"Get a plasma TV — for free!"

"A \$25,000 credit line is waiting for approval!"

"Lower your cell phone bill each month!"

"Make money from home!"

Too often, consumers in Indiana and across the country are greeted by e-mail messages like these each time they open their inbox. In fact, it's estimated that literally hundreds of millions of unsolicited commercial e-mails and other junk mail messages are sent every day, causing users' patience — and virtual memory — to be stretched thin.

In a study of the bulk e-mail business, the Federal Trade Commission (FTC) asked e-mail users to forward their unsolicited commercial e-mail to the agency. They

discovered that more often than not, bulk e-mail offers appeared to be fraudulent and could have ripped-off unsuspecting consumers to the tune of billions of dollars.

Anyone can become a victim of fraud, regardless of age, educational level or professional experience.

BUYER BEWARE: SAFE PURCHASE PROTOCOL FOR THE 21ST CENTURY

Many Hoosiers mistakenly believe that they can legally cancel contracts or purchase decisions as long as they do it within three days of making an agreement. In most cases, that's simply incorrect. Under Indiana law, a sale is usually considered final immediately. However, occasionally there are exceptions.

Canceling A Contract Or Purchase

A contract can be cancelled if the merchant's return policy allows returns after the purchase date or if there is a law that provides consumers with a right to cancel the transaction. Indiana's consumer protection laws provide specific cancellation periods based on the type of transaction. Here is a summary of basic cancellation periods:

Three-day cancellation period:

- ◆ Sales occurring in your home or away from a seller's permanent place of business
- ◆ Health spa contracts
- ◆ Credit repair contracts
- ◆ Timeshares and camping clubs

30-day cancellation period:

- ◆ Business opportunities, such as "work at home" jobs

You Do Not Need A Reason To Cancel

If you wish to cancel a contract that includes a right to cancel, you must cancel in the manner set forth in the notice of cancellation rights. An explanation of these rights should have been given to you at the time of the sale. Typically, you must notify the seller of your intent to cancel the transaction in writing, delivered either in person or by mail. Refer to the notice of cancellation rights in your contract for the proper way to cancel.

You Cannot Cancel By Telephone

Calling on the phone and telling the seller that you want to cancel is not legally binding on the seller, regardless of what the seller tells you.

If You Want To Cancel, Do It

When you attempt to cancel a purchase, the seller may try to convince you not to cancel. Unscrupulous sellers may even tell you they will give you more time to cancel to allow you more time to fully try out their product. Then, if you try to cancel at a later date, they may claim the time to cancel has passed. Any promises of an extended cancellation period should be obtained in writing!

What To Do When You Have Cancelled

- ◆ The seller must return any payment you made within 10 business days.
- ◆ You must return any merchandise obtained in the transaction; however, you do not have to return the merchandise at the time you give the seller your cancellation notice.

Health and Fitness Clubs

The health and fitness industry is booming in America. But before you join any club, take some time to focus your search. Every health club is different. So visit several before you decide. And read the following tips about health clubs and the Health Spa Services Act.

Before You Join

- ◆ Assess your goals for joining and keep your priorities in mind when visiting.
- ◆ Visit the health club at the time of day you plan to work out.
- ◆ Check the hours of operation and any limitations on use.
- ◆ Get referrals and talk to members of the club.
- ◆ Ask about trial offers or short-term memberships.
- ◆ Compare prices and special offers among several clubs that meet your needs.

When You're Ready To Join

Indiana's Health Spa Services Act regulates membership in health and fitness clubs. Here are a few tips to keep in mind as you consider joining a club:

- ◆ Read the contract completely and make sure you understand the terms.
 - ◆ Your contract cannot be for more than three years.
 - ◆ Lifetime health spa contracts are not permitted under Indiana law.
 - ◆ Check for an automatic renewal provision; this will extend the term of the contract unless you give notice of termination.
 - ◆ Under Indiana law, if the health club is sold, the purchaser assumes contracts and liabilities from the previous owner.
- ◆ Understand your right to cancel.
 - ◆ The contract must notify of your right to cancel within three business days of signing.
 - ◆ You may also cancel for the following reasons:
 - The club moves more than five miles from the original location.

- The club closes and your contract is not transferred to a similar facility within five miles.
- You become totally disabled for the life of the contract.
- Your death.

If your contract is cancelled for any of these reasons, the health spa must return the unused portion of your payments. All refunds must be made within 30 days. Note: If you move, the Health Spa Services Act does not provide for the contract to be cancelled.

Violations of the Health Spa Services Act are violations of the Indiana Deceptive Consumer Sales Act. Consumers may file suit under the Deceptive Consumer Sales Act or file a complaint with the Indiana Attorney General.

Home Buyers' Guide

Building a new home is exciting and should be a happy time for you and your family. The typical house contains more than 3,000 different parts. All of these components must be assembled with skill in order to meet building codes and make your new home safe. It can be a daunting task if you are not familiar with the construction process. This guide is designed to assist you in asking the right questions of your builder before, during and after the home building experience.

Taking these few steps will help you feel better about your new home and ensure that it meets the standards you expect.

Retain an attorney before signing any documents

Hire your own inspector

- ◆ While the builder will schedule a final “walk-through” with you, it is important to invest the money in hiring your own home inspector.
- ◆ Find an inspector that has a good reputation and who will conduct a thorough inspection.
- ◆ Any offer or contract should be contingent upon (or subject to) a whole-house inspection with a satisfactory report. Get a right-to-inspect in your initial purchase agreement.

Building codes

- ◆ Research your area’s building codes and certificate of occupancy requirements (remember, some municipalities do not require an inspection prior to move-in).
- ◆ Most new homes must also receive a certificate of occupancy. Request to see your certificate. You can also find the certificate at the city inspector’s office.

Pre-settlement walk-through

- ◆ Consider having your inspector accompany you on a twice-monthly walk-through of the home during the construction phase.
- ◆ Be wary of any construction agreement that does not allow you on the premises prior to completion.
- ◆ The walk-through is usually conducted just prior to finalizing your home purchase with the builder. This is a time when you have the opportunity to closely scrutinize the home. You should be observant, carefully examining all surfaces, fixtures, floors and walls for possible damage.
- ◆ During this walk-through, you should write down a checklist of all the items that need repair before you move in.
- ◆ Do not agree to close until all items on the checklist have been corrected, unless you are willing to do them yourself. Keep a copy of the checklist for yourself.

Walk-through checklist

- ◆ Grading
 - ◆ Does the ground around the foundation slope away from the house?
 - ◆ Is the shrubbery placed at least 2-3 feet from the foundation?
 - ◆ Are basement window wells clean and graveled?
- ◆ Roof and gutters:
 - ◆ Are the shingles flat and tight?
 - ◆ Is the flashing securely in place?
 - ◆ Do the gutters, downspouts and splash blocks direct water away from the house?
- ◆ Exterior appearance
 - ◆ Are the windows and doors sealed and protected by weather stripping?
 - ◆ Are the trim and fittings tight? Are there any cracks?
 - ◆ Does the paint cover the surface and trim smoothly?
 - ◆ Does the landscaping meet the neighborhood covenant requirements and meet the terms of your contract?
 - ◆ Are there future plans to locate any electrical transformers or telephone switching boxes near your home? There have been cases in which these items have been relocated to within just a few feet of the home after the owner has moved in. Call the utility providers.

