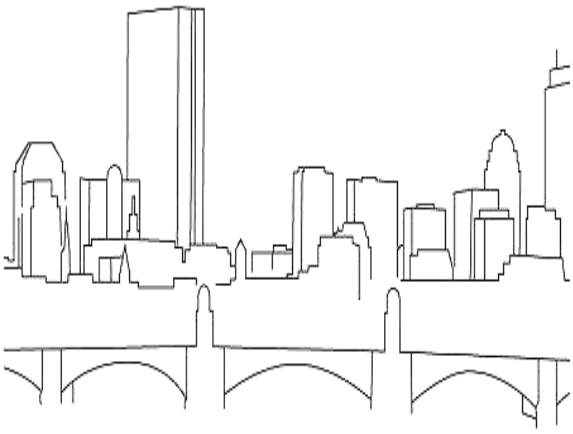
CITY of BOSTON

MAYOR'S OFFICE OF CONSUMER AFFAIRS

CONSUMER RESOURCE GUIDE



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MAYOR

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OFFICE OF CONSUMER AFFAIRS

The Mayor's Office of Consumer Affairs mediates and advocates on behalf of Boston consumers. We aim to amicably resolve disputes between consumers and merchants. Consumer mediators contact businesses that are the subject of the complaints and try to negotiate individual refunds, replacements or repairs. The Division handles approximately 900 cases a year, saving consumers almost $300,000 annually.

The Mayor's Office of Consumer Affairs works with the Massachusetts Attorney General's Office on consumer issues, education and complaints. We try to mediate successful resolutions between the parties and if necessary, refer parties to mediation programs, arbitration services or small claims court.

WHAT CAN WE DO FOR YOU?

The Mayor's Office of Consumer Affairs mediates consumer complaints for Boston residents on a case-by-case basis even if the business is outside of the City. Without this advocacy, many elderly, low income and other consumers have no government agency pursing resolution of their individual problems.

COMPLAINTS THAT WE DO NOT HANDLE

Unfortunately, this office is unable to address the following types of complaints:

- Service complaints such as impolite salespersons or long wait services
- Private party/individual complaints
- Business to business complaints

However, our office can redirect you to the appropriate agency.

CONTACT US IF...

- You are a resident of the City of Boston and think you're the victim of a deceptive or unfair business practice;
- Tried unsuccessfully to solve the matter on your own;
- Need information on a specific issue;
- Have questions on writing a letter to a business requesting a resolution to the situation; or
- Want free copies of helpful consumer brochures.

The Office provides consumer information on many subjects, including buying, selling or leasing motor vehicles, credit and banking, home improvement, moving, shopping rights and telecommunications. This brochure provides an overview of information regarding some of these topics. In the back of this booklet, we have included helpful resources that go in depth about these various topics. The fastest way for a Boston resident to receive help on a consumer issue is to contact the Mayor's Office of Consumer Affairs & Licensing directly:

MAYOR'S OFFICE OF CONSUMER

BOSTON CITY HALL
MAYOR'S OFFICE OF CONSUMER AFFAIRS & LICENSING

PHONE: 617-635-3834
FAX: 617-635-0709
E-MAIL: MOCAL@BOSTON.GOV
WWW.BOSTON.GOV/CONSUMERAFFAIRS
@CONSUMERBOSTON

1. AUTOMOBILES

A. BUYING/LEASING NEW CARS

Many consumers have questions about whether to lease or purchase a motor vehicle. Each option raises certain issues, some of which are detailed below:

ISSUE	BUY	LEASE
Ownership	You own it	You use it until the end of the predetermined lease period, unless you decide to buy it.
Upfront Costs	Must pay the cash price or down payment of usually 10-20%, taxes, registrations and other fees.	No down payment. May be required to pay 1st month, a refundable security deposit, capitalized cost reduction, taxes, registration, and other charges.
Monthly Payments	Higher	Lower
Mileage	You can drive as much as you want but with higher mileage it will have a lower trade-in or resale value.	Most leases will limit you to 12,000-15,000 miles per year. You will be charged for additional miles.
Excessive Wear & Tear	You do not need to worry about wear & tear.	You will be charged for what is above the normal wear & tear.
Early Termination	You can sell or trade in at anytime.	Early termination charges will be substantial if you end your lease early.
Vehicle Return	Does not apply.	You return the vehicle at the end of the lease, pay end of lease costs and walk away.

B. NEW CAR LEMON LAW

The Massachusetts Lemon Law protects consumers who purchase or lease a new motor vehicle from serious defects. A defect is considered serious if it substantially impairs the use, market value, or safety of the vehicle, and if it has not been repaired after numerous attempts. You may have the right to a refund or replacement vehicle.

