

Consumer Alert



A publication by the South Carolina Department of Consumer Affairs



The Palmetto Affordable Housing Forum

SCDCA is one of five partner agencies presenting the 17th annual Palmetto Affordable Housing Forum. As the nation continues to rise from a sluggish economy, the Forum seeks to bring housing professionals together. So join us on April 18-19 at the Columbia Metropolitan Convention Center to collaborate with other attendees on this year's theme, Restoration & Revitalization.

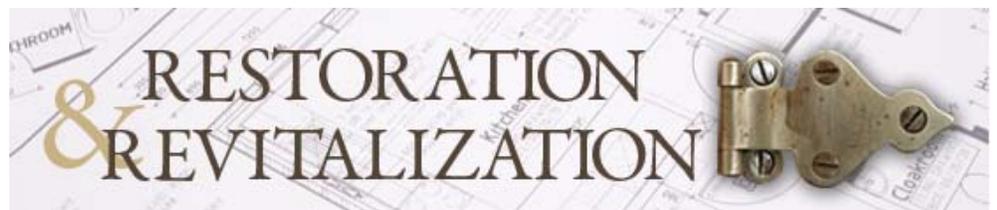
Forum sessions will be led by representatives from SCDCA, South Carolina State Housing Finance and Development Authority, the Affordable Housing Coalition of South Carolina, USDA Rural Development and the US Department of Housing and Urban Development.

This year the forum will feature a legal track. Lawyers can earn up to 7.5 hours of continuing legal education credit. Course topics range from Fair Housing and Landlord-Tenant Law to a Mortgage Law Update. Credit counselors licensed by SCDCA can look forward to earning continuing education credits for attending the Forum, as well.

Forum attendees can also visit the SCDCA exhibition table for educational brochures on topics ranging from credit repair to foreclosure scams. And don't forget, motivational speaker and business owner Dr. Earl Suttle will address forum attendees during Wednesday's luncheon.

On Thursday, winners of a coloring and essay contest will also be announced. The contest was directed to children living in state funded housing and the object was to draw or write about 'what your home means to you.' The South Carolina Housing Achievement Awards will be given that day, too. Nominations were accepted in the following categories: Organization Sector, Housing Development, Elected Official, Creative Partnerships and Volunteer Service.

You can find more information and register for the Forum at: www.schousingforum.com



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National Mortgage Settlement

Is your mortgage serviced by Ally, Bank of America, Citi, JPMorgan Chase or Wells Fargo? If so, you may benefit from a national mortgage settlement that 49 states and the federal government agreed upon last month. This landmark \$25 billion settlement will result in relief for consumers: 1.) who are in need of a loan modification; 2.) who are underwater in their mortgages; and 3.) who were harmed during the foreclosure process. This settlement is the result of alleged unscrupulous business practices that servicers implemented in recent years.



Contact the Banks

Ally: 800-766-4622

Bank of America: 877-488-7814

Citi: 866-272-4749

JPMorgan Chase: 866-372-6901

Wells Fargo: 800-288-3212

If you aren't contacted about the settlement and you think that you qualify to receive part of it, you can call one of the above numbers.

The settlement includes the following provisions:

- Servicers are required to work off up to \$17 billion in principal reductions/loan modifications for homeowners that need relief now.
- Homeowners who have upside down mortgages may receive relief in the form of refinancing at much lower rates. Up to \$3 billion of the settlement will go to helping homeowners refinance.
- Payments amounting to \$1.5 billion will be made to qualified borrowers who were foreclosed upon between January 1, 2008 and December 31, 2011.
- In addition to these monetary reparations, the servicers will be required to change the way they conduct business. This means training staff more effectively, improving communication with borrowers, proceeding with foreclosures legally and discontinuing the use of improper fees.
- States that signed on to the settlement will also receive money from the banks. These funds will help establish consumer protection programs and assistance.

This settlement will only cover approximately 30% of mortgages. If you are part of the other 70% and need assistance, you can contact SCDCA for a list of credit counselors that can assist you in obtaining a loan modification. If foreclosure papers have been filed, you can contact the SC Bar Association (800.868.2284) for their lawyer referral service. You could also consult SC Legal Services (888.346.5592).

Scammers Taking Advantage:

Scammers are calling consumers claiming that they can tell them if money from the settlement is coming their way. Fraudsters ask for bank account information, so that they may “direct deposit” the funds into the consumer’s account. Don’t be fooled!

It could take up to nine months for the details of who is eligible for settlement assistance to be ironed out. Once the determinations are made, consumers will be **contacted by letter**. So, never give out your bank account numbers or other personal information over the phone!

National Consumer Protection Week

The South Carolina Department of Consumer Affairs celebrated the 14th Annual National Consumer Protection Week March 5th-9th. In conjunction with the Better Business Bureau and the Postal Inspection Service, SCDCA was able to reach consumers all over the state, through shred events, phone banks and presentations.

This year SCDCA held three shred days. We kicked off the celebration with a shred day in Greenville followed by shred days in Charleston and Columbia. These events allowed SCDCA to raise awareness about ID Theft and scams. The response was great at all five venues. All in all, our partner Shred 360 helped people across the state shred over 35,000 pounds of paper!

SCDCA also hit the road to reach out to members of our military and retirees around the state. Presentations ranged from credit repair to scams to how to deal with debt. The Department rounded out the week with two phone banks: one in the upstate and one in the midlands. WSPA of Spartanburg and WIS of Columbia, were both very gracious hosts. Representatives from the Department, the BBB and the Postal Inspection Service answered hundreds of consumer questions and fielded calls about the latest scams.