- ◆ Does the brick/siding/stone match?
- ◆ Are there any cracks in the mortar?
- ◆ Doors and windows
 - ◆ Are all doors and windows sealed?
 - ◆ Are all doors and windows uniform in appearance and size?
 - ◆ Do they open and close easily?
 - ◆ Is the glass properly in place?
- ◆ Finishes
 - ◆ Is the painting satisfactory in all rooms, closets and stairways?
 - ◆ Did the painters miss any spots?
 - ◆ Is the trim and molding in place (check inside closets and hard-to-see areas)?
- ◆ Floors
 - ◆ Is the carpet tight? Do the seams match (check inside closets and hard to see areas)?
 - ◆ Are there any ridges or seam gaps in vinyl tile or linoleum?
 - ◆ Are wooden floors properly finished?
- ◆ Appliances, fixtures, surfaces
 - ◆ Do all of the appliances work properly? Do switches turn on and off; do the toilets flush, etc.
 - ◆ Are all of the appliances the model and color you ordered?
 - ◆ Check all faucets and plumbing fixtures, including toilets and showers.
 - ◆ Check all electrical fixtures and outlets. Check with a voltage meter or plug in an electrical appliance.
 - ◆ Do the heating, cooling and water heating units operate properly?
 - ◆ Are there any nicks, scratches, cracks or burns on any surfaces including cabinets, countertops, sinks, toilets and tubs?
 - ◆ Test the doorbell. Test the garage door opener and any other options.
- ◆ Basement and attic
 - ◆ Are there indications of dampness or leaks?
 - ◆ Is there significant cracking in the floors or foundation walls?

- ◆ Are there any obvious defects in exposed parts such as floor joists, I-beams, support columns, insulation, heating ducts, plumbing, electrical, etc.?

Certificate of Occupancy

- ◆ Has your local municipality signed off on your house?
- ◆ The city inspector's office can help you find records.

Warranties and repairs

- ◆ Many builders schedule two visits during the first year you occupy your home. One is near the beginning and the other near the end to make necessary adjustments and to perform work of a non-emergency nature.
- ◆ This process is designed to let the newly constructed home settle into its new environment, allowing flaws that can be fixed at one time to appear, such as cracked tiles, grout or nail-pops in the drywall.
- ◆ Most builders will also have warranty service procedures to follow. Request these procedures so that you know how you should interact with the company.
- ◆ Familiarize yourself with your warranty. Builders are not required to fix problems if the warranty has expired; however, some items, such as appliances, may be covered under manufacturers' warranties and relief may be found through the manufacturer.

What to do if a defect occurs

- ◆ Contact the company and follow-up your conversation with a written letter outlining what needs to be addressed.
- ◆ Include your name, address, home and work telephone numbers.
- ◆ Type your letter if possible.
- ◆ Keep it brief and point out all relevant details.
- ◆ State exactly what you want done and how soon you expect the problem to be resolved. Be reasonable and pleasant.
- ◆ Include all documents relevant to the problem. Send copies and keep originals.
- ◆ If an impasse occurs, you have some options:
 - ◆ Contact the local homebuilders association.
 - ◆ Contact the Better Business Bureau.
 - ◆ Contact the Indiana Attorney General's Office.
 - ◆ Contact local television stations' consumer reporters.
 - ◆ Pursue legal proceedings.

Home Improvement Scams

Sometimes a scam artist will just show up at your door. It's commonly referred to as a door-to-door sale and it's a favorite among bogus home improvement operators. Seniors, those who live alone, and victims of weather-related disasters are common targets.

When To Be Skeptical

- ◆ The person at your door notices that your roof (or another area on your house that is hard to check) needs repair. He may trick you into signing a contract without disclosing all the charges.
- ◆ He says he just finished work on your neighbor's house and has just enough materials to do repair work on yours. He might say he can give you a better bargain if you let him do the work today since he has the supplies now.
- ◆ The contractor is pressuring you to accept an offer.

Finding A Contractor

- ◆ Take your time. Don't let the contractor rush your decision.
- ◆ Do research. Know how much you can afford and what you want done.
- ◆ Contact the Attorney General's Consumer Protection Division and the Better Business Bureau for complaint information on contractors you are considering.
- ◆ Talk to your friends who used this contractor. Did they like his work?
- ◆ Opt for the local, well-established contractor. Don't assume that an ad makes the contractor reliable.
- ◆ Compare bids and services. Be skeptical if the bid is too low. Cheaper is not necessarily better. A contractor with a low price may be inexperienced and unable to finish the work for the amount bid.
- ◆ Get bids in writing. Does the bid reflect the improvements you discussed? How long will the project take? A detailed, written proposal allows you to shop around.
- ◆ Is the contractor licensed, bonded and insured? Licensing requirements vary from community to community.
- ◆ Check with your city or county building department to determine the licensing requirements for your area and if the contractor you are considering is properly licensed, bonded and insured.

Before Signing The Contract

- ◆ Get a written contract. Indiana law requires home improvement contracts exceeding \$150 to be in writing. Before signing the contract, make certain it includes:
 - ◆ The price of the job
 - ◆ Payment schedule
 - ◆ A detailed description of the work and materials (including colors, brand names and patterns)
 - ◆ Estimated start and completion dates
 - ◆ The contractor's name and address
 - ◆ A name and telephone number of the person to contact if problems arise
 - ◆ The contractor's signature
- ◆ Never pay for the entire project before the work begins. Do not pay more than 1/3 of the total cost as a down payment. Remaining payments should be tied to completion of specified amounts of work.

After Signing The Contract

- ◆ Is a permit needed for your home improvement? Many localities require permits for building projects. Contact your local building department to see if a permit is needed. A contractor should not start work until the permit is issued.
- ◆ Don't make the final payment to the contractor until you know that all subcontractors and/or suppliers have been paid. Get written proof of payment. Subcontractors and suppliers may file a mechanics lien against your home if they haven't been paid.
- ◆ Get a copy of the warranty. If a contractor guarantees labor and/or materials, those warranties should be in writing.
- ◆ Keep all records related to your project. This includes the contract, change orders, warranties and correspondence. These records are important, particularly if you have a problem with your project.

Even if precautions are taken, problems may arise. Take time to talk to your contractor to resolve these issues. If problems continue, put your complaints in writing and send them to the contractor. Be sure to keep a copy of these complaints for your records.

Lemon Law

Indiana's "Lemon Law" (The Motor Vehicle Protection Act) provides protection to Hoosier consumers who purchase vehicles that don't meet certain basic standards. Read the information below to learn if Indiana's Lemon Law might be able to help you.

Vehicles Covered By The Lemon Law

Did you buy or lease for personal use:

- ◆ A car or light truck?
- ◆ Within the last 18 months?
- ◆ With less than 18,000 miles?
- ◆ From an Indiana dealer?

If you answered yes to these questions, your vehicle may be covered by the Lemon Law.