New cars, motorcycles, vans, or trucks purchased in Massachusetts from a new car dealer for personal or family use are covered by the law.

Vehicles not covered are auto-homes, vehicles used primarily off-road or for business purposes, vehicles leased before July 1, 1997, and vehicles with defects caused by owner negligence, accidents, vandalism or unauthorized repair agents.

The term of protection for your new or leased vehicle is one year or 15,000 miles from the date of delivery, whichever comes first. In this time period, the following must be true for your car to qualify as a "lemon":

- You've taken the vehicle in for repair of the same defect three times or more and the problem continues to occur. OR
- Total time spent attempting to repair the defect equals 15 business days or more (not necessarily consecutive).

If your vehicle's issue continues after the manufacturer (or dealer) has made a reasonable number of attempts to repair it, you must give the manufacturer a final chance to repair the defect.

This attempt must not exceed seven business days. Even if you're past your term of protection, you may still notify the manufacturer of their opportunity to fix your vehicle. **If the defect persists, you may have the right to either a refund or a replacement vehicle.**

C. USED CAR LEMON AID LAW

The Massachusetts Lemon Aid Law allows you to void or cancel a motor vehicle contract or sale if your vehicle fails to pass inspection within seven days from the date of sale and if the estimated costs of repairs of emissions or safety related defects exceed 10% of the purchase price.

This law applies to both dealer and private party sales of cars and motorcycles purchased for personal or family use.

Inspection stickers are not transferable to a new owner. You must bring your used vehicle to a licenses Massachusetts inspection station within seven days of registering it even if the vehicle has an unexpired sticker on it.

The Lemon Aid Law only applies if the car fails inspection within seven days of purchase, not seven days from registration. Be sure to bring your used vehicle for inspection once it is purchased to an independent inspection station. Don't have your dealer do the inspection for you.

To find a licensed inspection station, call (877)387-8234 or visit
http://www.mass.gov/vehicletest

If your used vehicle is rejected within seven

days of purchase, you must get a written, signed statement from the inspection station the date the car was rejected, why it was rejected, what repairs are necessary and what they would cost. You must return the vehicle to the seller within 14 days and demand a refund in writing along with a copy of the statement from the inspection.

D. USED VEHICLE WARRANTY LAW

Massachusetts' Used Vehicle Warranty Law protects consumers who buy used vehicles from a dealer or private party. Dealers must provide a written warranty against defects that impair the vehicle's use or safety. Though not required to provide a written warranty, private parties must disclose any known use or safety defects. Remedies under the law include mandatory repairs, refunds or the repurchase of the vehicle. Failure of the seller to disclose defects entitles the buyer, within thirty days, to cancel the sale or receive a refund.

The law applies to used cars, vans, trucks and demonstration vehicles not covered by the New Car Lemon Law, and which:

- are sold by a Massachusetts dealer or private party,
- cost at least $700 (dealer sales only),
- have fewer than 125,000 miles on the odometer when sold (dealer sales only).

Vehicles not covered under the Used Vehicle Warranty Law are motorcycles, mopeds, dirt bikes, leased vehicles, auto homes, vehicles built primarily for off-road use, and any vehicle used primarily for business purposes, or purchased by, owned by or registered to a business.

The Used Vehicle Warranty Law applies differently to a vehicle purchased from a private party than it does if purchased from a dealer. Under the law, a dealer is anyone who sells four or more vehicles in a 12 month period.

Warranty coverage is based on the mileage of the vehicle, if known. If the mileage is unknown, warranty coverage is determined by the age of the vehicle.

VEHICLE MILEAGE (miles)	WARRANTY PERIOD (whichever comes first)
Less than 40,000	90 days or 3,750 miles
40,000—79,000	60 days or 2,500 miles
80,000 to 124,999	30 days or 1,250 miles
125,000 or over	No express warranty

AGE OF VEHICLE	WARRANTY PERIOD
3 years old or less	90 days or 3,750 miles
More than 3 and less than 6 years	60 days or 2,500 miles
More than 6 years old	30 days or 1,250 miles

E. AUTO REPAIR BASIC RIGHTS

The Attorney General's Auto Sales and Repair Regulations give you basic rights:

- To a written estimate before repairs are made, unless you sign a specific waiver stating a maximum cost;
- To know if there will be any charge for diagnosing your car problem;
- To be contacted before any work is done if the repair cost cannot be determined immediately;
- To be asked to authorize any additional repairs that are found to be necessary as the work progresses;
- Not to be charged more than $10 over the estimate, unless you are contacted and approve the higher amount;
- To get back your old parts;
- To receive an itemized bill listing all parts and labor, unless work is done based on a flat rate posted in the shop;
- Not to be charged for unnecessary repairs, or for repairs that were not made;
- To expect that ads for repairs will include the total charge for the work;
- To same-day repairs, unless you agree to a longer period;
- To know in advance if there will be any storage charges;
- To have shoddy repair work corrected at no charge.

