Chinese-American Consumers Warned to Watch Out for Cell Phone Scams

By <u>Summer Chiang</u>, Jul 27, 2011 New America Media

Chinese-American consumers should be on the lookout for scams by local Chinese mobile phone dealers, <u>reports the Sing Tao Daily</u>. If dealers offer a package that seems too good to be true, consumers are encouraged to read the fine print before they sign a contract. That's the message of San Francisco Supervisor Carmen Chu and Taraval Police District Sergeant Robert Bohanan, who are warning consumers to be wary.

Some mobile phone agents encourage customers to open five phone lines, sign a one-year phone contract, and then return unused phones to the retailer. Dealers tell customers that they are able to get refunds of \$500 within three months or \$750 within six months. But most consumers don't get the refunds, and end up having to pay several hundreds of dollars in order to get out of the contracts.

Since a cellphone retailer in the Sunset District closed last week, Sergeant Bohanan said the Taraval Police Department has received 20 to 30 complaints from consumers who said they were victims of cell phone scams. One woman said she opened five lines in her first year, and another five new lines the next year, and now has to pay \$350 fine for each line to end the contract.

Supervisor Carmen Chu told the Sing Tao that consumers should be aware of four ways people can get scammed: First, when retailers encourage them to open more than one phone line; second, when retailers agents ask customers to return cellphones to their stores; third, when they sign them up for a one-year contract, instead of the more common two-year term; and fourth, when agents promise to give customers refunds months later. She said telecommunications companies often offer a refund when people buy a cellphone, but refunds offered after several months could be a sign that they should be wary of a possible scam.

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