



# Consumer Issues

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## The Gramm-Leach-Bliley Act and Your Privacy

The Gramm-Leach-Bliley Act (GLB), also known as the Financial Services Modernization Act, became effective on July 1, 2001. This federal law requires financial institutions (including banks, savings associations, credit unions, broker-dealers, investment companies and advisers, and insurance companies) to tell you how they share your non-public personal information with their affiliates and non-affiliates. Non-public personal information is defined as “personally identifiable financial information that the financial institution obtains from a customer, or that results from transactions or services performed for the consumer”. Affiliates are companies that are owned or controlled by the same parent company as the sender of your privacy notice.

The GLB requires financial institutions to notify you of three things:

**Privacy Policy:** They must tell you the kinds of information they collect about you and how the information is used.

**Right to Opt-Out:** Explain your ability to prevent the sale of your customer data to third parties.

**Safeguards:** Develop policies and disclose to you how they prevent fraudulent access to confidential financial information.

## What should you do?

Read the privacy policy inserts that you receive in the mail from financial institutions you do business with. Look for the “opt-out” option, and figure out how you should “opt out” if that is what you want to do. Opting out means you stop the financial institution from sharing some types of personal information. You may have the option of calling a toll-free number, informing employees in a local office, completing a web-based form, or returning a privacy choices form by mail.

## References:

- Financial services modernization act: Gramm-Leach-Bliley. (2001). <http://www.senate.gov/~banking/conf/grmleach.htm>
- Abbott, B., Brewster, A., Ortmeier, C. (2001). Gramm-Leach-Bliley Act. [http://www.freeadvice.com/articles/gramm\\_99-1.htm](http://www.freeadvice.com/articles/gramm_99-1.htm)
- The Vanguard Group, Inc. (2001). Vanguard's Privacy Policy.

## What's Inside

- ◆ The Gramm-Leach-Bliley Act and Your Privacy
- ◆ Tips for Writing a Letter of Complaint
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- ◆ Sample Consumer Complaint Letter
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## Tips For Writing A Letter Of Complaint

### Who to Contact

Address the letter to the company's consumer affairs department. If there is no consumer affairs department address the letter to the president of the company.



### How to Find Them

Call the company's toll-free number. It should be listed on a document from the company, in a directory of toll-free numbers, or by calling toll-free directory assistance at 1-800-555-1212. The local public reference librarian can help you find this information. Check the product label or warranty for the name and address of the manufacturer or parent company.

Because the name of the manufacturer or parent company is sometimes different from the brand name, refer to the following books in the reference section of your local public library for contact information:

*Standard & Poor's Register of Corporations  
Directors and Executives*  
*Standard Directory of Advertisers*  
*Trade Names Dictionary*  
*Brands and Their Companies*  
*Dun & Bradstreet Directory*

Contact the state agency (corporate commission or secretary of state's office) that can provide addresses for companies incorporated in your state.

### What to Say

Include your name, address, home or work telephone numbers, and account number (if any) in the letter.

Be brief and to the point. Be reasonable, not angry or threatening. Include the date and place of purchase, who performed the service, necessary information about the product (serial or model number, warranty terms, etc.), what went wrong, who you tried to resolve the

problem with, and what you would like done to correct the problem.

Type the letter if possible, or use neat and easy-to-read handwriting.

Include copies, NOT ORIGINALS, of all documents.

### Suggestions for What to Do Next

Retain a copy of the letter for your records.

Send the letter with a return receipt requested.

Although costly, this provides you proof that the letter was received and who signed for it.

If you feel you have waited sufficient time for the company to resolve the problem, file a complaint with the state or local consumer protection office, the Better Business Bureau, or the regulatory agency with jurisdiction over the business. Include information about the steps you have already taken to resolve your complaint.

If you feel a law has been broken, contact the local or state consumer protection agency immediately.

Reference: U.S. General Services Administration: Federal Consumer Information Center. (2000). Making a Complaint. *The Consumer Action Handbook, 2001 Edition.*

### Five Mistakes Consumers Make

According to the U.S. General Services Administration Consumer Information Center, the five worst mistakes a consumer can make are to:

1. Give out their Social Security number when asked for identification.
2. Go with the lowest price offered by the closet car dealer when buying a car.
3. Not checking their telephone bill each month to verify carrier or charges.
4. Go for broke with "too good to be true" investment offers.
5. Not complaining about poor service or products.