2. CREDIT & DEBT

A. CREDIT REPORTING

For years, creditors have been using credit scoring systems to determine if you'd be a good risk for credit cards, auto loans, and mortgages. It also may be used to help decide the terms you are offered or the rate you will pay for the loan.

As a Massachusetts consumer, you have the right to obtain one free personal credit report per year. This report describes your credit history. If you are denied credit, obtain a copy of your credit report to verify that your information is correct. You have the right to know which credit report agency prepared the report within 60 days of being denied credit.

Generally, negative information more than seven years old will be not included in the report. However, bankruptcy and some other information may be reported for up to ten years.

To receive your credit report,

Experian	(888) 397-3742
Transunion	(800) 888-4213
Equifax	(800) 685-1111

To report fraud, call:

Experian	(888) 397-3742
Transunion	(800)680-7289
Equifax	(800)525-6285

B. CREDIT MANAGEMENT TIPS

Here are some helpful credit management tips to help you build your credit score:

- Hide your personal information such as your social security number, bank account information, credit or debit card numbers;
- Review your credit report periodically to ensure the information is accurate and current;
- Shop around for best credit terms (monthly payment, interest rate, total cost, fees, and length of loan);
- Learn about your credit card benefits and rewards;
- Set a monthly spending limit and stick to it;
- Pay your bills on time and in full to avoid interest;
- Set up automatic payments;
- Keep your credit card balances well below the maximums;
- Don't buy what you cannot afford;
- Assume debt responsibly;
- Be aware that paying off a collection account will not remove it from your credit report;
- Have an emergency fund;
- Avoid excessive credit report inquiries;
- Don't close unused credit cards as a short-term strategy to raise your scores;
- Don't open a number of new credit cards that you don't need, just to increase your available credit.

C. DEBT COLLECTION

If you are having credit problems, it is important to know what creditors and collection agencies may and may not do to collect debts.

Federal law dictates how and when a debt collector may contact you: not before 8 a.m., after 9 p.m., or while you're at work if the collector knows that your employer doesn't approve of the calls. Collectors may not harass you, lie, or use unfair practices when they try to collect a debt.

Collectors also may not:

- Call you more than twice for each debt in each seven day period at home, or call you more than twice for each debt in each 30 day period at someplace other than your home;
- Call you without identifying both the name of the creditor and the name of the person calling;
- Use profane or obscene language;
- Tell anyone about your debt;
- Send collection notices in a way that openly indicates or implies that you owe a debt;
- Contact you directly, if your attorney has told the creditor or collection agency to contact you through him/her.

You have the right to dispute the debt. To do this, you must write the collector within (30) days of you being contacted by them and request verification of what is owed.

You can also write to the collector and direct them to stop contacting you. They must honor this request unless they plan on

taking specific action such as suing you. If a collector does file a lawsuit, consult an attorney for help.

D. HANDLING DEBT

If you are having credit and debt problems, try to work out a budget to identify your income and expenses. Base priorities on where your money is being spent. Many local community organizations sponsor counseling programs as well.

If you are having trouble making payments, contact your creditors; they may try to work out a suitable payment schedule for you. You may also consider consolidating your loans or bankruptcy. These steps have serious consequences and should only be taken after consulting an attorney.

The Attorney General's Office and the Federal Trade Commission has a lot of guides and facts sheets on Consumer Credit. See our Resource Guide in the back for more information.

3. SCAMS

Millions of people each year are victims to deliberate schemes. Scammers deceive people into sending money or giving out personal information. They pressure people to make important decisions on the spot. Be careful of these con artists who are after your identity and money. In this section, we will take a look at common fraud techniques and scams and how to protect yourself from becoming a victim.

A. FRAUD

It's useful to educate yourself on common fraud schemes which are used to bilk unsuspecting victims. Seniors are particularly vulnerable, as they often own their own homes, have assets and have good credit, all of which might make them attractive targets for con artists. Watch out and be wary of some of the following common fraud techniques:

- Door to door contractors or consultants who suddenly appear offering "help;"
- People offering to "fix your credit;"
- Telemarketing calls or letters saying that you have won a prize, gift or vacation;
- Phishing in your emails via links or attachments that seem like legitimate and reputable companies where con artists try to get your personal information;
- Any offer for a deal that sounds too good to be true.

