



Consumer Rights Database

FTC Cooling-Off Rule

Federal

Gives consumers 3 business days to cancel purchases over \$25 made at home, workplace, or seller's temporary location.

Your Rights:

- Cancel within 3 business days
- Seller must provide cancellation form
- Full refund within 10 days of cancellation
- Applies to door-to-door sales, home parties, hotel presentations

FTC Act - Bait and Switch

Federal

Prohibits advertising a product at a low price to lure customers, then pushing them to buy a more expensive item.

Your Rights:

- Advertised items must be available
- Sellers cannot disparage advertised items
- Report violations to FTC
- May be entitled to advertised price

Magnuson-Moss Warranty Act

Federal

Sets requirements for written warranties and prohibits unfair warranty practices for consumer products.

Your Rights:

- Warranties must be available before purchase
- Cannot void warranty for using non-brand parts
- Sue for breach of warranty
- Recover attorney fees if you win

Federal Arbitration Act

Federal

Generally enforces arbitration agreements, but some states have limits. Class action waivers may be unconscionable.

Know Your Options:

- Some companies allow opt-out within 30 days
- Small claims court may still be available
- Check if state law provides additional protections
- CFPB rule may limit some financial arbitration clauses

State Lemon Laws

State

Protects buyers of vehicles with substantial defects that can't be fixed after reasonable attempts.

Typical Protections:

- Replacement or refund for defective vehicles
- Usually 3-4 repair attempts for same problem
- Or 30+ days out of service total
- Coverage varies by state - check your state's law

State Consumer Protection Acts (UDAP)

State

Prohibits unfair or deceptive business practices. Most states allow private lawsuits with enhanced damages.

Common Protections:

- Actual damages plus additional penalties
- Attorney fee recovery
- Treble (3x) damages in some states
- Applies to most consumer transactions

Apply Your Knowledge

For each scenario, identify which law(s) apply and explain how you would exercise your rights.

Scenario 1: Door-to-Door Sales

You bought a \$500 vacuum at a home demonstration last Saturday. It's now Tuesday, and you realize you can't afford it and don't really need it.

Which law applies and what should you do?

Identify the applicable law and explain your rights...

Scenario 2: Advertised Price

A store advertised a TV for \$299, but when you arrived, they said it was "sold out" and tried to sell you a \$599 model instead.

Which law applies and what should you do?

Identify the applicable law and explain your rights...

Scenario 3: Warranty Denial

Your laptop broke under warranty, but the manufacturer refused repair because you used a non-brand charger.

Which law applies and what should you do?

Identify the applicable law and explain your rights...

Scenario 4: Forced Arbitration

Your credit card company charged fraudulent fees, but the contract requires arbitration and prohibits class actions.

What are your options?

Explain what you can do in this situation...



Where to File Complaints

- **FTC:** reportfraud.ftc.gov
- **CFPB:** consumerfinance.gov/complaint
- **State Attorney General:** Search "[Your State] consumer protection"

- **Better Business Bureau:** bbb.org