**Title:** Tips for Avoiding the Customer Class Action Trap

**Subtitle:**

**Meta Description:** Without even knowing it, many of us are abandoning our class action legal rights.

**Date:** 1-5-2012

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**Formatted Content:**

In yesterday’s post, we discussed a common scenario that often befalls customers who receive notice of a class action lawsuit.

Without even knowing it, many of us are abandoning our legal rights. As a result, corporations like banks and brokerage firms are getting off the hook.

Read carefully what rights are being taken away from you by your not sending in a form to opt out of a class action.  Read any revised notice, specifically looking for the section that describes what claims you are releasing, and, if it changes from just the specific fraud claims to add or imply that breach of contract and other claims are being released, you should send in an opt out notice or you may lose all rights to make any claims.

If you have any question on reading the complex booklet that is sent as a so-called “Notice” to the customers, you should discuss it directly with an experienced attorney.  Brokerage firms circulate internal memoranda to their brokers instructing them not to discuss class action notices with their customers; so asking your friendly broker about it will not be of much help.

Several judges have expressed skepticism of securities class actions, but most federal judges want to clear their calendars, and so they sign off on this unfair settlement practice as a means of encouraging, and even rewarding, settling defendants.  A better solution would be to require that the changed release portions of the notices be in different color type that shows any changes in what claims are being released as compared with the prior notices (a practice called redlining that is commonly used by almost all attorneys in documents of negotiated business transactions).

As of now, there is no such requirement, and these small print, dense and complex booklets are being used as a sword by the defendant brokers and banks, converting into a weapon of class destruction what should be a shield for the uninformed customers these class actions are supposed to be protecting.

**Raw Content:** <!-- wp:paragraph -->
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<!-- wp:heading {"level":3} -->
<h3><strong>So what should you do?</strong></h3>
<!-- /wp:heading -->
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<figure class="wp-block-image size-large"><img src="https://shhcsgmvsndmxmpq.nyc3.digitaloceanspaces.com/2015/10/1-arbitration-clauses.gif" alt="arbitration clauses" class="wp-image-11030"/></figure>
<!-- /wp:image -->
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