B. IDENTITY THEFT

Identity theft is a serious crime as it can disrupt your finances, credit history, and reputation, and take time, money and patience to resolve. Identity theft happens

when someone steals your personal information and uses it without your permission. Being a victim of identity theft can be a devastating experience, both financially and emotionally. Prevent fraud and identity theft by taking the following steps:

- Closely guard your Social Security number , personal information and financial information- Never reveal it unless necessary;
- Don't wire money to strangers as it is nearly impossible to reverse or trace the money;
- Read your bills and monthly statements regularly to find unauthorized transactions;
- Check your credit report annually;
- Shred all sensitive personal information before throwing it away as thieves will go through trash cans and dumpsters to seek your information from bills and documents.

If you are a victim of fraud or identity theft, file a police report and ask for a copy for your records. You should contact your creditors and banks to place a fraud alert and/or security freeze on your credit reports. Close accounts that may have been tampered with or opened fraudulently . Keep copies of all correspondence or forms as well as a record of any people you speak with about the crimes committed. For more information or help, please contact our office or file a complaint to the FBI Internet Crime Complaint Center (IC3): www.ic3.gov/default.aspx

C. COMMON SCAMS

Here are the most common scams that victimize innocent people and how you can recognize and protect yourself against them:

Apartment Scams

Be wary of rental scams especially if you are using online websites such as Craiglists. Scam artists like to take advantage of prospective tenants because they are usually under a time crunch, low of funds, plan on relocating, and more vulnerable with the emotions involved with apartment hunting. Here are some tips to avoid apartment scams:

- See the apartment in person;
- Do not wire transfer money;
- Verify the owner of the property through the City's Assessing Department;
- Use a real estate agent.

Tax related IRS Scams

Many scammers like to impersonate government employees calling you with an urgent message or send fake legitimate-looking letters/emails to demand a payment or asking for your personal information. Don't fall for this scam! Collect any information from the caller that you can and then verify the legitimacy of you phone call, email or letter on the IRS website.
https://www.irs.gov/uac/Report-Phishing

Telephone Scams

"You've been selected for a free vacation! Act now"

If something sounds too good to be true, then it probably is. Follow your gut. Watch out for the cold calling scammers who pretend to offer free prizes, fundraisers or

charities, work-at-home, medical alert systems, bank alerts, IRS calls etc... Many of these are fake and they are fishing for your personal and financial information. Always verify who these cold callers are or just take down their information and report them. Below you will find a link to report these telephone scams.

Online Phishing Scams

Watch out for suspicious emails and websites. Cybercriminals will send emails with urgent messages from well-known companies. They have links that look legitimate but are actually fake websites. Look for misspelled words or threatening messages that are red flags for phishing emails. Don't visit unknown or suspicious websites that could cause you to download malware to your computer that will steal all your personal information or record your keystrokes. Report spam emails to spam@uce.gov

Job Scams

Looking for jobs can be a very stressful time and scammers prey on job hunters, especially entry level job seekers.

Scammers will advertise as if they are legitimate companies but then ask you to pay a fee for certifications, training or other expenses. Don't be a victim to this. These job scams could appear online, in the paper or even on the radio which make them seem legitimate, so be cautious. Here are some red flags to watch out for job scams:

- High salaries for low experience
- Emails from non-business address
- Sketchy, or very simple websites
- Requests all your personal and financial information right away

- They contact your at odd hours
- You are offered a job without an application or interview
- You have to pay a fee
- Misspelled posts
- "Work from home"

Health Scams

Health fraud scams include products that claim to help with weight loss, cure diseases, enhance your body or cleanse you. They claim to be safe or "all natural."

Don't waste your money on these scams. Many of these products have not been scientifically proven safe and effective. They pop-up on websites or social media with celebrity endorsements, but these fraudulent products not only won't work but they can cause serious injuries.

