



FOR IMMEDIATE RELEASE
June 9, 2020
#20-25

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AG SLATERY REACHES SETTLEMENT WITH HARRIS JEWELERS

Customers will receive \$800,000 in restitution

Nashville- Attorney General Herbert. H. Slatery III has reached a settlement with Harris Jewelry for its unlawful credit services business and deceptive and misleading representations related to that business.

In settlement documents, filed in the Circuit Court of Davidson County, the State says defendants violated the Credit Services Business Act and the Tennessee Consumer Protection Act.

“Instead of serving our Tennessee men and women in the armed forces, as advertised, Harris Jewelers set out to take advantage of them,” said General Slatery. “This settlement holds them accountable for breaking the law and provides relief to those who were harmed by their actions.”

Harris Jewelry operates 20 stores nationwide. The stores are strategically located near military installations to market their proprietary financing directly to active duty servicemembers under the guise of quality and affordable jewelry sales.

The Tennessee store is located at the Governor’s Square Mall in Clarksville, Tennessee, near Fort Campbell.

Defendants promoted and significantly profited from a financing scheme called the “Harris Program.” Active duty servicemembers were sold on the program as an opportunity to establish or repair their credit. Then, customers were encouraged to select expensive jewelry to maximize the amount of credit extended which Harris determined based on their branch of service and time remaining on active duty.

The convoluted payment plans made it nearly impossible to calculate or understand the total cost of a transaction; the “retail” prices bore little resemblance to the amount paid at the end of the financing contract.

Harris Jewelry also sold in-house warranties or protection plans on almost every item of jewelry which were also financed through the Harris Program. In 2016, protection plans were added to over 90% of products eligible for the protection plan.



Herbert H. Slatery III Attorney General & Reporter

Under the terms of the settlement:

- Harris shall not engage in any conduct that would constitute a “credit services business.”
- Harris is required to pay \$800,000 in debt relief and refunds to all consumers who made a purchase at the store in Clarksville between January 1, 2016 and March 1, 2019.
- Harris can no longer base credit eligibility solely on a customer’s remaining military service.
- Harris cannot represent in advertising that consumers may be automatically approved for credit.
- Warranty products may only be provided on a clearly disclosed opt-in basis.
- Defendants will pay \$306,000 to the State if they default on any part of this judgment.

To read the final judgment and complaint click here:

<https://www.tn.gov/content/dam/tn/attorneygeneral/documents/pr/2020/pr20-25-complaint-afj.pdf>

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