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Keeping Michigan consumers safe and informed.

Michigan Department of Attorney General's CONSUMER EDUCATION

Protecting Michigan consumers is a priority for the Attorney General. Her policy is to prosecute companies and individuals that commit fraud against Michigan consumers—and she has convicted many fraudsters. But the goal is to prevent you from being scammed in the first place.

The more you know about how scams operate and the more careful you are in responding to requests for your money or personal information, the less likely you are to become a victim.

Are you a savvy consumer? Do you have the knowledge and ability to make good judgments and avoid being scammed? Take our quiz and find out.

To create our quiz, we consulted with the Consumer Complaint Intake team and identified common areas where consumers are misinformed or do not understand the law. *And they should know.* Last year they answered more than **20,000 consumer calls** and processed more than **10,000 complaints**, resulting in **more than \$700,000 in refunds or forgiven debts.**



Are you a *Savvy* Consumer?

Savvy Consumer



1. True or False

The Michigan Scanner Law allows a “bonus” penalty of 10 times the difference between the price displayed and the price charged.

[Click here for question number one's answer.](#)

2. True or False

Michigan’s Lemon Law does not cover most used vehicles.

[Click here for question number two's answer.](#)

3. True or False

I’m on the Do Not Call List, so only legitimate telemarketers can call me.

[Click here for question number three's answer.](#)

4. True or False

I have three days to cancel any contract if I change my mind.

[Click here for question number four's answer.](#)

5. True or False

Seniors are more likely than millennials to be scam victims.

[Click here for question number five's answer.](#)

6. True or False

When I deposit a check and it is credited to my account, the check is good.

[Click here for question number six's answer.](#)

7. True or False

You are guaranteed to win a fabulous prize when you receive an “Awards Notification” in the mail.

[Click here for question number seven's answer.](#)

8. True or False

Almost all the money I donate to a charity must go to the intended purpose.

[Click here for question number eight's answer.](#)

9. True or False

You have the right to a store refund if you request one.

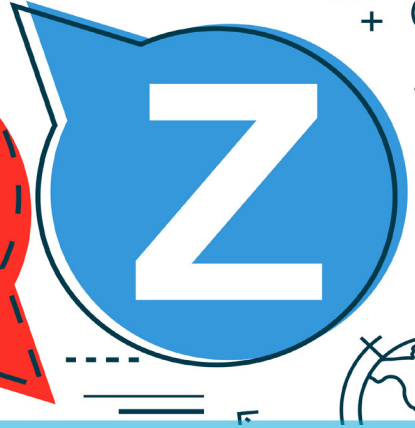
[Click here for question number nine's answer.](#)

10. True or False

Once something appears on my credit report, it is very difficult to get it changed.

[Click here for question number ten's answer.](#)

Savvy Consumer



1. The Michigan Scanner Law allows a “bonus” penalty of 10 times the difference between the price displayed and the price charged. ANSWER: TRUE

But there is a minimum bonus of \$1 and maximum bonus of \$5.

If you are overcharged and you completed the transaction and have a receipt indicating the item purchased and the price you were charged, you must notify the seller in person or in writing within 30 days of the transaction. The seller may then choose to refund you the difference between the amount you were charged and the price that was displayed, plus a “bonus.” But if you purchased several identical items at once and were overcharged on each, you are entitled to the refund of the difference for each item, but you may collect the “bonus” only once.

To learn more about the Michigan Scanner Law, [read our Consumer Alert, Michigan’s Scanner Law - The Shopping Reform and Modernization Act.](#)

2. Michigan’s Lemon Law does not cover most used vehicles. ANSWER: TRUE

Michigan law defines a “new” car to include a car still “covered by a manufacturer’s express warranty at the time of purchase or lease,” so it could apply to a “used” car that meets this criteria.

To learn more about Michigan’s Lemon Law, [read our Consumer Alert, Michigan’s Lemon Law - Avoid Getting Stuck with a Lemon.](#)

3. I’m on the Do Not Call List, so only legitimate telemarketers can call me. ANSWER: FALSE

Michigan consumers who do not want to get telemarketing calls at home or on their cell phones should use the [Do Not Call List](#). It can take up to 31 days for most telemarketing calls to stop after you add your number to the Do Not Call List, and it will not block all telemarketing calls. But the Do Not Call List is a good first step to take to stop unwanted calls.

