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## RESIDENTIAL / HOME SECURITY SYSTEMS

Everyone wants to feel safe and secure in their own home. This can make a sales pitch for an alarm system a tempting offer. Homeowners should be on guard, however, against door-to-door traveling alarm sales agents who use deceptive pitches or questionable tactics and who may sell substandard but costly merchandise or service contracts.

In the spring and summer, some out-of-the country alarm companies hire university and college students as sales agents to go door-to-door across Canada making unsolicited “cold calls” on homeowners. In some cases, the sales agents may get the homeowner to let their guard down by implying they are with the homeowner’s current alarm company or that they are not trying to sell anything. Once inside the consumer’s home, though, the sales agent may use high-pressure or deceptive sales tactics to lock citizens into costly, long-term alarm monitoring agreements.

Fitch Surveillance Systems offers this advice to homeowners:

Because homeowners are often vulnerable to high-pressure sales tactics once a sales person is inside their home, the Ontario Consumer Protection Act was developed to provide an “out” should you be “fast-talked” into signing an agreement.

### **Ask for immediate identification.**

The Act requires sales persons who make “cold calls” at the doorsteps of Ontario residents to clearly and expressly disclose:

- (1) their name,
- (2) the name of the business they represent,
- (3) the goods or services they wish to sell,
- (4) the sales person must also show you an identification card with the sales agent’s name and the name of the business represented.

The sales person must make these disclosures *before* asking any questions or making any statements to the homeowner. The sales representative must also clearly identify to you rights with regard to the Ontario ten day cooling off period. You must be told of your rights in writing and you must be told how you can cancel any agreement signed in your home.

### **You have ten (10) days to cancel an agreement.**

The Ontario Consumer Protection Act –

[http://www.sse.gov.on.ca/mcs/en/Pages/Your\\_Consumer\\_Rights.aspx](http://www.sse.gov.on.ca/mcs/en/Pages/Your_Consumer_Rights.aspx) – states that you have ten days to cancel. If you bought something from a door-to-door salesperson and have second thoughts, act quickly to cancel the contract. If you don’t cancel within ten days, you may be locked into a costly and unwanted purchase.

**Don't let strangers inside your home.**

Door-to-door security alarm salespeople often talk their way inside the homes of Ontario residents or otherwise start their sales presentations without making the disclosures required under the Ontario Consumer Protection Act depriving homeowners of key information that may serve as a “red flag.”

In some cases, security alarm sales persons may try to talk their way into a person's home by pretending they are with their current company. If somebody comes calling on your doorstep, ask them to show you their identification card and to clearly identify the company they represent. Please ask them to remain outside while you call your alarm service provider – at a telephone number your alarm company provided (not the phone number on the identification card as it may be fake) and verify the representative. Like other door-to-door salespeople that make unsolicited “cold calls,” security alarm companies often use high-pressure sales tactics. This may include following people into their homes without their invitation or sitting down and refusing to leave once inside. It is not impolite or rude to tell a salesperson you are not interested. And remember: it is much easier—and safer—to say “no” on the doorstep, rather than try to get the sales person out of your home once inside.

**Other high pressure tactics.**

Some alarm salespeople pressure consumers to immediately purchase a security alarm system. They may tell the homeowner that they have a limited time offer or some other special deal that will not be available at a later date. They may tell the homeowner that they are leaving the city the next morning and need to close the sale today. Or they may scare the homeowner about a supposed rash of burglaries in the neighborhood. They may try and tell you that phone lines are being cut and their system is far superior than what you have already. Don't be tricked by high-pressure sales tactics. Reputable security companies will allow consumers to compare bids and receive comprehensive reviews of their security needs before making a decision.

**Nothing is really free.**

Some security alarm salespeople may try to talk their way into your house or get you to sign a contract by telling you that the alarm is “free.” For example, the salesperson may tell you that, because you live on a busy corner, you can get an alarm for free if you put a sign in your yard to help the company advertise. Companies aren't in the business of giving away products for free. When a company promises something for free there are usually strings attached. In the case of security alarms, in order to get your supposedly “free” security alarm hardware, you may be required to sign a long-term security monitoring contract that costs thousands of dollars.

**False promises of an “upgraded” system.**

Some security alarm sales agents target homeowners who have signs on their properties for security systems with other companies. The salespersons may state or imply that they are from the consumer's existing security company, or that they just bought out your alarm company, and that they are there to “upgrade” or “replace” the current security system. Once inside the home, however, the salesperson then may install a new security system and have the consumer sign paperwork which includes a costly contract for alarm monitoring service. Legitimate alarm companies do not generally stop by their customers homes without appointments. If somebody comes to your door and tells you that they are with your current company, tell them “no thank you” and then call your current company to report the visit.

### **Insurance Discounts.**

These door to door sales agents will tell you anything they have to, so that you will accept their offer. Claims are being made of huge insurance discounts. While the installation of a home security system will likely qualify you for an insurance premium discount, the discount will be approximately seven to fifteen (7 –15%) percent and not enough to “pay for your insurance every year”.

### **Read the fine print.**

Never sign anything unless you have read it, and never give out your banking information to strangers. Door-to-door security alarm sales agents may try to “bait” you into signing a costly long-term monitoring agreement without telling you about all the terms. Some contracts require the homeowner to make payments of \$50 a month or more for as long as five years. If anyone asks you to sign a contract, don’t do so unless you have read it over. If you need more time, ask them to leave the contract behind, and consider reviewing it with a trusted family member, friend, or neighbor. Don’t sign any contract if the oral promises made by the salesperson are not backed up in writing. Oral promises mean nothing and in fact may be specifically prohibited by the wording in the contract.

### **Legitimate alarm companies will assess your needs.**

If you are interested in purchasing an alarm system, consider hiring a company with a local office that *you* find through a referral from a trusted source rather than one that comes knocking door-to-door. A reputable company will not sell you anything without doing a full assessment of your needs and your home layout. Ask the company questions about the length of time it has been in business, whether it is bonded; where its alarm monitoring center is located; whether the alarm is monitored 24 hours a day, 365 days a year; etc. Compare the prices and services offered by two or three different companies before you make any decisions. Remember that cheap means cheap and the small difference in price may not justify poor service when it comes to the protection of your family and possessions.

### **Are the Installation Company and the Monitoring Company the same? Are they members of CANASA, the Canadian Security Association?**

Both the security alarm company *and* the company you hire to monitor any alarm calls should be not only the same; they should be reputable, trusted organizations. Make sure you trust not just the company that installs the alarm, but any company that will be monitoring any alarm calls. Before you sign up, check on the company’s status with CANASA toll free at 800-538-9919 or <http://www.canasa.org>.

### **Qualified and Insured Technicians.**

In addition, find out if the company’s installers have proper credentials proving their training and capabilities. Ensure that the installers who come into your home are covered by WSIB – the Workplace Safety and Insurance Board. Persons not covered by WSIB who become injured in your home may look to you for the short and long term disability coverage. Alarm systems that are not installed properly will not work, may interrupt your telephone service, and may cause damage to your electrical system or cause a fire.