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**MADIGAN, FTC CRACK DOWN ON RENTAL STORES SPYING ON CONSUMERS VIA RENTED LAPTOPS**

**Chicago** — Attorney General Lisa Madigan today joined with the Federal Trade Commission in a settlement with an Illinois company that used computer software to spy on consumers who rented laptops from their stores.

Madigan entered into an assurance of voluntary compliance with Watershed Development Corporation, a franchisee of Aaron's Inc., which operates stores throughout northwest Illinois. Madigan filed the agreement in conjunction with the Federal Trade Commission, which also settled with the Lake Bluff-based company and six other stores alleged to have used similar software to spy on consumers.

"There is no justification for spying on customers. These tactics are offensive invasions of personal privacy," Madigan said.

Watershed operates "rent-to-own" stores that lease furniture and electronics, including laptop computers, to customers for one- to two-year periods. Madigan said the company used a special software program to spy on consumers who had leased laptops from its stores. Using software called "PC Rental Agent," Watershed could remotely lockdown a computer, record keystrokes and screenshots containing personal information and track the computer user's location. Madigan said the company used the spyware as a debt collection tool to locate customers who had fallen behind on as little as one payment on their lease agreement.

Watershed stores are located in Belvidere, Crystal Lake, DeKalb, Freeport, McHenry, Mundelein and Sterling.

Madigan's compliance agreement alleges numerous violations of the Illinois Consumer Fraud Act. The agreement prohibits Watershed from monitoring customers' computer use and only allows the company to track the location of a computer when it's reported stolen and with prior user consent.

Assistant Attorneys General Vijay Raghavan and Matt Van Hise handled the case for Madigan's Consumer Fraud Bureau.

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