What To Do If You Buy A Lemon

- 1) Report the problem within 18 months of purchase or before 18,000 miles, whichever comes first.
- 2) Take your vehicle to an authorized dealer for repair.
- 3) Allow a dealer a reasonable number of attempts to repair. A reasonable number of attempt means that your vehicle is subject to at least four repair attempts, or is out of service due to repairs for at least 30 business days and the problem still exists.
- 4) Request a copy of the written repair order every time you take your car to the dealer for repair or examination.
- 5) Read your owner's manual or vehicle warranty.
 - ◆ Is written notice to the manufacturer required? If so, you must send written notice of your problem, along with copies of all repair orders to the manufacturer at the address identified in the owner's manual or vehicle warranty.
 - ◆ Has the manufacturer adopted an informal dispute procedure that has been certified by the attorney general? If so, you must follow the procedure before you can file a lawsuit under the Lemon Law.
 - ◆ If notice is NOT required and the manufacturer does not have an informal dispute procedure, you may file a lawsuit without notifying the manufacturer of your claim.
- 6) The manufacturer has 30 days to accept return of your vehicle and, at your option, replace the vehicle or refund your money.

- 7) If the manufacturer does not resolve your claim, you must file a lawsuit within two years from the date you first reported the problem to the dealer. If you win the lawsuit, you can recover all your costs and attorney fees.

Replaced Or Repurchased Vehicles?

The manufacturer is required to obtain a new title with a brand or stamp: “Manufacturer Buyback-Disclosure On File.” This stamp or brand should remain on the vehicle’s title for the life of the vehicle. The first time a dealer sells a replaced or repurchased lemon, the dealer must provide the buyer with:

- ◆ Written notice, at the time of sale, that the vehicle was repurchased or replaced under the Lemon Law, and
- ◆ A 12-month or 12,000 mile manufacturer’s warranty.

People failing to comply with the buyback disclosure and title branding requirements are subject to enforcement action by the attorney general’s office. However, the Lemon Law does not permit the attorney general to represent consumers in seeking a refund or a replacement vehicle.

Purchasing a Car

Whether it’s new or used, buying a car is one of the most complex and expensive purchases you can make. It’s great to get a good deal, but doing a little homework can help you avoid some big problems. Read the helpful tips below to learn about important issues that may affect your car purchase.

Used Car Purchase Checklist

- ◆ Ask friends and relatives for recommendations of car dealers.
- ◆ Pre-determine exactly how much you can afford to spend and do not allow the dealership to talk you into a higher priced vehicle.
- ◆ Is the car still under a manufacturer’s warranty? If not, factor repair costs into your budget.
- ◆ Have the car inspected by an independent mechanic before buying.
- ◆ Take your time to read and understand the entire written agreement before signing. Be sure that all blank spaces are filled in and that all of the salesperson’s verbal promises are included. Be sure that the terms of any warranty that comes with the car are spelled out.
- ◆ Research and compare the price of the car to other similar cars you may be interested in.
- ◆ Discuss trade-ins only after you’ve negotiated the best possible price of the new car and after you’ve researched the value of your old car.

- ◆ Test-drive the car on the highway, city streets and in stop-and-go traffic.
- ◆ Ask to inspect the car's title. Pay attention to the mileage.
- ◆ Before purchasing, obtain the vehicle identification number (VIN) and research the vehicle's history with one of the various title data/history services available (e.g., Carfax, AutoCheck, etc.). Such services may reveal prior odometer or salvage/rebuild issues that can affect the vehicle's value, safety and reliability.
- ◆ Always have your own mechanic and/or body shop inspect a used car before you purchase it and attempt to contact the previous owner if possible.
- ◆ If you make a deposit on a vehicle, ask whether the money is refundable and under what circumstances. Make sure that this information is in writing and on your contract.

What To Know About Financing

You have the choice of financing your car over time or paying the total amount of the sale. If you decide to finance the car, make sure you understand the terms of the loan.

- ◆ Know the exact price of the car, the amount being financed and the total finance charge. Ensure that you are approved for financing **before** finalizing the dealer's offer.
- ◆ Research low interest rate loans from your own bank or credit union and compare your findings with the dealer's offer.
- ◆ Make sure there are no unusual terms in the loan agreement, such as large balloon payments, a larger than usual down payment or requirements that you give back any rebates or incentives to the dealer, any of which will effectively increase the total purchase price of the vehicle.
- ◆ Research your options on prices and financing to help you make an informed and educated decision. Doing so will help you avoid the aggravation of having to resolve problems with the dealer.

When You Should Expect To Receive The Title

A title is an important part of your car purchase. At the time of purchase, you should confirm the location and possession of the title. If you have made all agreed upon initial payments including delivery of a trade-in vehicle (if applicable), car dealers and individuals from whom you have purchased a vehicle are required to deliver the title to you at the time of sale or delivery or within 21 days of the date of the sale.

- ◆ If the party from whom you have purchased your vehicle is a licensed car dealer and cannot deliver the title at the time of sale, the dealer is required to provide you with a 21-day affidavit.

- ◆ The affidavit shall state that the dealer will deliver the title for the vehicle within 21 days of the date of sale.

If You Don't Receive The Title Within 21 Days Of The Date Of Sale

You must write the dealer and demand delivery of the title. After receipt of your written demand, the dealer has an additional 10 days to provide the title.

- ◆ Return the vehicle
 - ◆ The vehicle must be in the same or similar condition as when it was purchased.
 - ◆ Upon return, the dealer is required to provide you with a refund of:
 - The purchase price, plus tax
 - Finance expenses
 - Insurance expenses
 - Any other amount you paid to the dealer
- ◆ You may be able to obtain your title from the Bureau of Motor Vehicles (BMV) Legal Help Desk if you paid \$2,500 or less for the car. If you paid more than \$2,500, you will need a court order to obtain the title from the BMV.
- ◆ If you purchased your vehicle from a car dealership, file a complaint with the BMV's Dealer Division and the Indiana Attorney General's Consumer Complaint Division.
- ◆ Seek the advice of a private attorney.

Beware Of Odometer And Salvage Fraud

If you are buying a used car, be sure to read the information below so you can avoid becoming a victim. If you feel that you are a victim, consult with a private attorney AND file a complaint with the appropriate state agencies.

Odometer Fraud Prevention Checklist

As with any car purchase, have the vehicle inspected by a mechanic before you buy it. If you cannot, pay attention to the following:

- ◆ Is the wear on the upholstery, carpet and foot pedals consistent with the miles?
- ◆ Are the tires and break shoes original? Most vehicles with 30,000 miles and under should have original equipment.
- ◆ Look for oil change stickers or maintenance records that identify dates of service and corresponding mileage. Look for a federal odometer replacement sticker on the driver's side doorframe.

- ◆ Are there missing screws, scratches or indications of dashboard repair or replacement?
- ◆ Check the vehicle's odometer reading — average mileage should be 12,000–15,000 per year.
- ◆ Ask to inspect the title before you purchase the vehicle. Pay particular attention to the dates and mileage reading for each title transfer listed on the title.

Federal law allows you to file a lawsuit to recover \$1,500, or three times your actual damages (whichever is greater) and your attorney fees and court costs.

