



# City of Parma, Ohio



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## **LAW DIRECTOR ADVISORY** **2021 EASTER EGG CAPER**

An Easter egg delivery service operating in many local communities, including the City of Parma, has failed to fulfill paid orders in time for Easter Sunday. Multiple complaints and police reports have been filed by residents across Cuyahoga County against this service. While this matter is being investigated, if you are an aggrieved customer of the Easter egg delivery service, keep in mind the following tips as you attempt to get your money back for services not rendered.

**PAYMENT APPS** Most of the Easter egg orders were made and paid for on Facebook Pay and Venmo. Although social payment applications make it easy to transfer money between users or to pay a business for services or goods, there is no guarantee a payer can get their money back in case of a disputed transaction. Unfortunately, once a payment is made through Facebook Pay, Venmo or similar apps, the funds are automatically added to the recipient's social account allowing them to then transfer that money to their linked bank accounts. Customer support for these applications cannot legally reverse a payment at a sender's request.

**VENMO** A Venmo payment can only be reversed if the recipient gives their explicit permission for the reversal, their account is in good standing, and the funds are still available in their Venmo account. In limited circumstances, a Venmo payment may be canceled through the "Take Back" settings option if the payment was made to an inactive account. The only other viable method of retrieving a Venmo payment is to request the money back from the recipient.

**FACEBOOK** Similarly, Facebook Pay cannot cancel a money transfer after it is sent in Messenger. A payment will automatically be cancelled if it is not accepted within 7 days of being sent. Otherwise, you will have to ask the recipient to send the money back or else to decline the payment if they haven't added a debit card to their Facebook Pay account yet. Note, Facebook has disabled the account of the Easter egg delivery service due to complaints of fraud. This may delay any attempt by the service to reimburse its customers.

**CREDIT/DEBIT CARDS** If the above steps do not work, contact your credit card company or bank to request a chargeback. Send a dispute letter to the creditor which includes your name and account number, the dollar amount of the disputed charge and the type of charge, the date of the disputed charge, and an explanation of why you think the charge was made in error. Include with your letter all documentation supporting your claim, including correspondence with the merchant. The letter must be sent to your creditor's billing inquiries department. Additionally, we recommend that you send the dispute letter via certified mail with return receipt for your records.

**BILLING ERROR** You may dispute a charge as a billing error if you did not receive what you ordered. Your dispute letter must be sent to the creditor within 60 days of the charge first appearing on your billing statement. The creditor must confirm receipt of your letter within 30 days of receiving it, and then it has two complete billing cycles to comply with resolution procedures. While the dispute is pending, you do not have to pay any unpaid disputed amount. Disputed charges that have been paid will not get reversed until the creditor decides your claim is correct. If the creditor decides that you are incorrect, it must provide you with a written explanation and inform you of how much you owe and when your payment is due. You have 10 days from receiving the explanation letter to appeal the creditor's decision.

**QUALITY OF GOODS AND SERVICES** If you are not satisfied with the quality of goods and services, you must send a dispute letter to the creditor within 60 days of the statement date on which the charge first appears. Before you dispute the transaction, the law requires you to try and work out the disagreement with the merchant. If your resolution attempts fail, contact your creditor immediately to dispute the charge. Note, complaints about the Easter egg service can only be made if 1) the disputed transaction exceeds \$50, 2) the purchase was made in Ohio or within 100 miles of your address (online transactions do not apply), and 3) you have made a good faith attempt at resolving the disagreement.

**FRAUD** To report a fraudulent charge, call the creditor immediately upon discovering the fraud. Although there is no time limit for reporting fraud, best practice is to alert the creditor of a fraudulent charge when you first become aware of the fraud. Federal law limits consumer loss to \$50 if fraud is reported within two billing cycles. Most major banks offer "zero liability" policies and will waive this fee if the fraud is reported timely. We recommend that you also file a police report. You may contact the Parma Police Department by calling the non-emergency line at (440) 885-1234.