The Do Not Call List will keep you off for-profit business call lists, because telemarketers must remove all registered numbers from their call lists.

Additionally, telemarketers:

- must remove you from their calling lists upon request;
- must give you the name and contact information of the company they represent;
- may not call you between the hours of 9:00 p.m. and 8:00 a.m.; and
- may not mislead you about the products or services they are selling.

Even then, political organizations, charities, and survey takers may legally call you.

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Savvy Consumer



Other calls allowed or that may get through include those from:

- whom you've bought something or made a payment to in the last 18 months, unless you asked them not to call you;
- survey callers to whom you have given permission to make a follow-up call*;
- companies whose fine print you missed that granted them permission to call when you entered a sweepstakes or signed up for a free product offer; and
- companies trying to scam you who don't care about following the law.

*(*Survey callers may sometimes ask if they can make a follow-up call. Beware. If you agree, then a for-profit company associated with the survey company can call you with a sales pitch.)*

Your phone number will stay on the Do Not Call List, unless you ask for it to be removed.

If you ever get a call from someone offering to sign you up for the registry, it is a scam! The service is free, and the Federal Trade Commission will not call you and ask you to add your number to the list. See the Attorney General [Consumer Alert Michigan Telemarketing Laws/ The Do Not Call List](#) for more information.

4. I have three days to cancel any contract if I change my mind. **ANSWER: FALSE**

There are very limited situations where you can cancel a contract.

You have THREE business days to cancel a contract if:

- The sale was solicited in the consumer's home; or
- A gift was offered for attending a sales presentation that led to the contract; or
- A consumer's primary home is used as security and the loan is not used to purchase or construct the home.

You have ONE business day to cancel a contract if:

- The contract is for home improvement and the consumer agrees to make payments over time to the contractor.

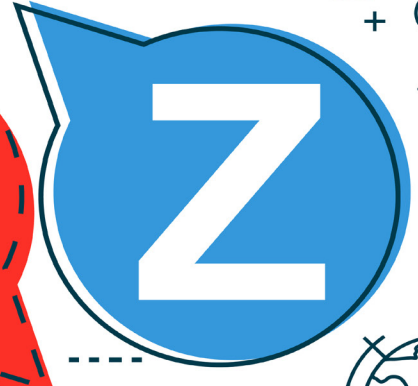
Because these laws can be tricky, the Attorney General advises consumers who think their situation may be covered to read their contracts thoroughly and, if you have questions whether the law applies, promptly seek legal advice-**before your cancellation period expires**. To learn more about contract cancellation, [read our Consumer Alert, I Changed My Mind - Can I Cancel this Contract?](#)

5. Seniors are more likely than millennials to be scam victims. **ANSWER: FALSE**

Older adults are often scam targets because they have nest eggs and are thought to be more vulnerable. But in fact, a Better Business Bureau (BBB) study found that those aged 25-34 were more likely to be scam victims than those over 55. Even though the study showed that those most likely to be victims tend to be younger and better educated, it made it clear that we are all at risk.

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Savvy Consumer



6. When I deposit a check and it is credited to my account, the check is good.

ANSWER: FALSE

Just because a deposited check is credited to your account does NOT mean the check is good. Federal law requires banks and credit unions to make funds available to you within a certain amount of time, but if the check is fake, the money will be removed, and you will be on the hook for any funds you spent.

A recent report from the Better Business Bureau (BBB) finds an “exploding epidemic” with billions of fake checks circulated every year. The Federal Trade Commission and the Federal Bureau of Investigation received nearly 30,000 complaints about check fraud last year, with combined losses totaling nearly \$40 million. Thieves fool their victims using checks that appear to come from real companies.

Regular checks, cashier’s checks, and money orders can all be forged. Many fake check fraud reports relate to employment or sweepstakes fraud, and some to bogus grants, tech support, online purchase fraud, and rental frauds.

The BBB recommends waiting at least two weeks to be sure that a check is not counterfeit. Some experts suggest waiting 30 days—or longer—for foreign checks.