Salvage Fraud Checklist

If you cannot have a professional mechanic look at the car before you buy it, inspect the vehicle for signs of repair damage such as:

- ◆ Look under weather stripping, fenders and doors for different colors of paint.
- ◆ Inspect the vehicle thoroughly for any ripples, dents and blemishes in the body. Check these areas with a magnet to see if body filler has been used. NOTE: This will not work with a plastic body.
- ◆ Look at doors and hinges to determine if they have been replaced.
- ◆ Check to see if the interior components match in color.
- ◆ Ask to inspect the title before you purchase the vehicle. Pay particular attention to any brands, such as “salvage,” “rebuild,” or “reconstructed.”

Dealers have a duty to disclose vehicles with a salvage or rebuilt history. Indiana's salvage law applies to vehicles, motorcycles, semis and recreational vehicles that are no older than seven model years from the current model year.

If you are buying from a car dealer or a person who sells at least five vehicles a year, the seller has a legal duty to inform you of the previous salvage or rebuilt condition in writing before you purchase the vehicle. If you are not informed in writing about a purchased vehicle's salvage or rebuilt condition, OR if you purchase a vehicle that should have “salvage” or “rebuild” on its title, you may file a lawsuit to recover:

- ◆ Your actual damages. If successful, the court can increase your damages award up to three times your actual damages, or \$2,500, whichever is greater.
- ◆ Your attorney fees and costs.

Resources

These organizations are equipped to deal with questions and complaints regarding odometer and salvage fraud:

Bureau of Motor Vehicles	
Dealer and Special Sales Division	317-591-5304
Indiana State Police Vehicle Crimes Unit	317-232-8374

Sweepstakes Promotions

You open your mailbox to find an announcement that says you may have already won a fantastic prize — all you have to do is purchase a magazine subscription or some other type of merchandise. Sweepstakes like these are not necessarily illegal, but they are commonly used by disreputable promoters to swindle unsuspecting consumers.

Helpful Tips

- ◆ **NEVER PAY TO ENTER A SWEEPSTAKES.** Legitimate sweepstakes promoters do not require you to pay or buy something in order to enter.
- ◆ **Realize that buying a product will not improve your chances of winning.**
- ◆ **Read the fine print.** If you think the large print says you've won, the fine print probably tells you that you haven't. If you're guaranteed to win a cash award or other prize, it's also guaranteed that there are strings attached.
- ◆ **If the solicitation arrives by bulk mail, you probably haven't won a big prize.** Bulk mailings only guarantee that thousands of people are receiving the same mail piece you received.
- ◆ **If the solicitation resembles a government document or is "urgent," throw it away.** The government is not in the direct mail sweepstakes business, and "urgent" mailings are designed to make you think they are more important than they really are.
- ◆ **Avoid foreign lottery mailings.** Unless you previously purchased a foreign lottery ticket, there is no reason to believe you may win, have won, or should pool your money with others to win a foreign lottery.
- ◆ **Entering sweepstakes in a public place guarantees you will receive more sweepstakes solicitations in the mail.** The personal information you provide on entry forms in malls, places of business, flea markets, etc. is often sold to third parties for placement on sweepstakes mailing lists.
- ◆ **Remember if it sounds too good to be true, it probably is.**

Timeshares and Camping Clubs

A timeshare or camping club can be a great way to enjoy a vacation. But it's important to do some research before you spend any money. The sale of timeshares and camping clubs is regulated by the State of Indiana through the attorney general's office. To help you with your decision, we've compiled the following information.

Understanding Timeshares

A timeshare is the right to use and occupy a unit in a building on a periodic basis, typically for a period of one week each year. A developer of a timeshare who offers to sell more than 12 timeshares in a project must register with the attorney general's office and update this registration annually.

Understanding Camping Clubs

A camping club allows people to keep a trailer, tent, camper or other similar device at a land-based site for a certain period of time. Registration with the state is required for any camping club developer who gives a purchaser of an agreement lasting more than one year the interest in, or right to use, a camping site for more than 30 days.

Right Of Cancellation

Indiana law gives a purchaser the right to cancel a timeshare or camping club purchase within three days after the execution of the sales contract. Sundays and legal holidays do not count in computing this period. Indiana law also requires developers to provide purchasers with a cancellation form. The purchaser's notice of cancellation is effective on the date postmarked. Any written notice delivered other than by mail or telegraph is effective at the time of delivery at the developer's place of business.

Guidelines When Thinking About A Timeshare Or Camping Site

- ◆ Resist high-pressure sales. You are not obligated to make a purchase merely because a developer gives you a prize or a reduced price vacation as an incentive to attend a sales presentation.
- ◆ Read the contracts and literature provided. Ask questions, and make sure you understand what you are purchasing. Not all timeshare properties are of equal value, depending on their location and the week of the year that you are purchasing.

GIVE — WITHOUT BEING TAKEN

Charitable Giving

When it comes to a worthy cause, Hoosiers are often willing to lend a hand. But unfortunately, there are unscrupulous organizations that attempt to take advantage of this good will. Learn what to look for when you're asked to give money, and you can help ensure that your donations go where they're intended.

Fundraising And Indiana Law

Charities use either their own “bona fide” employees or volunteers to make solicitation calls, or they may hire a professional fundraiser. The guidelines for each type of fundraising are listed below.

Charities That Use Their Own “Bona Fide” Employees Or Volunteers

Indiana law does not require charitable organizations soliciting donations to register or report their fundraising campaigns to the state if they are using their own bona fide employees or volunteers. The vast majority of charitable organizations use donations wisely. However, some charities spend a majority of their contributions on administrative expenses or simply more fundraising. Since the attorney general's office does not have the authority to register charities, records are not kept on the amount of money a charity spends on fundraising and administrative expenses versus programs and services as they relate to the charity's purpose.

Using A Professional Fundraiser

Under Indiana law, a professional solicitor who solicits contributions for, or on behalf of, a charity must register with the Attorney General's Consumer Protection Division and provide information about its solicitation campaigns on behalf of charities. The information provided must include a copy of the solicitor's contract with the charity. This contract must contain the percentage of gross contributions or revenue that the charity will receive.

The Current Charitable Solicitations Campaign Chart lists all of the current charitable solicitation campaigns involving a paid professional solicitor. For each solicitation campaign, the chart lists the name of the charitable organization, the name of the professional fundraiser, the city and state where the charitable organization is headquartered, and the starting and ending dates of the solicitation campaign.

The Charitable Solicitations Campaign Financial Chart provides financial information on charitable solicitation campaigns involving a paid professional solicitor. The amounts listed on the chart include the total amount of money raised, the total amount of money received by the solicitor, and the total amount of money retained by the charity. The chart lists financial data for solicitation campaign reporting periods that ended after December 31, 2003. Please note that the chart includes data from

national campaigns as well as data from campaigns that were confined solely to Indiana.

Both charts are available by contacting the attorney general's office.

Charitable Donation Consumer Tips

Here are some tips to ensure that your charitable contributions are used to their maximum benefit:

Always pay by check, not by cash.

Always make contributions by check and make the check payable to the charitable organization, not to the solicitor. Beware of solicitors who want to send couriers to your home to pick up your donation. Indiana law does not allow solicitors to collect or attempt to collect a contribution in person or by courier unless the solicitation is made in person and the collection or attempt to collect is made at the time of the solicitation; or the contributor has agreed to purchase goods or items in connection with the solicitation, and the collection or attempt to collect is made at the time of delivery of the goods or items.

