

FACT OR MYTH?

- **My credit report information is confidential.**

FACT: The information on credit reports can be viewed by various creditors, landlords, employers etc.

- **I can return my car within 3 days of purchase.**

FACT: The 3-day rule on the right to cancel a contract does not apply to car sales. In Maryland the 3-day right of cancellation only applies to several specific transactions, including: health club memberships, door-to-door sales and vacation memberships. Any right to cancel should be included in the contract terms.

- **If I deposit a check from another person in my bank account, and it “clears” (i.e. the bank makes the funds available to me), I don’t have to worry about it “bouncing.”**

FACT: Banks are required by federal law to release funds within a short period of time (1-3 days). It may take, however, several weeks to a month for the originating bank to determine that a check is counterfeit or a forgery. Be wary of sweepstake announcements, work-at-home offers or e-bay buyers that ask you to cash a check and then send money to someone you don't know. Most are scams.

- **Gift certificates and gift cards are good forever.**

FACT: In Maryland, a retailer's gift card must be good for four (4) years unless a longer duration is stated on the card. A bank gift card (often used by malls) that is underwritten by a national bank, however, can have a shorter duration but it must be stated on the gift card.

- **You have the right to return goods for any reason as long as you have a receipt.**

FACT: Unless the product is defective or was misrepresented, you can return unwanted goods only if the store's policy allows it. In Maryland, a store can set its own refund policy (such as “returns for store credit only” or “no returns”) as long as it's disclosed on a prominently displayed sign, on the item or on the sales agreement.

- **If my car stops working, I can stop paying.**

FACT: You must continue to make payments to your lender even if the car does not run properly. Maryland's “lemon law” does, however, provide a procedure for the return and replacement or refund of defective new motor vehicles that cannot be repaired within a reasonable number of attempts by the dealer or manufacturer.

To obtain this factsheet in an alternative format, please contact the Office of Consumer Affairs at 410-313-6420(voice/relay) or email us at consumer@howardcountymd.gov.