



State of Connecticut
Attorney General George Jepsen

Quick Tips

Top 10 Consumer Myths

Protect yourself by being an informed consumer and knowing your rights under the law.

- **Myth 1: You have the right to cancel any purchase or contract within three days.**

FACT: The three-day right to cancel a purchase or contract does not apply to everything; in fact, it only covers a limited number of transactions. In Connecticut, the three-day right of rescission applies to health club contracts, timeshare purchases, home improvement contracts and door-to-door sales. Consumers should always be careful when purchasing things such as automobiles and vehicles, which are not covered, and always thoroughly read any contract before signing.

Major purchases should be made carefully, and always be sure to read the fine print before signing a contract.

- **Myth 2: When returning merchandise you have the right to a store refund if you request one.**

FACT: In Connecticut, retailers have the ability to set their own individual return policy, which must be disclosed to consumers when purchasing. If a policy is not disclosed or no refund policy has been set, a consumer making a return can be refunded in the manner in which they originally paid. This does not apply to food, perishable items, plants, custom-made or custom-ordered goods, items that have been used, items that cannot be resold under state regulations, or items marked "as is" or "final sale." Retailers are not obligated to make refunds without proof of purchase, such as a purchase receipt or bill of sale.

- **Myth 3: "Awards," "Prize" and "Lottery" notifications sent by U.S. mail must be official.**

FACT: One of the most common ways consumers may be defrauded is through phony notifications that they are the recipient of an award, sum of money or have lottery winnings. Often times these notifications will ask for "entry fees," donations, advance payment or personal information. Contests that ask that consumers send money or that guarantee that "everyone's a winner" are illegal in Connecticut. Don't be fooled – consumers cannot win a lottery they did not enter, and they never have to pay in advance for legitimate awards, prizes or lottery winnings.

- **Myth 4: The "Lemon Law" applies all big-ticket items you purchase, including used cars.**

FACT: Connecticut's Lemon Law applies to new motor vehicles purchased or leased in the state and covers repair attempts made within the first 24,000 miles or during the first two years of use and, in limited circumstances, apply to second owners. Generally, used cars are not covered by the lemon law, so always investigate the history of a used car or product and have it checked by a mechanic or other knowledgeable person before purchasing. Connecticut has a separate used car warranty law covering some used cars purchased from dealers.

- **Myth 5: The majority of money contributed to a charity must go to the charitable purpose.**

FACT: Charitable organizations are not obligated to spend a minimum percentage of funds raised on their charitable purpose. Before giving to a charity, consumers interested in contributing should ask what percentage of donations go to directly support the charity's purpose, as opposed to administrative or marketing costs. Consumers should also research any charity they would like to contribute to so they can ensure that it is legitimate and registered, and is not a scam. For a list of registered charities, visit: <http://www.charitynavigator.org/>.



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- **Myth 6: It is safe to use your credit card information for identification purposes.**

FACT: Consumers should never use credit card information to identify themselves, especially over the phone or in person. Thieves and scammers can use this information to make unauthorized purchases with your card. Using a credit card to place orders, make hotel reservations or make other purchases over the phone and online from reputable, established businesses is usually safe. However, consumers who believe they are a victim of credit card fraud or have not received the product or service they purchased, should contact their credit card company. Many credit card companies will refund consumers whose cards were used fraudulently. Keep in mind that such protections may not apply to debit card purchases made by consumers.

- **Myth 7: Purchasing magazines improves your chances of winning a publisher sweepstakes.**

FACT: It is illegal in Connecticut for any type of sweepstakes promotion to require consumers to make a purchase or payment to enter. This ensures that those who make purchases have the same chances as those who do not.

- **Myth 8: No one can take money from your bank accounts without your written authorization.**

FACT: Simply providing another person with a bank account number may allow him or her to make withdrawals from that account. A bank may disburse your funds without your express or approval to a person who has the account and/or routing number. In order to prevent this from happening, consumers should never give out their bank account number or routing number, especially in response to an unsolicited call or email.

- **Myth 9: Credit reports are private and only accessible by third parties with your authorization.**

FACT: In some circumstances, potential employers, landlords, insurers and retailers may access credit reports as part of a background check procedure and for credit checks. Thus, it is vital to ensure that your credit reports are accurate. Consumers may obtain a free copy of their credit report from each of the three credit reporting bureaus every twelve months by visiting www.annualcreditreport.com or calling 1-877-322-8228. Review your credit report for accuracy and if you notice errors, contact the credit bureau immediately.

- **Myth 10: Advertisements on the radio, on television, in newspapers and magazines or on major Internet sites must be accurate, otherwise they would not be run by reputable organizations.**

FACT: It is not required that advertisements be submitted to a government agency for review to determine truthfulness or accuracy. Also, the media is not legally required to review advertisements for truthfulness or accuracy prior to broadcasting them. Connecticut law however, does prohibit businesses from making knowingly false statements about their products or services. Before making significant purchases, consumers should independently research claims made in advertisements before purchasing the product or service. Talk to friends and family about their experiences with a product or business and always remember that if something sounds too good to be true, it probably is.

Additional Resources

- The Federal Trade Commission, the nation's consumer protection agency, provides extensive consumer information on its Web site, www.ftc.gov.
- For additional information, or if you have any questions, call the Office of the Attorney General Consumer Assistance Unit at 860-808-5420.