



November 19, 2014

MADIGAN, FTC BAN 'FREE' CREDIT SCORE SCAM***Defendants to Pay \$22 Million in Refunds for Scheme to Charge for Credit Monitoring Consumers Never Authorized***

Chicago — Attorney General Lisa Madigan today joined with the Federal Trade Commission (FTC) and the Ohio Attorney General to stop an online scheme that allegedly lured consumers with “free” access to their credit scores and then billed them a recurring fee of \$29.95 per month for a credit monitoring program they never ordered. In total, three companies have agreed to pay \$22 million for consumer refunds under a settlement with Madigan, the FTC and the Ohio Attorney General’s Office.

A complaint was filed today by Madigan, the FTC and Ohio against defendants One Technologies, LP, who operated as ScoreSense, One Technologies, Inc., and MyCreditHealth; as well as One Technologies Management, LLC; and One Technologies Capital, LLP. The lawsuit alleged the companies failed to clearly disclose that consumers who accessed their credit score through an online portal would be automatically enrolled in the credit monitoring program and incur monthly charges until they called the defendants to cancel. At least 210,000 consumers contacted banks, credit card companies, law enforcement agencies, and the Better Business Bureau to complain about the scheme.

“Consumers should never have to pay for monitoring services when they can incorporate several commonsense steps into their daily routine that will help minimize the risk of identity theft,” Attorney General Madigan said.

Madigan said that consumers can receive one free credit report annually by visiting www.annualcreditreport.com or call 1-877-322-8228 to order their free reports. The report will not include a consumer’s full credit score, but it should be immediately reviewed to ensure all the information is correct. If not, immediately contact the credit reporting agency to request that the information be explained or corrected.

The defendants marketed their credit monitoring programs, MyCreditHealth and ScoreSense, through at least 50 websites, including FreeScore360.com, FreeScoreOnline.com and ScoreSense.com. They bought advertising on search engines such as Google and Bing so that ads for their websites appeared near the top of search results when consumers looked for terms such as “free credit report.” The most prominent ad stated, “View your latest Credit Score from All 3 Bureaus in 60 seconds for \$0!”

The only way consumers could cancel their membership and request refunds was to call a toll-free number. Consumers often had to make repeated calls to secure their cancellation or refund. The defendants often denied refunds to those who claimed they did not knowingly enroll.

Under the settlement order, the defendants are permanently prohibited from violating the Restore Online Shoppers’ Confidence Act, misrepresenting material facts about any product or service marketed with a negative option, misrepresenting material terms of any refund or cancellation policy, and failing to clearly disclose, before a consumer consents to pay via a negative option, all material terms of any such policy. They are also barred from failing to honor a refund or cancellation request that complies with such a policy, and failing to provide a simple way for consumers to stop recurring charges.

In addition, the defendants are prohibited from failing to disclose the name of the seller or provider or the name of the product or service as it appears in billing statements, a product description and its cost, the length of any trial period, and the mechanism to stop any recurring charges. The defendants are also barred from using billing information to obtain payment for any product or service marketed with a negative option without the consumer’s prior express informed consent, as prescribed in the court order.

Attorney General Madigan also offered these tips for consumers who want to better protect themselves from identity theft:

- **Set up Transaction Alerts** on your accounts to receive notifications when your credit or debit card is used above a certain dollar amount, so if someone uses your card without authorization, you'll receive a text message or email and can immediately call your card issuer to dispute the charge.
- **Regularly review your bank and credit card statements** to make sure there are no unauthorized transactions. Contest any unauthorized charges immediately by contacting your bank using the toll-free number on the back of your credit or debit card. Prompt reporting of unauthorized charges is critical to limit your liability, particularly if you are a debit card user because liability depends on how quickly you report a lost or stolen card. For instance, if you report a lost or stolen debit card before any unauthorized transactions occur, you are not responsible for any of the unauthorized charges, but if you make the report within two business days of losing your card, you can be liable for up to \$50 of unauthorized charges. After two days, reporting lost or stolen cards can increase your liability anywhere from \$500 and up.
- **Review your credit reports for unauthorized accounts.** You are entitled to one free credit report from each of the three nationwide credit reporting agencies per year. Go to www.annualcreditreport.com, or call 1-877-322-8228 to order your credit reports. Make sure all the information is correct. If not, immediately contact the credit reporting agency to request that the information be explained or corrected.
- **Consider putting a security freeze on your credit.** A security freeze, also known as a credit freeze, essentially locks down your personal data at the consumer reporting agency until an individual gives permission for the release of the data, which can prevent someone from taking out credit in your name. You can easily have the freeze lifted when you want to allow a company to check your credit if, for instance, you are opening new accounts or purchasing a car or home.

For more information or assistance, Attorney General Madigan urged Illinois residents to call her office's [Identity Theft Hotline](#) at 1-866-999-5630. Madigan's Identity Theft Unit has helped over 35,000 victims remove over \$26 million in fraudulent charges from their credit.

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