



Newsroom

Attorney General Schwalb Announces \$35 Million Multistate Settlement With Third-Party Financing Company Tempoe LLC

September 11, 2023

Tempoe Tricked Consumers into Leasing Products They Believed They Were Buying; Settlement Will Cancel \$33 Million in Misleading Contracts & Allow Consumers to Keep Products

WASHINGTON, DC – Attorney General Brian L. Schwalb today announced a multistate settlement with Tempoe, LLC, a third-party financing company, that resolves an investigation into Tempoe's advertising and leasing practices nationwide. The multistate investigation, which included 41 states and the District of Columbia, revealed that Tempoe tricked consumers into believing they were signing up to buy products like appliances or furniture on an installment plan, when in reality they were entering into expensive lease agreements. These agreements lacked required disclosures and often led consumers to lease goods or services for two to three times their purchase price. As part of the settlement, Tempoe is cancelling more than \$33 million in outstanding lease agreements and is permanently banned from engaging in future leasing activities. Consumers also will be able to keep the products that Tempoe deceived them into leasing.

"District consumers have a right to complete and accurate up-front information about products they are purchasing. Tempoe used misleading and deceptive marketing practices to trick consumers into leasing appliances, furniture, and other household goods when they thought they were buying them, and by doing so, charged them far more than the purchase price," said AG Schwalb. **"As a result of our collaboration with 41 other state AGs, Tempoe is now permanently banned from leasing any product to any consumer, will cancel \$33 million in outstanding consumer contracts, and will permit consumers to keep the products they leased. My office will continue to hold unscrupulous businesses accountable for deceiving District residents."**

Tempoe is a financing company that partnered with retail stores across the country to offer consumer leases for goods such as furniture and appliances, as well as services such as car repairs. The retailers would often refer consumers who did not have credit and could not obtain in-store financing to Tempoe's website. An investigation by 41 states found that Tempoe violated state consumer protection statutes and federal laws by misleading consumers about the terms and nature of the financing it offered. Tempoe often led consumers to believe that they were signing up for an installment plan or credit sale. In reality, Tempoe would buy the product or service from the retailer and then lease it back to the consumer. Tempoe's lease agreements were confusing, lacked required disclosures about the total amount consumers would pay over the term of the lease, and provided misleading information about returning leased products.

Through this settlement, Tempoe is permanently banned from engaging in future consumer leasing activities. All existing leases will be cancelled automatically without requiring consumers to take action, and consumers may retain the leased merchandise in their possession without any further financial obligation to Tempoe. This means that consumers across the nation will receive approximately \$33 million of "in-kind" financial relief. Additionally, Tempoe will not provide negative information regarding lessees to any consumer credit reporting agency.

Tempoe will also pay a total of \$1 million to the states and jurisdictions participating in this settlement and \$1 million to the Consumer Financial Protection Bureau, which has agreed to a parallel settlement resolving the same alleged misconduct.

A copy of the settlement agreement is available [here](https://oag.dc.gov/sites/default/files/2023-09/Washington%20DC%20AVC%20-%20final%20%28signed%29.pdf) (<https://oag.dc.gov/sites/default/files/2023-09/Washington%20DC%20AVC%20-%20final%20%28signed%29.pdf>).

In entering the settlement, AG Schwalb is joined by the Attorneys General of Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin.



Media Contacts

Search By Keyword

Start Date

End Date

Categories

- ☐ Article
- ☐ Blog
- ☐ Press Release
- ☐ Remarks
- ☐ Testimony

Topics

- ☐ Antitrust
- ☐ Child Support
- ☐ Civil Rights
- ☐ Community Resources
- ☐ Consumer Alerts
- ☐ Consumer Protection
- ☐ Elder Justice
- ☐ Environmental Protection
- ☐ Immigration
- ☐ Nonprofit
- ☐ Public Corruption
- ☐ Public Safety
- ☐ Tenant Rights
- ☐ Worker Rights

Apply

Recent Articles

June 12, 2025

[Attorney General Schwalb Issues Alert to Warn DC Residents About Energy Company Scams \(/release/attorney-general-schwalb-issues-alert-warn-dc\)](#)

June 11, 2025

[Attorney General Schwalb Sues Pest Control Company for Falsifying Licensing Documents, Exposing Customers to Toxic Chemicals \(/release/attorney-general-schwalb-sues-pest-control-company\).](#)

June 6, 2025

[Attorney General Schwalb Requires Former Nonprofit Treasurer to Repay Pocketed Funds Intended for Elementary School Children \(/release/attorney-general-schwalb-requires-former-nonprofit\).](#)

June 2, 2025

[Attorney General Schwalb Secures Over \\$1 Million from District Landlord Involved in Rental Price-Fixing Scheme \(/release/attorney-general-schwalb-secures-over-1-million-0\).](#)

Sign up for the OAG eNewsletter

Connect With Us



<https://twitter.com/DCAttorneyGen>



<https://www.facebook.com/dcoag>



<https://www.instagram.com/dcattorneygeneral/>



<https://www.linkedin.com/company/office-of-the-attorney-general-for-the-district-of-columbia/>



<https://bsky.app/profile/dcattorneygeneral.bsky.social>



<https://www.threads.net/@dcattorneygeneral>



Attorney General Brian Schwalb (/)

Office Hours

Monday to Friday, 8:30 a.m. to 5:00 p.m.

400 6th Street, NW, Washington, DC 20001

Phone: [\(202\) 727-3400](tel:(202)727-3400) (tel:(202) 7273400)

Fax: (202) 347-8922

TTY: [\(202\) 727-3400](tel:(202)727-3400) (tel:(202) 7273400)

Email: oag@dc.gov

[Newsroom \(/newsroom\)](#)

[About OAG \(/about-oag\)](#)

[Consumer Protection \(/consumer-protection\)](#)

[Child Support \(/child-support-services\)](#)

[Public Safety \(/public-safety\)](#)

[Tenant Resources \(/tenant-resources\)](#)

[Worker Rights \(/worker-rights\)](#)

[Job & Partner Opportunities \(/jobs-partner-opportunities\)](#)

[Invite OAG to Appear at an Event \(/about-oag/oag-community/invite-office-attorney-general-appear-event\)](#)



An official website of the
District of Columbia government

© 2024 OAG DC. All rights reserved.

Powered by I.F. <https://ifsight.com>