

Consumers in Ontario can also contact the Ministry of Small Business and Consumer Services' Consumer Protection Branch if they have questions, complaints or comments about scams targeting small business. You can reach the branch by calling **416-326-8800** in the Greater Toronto Area or toll-free at **1-800-889-9768**.

Visit the Ministry of Small Business and Consumer Services' Consumer Protection Branch's website at www.ontario.ca/consumerprotection for information on topics such as:

- Cancelling a contract
- Identity theft – business
- Collection agencies
- Real estate fraud
- Telemarketing fraud
- Phoney charities – and more.

To find out about your rights as a consumer, how to file a complaint against a business and ways you can protect yourself in the marketplace, please contact:

Ministry of Small Business and Consumer Services

Consumer Protection Branch
p | 416-326-8800 | 1-800-889-9768
e | consumer@ontario.ca
w | ontario.ca/consumerprotection

Order a free copy of our Smart Consumer Calendar at www.serviceontario.ca/publications or call **(416) 326-5300** in the Greater Toronto Area or toll-free at **1-800-668-9938**.

WHAT YOU NEED TO KNOW ABOUT SCAMS TARGETING SMALL BUSINESS



Smart consumers are
good for business.

Ontario is a leader in consumer protection and has clear rules for consumers and businesses. Know your rights – shop smart and protect yourself in the marketplace.



Risky Business

If you own a small business, you need to be very careful about scams. Bad cheques, fake invoices and false advertising are just some of the ways in which businesses get ripped off.

Scams that Target Small Business

Here are some examples of scams that target small business:

Office Supply Scams And Fake Invoices

In a simple but surprisingly effective scam, businesses are sent invoices for goods that were never ordered or for products that were offered as a “free trial”. Invoices may use names similar to reputable firms to mislead. All of these scams are designed to trick you into paying for products or services you never receive. Carefully review all invoices you receive before paying for them, and never hesitate to question any charge or fee that you don’t recognize.

Directories and Advertising

Listing your company in a business registry or advertising your business in magazines is a good way to get more customers in the door. But be on guard against advertising scams that offer to sell you ad space in publications that don’t exist. Also watch out for offers of a free entry in a directory. Sometimes these offers require you to pay for the ad at a later time. Protect yourself – always read the fine print and get a copy of your ad and the offer. Remember – you are not required to pay for an ad you did not authorize in writing. Also check with other businesses to see which publications they advertise in and consider to be reputable and effective.

Counterfeit Cheques/Credit Card Scams

As a business owner, you’re always at risk for bad cheques and credit card scams, which may cost you a lot of money. If you accept a personal cheque that turns out to be counterfeit, you are responsible for the loss. Some shifty buyers pay for merchandise with a credit card and then return the goods for a refund and ask for the refund to be directed to

a different credit card. To protect yourself, keep a copy of all business transactions and pay close attention to the details when accepting a return. Also limit the number of personal cheques you accept.

It’s important to note that Ontario’s consumer protection laws do not apply to business-to-business transactions. If you suspect you’ve been scammed, contact a lawyer right away.

Quick Tips

Protect yourself against business scams with these tips:

- Carefully read the invoices your business receives before making payment.
- Limit the number of people who have authority to buy or order anything for your business.
- Keep written records of all orders and purchases and do not accept overpayment on a cheque.
- Make sure you deal only with people you know and trust.
- Ensure all terms, conditions and promises are clearly stated in the contracts for services or goods that you purchase.
- Know the conditions attached to your suppliers’ policies.
- Keep deposit payments to a minimum – about 10 per cent.
- Find out if the company you want to do business with is registered in Ontario.
- Carefully research the company to ensure that it is reputable.
- Remember, if it sounds too good to be true – it usually is.