Don't be pressured into making a contribution.

Ask the caller for written information on the charitable organization, including the charity's name, address and telephone number. A professional solicitor or a charity should be willing to send you materials outlining the charity's purpose and how your donation will be used. You should check out the charity with some of the independent organizations that provide information on charities.

Watch out for charities with similar sounding names.

Some charitable organizations use names that are very similar to those of respected organizations. You should check with some of the independent organizations that provide information on charities to make sure you are donating to the correct charity.

Beware of callers who claim endorsement by the state.

Under Indiana law, a person who solicits charitable contributions may not use the fact of registration as an endorsement by the State of Indiana.

Be suspicious if a caller thanks you for making a pledge that you didn't make.

If you have any doubt about whether you made a pledge, check your records. Beware of invoices claiming you've made a pledge when you know you have not.

You can cancel a pledge prior to making a contribution.

Under Indiana law, a contributor has the right to cancel a pledge for monetary contributions at any time prior to making the contribution.

Also Remember:

- ◆ Ask for information about the charity to be mailed to you.
- ◆ Be careful about solicitors who use "Police," "Trooper," or "Firefighter" in their name. Before contributing, call your local police or fire department to determine whether they have authorized a solicitation on their behalf.

Resources

These organizations are equipped to deal with questions and complaints regarding charitable giving:

- ◆ Philanthropic Research, Inc. (also known as Guidestar, www.guidestar.org)
 - provides financial information and other records on thousands of local and national charities, including copies of tax forms the charities have submitted to the Internal Revenue Service.

BBB Wise Giving Alliance (www.give.org) – provides evaluations of hundreds of charities who solicit nationally or internationally.

TELEPHONE FRAUD TIP-OFFS

Cramming

There has been growing concern about “cramming” – the billing for unauthorized services on your local phone bill. This practice became known as “cramming” because, in some cases, the charges are positioned in your bill such that they may be easily overlooked. Common examples may include the following:

- ◆ Charges for calls not made or calls placed to apparently toll-free numbers or 900 numbers.
- ◆ Charges for services that are explained only in general terms such as “voice mail” or “calling plan” or “membership.”
- ◆ Charges for “800 number service.”
- ◆ Charges identified as “monthly fee” that appear on a monthly basis.

In some cases, service providers slip charges into the bill intentionally in hopes that consumers won’t notice. In others, consumers unknowingly authorize a new service or call as a result of simply accepting a collect call, filling out a sweepstakes or raffle ticket or responding to voice prompts in the course of placing a call.

Listed below are some tips that consumers can follow to protect themselves from being crammed:

- 1) Carefully review your telephone bill every month. Look for company names you do not recognize, charges for calls you did not make and charges for services you did not authorize. Keep in mind that you may sometimes be billed legitimately for a call you placed or a service you used, but the description for the call or service may be unclear.
- 2) Carefully read all forms and promotional materials — including the fine print — before signing up for telephone services.
- 3) Keep a record of the telephone services you have authorized and used, including calls placed to 900 numbers and other types of information services. These records can be helpful when billing descriptions are unclear.
- 4) Do not divulge personal information, such as telephone, credit card or Social Security numbers on sweepstakes or raffle tickets. This information is not always secure and may be used for reasons other than intended.
- 5) Keep a copy of any applications you fill out. You will have to reference them in the event of a dispute.
- 6) Avoid filling out entries for contests that seem vague, or do not disclose all the ways the entry information is to be used.

- 7) Do not accept collect calls from unfamiliar people.
- 8) Do not return calls to unfamiliar telephone numbers.
- 9) Beware of faxes, e-mail, voice mail and pages requesting a return call to an unfamiliar number.
- 10) If you are not interested in a product or service offered by a telemarketer say “no.” Be clear. Your delay in answering or even a “maybe” response could be mistakenly interpreted as a “yes.”
- 11) Know the area code location that you are dialing. If you are unfamiliar with the area code, consult your local telephone directory.
- 12) Avoid placing calls that have an unfamiliar dialing pattern. Local, domestic and international dialing is explained in the front of your telephone directory.
- 13) Pay close attention to voice prompts on a call; they may be asking you to accept charges for the call or other services.
- 14) Companies compete for your telephone business. Use your buying power wisely and shop around. If you think that a company’s charges are too high or that their services do not meet your needs, contact other companies and try to get a better deal.
- 15) Your local telephone company may not be able to help you with “cramming” problems, because they only do the billing for the company who “crammed” you. You may need to contact the company directly to dispute the charges.

Telemarketing Fraud

Indiana’s Telephone Solicitation of Consumers Act, the same law that protects Indiana consumers with the Telephone Privacy List, can help protect you from telemarketing fraud, even if you have not yet registered with Indiana’s Telephone Privacy List. Under Indiana law, before most telemarketers can charge you for a purchase made via an unsolicited telephone call, they must either obtain a signed, written contract from you, or they must provide at least seven days for you to cancel the transaction.

Protect Yourself

The best way to protect yourself from telemarketing fraud is to register your telephone number with the Indiana Do Not Call list at www.IndianaConsumer.com, or by calling 888-834-9969. Indiana’s telephone privacy registry is free, easy to use and is the nation’s most restrictive and effective Do Not Call law. By receiving fewer telemarketing calls, you will decrease the chance that you will become a victim of telemarketing fraud.

- ◆ Do not agree to purchase anything from a telemarketer, unless he or she provides you with a contract before the sale is completed.

- ◆ A contract should contain complete details of the goods or services offered by the telemarketer during the call.
- ◆ Make a copy of the contract before returning it to the telemarketer.
- ◆ Take complete, detailed notes during the call so that you can compare the representations made during the call to the contract.
- ◆ Record the date of the call, the name of the telemarketer and the name, address and telephone number of the company he/she works for and the company he is soliciting for (they are not always the same).
- ◆ Hang up if the telemarketer pressures you or does not give you adequate time to take notes. Remember, a reputable and honest company should not have any problem with giving you the information you need to make an informed decision.
- ◆ If the telemarketer refuses to provide a written contract, demand information about the cancellation policy.
 - ◆ Be sure to take detailed notes on the policy.
 - ◆ If the telemarketer tells you that the contract cannot be cancelled or that your purchase is nonrefundable, it's a sign of fraud. Hang up.
- ◆ Don't provide bank account, credit card account numbers or any other personal information to anyone over the telephone unless you are absolutely sure the transaction is safe.
- ◆ Be wary of verification tapes. Telemarketers, under the guise of verifying or confirming the details of the transaction, may introduce false or misleading statements in an attempt to finish the sale. Or, they may ask misleading questions and then tape record your answers to be played back if you complain about the transaction in the future.
- ◆ Be extremely wary of telemarketers who want you to pay with a check-by-phone or money wire transfer.
- ◆ Research a company's consumer satisfaction history before you buy. If something goes wrong, how will they handle your concerns?

If you have any doubts, or if the offer made to you seems too good to be true, trust your instincts. Decline the offer and hang up immediately.

