

## CertifiChecks FAQs

The Van Wert Area Chamber of Commerce is continuing to work together with hundreds of chambers across the United States on the Certifichcks issue. Chambers are collaborating with the State of Ohio Attorney General's office, the Better Business Bureau and other regulatory agencies to continue to provide their surrounding communities with information.

While talking with many residents throughout the Van Wert Area, I've noticed that individuals and businesses have many similar questions regarding CertifiChecks. Hopefully the following Frequently Asked Questions will assist in clearing up those questions. Additionally, as information is made available to us, we will alert local media outlets in addition to posting it on our website: [www.vanwertchamber.com](http://www.vanwertchamber.com) under the CertifiChecks Updates tab.

### FAQs

1. **Why did the Chamber utilize CertifiChecks?** *As an economic development tool to drive business to local chamber members. This was a way to ensure that dollars would be spent LOCALLY.*
2. **What is the Chamber doing about CertifiChecks?** *The Van Wert Area Chamber of Commerce is actively networking with hundreds of chambers throughout the United States (40 in the state of Ohio alone) to collaborate with the Attorney General's office, Better Business Bureau and other regulatory agencies to obtain information and assist consumers with this tedious situation.*
3. **How did the CertifiCheck program work?**
  - a. *The chamber would place an order for CertifiChecks for either on-hand certificates for the community to purchase, or to fulfill an order from a business or individual.*
  - b. *CertifiChecks would ACH (electronically withdraw) the funds from the VW Chamber's checking account*
  - c. *CertifiChecks would then mail the certificates to the Chamber (CertifiChecks would charge the Chamber a shipping & handling fee, for which, as a service to our members & the community, the chamber covered the cost and did not pass it on to those purchasing the Certifichcks.)*
  - d. *The Chamber would purchase CertifiChecks on a dollar-for-dollar basis. (In other words—a \$10 Certifichck was purchased by the Chamber for \$10)*
  - e. *Individuals & businesses would purchase CertifiChecks at the Chamber office (a \$10 CertifiCheck was purchased for \$10)*
  - f. *Recipients would take the CertifiCheck to local businesses to redeem them for purchases*

- g. *Redeeming local business would deposit CertifiCheck in their bank in a similar manner to other customer checks*
  - h. *CertifiChecks would be responsible for honoring these certificates since Certifichecks received the money up front*
  - i. *Since the actual certificates were issued by Certifichecks and drawn off a bank account owned by Certifichecks, all records of redeemed and unredeemed certificates were owned & maintained by CertifiChecks. The Chamber has no access to these accounts or records, and the Chamber has no ownership, whole or in part, of these accounts.*
4. **Was the Chamber impacted monetarily, by Certifichecks ceasing operations? Yes.** *In fact, the Van Wert Chamber is currently holding approximately \$5,000 of unredeemed CertifiChecks which were purchased dollar-for-dollar to have on hand for the convenience of our community residents. That loss will have to come out of our 2009 budget.*
5. **I have an unredeemed CertifiCheck—what are my options?** *Ohio Attorney General Richard Cordray filed a lawsuit against CertifiChecks, Inc., for failing to honor its gift certificates and for misleading consumers. Consumers who lost money to CertifiChecks should file a complaint with Attorney General Cordray's Office at [www.SpeakOutOhio.gov](http://www.SpeakOutOhio.gov) or by calling (800) 282-0515. Additionally, [www.certifichecks.com](http://www.certifichecks.com) provides an address to which consumers may send their unredeemed CertifiChecks for "potential reimbursement." (Please retain a copy of the certificate or mail a copy & retain the original if you choose the second option.)*  
*\*\*The Chamber is not advising CertifiCheck holders what to do—we are merely presenting information as we receive it.*
6. **If the chamber used to have an in-house gift certificate program, why did they switch to utilizing CertifiChecks?** *As the gift certificates are actual live checks, the chamber was open to risk from fraud since every gift certificate was a live check and had the chamber's account number and routing number printed on it.*
- *Printing, reconciling and tracking certificates was a time consuming process. Since the gift certificate program's main objective was not a fund raiser, but rather an economic development tool meant to retain local shoppers and boost business amongst our chamber members, this was very burdensome on chamber staff.*
  - *Bank charges were growing higher and higher due to the volume of checks issued. (For example, with \$115,000 in annual sales and average certificate amount of \$25, the chamber would be processing over 380 checks per month. Check charges, account activity, fraud prevention, etc. were overhead costs that were being paid from other chamber revenues. The cost of printing checks alone was several hundred dollars each year.)*

- *Unredeemed gift certificates of more than 1 year in age resulted in some recoupment of these fees and costs, but was not a significant source of income for the chamber after covering expenses and figuring staff time spent on the program.*
- *Certifichcks was a national company and was referred to our chamber through national & state chamber networking alliances—thus, Certifichcks were used by hundreds of chambers nationwide.*