



This chapter includes information about:

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Numerous federal and state laws and regulations protect consumers against unfair and deceptive business practices. Women should be aware of their rights regarding consumer and credit issues to better protect themselves.

Consumer Fraud Prevention

One of the most important ways that you can protect yourself against being the victim of fraud is to be selective about releasing your personal information - such as your Social Security number, bank account number, or credit card number - to others. **You should never release personal information over the Internet, telephone, or through the mail unless you made the contact and are familiar with the business on the other end.**

In addition to protecting your personal information, you can protect yourself from fraud by **never sending money to anyone you don't know**. There are many different scams out there that try to get you to transfer money to someone you have never met before in return for large promises of money, jobs, or marriage.

Telemarketing

Callers trying to sell goods or services over the telephone are called **telemarketers**. Federal and state laws regulate who may contact you and what they may do during a solicitation.

If you don't want to get telemarketing calls, you can register your number with the **National "Do Not Call" Registry**. Once your number has been registered for thirty-one (31) days, most telemarketing calls will stop. However, you still may get calls:

- from – or on behalf of – political organizations, charities, and telephone surveyors;
- from companies with whom you have an existing business relationship. (A company may call you for 18 months after you make a purchase or three months after you submit an inquiry or application); and
- from companies that you have given permission to call.

You can register your personal phone number on the Federal Trade Commission's "Do Not Call" Registry by:

- registering the number online at www.donotcall.gov (you need an email address to confirm your registration online within seventy-two (72) hours after you receive a confirmation e-mail);
- calling toll-free 1-888-382-1222 from the number you wish to register

Once your phone number is registered, it will not be removed from the list until you choose to remove your number, or your number is disconnected and re-assigned to someone else.

If you receive a call from a telemarketer that you believe is covered by the National Do Not Call Registry after your number has been registered for at least thirty-one (31) days, you can file a complaint with the Federal Trade Commission.

You may also file a complaint if you received a call that used a recorded message instead of a live person whether or not your number was on the Registry.

A complaint can be filed:

- online at www.donotcall.gov (using the File a Complaint page)

When filing your complaint, you will be asked to provide such information as the date you received the unwanted call, the number that was called, and whether the call was a prerecorded message.

You can also avoid getting calls from companies or charities not covered by the federal registry by telling the company or charity to put your phone number on their own “Do Not Call” list. Every company and charity is obliged to keep such a list. Vermont law prohibits telemarketers from calling a number listed on the federal registry or on the company’s “Do Not Call” list.

When a telemarketer does call you, it is illegal for the telemarketer to:

- take money from your bank account without your written consent;
- use a courier service to pick up a payment from you, unless the goods you are buying are delivered at the same time.

If you decide to purchase something from a telemarketer, the telemarketer must provide you with a receipt. The receipt must include the purchase date, the seller’s name and address, and a statement of your right to cancel. A cancellation form must also be provided along with your receipt.

If you purchase something from a telemarketer, you may cancel your purchase within three (3) business days after you have received your receipt and cancellation form. You should receive a refund of any payments made within ten (10) days after the purchase is cancelled.

You can protect yourself against telemarketing fraud by following **Vermont’s Attorney General Consumer Safety Tips**. The Attorney General suggests that you:

- Do not give your credit card number or banking information over the phone unless you made the call and know the company is reputable.
- Never give a telemarketer personal information about yourself, including medical information, driver’s license, or Social Security number.
- Get the details of any offer, and information on the seller, before you agree to buy anything.

Contests and Prizes

Vermont's Attorney General has rules to prevent fraud and deceptive practices in promotional contests, sweepstakes, and games. A person asking you to engage in a game of skill, contest, sweepstakes, give-away or other promotion cannot:

- require you to purchase anything, pay an entry fee or service charge in order to enter or remain eligible;
- mislead you as to your chances of winning, the number of winners, the value of the prizes, or the availability of prizes;
- indicate that you are a "winner" or have been "selected" when it is a promotional scheme in which many or all of those "entering" receive the same "prize" or "opportunity."

People may be tricked into losing money due to lottery, sweepstakes, and fraud recovery scams. In order to protect yourself from falling victim to a scam, Vermont's Attorney General recommends that you:

- **beware of phone calls or mailings that say you're a winner** – hang up the phone or throw away the mailing because it is most likely a scam;
- never pay fees to collect your prize or to receive additional prizes;
- never pay fees in order to recover money lost in an earlier scam – the government never charges a fee to try to recover your money.