Telephone Solicitation Fraud

Facts

- ◆ It is illegal for a telemarketer to call you if you've asked not to be called.
- ◆ Calling times are restricted to between 8 a.m. to 9 p.m.

- ◆ Telephone solicitors must tell you it is a sales call and who is doing the selling before they make their pitch.
- ◆ Telephone solicitors must tell you the total cost of the products or services they're offering, any restrictions and if a sale is final or nonrefundable.
- ◆ Telephone solicitors must tell you the odds of winning a prize and that no purchase or payment is necessary to win and notify you of any other restrictions if there is a prize.
- ◆ It is illegal for a telephone solicitor to withdraw money from your account without your expressed, verifiable authorization.

Minimizing Your Risk

- ◆ Don't let a telephone solicitor pressure you to make an immediate decision.
- ◆ Don't give your credit card, checking account or social security number to an unknown caller.
- ◆ Don't pay for something because you will get a "free gift."
- ◆ Avoid wiring money or sending cash. Money orders and personal checks allow you to have a receipt to dispute fraudulent charges.
- ◆ Always ask for written material about any offer or charity that you do not recognize. Ask about their refund policy.
- ◆ Check unfamiliar companies with the Attorney General's Consumer Protection Division or the Better Business Bureau where the company is located before agreeing to a purchase.
- ◆ Talk over big investments with a trusted family friend or financial advisor.
- ◆ Never immediately respond to an offer you don't thoroughly understand.

Common Telephone Scams

- ◆ **Prize offers** – You usually have to do something to get your free prize such as buying something or listening to a presentation. Sometimes they ask for your credit card number.
- ◆ **Travel packages** – Free or low-cost vacations can end up costing a lot of money or may never happen.
- ◆ **Vitamins and other health products** – often also include a prize to convince you to pay hundreds of dollars for something worth a much lower value.
- ◆ **Investments** – People lose millions in "get rich quick" schemes.
- ◆ **Charities** – Con artists often label phony charities with names that sound like better-known reputable organizations.

- ◆ **Recovery scams** – If you fall victim to any of the above scams, you may also be called by a con artist offering to retrieve your lost assets. Sometimes they may require a “finders fee.” This means you may have to pay again with no assurance that your money can be recovered.

Stop Telemarketing Calls

- ◆ Whether you think a telephone solicitor is fraudulent or not, if you want them to stop calling you, ask them to take you off their call list. Federal law requires the telephone solicitor to stop making calls to you and to keep a record of your request for 10 years.
- ◆ If you want to stop receiving telemarketing calls in general, you can sign up for Indiana’s Telephone Privacy list at www.telephoneprivacy.net or by calling 1-888-834-9969. There are four exemptions to the list: real estate and insurance agents, newspapers who use employees and charitable organizations who use employees or volunteers of the organization.

ESPECIALLY FOR SENIORS

Steps to Protect Yourself From Financial Exploitation:

- 1) **Be familiar with common scams.** The Office of the Indiana Attorney General and the Indiana Banker's Association often alert the public to scams on their Web sites. Visit www.in.gov/attorneygeneral or www.inbankers.org for more information

Frequent scams in Indiana include:

Home Repairs

Example: Someone may charge you to repave your driveway but really just paint it black or dark gray.

Sweepstakes or Phony Lotteries

Example: You may receive a notice in the mail that you have won the Canadian Lottery, which claims that you must send them money for taxes.

Promises to Return Lost Money

Example: You may have someone call you or send a letter promising to recover money you have lost from other frauds, but they charge you a fee (which is not returned).

- 2) **Report questionable businesses and repair services.** Call your local Better Business Bureau or submit a written request for public records to the Indiana Attorney General's Consumer Protection Division to find out if other consumers have made a complaint about a particular business.
- 3) **Have your Social Security checks directly deposited.** With direct deposit, your checks are securely and automatically deposited into your bank account so you do not have to be concerned about the checks being lost or stolen. Sign up at your bank or credit union or call the Social Security Administration at 800-772-1213.
- 4) **Be cautious when using joint accounts.** By adding someone's name to your account, you are making that individual a joint owner. That person then has the power to withdraw the entire balance of the account and will inherit the money in the account at your death. Additionally, the joint owner's creditors may be entitled to the funds in the account. If you are establishing a joint account because you intend that the person inherit the funds, consider a "payable on death" (POD) designation. If you are establishing the account because you need help with paying bills, be very careful about whom you choose. They should be honest, trustworthy and not be in excessive debt.

- 5) **Know that you are not alone.** Unfortunately, many people are exploited by strangers, con artists, family members or caregivers every year. Many people do not report financial exploitation because they are embarrassed about the event. Failure to report only allows the exploiter to continue victimizing others.

Indiana Triad Programs

Seniors And Law Enforcement Officials Making A Difference Together

Triad is a unique and effective partnership between senior citizens and law enforcement officials designed to foster education and the prevention of consumer fraud, while promoting safety issues. Triad is growing in numbers and enthusiasm across the state.

Triad is key in helping to prevent fraud and other crimes against seniors. An attorney general staff member has been designated to work with existing Triad groups and to help other interested counties start Triad programs.

There are currently 20 local Triad programs in Indiana involving 22 counties. The various programs, products and services offered to Hoosier seniors have been successful across the board. Triads around the state host various programs to help educate seniors and provide them with consumer tips. Each Triad program is unique, offering different programs and ideas.

Because the goals of Triads are so important, the attorney general's office has established a grant program to help fund Triad events and services. These grants are from monies received from consumer settlements in various consumer fraud cases the office has settled. Grants will be awarded to help finance programs, products or services that county Triad groups promote to serve senior citizens in their areas.

Through statewide conferences, a grant program and Web site link, the Indiana Attorney General's Office demonstrates ongoing support to seniors and law enforcement officials who are making a difference in the safety and quality of life of Hoosiers.

Indiana Association of Triads

The Indiana Association of Triads was established in June 2005. Triad chapters and senior organization leaders created this umbrella organization to facilitate the growth of Triads statewide.

The association includes one member representing each of the Triads of the state, a representative from AARP, the Retired and Senior Volunteer Program (RSVP), the Sheriff's Association, the Association of Chiefs of Police, the Fire Department Association and the attorney general's office.

About Triad

Triad was first conceived in 1988 when representatives from the American Association of Retired Persons (AARP), the International Association of Chiefs of Police (IACP), and the National Sheriffs' Association (NSA) came together to help ensure senior safety. In 1989, the first Triad was signed in St. Martin Parish, La.

The word Triad is not an acronym; it is not formed from initial letters in a name or phrase. Rather, the name is from the dictionary definition, "a group of three."

Since Triad's early days, hundreds of counties throughout the country have implemented the Triad model as an effective method of joining law enforcement officials and seniors to help reduce crime and increase consumer education and safety. In many counties an agreement is reached and each county forms its own organizational structure, ensuring individual needs are met for each community in the county. This model has proven effective.

About NATI

In 1999, the National Association of Triads Inc. (NATI) was formed as a tax-exempt affiliate corporation of the National Sheriffs' Association. NATI acts as an umbrella organization that provides advice, support, technical assistance and training to local Triads throughout the United States.

NATI facilitates the sharing of programs and information by hosting training events and national conferences, managing a speaker's bureau and producing a quarterly newsletter dedicated to increasing opportunities for local Triad practitioners.