Avoid sites that:

- don't require a prescription;
- don't have a licensed pharmacist available to answer your questions;
- don't provide their physical business address and phone number;
- are based outside the U.S. or aren't licensed by the state board of pharmacy where they are based

Visit the FDA's U.S. Food & Drug Administration website for information on health fraud scams and how to find legitimate products: http://www.fda.gov/buyonline

E. INTERNET SECURITY

Many fraud and identity theft related crimes are committed through the internet. Protect yourself online by taking the following measures:

- Keep your operating system up to date and use an anti-virus system
- Use a different, unique, difficult-to-guess password for the various sites you may use
- Disable file sharing on your computer
- Do not keep your financial information on your computer
- Do not click on links or download attachments from emails that seem suspicious
- Watch out for emails that imitate reputable companies
- Do not reply to spammers, online sweepstakes or offers that seem too good to be true

IF YOU DO FIND YOU ARE THE VICTIM OF A CRIME, TAKE STEPS RIGHT AWAY TO PROTECT YOURSELF

If you notice or have been a victim to a scam, report it to the Federal Trade Commission Complaint Assistant at https://www.ftccomplaintassistant.gov/

4. UNSOLICITED MAILS, CALLS & EMAILS

Nothing can be more annoying than unwanted mail, emails filling up your inbox or phone calls interrupting your dinner. The wonderful thing is that you can stop unsolicited mail, calls and emails either forever or temporarily.

If you do not want pre-screened credit offers or similarly related offers, you can **opt out for 5 years or permanently** by calling toll free 1-888-5-OPT-OUT or visit www.optoutprescreen.com.

To stop direct marketers such as telemarketers, you can register your number from the Do Not Call Registry by calling 1-888-382-1222 or www.donotcall.gov.

To stop or reduce unsolicited commercial mail for 5 years, you can register your address at www.dmachoice.org

Registering your number or address to these agencies will help stop a lot of unwanted notices but remember scammers ignore these laws and can still contact you as they are not legitimate companies.

5. HOUSING

A. HOME IMPROVEMENT

The Home Improvement Contractor Law was created to protect consumers and regulate the practices of home improvement contractors (HICs). The law establishes:

1. A contractor registration requirement
2. An arbitration program for resolving disputes between homeowners and registered contractors
3. A Guaranty Fund to compensate consumer up to $10,000 for unpaid judgments against home improvement contractors

Improving your home can be a huge task and consumers are often cheated by home improvement contractors. Before you invest in a home improvement project, you should think about the design and budget that you are willing to spend.

Finding a Home Improvement Contractor

When looking for an HIC, you should interview at least 3 contractors, get references, and get a written detailed estimate. Most importantly, you should check that the HIC is registered with the Massachusetts Office of Consumer Affairs and Business Regulations. HIC registration is what will protect you under the Home Improvement Contract Law.

Check a contractor's registration online:
https://services.oca.state.ma.us/hic/licenseelist.aspx

Written Contract

Once you find a suitable HIC for your needs, you should get a detailed written contract. Any project over $1,000 is required by the state to be in writing.

Your contract should contain at least the following:

- The identification of the contractor, including their registration number;
- Total price of the work;
- The payment schedule (By law, the contractor cannot collect more than 1/3 of the cost in advance, unless special order materials are needed;
- A provision for changes or "extras;"
- A detailed list of specifications/materials
- Start and completion dates;
- A copy of the contractor's insurance;
- A permit notice warning you that if you secure your own building permit or deal with unregistered contractors, you will not be eligible for the Guaranty Fund (Be sure the contractor obtains the building permit, not you);
- A three-day cancellation notice, informing you of your rights to cancel your contract if you signed the agreement in your home or at a place other than at the contractor's office or business;
- Other details particular to your job.

If something goes wrong and you have a complaint regarding the work done, you should explore your options. You can contact our office to file a complaint against the business and pursue the option of mediation with the aim of reaching an agreeable resolution.

You may also be eligible for arbitration

through the State's Home Improvement Contractor Arbitration Program.

B. LANDLORD/TENANT

Discrimination is against the Law

It is against the law for a landlord to refuse to rent an apartment to someone because of the person's race, color, national origin, ancestry, gender, marital status, religion, age, sexual orientation, gender identity or expression or military background, or because the person is disabled. With very limited exceptions, it is also illegal to refuse to rent to someone with children.

The landlord of a unit may not charge a finder's fee. Only a licensed real estate broker or salesperson can charge a tenant a fee for finding an apartment.

Legal rights vary depending on the type of tenancy:

- **A Tenant with a Lease** cannot have their rent increased until the end of the lease and cannot be evicted until the end of the lease unless the lease agreement was violated.
- **A Tenant at Will** may terminate a tenant with this agreement at any time given a written 30 day notice or one full rental period, whichever is longer. If a landlord wants to raise rent, He/she must send the tenant a proper legal notice terminating the tenancy, and then make an offer to the tenant to remain in the apartment for the increased rent.

A rental increase may be <u>any</u> amount that the landlord wishes to charge.