Charities and Paid Fundraisers

Charities often ask for (or "solicit") contributions from individual donors. Unfortunately, money solicited for charities is sometimes misused or given to fraudulent solicitors. Therefore, it is important for donors to be cautious and have sufficient information to make wise decisions about giving.

Vermont's Attorney General suggests that you take certain precautions to ensure your money goes where you intend:

- Do not allow a charitable solicitor to pressure you into making an immediate contribution – a legitimate charity will always be willing to give you time and send you additional material to help in your decision-making process.
- Do not use your credit card number to make a charitable contribution - unless you are familiar with and confident that the charitable organization is legitimate.
- Never make a contribution in cash. You should always make contributions by check made payable to the charity, not the individual solicitor. Beware of solicitors who want to send a courier or delivery service to pick up your donation right away.
- Beware of organizations that have similar sounding names to those of well-known and respected charities. Make sure that you know to which you are donating.

Some charities pay fundraisers to ask for contributions on their behalf. **Vermont's Charitable Solicitations Law** regulates the activities of paid fundraisers who solicit donations from Vermonters for charities. Before you "authorized" a donation, paid fundraisers must tell you that:

- they are being paid by the charity to solicit donations; and

- that you may contact the Attorney General's office to find out what percentage of the money collected will go to the fundraiser and what percentage will go to the charity.

Additionally, paid fundraisers cannot use unfair or deceptive practices to solicit contributions. Some examples of unfair or deceptive practices include misrepresenting the fundraiser's identity, the fundraiser's affiliation, how the donation will be used, or how past donations have been used.

The Attorney General's Office can also inform you if any complaints have been filed against a charity or its paid fundraisers.

Gasoline Prices and Price Gouging

Vermont's Attorney General does not set or regulate gasoline prices.

Vermont law does protect consumers against gasoline price gouging when the Governor declares a "market emergency" and the increase in the gas price is not caused by the emergency. Hence, the law will not apply to most situations because a market emergency requires an "abnormal disruption" in petroleum or heating fuel markets, including "extraordinary adverse circumstances" such as an act of war or a terrorist attack. Once a market emergency is declared, it is illegal for a fuel dealer to sell gas at a price that is "unconscionably high."

Home Heating Fuels

Vermont does not regulate the price of heating oil, kerosene or other fuels used for heating. However, Vermont law provides some protections for consumers who purchase "**pre-buy**" contracts for their heating needs from heating fuel dealers. The law requires fuel dealers to:

- give you a written contract;
- ensure that your money goes to obtaining your fuel by obtaining a surety bond, letter of credit or a fuel futures contract to cover the fuel you pre-buy – and notify you of the option the dealer plans to use; and
- reimburse you within thirty (30) days after the end of the contract for any unused portion of the amount you paid, unless you agreed otherwise.

Additionally, a gas company cannot disconnect **propane gas service** without your consent, unless:

- you are delinquent in payment;
- the gas company has provided you with an opportunity to enter into a reasonable repayment agreement for the delinquent bill; and
- the gas company has provided you with a notice of disconnection between fourteen (14) and twenty (20) days before disconnection;

There are provisions that prohibit disconnection of service in special circumstances such as:

- when the disconnection would cause an immediate and serious hazard to you or your family's health during the heating season (a physician's note is required);
- when you use the gas as a primary source of heat and your delinquent charge is \$30.00 or less and less than sixty (60) days past due;

- when your delinquent charge or bill is more than six (6) years old;
- when you are following the terms of your repayment plan; or
- when the gas company has failed to make reasonable attempts to give you actual oral notice of disconnection during the heating season, if gas is your primary heating source.

Vermont's Lemon Law

You have the right to return your car for a new one or an adjusted refund if it turns out that you have purchased a “lemon.” A “lemon” is a motor vehicle that cannot be properly repaired after a “reasonable number of attempts” so that it conforms to the warranty. A “reasonable number of attempts” are demonstrated by either:

- three unsuccessful repair attempts for the same problem, so long as the first attempted repair occurs during the warranty period; or
- the vehicle is out of service for a total of thirty (30) or more days during the warranty period.