Scams that were reported during the phone banks include:

1. Mystery Shopper: Scams like these are a dime a dozen. However, there is a new twist in this old trick. Scammers send a letter and a check asking you to test the wire transfer services of a company, sometimes Western Union. By the time you realize the check is bad, you've already wired the money. Remember, if a check bounces, you are responsible for paying the bank back.

2. Grant Scam: Scammers are calling consumers all over the state claiming they qualify for a government grant. All you have to do is pay a processing fee, mailing costs, or donate to a "charity."

Keep these things in mind when dealing with unsolicited phone calls:

- Did you even apply for a grant? Why would you be awarded the money if you didn't apply for it?
- Legitimate grants don't ask you to pay in order to collect.
- If you pay into these scams, you are likely to be targeted again in the future.

3. Gift Card Scam: Consumers report receiving text messages saying they have won a \$1000 gift card. Supposedly retailers entered shoppers into this sweepstakes when they used their credit or debit card at checkout. The catch is, you have to send \$25 before you can receive the gift card.

RED FLAG: A store will tell you when they are having a contest/sweepstakes, as it is a tool for advertising. They will not enter you into a contest anonymously. You don't have to pay to collect in a legitimate sweepstakes!

Recall Round-up

from CPSC



Innovage Discovery Kids™
Animated Marine and Safari
Lamps

Hazard: A defect in the lamp's printed circuit board can cause an electrical short, posing a fire and burn hazard to consumers.



Map Pro, Propylene and MAPP Gas
Cylinders

Hazard: The seal on the cylinders can leak after torches or other fuel consuming equipment are disconnected from them, posing a fire hazard.



LED Night Light

Hazard: An electrical short circuit in the night light can cause it to overheat and smolder or melt, posing fire and burn hazards to consumers.



Infantino
"SlingRider" Baby Slings

Hazard: The slings pose a suffocation hazard to infants younger than four months of age.

For a complete listing of recalled products, visit the U.S. Consumer Product Safety Commission (CPSC) at www.cpsc.gov. If you purchased a recalled product, the retailer should have information for you. If you find a recalled item on the shelf or have any questions about recalled products, contact the CPSC at 800-638-2772.

Lower Richland High School to Represent South Carolina at National LifeSmarts Competition, Again!

On March 2nd Lower Richland High School competed against the F. E. Dubose Career Center for a chance to represent South Carolina at the National LifeSmarts Competition. The competition consisted of three rounds of cumulative scoring. But after the three rounds, the teams were tied! Lower Richland broke the tie in a sudden-death, best-of-three series of questions. Lower Richland's team is: Coach: Tari Tucker; Captain: Nivean Gonzalez-Lara; Members: Jasmine Belton, Aaron Smith and Manuel Zambrana. They will travel to Philadelphia, PA from April 21 - 24, 2012 to represent our state in the national competition for the second year in a row.

LifeSmarts, the ultimate consumer challenge, is an educational opportunity that develops the consumer and marketplace knowledge and skills of students in a fun way. LifeSmarts topics are: personal finance; health and safety; the environment; technology; and consumer rights and responsibilities. The program can be used as an activity for classes, groups, clubs, and community organizations. LifeSmarts, run as a game-show style competition, is open to all 6th-12th grade students in the United States.

SCDCA is the South Carolina partner organization of LifeSmarts, a program of the National Consumers League, and receives funding assistance from the South Carolina Financial Services Association. For more information on LifeSmarts, visit Lifesmarts.org or contact SCDCA at 800-922-1594.



Scam Slammer

Everyone is welcoming the warm weather and awaiting summer vacation. Renters beware - SCDCA asks you to be cautious when looking for rental properties! A real estate scam that involves hi-jacking someone else's internet realty listing is becoming more and more common.

The scam goes something like this: you search for a rental property for that perfect summer getaway. When you contact the person, they say that you need to pay a deposit for the property. Before you even know you've been duped, the scammer has your money. Potential home buyers and renters should proceed with caution too. This scam doesn't just involve vacation rentals, there have also been reports of residential listings being spoofed.

Protect yourself:

1. Never wire money. It's not traceable and doesn't offer the protections that a credit card offers.
2. Look up the property owner on the local register of deeds website. You can contact this person to verify that they are definitely renting their property.

Look for more details on this scam in our next "SCDCA Spotlight," coming April 30th.

**Coming Soon:
New Website!**



NOTICE!

Soon, SCDCA will reveal a new, more user friendly website. We will move from our current URL (www.sconsumer.gov) to (www.consumer.sc.gov).

But don't worry if you forget to type the new one into your address bar. The previous address will re-route you to the new site until everyone has gotten used to the change.

We encourage you to take note of the new address because our website is a great tool for research and educational purposes. Anything you would like to know from one of the industries we regulate to information on scams, can be found on our website. You can also file a complaint online.

See you there!



Twitter. SCDCA is tweeting! We are proud to present our Consumer Help and Awareness Tips (CHAT). Our CHATs cover current consumer issues and SCDCA news.



YouTube. Want to know how to place a security freeze on your credit report? Looking for information on the latest scams? Visit our YouTube channel to view videos on these topics and more: www.youtube.com/SCDCATV



Facebook. Check out our profile @ facebook.com/scdca and become a fan of our page, *SC Department of Consumer Affairs*.



Website. Not a "tweeter," facebook or YouTube enthusiast? No problem! You can always find the latest on our home page at www.sconsumer.gov.

South Carolina Department of Consumer Affairs

Established by the Consumer Protection Code in 1974, the South Carolina Department of Consumer Affairs represents the interest of South Carolina consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement, and education. The Department strives to be a **CREDIT** to our State: **C**ompetence **R**espect **E**quality **D**edication **I**ntegrity **T**imeliness. For more information on the SCDCA, visit www.sconsumer.gov

The Commission on Consumer Affairs

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