Payments a Landlord may ask for:

- The first month's rent
- A security deposit to cover the cost of any damage to the apartment beyond normal wear and tear (which may not exceed the amount of one month's rent) '
- The last month's rent (the month that will turn out to be the tenant's last one in the apartment)
- The cost of a new lock and key for the apartment

Security Deposit

- A landlord must pay interest on both the security deposit and the last month's rent.
- A tenant is entitled to 5% interest or whatever lesser amount received by the bank where the deposit was held, if a tenant has occupied an apartment for at least a year. The law requires the landlord to hold a security deposit in a separate, interest-bearing account in a Massachusetts bank.
- If a landlord takes the security deposit, he/she must give the tenant a signed, separate statement of the present condition of the apartment including a comprehensive list of any existing damages.

A landlord may require tenants to pay their own electricity and gas bills.

A lease or rental agreement may permit the landlord to charge a late fee if a rent payment is 30 or more days late.

A tenant has the legal responsibility to pay the landlord for the use of a place that is in habitable condition.

A tenant may withhold a portion of rent if:

- The tenant has appealed to the landlord in writing to make necessary repairs;
- The Local Board of Health has inspected the apartment and found health code violations and landlord has been notified;
- The tenant is current in their rent up until the time the landlord learns of the problem; the tenant is not the cause of the problem; and the unsanitary conditions do not require the apartment to be vacated to make repairs

A landlord has the duty to provide habitable apartments and common areas for the entire tenancy in accordance with the minimum standards of the State Sanitary Code. This includes:

- a heating system
- a sufficient sink, stove and oven for kitchens (a landlord is not required to provide a refrigerator)
- Water which the landlord must pay for
- Infestation-free apartment
- Structural elements such as floors, doors, windows, etc...
- Maintained exits free of obstructions

Under Massachusetts Law, it is the landlord's responsibility to clear snow and ice from the property.

A landlord has the right to enter the apartment at reasonable times and upon reasonable notice for the following reasons:

- To show the apartment to prospective tenants, purchasers, lenders or their agents;
- To inspect the premises;

- To make repairs;
- To inspect within 30 days of the end of the tenancy to determine damages to be deducted from the security deposit
- If the premises appear to be abandoned; or
- Pursuant to court order

Eviction

Generally, a landlord cannot simply take possession of the rental property, physically remove the tenant or their personal property, or change the locks. Depending on the reason for eviction, a landlord must provide either a 14-Day or 30-day Notice to Quit to the Tenant.

When landlords face foreclosure, sometimes their tenants become unwilling victims of eviction proceedings. As a tenant you have important rights and that only a judge can evict you. Should this happen to you or if you face other landlord-tenant difficulties, you can call the Boston Rental Housing Center at 617-635-4200 for help and information.

See our resource list in the back of this booklet for more Landlord/Tenant Rights & Responsibilities.

C. MORTGAGE

Buying a home can be the biggest financial decision you will ever make. There are a wide variety of mortgage products available and it is important to understand as much as you can about a mortgage before you enter into it.

If you are considering buying a home or refinancing your current mortgage:

- Don't sign a contract until you have read and understood all of its provisions and terms
- Consider consulting with an attorney to get advice on the deal
- Carefully review your financial ability to afford the house and mortgage payments
- Shop around for the best loan (rates can vary, and the single most important item to compare is the APR)
- Make sure you know your monthly payment, interest rate, total cost, fees and length of the loan
- Consider having savings for emergencies such as illness, major repairs, or loss of a job
- Keep all copies of your loan documents in a safe place

Predatory Lending

If you currently own a home, you should learn about predatory lenders. They target cash-strapped elderly and low-income homeowners, offering expensive home equity loans. These companies are typically but not always, non-bank companies and reputable, but a few are not. Many homeowners have been mislead or tricked into costly loans without regard to their

ability to pay. Remember, if you put up your home as collateral for a loan and then can't make the payments, you could lose your home!

Protect yourself from predatory lending:

- Be cautious and don't be afraid to ask questions;
- Watch out for salespersons using pressure tactics such as limited time offers or offers to lend more than you need;
- Be wary of ads that use language such as "bargain loans" or "no credit, no problem;"
- Know what you're signing! Never sign a blank document and watch out for lenders that don't provide all required disclosures. Remember that you need to know all the loan terms;
- Don't focus on only the monthly payment; the other fees you will pay over the life of the loan are crucial as well;
- Avoid balloon payments, which require a large lump sum payment at the end of the loan or large prepayment penalties;
- Ask yourself if you really need a loan. You may have other options to consider before you put up your home as collateral;
- Shop around and deal with reputable lenders;
- The first deal isn't always the best deal.

Finally, if after signing the loan deal you have second thoughts or think you have been wronged, remember this: **for most loans which involve putting up your home as collateral, you have three days to cancel.** And if you have been treated improperly, there may be resources on the local, state or federal level to help you.