NATI distributes guidebooks, information packets and informational videos to interested parties upon request. Its immediate focus is to provide support to the many state Triad councils, expand their role in the state and offer the tools needed for states to promote senior safety.

NATI may be reached at:

1450 Duke St.

Alexandria, VA 22314

Phone: 703-836-7827

Fax: 703-519-8567

Prescription Medication Information

Because prescription medication prices typically are not advertised or even displayed, and the price of prescription medications has increased regularly for Indiana consumers over recent years, the office of the Indiana attorney general has created a resource for prescription medication education and information available at www.IndianaConsumer.com.

Indiana consumers can find the information they need to make informed choices when buying prescription medications in Indiana. It also may serve as a starting point for prescription medication research.

Indiana Association of Area Agencies on Aging (IAAAA)

The IAAAA advocates for quality programs and services for older adults and people with disabilities.

The IAAAA promotes the individual's right to:

- ◆ Choose among health care alternatives to maintain independence and dignity
- ◆ Practice healthy lifestyles to have a happier, healthier and longer life
- ◆ Be educated about services and alternatives available

Indiana Health Coverage Programs

The Office of Medicaid Policy and Planning (OMPP) finances basic medical health coverage programs for low-income Indiana residents. This is done in accordance with state and federal requirements.

HoosierRx

HoosierRx is Indiana's prescription medication program for low-income seniors. Any eligible senior enrolled in the HoosierRx program will receive a HoosierRx Prescription medication card to use at their local pharmacy. With the HoosierRx Prescription medication card, eligible seniors will receive up to 75 percent off of the cost of their medications.

Indiana Family and Social Services Administration

The Indiana Family and Social Services Administration (FSSA) provides services for low-income individuals and families, children, senior citizens, people with mental illness, people with addictions and people with physical and developmental disabilities.

Medicaid is the state-federal health care program for low-income children and families, senior citizens and people with severe disabilities. FSSA is the Indiana provider of Medicaid and similar services.

The Partnership for Prescription Assistance

The Partnership for Prescription Assistance brings together America's pharmaceutical companies, doctors, other health care providers, patient advocacy organizations and community groups to help qualifying patients who lack prescription coverage get the medicines they need through public or private programs.

The organizations collaborating on this program include the American Academy of Family Physicians, the American Autoimmune Related Diseases Association, the Lupus Foundation of America, National Association for the Advancement of Colored People, National Alliance for Hispanic Health and the National Medical Association. The Partnership for Prescription Assistance has a stated goal of increasing awareness and enrollment in Patient Assistance Programs.

You can access the Partnership for Prescription Assistance by calling toll-free, 888-4PPA-NOW (888-477-2669).

RX for Indiana

RX for Indiana provides Indiana residents with a Web-based way to search for free or discounted prescriptions. Rx for Indiana allows Hoosiers to search more than 275 pharmaceutical assistance programs that provide more than 1,800 prescription medications. The program's database allows people to find the discount programs they qualify for and then complete application forms to take to their doctors.

Pharmaceutical Research and Manufacturers of America maintains the Web site and customizes searches for each state, available at www.RxforIndiana.org.

Additional Senior Resources

The following organizations and Web sites provide resources and information for consumers across the country related to prescription plans and many other topics.

AARP

American Association of Retired Persons (AARP) is a well-known membership organization for American seniors providing information and assistance on a variety of topics. AARP's Web site has valuable prescription medication information and resources for consumers of all ages. These resources include watchdog reports on various legal and political issues, an outline of Medicare Benefits under several scenarios and senior benefit guides for prescription plans. AARP also offers its members savings on prescription medications and consumer tips to help lower prescription costs.

For more information, visit AARP on the Web at www.aarp.org

HelpingPatients.org

HelpingPatients.org is an informational Web site provided by the Pharmaceutical Research and Manufacturers of America (PhRMA) and member companies. This Web site, the Partnership for Prescription Assistance Overview, is designed to help consumers, health care providers and doctors find patient assistance programs that may aid the patient. Patient assistance programs are designed to help patients receive assistance in acquiring their prescribed medication. HelpingPatients.org supplies consumers with the information they need to get involved in a program and offers downloadable application forms to assist in the process. This online service is completely confidential and free to all users.

For more information, visit www.helpingpatients.org.

Medicare (The Official U.S. Government Site for People with Medicare)

Beginning in 2006, Medicare began offering prescription medication coverage to seniors who choose to participate. Information on the Medicare Prescription medication coverage plan can be found at www.medicare.gov/medicarereform/drugbenefit.asp.

Medicare also provides a downloadable Medicare Handbook, “Medicare and You.” The Medicare Handbook contains thorough and helpful information about the changes in Medicare effective in 2006. “Medicare and You” can be found at <http://www.medicare.gov/publications/pubs/pdf/10050.pdf>.

For more information, visit www.medicare.gov.

Centers for Medicare & Medicaid Services

The Centers for Medicare & Medicaid Services (CMS) is a federal agency within the U.S. Department of Health and Human Services. Programs for which CMS is responsible include both Medicare and Medicaid.

More information is available at www.cms.hhs.gov.

YOU NEED TO KNOW: CONSUMER HOT TOPICS FOR TODAY

Identity Theft

Every year in the United States, several million people become victims of identity theft. Most victims never even knew they were at risk. Don't let it happen to you.

Minimizing Your Risk

- ◆ Keep items with personal information in a safe place.
- ◆ Be cautious about where you leave personal information in your home.
- ◆ Don't carry your Social Security card with you.
- ◆ Order a copy of your credit report from each of the three major credit-reporting agencies every year.
 - ◆ Equifax: 1-800-525-6285
 - ◆ Trans Union: 1-800-680-7289
 - ◆ Experian: 1-888-EXPERIAN
- ◆ Destroy personal papers you don't need.
- ◆ Before revealing any personal information, find out how it will be used and whether it will be shared with others.
- ◆ Pay attention to billing cycles. Follow up with creditors if your bills don't arrive on time.
- ◆ Guard your mail from theft. Deposit outgoing mail in post office collection boxes or at your local post office. Promptly remove mail once it has been delivered.
- ◆ Put passwords on your credit card, bank and phone accounts and avoid using easily available information like your mother's maiden name, your birth date or the last four digits of your Social Security number.
- ◆ Don't give out personal information over the phone, through the mail or over the Internet unless you have initiated the contact and you know who you're dealing with.

What To Do If You Become A Victim

- ◆ Contact the fraud department of each of the three major credit bureaus and report that your identity has been stolen. Ask that a fraud alert be placed on your file and that no new credit be granted without your approval.
- ◆ Close any fraudulently accessed or open accounts and put passwords on any new accounts you open.

- ◆ File a report with your local police or with the police where the identity theft took place. Get a copy of the report in case the bank, credit card company or others need proof.

Identity theft is a criminal offense in Indiana, which means that reports of identity fraud to the attorney general's office and the Better Business Bureau will be directed to local authorities and the prosecuting attorney.

The FTC is a clearinghouse for victims of identity theft but doesn't have the authority to bring criminal cases. It may, however, refer complaints to other appropriate government agencies and private organizations for further action.