Source: Consumer News and Reviews (Jan./Feb. 2000)

## SAMPLE CONSUMER COMPLAINT LETTER

(Your Address)  
(Your City, State, Zip Code)  
(Date)

(Name of Contact Person, if available)  
(Title, if available)  
(Company Name)  
(Company Complaint Division, if you have no contact person)  
(Street Address)  
(City, State, Zip Code)

Dear (Contact Person):

Re: (account number, if applicable)

On (date), I (bought, leased, rented, or had repaired) a (name of the product with serial or model number or service performed) at (location, date and other important details of the transaction).

- describe purchase
- name of product, serial number
- include date and place of purchase

Unfortunately, your product (or service) has not performed well (or the service was inadequate) because (state the problem). I am disappointed because (explain the problem: for example, the product does not work properly, the service was not performed correctly, I was billed the wrong amount, something was not disclosed clearly or was misrepresented, etc.).

- state problem
- give history

To resolve the problem, I would appreciate your (state the specific action you want-money back, charge card credit, repair, exchange, etc.). Enclosed are copies (do not send originals) of my records (include receipts, guarantees, warranties, canceled checks, contracts, model and serial numbers, and any other documents).

- ask for specific action
- enclose copies of documents

I look forward to your reply and a resolution to my problem, and will wait until (set a time limit) before seeking help from a consumer protection agency or the Better Business Bureau. Please contact me at the above address or by phone at (home and/or office numbers with the area codes).

Sincerely,

(Your name)

- allow time for action
- state how you can be reached

Enclosure (s)

cc: (reference to whom you are sending a copy of this letter, if anyone)

Source: United States General Services Administration: Federal Consumer Information Center, The Consumer Action Handbook, 2001 Edition, p.34

## How to Complain Effectively

Although consumer satisfaction is very important in consumer transactions, every day a consumer is not satisfied. Consumers well equipped with the right information can assert themselves and always end up a satisfied consumer. The following are tips that can help you effectively deal with consumer dissatisfaction:

- Contact the business that sold the item or performed the service. If necessary, contact the headquarters of the company or the manufacturer, and ask for the consumer affairs office.
- When speaking to someone at the company, describe the problem in a **calm and concise** manner. Explain what action you would like taken. For example, do you want your money back or the product repaired or exchanged?
- When writing to the company, describe the problem, what you have done so far to resolve it, and what solution you would like taken. For example, do you want your money back or the product repaired or exchanged?
- Keep record of all efforts taken to resolve the problem including copies of letters to and from the company, receipts, and contracts, and the name of the person contacted, the date, and what was done.
- Allow time for the person contacted to resolve the problem.
- Don't give up if you are not satisfied with the company's response or resolution. Third party dispute resolution programs, trade associations, media programs, national consumer organizations, and legal assistance programs exist throughout the country to assist with these issues.

Reference: U.S. General Services Administration: Federal Consumer Information Center. (2000). How to Complain. *The Consumer Action Handbook 2001 Edition*.

## Protecting Your Identity from "Pretexters"



Pretexters are folks who sell your information to people who may use it to get credit in your name, steal your assets, or to investigate or sue you. Pretexting is against the law. To protect yourself against pretexters, don't give out personal information on the phone, through the mail, or over the Internet unless you've initiated the contact, or know who you're dealing with. Pretexters may pose as representatives of survey firms, banks, Internet service providers and even government agencies to get you to reveal your SSN, mother's maiden name, financial account numbers and other identifying information. Legitimate organizations you do business with have the information they need and will not ask you for it.

To learn more about pretexters and ways to protect yourself, call the Federal Trade Commissions Consumer Response Center and ask for a free copy of "Pretexting: Your Personal Information Revealed." The brochure is also available online at: <http://www.ftc.gov/bcp/conline/pubs/credit/pretext.htm>

Reference: FDIC Consumer News, Spring 2001.

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This file may be accessed electronically at:  
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