The **Vermont Motor Vehicle Arbitration Board** resolves warranty problems with consumer's vehicles. If you wish to pursue your rights under Vermont law, you must file a claim (Demand for Arbitration) within one year after the expiration of the manufacturer's written warranty. Consumers should contact the Vermont Motor Vehicle Arbitration Board to receive information on eligibility or on filing a claim. ([See VCW's Resource Directory – Consumer Issues section.](#))

Addressing Consumer Fraud

The Vermont Attorney General's Office has a Consumer Assistance Program (CAP) available to help consumers with fraud and dissatisfaction. You should consider contacting the CAP if you:

- want information on your rights and responsibilities as a consumer;
- want to know the complaint histories for businesses that you are thinking of doing business with;
- want help resolving a dispute between you and a business;
- want to find out about recently reported scams; or
- want to file a complaint.

Additionally, the Vermont Attorney General's Office's Consumer Protection Unit is available to investigate and prosecute businesses that violate Vermont's consumer protection laws. The unit investigates serious or widespread allegations of consumer fraud and, where appropriate, will file suit against those who have violated Vermont law.

Another option available to deal with consumer fraud is to hire a private attorney. Vermont's consumer fraud law contains a provision that allows individuals to recover attorney's fees if they win a consumer fraud suit.

Credit Transactions

Credit Discrimination

Both federal and state law prohibits lending institutions such as banks from discriminating against or treating any applicant differently based on their race, color, religion, national origin, sex or marital status, age, or because the applicant receives public assistance. Additionally, Vermont law prohibits discrimination on the basis of sexual orientation. The federal **Equal Credit Opportunity Act** defines acts of discrimination and describes a creditor's duties to applicants.

Identity Theft

Identity theft occurs when someone uses your personal information for their own personal gain. A person who steals your identity may use it to divert your mail, borrow money in your name, or to buy things posing as you.

Identity theft can happen in a variety of ways. Some examples of how your personal information might be stolen include:

- a thief stealing your wallet or purse containing your ID, credit or bank cards;
- someone stealing your mail containing personal information such as bills or bank account statements;
- someone rummaging through your trash to find discarded documents containing personal information;
- someone obtaining personal information you shared over the Internet. For example, financial information you sent in an e-mail to someone posing as a bank or government employee; or
- someone hacking into a computer database.

Vermont's Attorney General recommends that you take the following steps to avoid identity theft:

- Keep all items with personal information in a safe place.
- Before you throw away papers with personal information, shred or tear them.
- Don't carry your Social Security card and only give your Social Security number when it is absolutely necessary.
- Don't give personal information over the phone, through the mail or over the Internet unless you've made the contact and know the recipient.
- Check your bank statements carefully to ensure that you authorized all withdrawals; and
- Review your credit reports annually to check for irregularities in your credit.

If you find yourself the victim of identity theft, Vermont's Attorney General suggests that you:

- Immediately close any accounts that have been tampered with or opened without your consent.
- File a police report, and file a complaint with the Attorney General's Consumer Assistance Program.
- Place fraud alerts on your credit reports and review your credit reports.
- Keep copies of all papers and police reports relating to your identity theft, and keep a record of all contacts you've made.

Debt Collection Practices

A creditor or debt collection agency acting on a creditor's behalf may contact you when you fail to pay a debt such as your credit card, your home mortgage or a personal loan. State and federal consumer protection laws protect you against unfair and abusive debt collection practices.

A creditor or debt collect agency may make reasonable attempts to collect your legitimate debts. However, when collecting a debt, your creditor, an attorney or a third-party collection agency cannot engage in certain abusive debt collection practices. Some illegal debt collection practices include:

- use or the threat of violence or other criminal acts;
- threats of legal action against you that it cannot or will not take;
- threats to take your property or your wages without a court order (except where such actions are permitted by law), if you fail to make payment;
- use of profane language;
- contact between the hours of 9 p.m. and 8 a.m.;
- unreasonably frequent contact;
- calls at work if you have instructed the creditor or collection agency not to do so;
- contact with your employer concerning your debt - unless the purpose of the contact is to locate you and the collector does not disclose that you owe a debt or that a court has entered a judgment against you;
- use of any means of communication that would ordinarily be seen by any other person;
- misrepresentation of who the debt collector is or the purpose of the debt collector's contact;
- false representation of the status of the debt in any legal proceeding. For example, a collector may not falsely state that he or she has obtained a judgment against you;
- false representation that the collector is associated with any state or federal agency or use of any document that simulates a government document;
- the addition of a collection fee to the amount of the debt - unless allowed by law to do so; and
- any direct contact with you, if you notify the collector that you are represented by an attorney and that all communications should be addressed to the attorney, with the exception that the collector may send you a statement of your account.