To learn more, [read our Consumer Alerts, Counterfeit Check Scams; and Mystery Shopper Counterfeit Check Scam.](#)

7. You are guaranteed to win a fabulous prize when you receive an “Awards Notification” in the mail. ANSWER: FALSE

It starts with notice that you’ve won the lottery, or that someone from another country has won the lottery but, sadly, cannot collect so they promise you half of the winnings if you help them.

You may be contacted by phone, mail, email, or in person. You may even be shown a winning ticket. You will be asked for money for legal fees, taxes, or other charges to collect the winnings.

There is no reason to give anyone your checking account number or credit card number.

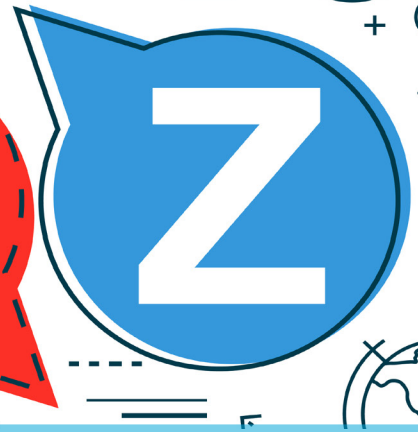
Before you get caught up, take a moment and remind yourself that in a legitimate lottery, the winner makes the contact to collect the winnings: lotteries do not contact winners. And you cannot win a lottery you never entered. If you must pay, you have not won anything.

It is also illegal to play a foreign lottery from inside the United States, which means you cannot sell or buy lottery tickets across the border by phone or mail.

To learn more, [read our Consumer Alerts, Sweepstakes - You May Already Be a Winner! - What Will You Do With All the Money We’re Preparing to Send You?](#) and [International Sweepstakes & Lottery Fraud.](#)

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Savvy Consumer



8. Almost all the money I donate to a charity must go to the intended purpose.

ANSWER: FALSE

Charitable organizations are not obligated to spend a minimum percentage of what they raise on their stated charitable purposes. Donors can check the [Attorney General's charity search](#) to verify what percentage of their donation will go to program services. If the charity is not registered to solicit in Michigan, find out why not and check national information to determine the percentage of the donation that will go to program services.

To learn more, [read our brochure, Giving Wisely to Charity.](#)

9. You have the right to a store refund if you request one. ANSWER: FALSE

Unless the product is defective or was misrepresented, a refund or exchange is a privilege and not a right that you can demand. Beware: just because you paid with one payment form, your refund (if one is granted) may be in a different payment form—or in a store credit.

Savvy consumers ask about the merchant's return policy before making a purchase. The old maxim caveat emptor (buyer beware) applies to all purchases.

To learn more, [read our Consumer Alert, Avoiding Unhappy Returns – Returning Merchandise Bought Online or In The Store.](#)

10. Once something appears on my credit report, it is very difficult to get it changed.

ANSWER: FALSE

It is actually very easy. If you find inaccurate information on your credit report, you should clearly identify the inaccurate information and dispute it, in writing, with both the credit reporting agency that issued the report with inaccurate information and any creditors associated with the information.

Credit reporting companies must investigate the items in question—usually within 30 days—unless they consider your dispute frivolous. They also must forward all the relevant data you provided about the inaccuracy to the entity that provided the information. After the information provider receives notice of a dispute from the credit reporting company, it must investigate and report the results back to the credit reporting company. If the information provider finds the disputed information is inaccurate, it must notify all three major credit reporting companies, so they can correct the information in your report. When the investigation is complete, the credit reporting company must give you the written results and a free copy of your report if the dispute results in a change.

If the credit provider maintains the information is correct, then you can still add a note to your file disputing the entry. This note is then available next time you apply for credit.

To learn more about how to get your free credit report and how to dispute inaccurate information, [read our Consumer Alert, Free Annual Credit Reports: What Consumers Should Know.](#)

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Savvy Consumer



Stay informed on the latest scams: [visit our website](#) where you can research and [sign up for our Consumer Alerts](#); [sign up for a free Consumer Education presentation](#); and [sign up for our Consumer Education Newsletter](#).

For general consumer questions or to [file a consumer complaint](#), you may reach the Attorney General's Consumer Protection Division at:

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517-335-7599
Fax: 517-241-3771
Toll free: 877-765-8388
[Online complaint form](#)