Difficulty Making Mortgage Payments

If you are currently having difficulty making your mortgage payments or have recently received a foreclosure notice, contact the HOPE hotline at 1-888-995-HOPE and the Boston Home Center of the City of Boston Department of Neighborhood Development at 617-635-HOME to learn if there are any resources available to you. Some of the other steps you will need to take will be finding all your loan documents, so you can be sure what the terms of the loan are.

During this time when you are facing difficulty making payments, **be suspicious of new parties that approach you with offers** of complex deals that claim to help you avoid foreclosure, but in reality may be nothing but rip-offs.

You will ultimately want to review all options which might include communicating with the lender to come up with better loan terms, refinancing or bankruptcy.

If you have a complaint against a bank, lender or other financially related business, contact The Massachusetts Division of Banks oversees and regulates state-charted banks and credit unions and Massachusetts mortgage companies, mortgage loan originators, money services businesses such as check cashers, consumer finance companies and debt collectors.

If you have a problem with one of these types of companies, you can obtain more information by calling the Massachusetts Division of Banks at 617-956-1501. National banks, federal savings associations and federal branches of foreign banks are

charted, regulated and supervised by the U.S. Office of the Comptroller of the Currency. Contact them at 1-800-613-6743 or visit → www.helpwithmybank.gov for help if you have questions regarding such institutions.

D. MOVING

Moving can be very stressful. To reduce your stress, research moving companies and their rates before moving day. Moving companies charge by the hour or by volume. Be sure you understand which method and rate your mover uses. Several government agencies regular and oversee moving and storage companies.

Warehouses and storage facilities are regulated by the Massachusetts Department of Public Safety. Call 617-727-3200 with questions. Ask about the facility's bonding and insurance plan.

Moving within Massachusetts

All moving companies are licensed by the Massachusetts Department of Telecommunications & Energy (DTE), Transportation Oversight Division. The Division maintains a listing of rates to help select a low cost mover. Call 617-305-3559 or visit their webpage → www.mass.gov/dpu/transportation

Moving out of Massachusetts

Interstate moving companies are licensed by Federal Motor Carrier Safety Administration. For more information, call 781-425-3210 or go to www.fmcsa.dot.gov

Bill of Lading

The Bill of Lading is the contract between

you and the mover. You are entitled to a copy before the mover loads your belongings. Review it carefully before signing it as it contains important information about damage claims and liability limits.

- Damage—Many movers offer a base rate for damage reimbursement, limiting the mover's responsibility for damage to sixty cents a pound. Check with your mover to see what insurance options are available and what is not covered;
- Payment—Discuss payment methods upfront as they vary by company;
- Packing—Keep a detailed list of all items you pack and label your boxes. This will be valuable if you file a claim for lost or damaged goods. Carry all valuable items yourself;
- Disputes—If you are dissatisfied with the moving company, contact the mover first. If unsuccessful, please contact our office at 617-635-3834;
- Complaints—To file a formal complaint, contact the DTE.

Moving Tips

- **Reserve parking for your moving truck**

Secure parking space for your van or truck by obtaining a street occupancy permit from the City's Transportation Department at City Hall. The permit saves you from unwanted parking tickets, guarantees you convenient space to load/unload your vehicle, and is a valued courtesy to your neighbors.

- **Donate or Recycle—Don't Dump!**

If you're looking to get rid of clutter during your move, don't just dump it on the sidewalk. There are many organizations around the Boston Area that can arrange a free pickup.

6. SHOPPING RIGHTS

A. STORE POLICIES

Refunds & Returns

Massachusetts General Law requires merchants to clearly display a written return policy so that a buyer can see and read it before making purchases. Merchants can establish any return policy, including refunds and cancellations, so long as it is disclosed to the buyer at the time of the purchase. See M.G.L. 93A, section C for more information.

Defective Merchandise

Defective merchandise is not covered under refund or return policies. A merchant may not use its return policy to refuse defective merchandise.

Merchandise Credits & Gift Certificates

Merchants must allow at least seven years to redeem a gift certificate or a merchandise credit issued by a store.

Electronic gift cards must have the expiration date marked on them or otherwise provide it to the consumer via the receipt or make available via internet or phone. When you buy a gift card, find out the following:

- What fees apply;
- The expiration date of the card;
- What happens if the card is lost or stolen;
- Where the card can be used; and
- What to do if there are any problems with the card.

If there is no issue date on a card, it is good forever with the exception of cards issued by national banks.