Resources

Submit complaints to:

Federal Trade Commission	
By phone	1-877-ID-THEFT (1-877-438-4338)
By mail	Identity Theft Clearinghouse Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, D.C. 20580

Smart Gas Use

Drive Sensibly

Aggressive driving (speeding, rapid acceleration and braking) wastes gasoline. It can lower your gasoline mileage by 33 percent at highway speeds and by 5 percent around town. Sensible driving is also safer for you and others, so you may save more than gasoline money.

Fuel Economy Benefit: 5 percent-33 percent

Equivalent Gasoline Savings: \$0.07-\$0.49/gallon

Observe The Speed Limit

Gasoline mileage decreases rapidly at speeds above 60 mph. Each 5 mph you drive over 60 mph is like paying an additional \$0.10 per gallon for gasoline. Observing the speed limit is also safer.

Fuel Economy Benefit: 7 percent-23 percent

Equivalent Gasoline Savings: \$0.10-\$0.34/gallon

Avoid Excessive Idling

Idling gets 0 miles per gallon. Cars with larger engines typically waste more gasoline at idle than do cars with smaller engines.

Use Cruise Control

Using cruise control on the highway helps you maintain a constant speed and, in most cases, will save gasoline.

Use Overdrive Gears

When you use overdrive gearing, your car's engine speed goes down. This saves gasoline and reduces engine wear.

Keep Your Engine Properly Tuned

Fixing a car that is noticeably out of tune or has failed an emissions test can improve its gas mileage by an average of 4.1 percent, though results vary based on the kind of repair and how well it is done. If your car has a faulty oxygen sensor, your gas mileage may improve as much as 40 percent.

Fuel Economy Benefit: 4 percent-40 percent

Equivalent Gasoline Savings: \$0.06-\$0.60/gallon

Check And Replace Air Filters Regularly

Replacing a clogged air filter can improve your car's gas mileage by as much as 10 percent. Your car's air filter keeps impurities from damaging the inside of your engine. Not only will replacing a dirty air filter save gas, it will protect your engine.

Fuel Economy Benefit: up to 10 percent

Equivalent Gasoline Savings: up to \$0.15/gallon

Keep Tires Properly Inflated

You can improve your gas mileage by around 3.3 percent by keeping your tires inflated to the proper pressure. Underinflated tires can lower gas mileage by 0.4 percent for every 1 psi drop in pressure of all four tires. Properly inflated tires are safer and last longer.

Fuel Economy Benefit: up to 3 percent

Equivalent Gasoline Savings: up to \$0.05/gallon

Use the Recommended Grade Of Motor Oil

You can improve your gas mileage by 1 percent-2 percent by using the manufacturer's recommended grade of motor oil. For example, using 10W-30 motor oil in an engine designed to use 5W-30 can lower your gas mileage by 1 percent-2 percent. Using 5W-30 in an engine designed for 5W-20 can lower your gas mileage by 1 percent-1.5 percent. Also, look for motor oil that says "Energy Conserving" on the API performance symbol to be sure it contains friction-reducing additives.

Fuel Economy Benefit: 1 percent-2 percent

Equivalent Gasoline Savings: \$0.03/gallon

Gasoline Incident Reporting

When Should I File An Incident Report?

In general, there are three distinct types of gasoline pricing incidents the attorney general's office is authorized to investigate: agreements between retailers to fix prices, deceptive sales acts and excessive pricing during a state of emergency declared by the governor. You may file an incident report with our office under these circumstances.

An explanation of each type is provided below:

1) Agreements between retailers to fix prices

Some sort of direct evidence must be available in order to prove in court the existence of an agreement to fix prices. Direct evidence requires witnesses who actually observe the retailers making an agreement to fix prices. Or, we need witnesses who have actually observed e-mails, letters, signed contracts or other written material demonstrating an agreement to fix prices. Direct evidence of price-fixing could also occur where a witness hears with his or her own ears competing retailers agreeing to fix prices. Finally, it is essential that any witness be willing to appear and testify in court against the offending parties.

Another form of evidence of this violation is circumstantial evidence; that is, consumers notice that two or more gasoline stations raise and lower their prices at almost exactly the same time. Circumstantial evidence of this type may be valuable in proving a case in court, but circumstantial evidence is by its nature subject to multiple explanations. Therefore, to actually prove the existence of an agreement between retailers to fix prices, direct evidence is also required.

2) Deceptive sales acts

One type of violation is false or misleading advertising. It may be a deceptive sales act to display any type of signage or commercial ad that says gasoline is one price when the price actually charged is a different price. If, for example, the sign you saw showed a price of \$1.59 9/10 per gallon, but you get a receipt that says you were charged \$1.64 9/10 per gallon, that could be a deceptive sales act. Please note that sometimes an advertised price may require a coupon or be conditioned in some way.

3) Excessive pricing during a state of emergency declared by Governor

In 2002, the Indiana legislature adopted a law making it illegal to engage in excessive pricing during a state of emergency. The law is designed to prevent retailers from profiting at the expense of consumers should any emergency, like the September 11 tragedy, ever occur again. This law is triggered when the governor declares a state of emergency; the law can only be used while the state of emergency is in place and where there are insufficient cost factors to justify the increase. There is no specific percentage of price increase that is prohibited by the law. The law prohibits any price

increase that “grossly exceeds” the price at which the gasoline was available before the emergency was declared.

With gas prices fluctuating daily, many Hoosiers have questions and concerns. The attorney general’s office and federal agencies such as the Federal Trade Commission and the U.S. Department of Energy continue to monitor gasoline prices. If you have concerns, call the gas hotline at 866-241-9753.

HOW TO FILE A COMPLAINT

Filing a Complaint

Our office handles several types of complaints. If you are filing a general consumer complaint or a telephone privacy complaint, you may either file a complaint online or download the appropriate complaint form. If downloading, you must complete, sign, print and mail it, along with copies of all relevant supporting documentation to:

Consumer Protection Division

Office of the Indiana Attorney General
302 W. Washington St., 5th Floor
Indianapolis, IN 46204

You can also request a complaint form by calling 800-382-5516 or 317-232-6330.

Helpful tips for submitting a complaint with our office:

- ◆ A consumer transaction (such as a purchase) must have occurred before our office can investigate a complaint.
- ◆ If you have documents to support your claim, it is important that you send copies of them to us. **Please do not send original documents.**
- ◆ **Our office will contact you by mail as your complaint progresses through the process.** Please allow adequate time for our office to notify you.
- ◆ **You may be referred to another agency.** Often another local, state or federal agency will have the legal authority or more expertise than our office to handle a particular consumer problem.
- ◆ **The attorney general cannot act as your private attorney.** It is the responsibility of the attorney general to protect public interests. In doing so, the attorney general’s office may file lawsuits on behalf of the state against companies that violate laws protecting consumers. The attorney general’s office cannot represent individual consumers when filing lawsuits nor can the office file a lawsuit whose only purpose is to recover money or property for an individual. In these instances, the consumer should seek legal advice from a private attorney, legal aid society or other organization.



Office of the Indiana Attorney General
Consumer Protection Division

302 West Washington Street, 5th Floor
Indianapolis, IN 46204
1.800.382.5516
www.IndianaConsumer.com