



FORT SILL LEGAL ASSISTANCE

How to Right a Financial Wrong



This fact sheet explains your rights when it comes to mail and telephone order shopping, unordered merchandise, and door-to-door sales. It also tells you how to write an effective complaint letter and lists some resources for additional help.

Mail, Internet, & Telephone Order Sales

Shopping by phone, internet or mail can be a convenient alternative to shopping at a store. But if your merchandise arrives late or not at all, you have some rights.

By law, a company should ship your order within the time stated in its advertisements. If no time is promised, the company should ship your order within 30 days after receiving it.

If the company is unable to ship within the promised time, they must give you an "option notice." This notice gives you the choice of agreeing to the delay or canceling your order and receiving a prompt refund.

There is one exception to the 30-day rule. If a company does not promise a shipping time, and you are applying for credit to pay for your purchase, the company has 50 days to ship after receiving your order.

This is a federal law; understand that your individual state may provide more safeguards above and beyond federal government regulations.

Fair Credit Billing Act (FCBA)

You have the following protections when you use credit for purchases under the FCBA:

Billing Errors

If you find an error on your credit or charge card statement, you can dispute the charge and withhold payment on the challenged amount while the charge is in dispute. Of course, you still must pay any part of the bill that is not in dispute, including the finance charges on the undisputed amount.

If you decide to dispute a charge:

- Write to the creditor at the address indicated on the monthly statement for "billing inquiries." Include your name, address, credit card number, and a description of the billing error.

- Send your letter in a timely fashion. It must reach the creditor within 60 days after the first bill containing the error was mailed to you.
- The creditor must acknowledge your complaint in writing within 30 days after receiving it, unless the problem has been resolved. The creditor must resolve the dispute within two billing cycles (but not more than 90 days) after receiving the letter.

Unsatisfactory Goods or Services

You also may dispute charges for unsatisfactory goods or services. To take advantage of this protection, you must:

- Have made the purchase in your home state or within 100 miles of your current billing address. The charge must be for more than \$50;
- Make a good faith effort first to resolve the dispute with the seller. However, there is no specific procedure required to resolve the dispute.

Door-to-Door Sales

The FTC's Cooling-Off Rule gives you three days to cancel purchases of \$25 or more made at your home, workplace or dormitory, or at facilities rented by the seller on a temporary short-term basis, such as hotel or motel rooms, convention centers, fairgrounds, and restaurants.

Some Exceptions

Some types of sales cannot be canceled even if they occur in locations normally covered by the Cooling-Off Rule. The Rule does not cover sales that:

- Are for goods or services not primarily intended for personal, family, or household use. The Rule applies to courses of instruction or training;
- Are made entirely by mail or telephone;
- Are the result of prior negotiations at the seller's permanent location where the goods are sold regularly;
- Are needed to meet an emergency. For example insects suddenly invade your home, and you waive your right to cancel the contract;
- Are made as part of your request for the seller to do repairs or maintenance on your personal property (purchases made beyond the maintenance or repair request are covered).
- Real estate, insurance, or securities;
- Automobiles, vans, trucks, or other motor vehicles sold at temporary locations, provided the seller has at least one permanent place of business;

- Arts and crafts sold at fairs or locations such as shopping malls, civic centers, and schools.

Under the Cooling-Off Rule, the salesperson must tell you about your cancellation rights at the time of sale. The salesperson also must give you two copies of a cancellation form one to keep and one to send back, and a copy of your contract or receipt. The contract or receipt should be dated, show the name and address of the seller, and explain your right to cancel the contract. The contract or receipt must be in the same language that is used in the sales presentation.

How to Cancel a Door-to-Door Sale

To cancel a sale, sign and date one copy of the cancellation form. You do not have to give a reason for canceling the purchase. Mail it to the address given for cancellations. Make sure the envelope is post-marked before midnight of the third business day after the contract date. Saturday is considered a business day; Sundays and federal holidays are not. Because proof of the mailing date and receipt are important, consider sending the cancellation form by certified mail so you can get a return receipt. Keep the second copy of the cancellation form for your records. If the seller did not provide cancellation forms, write your own cancellation letter and mail it.

If You Cancel

If you cancel your purchase, the seller has 10 days to:

- Cancel and return any promissory notes or other negotiable instruments you signed;
- Refund all your money and tell you whether any product left with you will be picked up; and
- Return any trade-in.

Within 20 days, the seller either must pick up the items left with you, or reimburse you for mailing expenses, if you agreed to send back the items. If you received any goods from the seller, you must make them available to the seller in as good condition as when you received them. If you do not make the items available, or if you agree to return the items but do not, you remain obligated under the contract.

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If you have questions concerning the information in this fact sheet, please call the Legal Assistance Office (580) 442-5058 or (580) 442-5059. Our hours of operation are Monday, Tuesday, Wednesday and Friday, 0900 – 1600, and Thursdays 1300-1600. The Fort Sill Legal Assistance Office is located on the 4th floor of Building 4700, Hartell Hall on Mow-Way Road.