Truth in Advertising & Sales

Under Massachusetts state law, merchants must disclose to consumers any fact that may influence a decision about buying a product.

B. BAIT & SWITCH TACTICS

Merchants may not use the bait and switch tactics, such as:

- refusing to sell you the advertised product included in the original offer;
- discrediting the original product offered;
- claiming there are insufficient supplies of the product; and
- refusing to deliver the product in a reasonable time.

C. OUT OF STOCK OR RAINCHECK

A merchant must stock enough of the advertised merchandise to reasonably meet expected demand. Generally, a store must provide a raincheck if they run out of the item.

D. SHOPPING BY MAIL, PHONE, TV, OR ONLINE

Carefully read all advertisements for items offered by mail. Don't forget to add shipping and handling charges. The Federal Trade Commission *Mail Order Rule* requires a company to ship your order within the timeframe promised on its advertisements. If no time is specified, your order must be shipped within (30) days.

E. SHOPPING WITH A CREDIT CARD

Whenever you buy anything on credit, be sure to thoroughly check your statement each month. Look for mistakes, changes, unauthorized charges, and other items that can be overlooked if you are not careful. The Federal *Fair Credit Billing Act* protects

consumers using credit cards. If you find an error, you can dispute the charge and withhold payment while the credit card company investigates. You must send a written error notice to the creditor within (60) days. The creditor must acknowledge your complaint within (30) days, unless the problem has been resolved.

F. UNSOLICITED MERCHANDISE

If you receive merchandise that you did not order, you may consider it an unconditional gift and use or dispose of it as you wish with no obligation.

G. COOLING OFF PERIOD

Generally once a written contract is signed there is no right to cancellation excepting in the following circumstances, where you have three days to cancel the purchase:

- Door to door sales;
- Health club contracts;
- Time shares;
- Credit repair and services organizations.

7. FINAL OPTIONS

A. CHAPTER 93A OR "30 DAY DEMAND"

If you have tried unsuccessfully to resolve a complaint with a merchant, you may still have legal options. If your complaint involves an unfair or deceptive practice, you can take action under the state consumer protection law.

Chapter 93A letter

The law requires you to notify the merchant by letter (30) days before filing a complaint in court. This is known as the "30 Day Demand Letter," this letter encourages the merchant to negotiate an our of court settlement within 30 days. It also sets the amount of monetary damages you can recover if you prove your claim in court. The letter must include:

1. Your name and full address;
2. A description of the unfair or deceptive practice;
3. An explanation of the injury you suffered and the demanded relief, including the dollar amount you are seeking.

A. SMALL CLAIMS COURT

If the merchant fails to respond within 30 days or makes you an offer you reject, you may file a claim in court. If the base amount of your claim is $7,000 or less, you may file in Small Claims Court. You will pay a Small Claims Court entry fee at the time you file you claim. You will then appear before a judge or clerk magistrate who will try to resolve your dispute.

If you claim is more than $,7000, you may file a civil suit in another court. You will most likely need an attorney.

8. ADDITIONAL RESOURCES

Automobile

- Massachusetts Consumers' Coalition "Car Smart"
- Consumer Affairs and Business Regulation Consumer Rights and Resources on Autos and Transportation
- Dmv.org

Credit & Debt

- www.annualcreditreport.com

Scams

- Mass. Attorney General Consumer Resources on Scams and Identity Thefts
- www.fda.gov/forconsumers
- www.identitytheft.gov

Unsolicited Services & Offers

- Federal Trade Commission (FTC) Consumer Information on Private & Identity
- www.optoutprescreen.com
- www.donotcall.gov

Housing

- Boston Rental Housing Center
- Boston Housing Authority

Shopping Rights

- A Massachusetts Consumers Guide to Shopping Rights

30 Day Demand Letter and/or Small Claims Court

- Mass. Attorney General Consumer Resources on Consumer Assistance

All Topics

- www.consumer.ftc.gov
- www.mass.gov/ago/consumer-resources
- www.usa.gov/handbook
- publications.usa.gov/

9. ACKNOWLEDGEMENTS

The Mayor's Office of Consumer Affairs & Licensing would like to thank the following agencies for information contained in this brochure.

Federal Agencies

- Federal Highway Administration
- Federal Trade Commission
- Food and Drug Administration
- Internal Revenue Services
- U.S. General Services Administration

Massachusetts State Agencies

- Department of Public Safety
- Massachusetts Consumers' Coalition
- Massachusetts Division of Banks
- Consumer Advocacy & Response Division Regulation
- Department of Telecommunications & Energy
- Office of the Attorney General
- Office of Consumer Affairs & Business
- Registry of Motor Vehicles

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