You have additional rights if your debt is being collected by a debt collection agency or an attorney who collects debts on a regular basis. These rights include:

- You must receive written notice containing the amount of the debt, the name of the creditor, and what action you may take if you do not believe you owe the money.
- You can stop future contact by writing a letter telling the debt collection agency or attorney to stop. Once an agency receives your letter, it may not contact you again except to say there will be no further contact or to notify you if the agency or the creditor intends to take some specific action, such as filing a lawsuit against you. You should send the letter by certified mail, return receipt requested, so that you have evidence that you sent the letter and that it was received by the agency.

A collector may not contact you if, within thirty (30) days after you are first contacted, you send the collection agency a letter stating you do not owe the money. However, a collector can renew collection activities if you are sent proof of the debt, such as a copy of a bill for the amount owed.

Fair Credit Reporting Act

Federal and state laws ensure the accuracy and privacy of information kept by credit bureaus and consumer reporting agencies. These laws provide greater protection and control to you over the information credit bureaus and consumer reporting agencies are distributing about you to creditors, insurance companies and employers.

The federal **Fair Credit Reporting Act** provides that:

- You must be told if information in your credit report has been used to take adverse action against you and the name, address, and phone number of the credit reporting agency that provided the information.
- You have the right to request and obtain all the information about you in the files of a consumer reporting agency. All consumers are entitled to a free copy of their credit report, at their request, once every twelve (12) months from each of the nationwide consumer reporting companies — Equifax, Experian, and TransUnion. AnnualCreditReport.com is a centralized service for consumers to request free annual credit reports. It was created by Equifax, Experian and TransUnion and provides consumers with the secure means to request and obtain a free credit report once every 12 months from each of the three nationwide consumer credit reporting companies in accordance with the Fair and Accurate Credit Transactions Act (FACT Act).
- You have the right to dispute incomplete or inaccurate information in your file. The consumer reporting agency must investigate your claim, unless the dispute is frivolous.
- Consumer reporting agencies must correct or delete inaccurate, incomplete or unverifiable information – usually within thirty (30) days.
- Consumer reporting agencies cannot report most negative information that is more than seven (7) years old and bankruptcy information that is over ten (10) years old.
- Identity theft victims and active duty military personnel have additional rights.

Vermont's **Consumer Fraud Act** includes requirements concerning fair credit reporting practices. **Vermont law also allows you to receive one free copy of your credit report every twelve (12) months from each credit reporting agency.** The credit report must include your credit score; the names of people requesting information in your credit report during the prior twelve-month (12-month) period and the date of each request; and a clear and concise explanation of the information.

For security reasons, you will need to verify your identity in order to obtain your free credit report. You will be required to provide your name, date of birth, Social Security number, and current address. (If you have not lived at your current address for at least two (2) years, you will need to provide your previous address as well.) You may also need to provide extra information that only you would know to verify your identity, such as the amount of your monthly mortgage payment.

Find the most local and appropriate agency/organization to help you—go to [Vermont Commission on Women's Resource Directory—Consumer Issues Section](#)

Relevant Laws

[Vermont:](#)

Vermont Debt Adjusters Act, 8 V.S.A. ch. 133

Charitable Solicitations, 9 V.S.A. §2471
Consumer Fraud Act, 9 V.S.A. §2451, et seq.
Lemon Law (New Motor Vehicle Arbitration Act), 9 V.S.A. §4170, et seq.
Vermont Attorney General Consumer Fraud Rules 104, 109, 112, 111, & 113

Federal:

Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C.A. §6101, et seq.
Equal Credit Opportunity Act, 15 U.S.C.A. §1691, et seq.
Fair Credit Reporting Act, 15 U.S.C.A. §1681, et seq.
The Fair and Accurate Credit Transactions Act (FACT Act)
Federal Trade Commission Rules
Telemarketing Sales Rule – 16 C.F.R. pt. 310

Updated 11-7-11 LT