

## **CONSUMER TIPS**

Being a consumer comes with risks, but these risks may be mitigated by the consumer's due diligence. This information paper contains a few tips to help you make informed decisions when navigating the buyer's market.

### **Telephone Solicitations**

- Never give your credit card number over the telephone unless you initiate the call.
- Ignore all calls from the "IRS" or "Social Security Office". These calls are scams.
- If you receive a call from your bank requesting information, hang up and call your local branch directly.
- Use caution in dealing with a caller who says that an investment, purchase, or charitable donation must be made immediately.
- Ask who is in charge of the company or organization represented. Get specific names and titles.
- Check with the Better Business Bureau (BBB) at <https://www.bbb.org/> to see if any complaints have been filed against the organization.
- Be wary of offers of free merchandise or prizes. You may end up paying handling fees greater than the value of the gifts.

### **Online/Mail Orders**

- Research the company. Look for reviews from other shoppers. Check the BBB for complaints.
- Consider using a third party transfer option so your credit card information is not given directing to the outside organization.
- Watch out for exaggerated product claims or unrealistically low prices.
- Ask about the cancel/return policy.
- Complete the order as directed. If you leave out needed information, such as your full address, your order may be delayed.
- Keep a complete record of your order, including the company's name, address, and telephone number, the items you purchased, the price, the date you placed or mailed in the order, and your method of payment.
- Under federal law, you have more legal protection if you order by mail than if you order by telephone.

### **Credit Cards**

- If possible, pay off the balance each month.
- Keep a record of your card numbers, expiration dates, and the phone number of each company in a secure place.
- Watch your card whenever possible. Retrieve the card promptly after using it.

- If lost or stolen, contact the credit card company immediately.
- Take your credit card receipt.
- Avoid signing a blank receipt. Draw a line through blank spaces above the total when you sign card receipts.
- Read all documents received from your credit card company. Some companies will insert notice of interest increase.
- Review credit card bills promptly and compare them with your receipt.
- Report any questionable charges to the card issuer.
- Use caution when entering your card information online or over the phone. Make sure you trust the other party.
- Sign new cards and destroy unwanted cards as soon as they arrive.
- Keep infrequently used cards in a secure place.

### **Timesharing**

- Consider the true value of the "gifts" and "awards" used to promote vacation timeshare sales. Remember, it may not be a "free" gift if you must drive a long distance and endure a high-powered sales pitch.
- Check out the seller, developer, and the management company with your local BBB. Does the company have a record of complaints? Does it manage the facilities properly? Are there monthly fees?
- Do not act on impulse or under pressure. Carefully read the contract and any other written documents before you sign anything.
- Be sure everything the salesperson promised orally is written into the contract.
- Find out about the cancel policy.

### **Health Clubs**

- Check out the health club carefully. Visit during hours when you would normally use it to see if it is overcrowded during that period. Observe the entire facility. Is the facility well maintained and clean? Are there representatives on site?
- Ask when you will be able to use the club. It may be open all week, but it may be limited to men and women only on certain days.
- Ask what your membership includes and what amenities are offered for an additional cost.
- Ask what qualifications or training the employees have.
- Read the fine print in all contracts or special offers. You may be committing yourself to a long-term contract. Make sure that spoken promises or conditions are put into writing.
- Find out if there is a time period during which you can change your mind and get your money back ("a cooling off" period).

- Ask about the refund policy for cancellations.
- Check with the BBB for any complaints.
- Find out if you have any protections under state law should the club close unexpectedly.
- Ask to see a listing of the branches and affiliates of the health club. Check to see if they are located near military installations where you could be stationed. Make sure that your contract allows you to cancel and receive a refund for unused time on the contract should you be transferred to a locale where there is neither a branch nor an affiliate within 25 miles of the installation where you are stationed.

### **Car Repairs**

- Ask for a written estimate before you authorize any major repair work.
- Make sure that the work order reflects what you asked for before you leave the car.
- Be sure that the shop understands that they must call you before doing work beyond that which you originally requested.
- Ask for the opportunity to inspect all replaced parts.
- Keep copies of all work orders and receipts.
- Pay by credit card. This gives you some leverage by allowing you to stop payment if the repair is done improperly and you don't discover it until several days have passed.

### **Door-to-Door Sales**

- Make sure you are dealing with a legitimate company by asking for proper identification from the salesperson.
- Keep a copy of any sales agreement. Be sure your copy has the company's complete name, address, phone number, the name of the salesperson, and details of the sale, including the correct date.
- You will have a three-day "cooling off" period, which means you have the right to cancel your contract any time before midnight of the third business day after you sign the contract. Get a copy of the right-to-cancel notice with your contract. This rule only applies to purchases over \$25.00 made away from the seller's regular place of business. Consumers are not protected by this rule if the sale is conducted entirely online, mail, or phone.

### **Warranties**

- Compare the terms and conditions of warranties on product or services before you buy.
- Consider duration of the warranty, labor and shipping costs; and conditions for repair, replacement, or refund.
- Keep your sales slip and warranty in a safe place.
- Use caution when purchasing extended warranties. Are extended warranties worth the money you will spend?

## **Contracts**

- Read the entire contract.
- If you have questions about what the contract states, ask.
- Never sign anything you do not understand.
- Be sure that what the salesperson promises is what is written into the contract.
- Do not sign a contract if a promoter or retailer is reluctant to let you have another person review it before signing.
- Never sign a contract with unfilled spaces. Draw lines through blank spaces.

This document is provided for information only and should not be considered legal advice. If you have further questions pertaining to this matter, visit our office in Building 358, Presidio of Monterey, Monterey, CA or call (831) 242-5083/5084.