

Answer Key

Expensive "Free" Samples

INSTRUCTIONS

Using the text titled *Expensive "Free" Samples* and the pages to which links are provided, answer the following questions.

- 1. Before Vincent confirmed his online purchase of athletic products, what information was the merchant required to provide?

Answer:

The company's name, address, telephone number and, if applicable, their fax number and email address; a detailed description of the products; the price of the products; any related fees and applicable taxes; the total cost of the purchase; terms of payment; mode of delivery and name of the carrier; terms and conditions for cancellation, returns, exchanges or reimbursement; frequency of product delivery, if applicable; total cost of the commitment, etc.

- 2. After Vincent's purchase, how long did the merchant have to send him a written contract?

- The merchant was not required to send him a contract, unless he had asked for one.
- No deadlines; the merchant is required to send the contract immediately after the purchase.
- 7 days.
- 15 days.
- 30 days.

Explanation:

The merchant is required to send the consumer a written contract within 15 days of the purchase. The contract may be sent by email.

➤ **3. Vincent wants to cancel a purchase he made online. As the merchant did not clearly indicate to him that he was required to pay for products every month, Vincent could, under certain conditions, cancel his purchase and be reimbursed. In his case, how much time does he have to cancel his purchase?**

- 7 days after receiving his copy of the contract.
- 7 days after receiving his credit card statement.
- 30 days after the purchase.
- He can cancel his purchase at any time before receiving the goods or services.

Explanation:

Merchants are required to disclose information in the manner prescribed by law before the purchase. Information concerning shipping and handling fees and any subsequent monthly delivery of products should have been presented in a clear and understandable manner, in addition to being specifically brought to the consumer's attention. This means that this information should not have been buried in a multitude of other information in a 15-page contract. According to the table specifying the [Conditions to Cancel an Online Purchase](#), Vincent has 7 days after receiving his credit card statement to cancel his purchase.

➤ **4. Like Vincent, you want to cancel a purchase made online for which the merchant has not fulfilled his obligations. What steps should you take?**

Answer:

- 1) *Try to negotiate with the merchant to come to an agreement (this is what Vincent's father tried to do);*
- 2) *If no agreement can be negotiated, quickly send the merchant a verbal or written cancellation notice (on the condition that the prescribed deadlines are respected);*
- 3) *Return the item in the condition in which I received it, within 15 days after sending the notice or within 15 days after the item's delivery if the item was received after the purchase was cancelled.*

➤ **5. If you fulfill the conditions to cancel an online purchase, when does this cancellation come into effect?**

Answer:

On the date on which I send my cancellation notice to the merchant.

➤ **6. After sending the cancellation notice, how many days does the merchant have to reimburse you?**

- 7 days.
- 15 days.
- 30 days.

➤ **7. Who will pay the shipping fees to return the goods?**

Answer:

The merchant must cover reasonable fees to return the goods.

➤ **8. What is a chargeback request?**

Answer:

It is a reimbursement request a consumer files with a credit card company when a merchant fails to fulfill his obligations or comply with an agreement entered into.

➤ **9. What conditions would Vincent have to fulfill and which steps would he have to take to be entitled to file a chargeback request?**

Answer:

- 1) *Have paid by credit card (a purchase made using a prepaid card does not qualify for chargeback);*
- 2) *Have sent the merchant a cancellation notice for the purchase within the prescribed deadline and not have received a reimbursement within 15 days after cancelling the purchase;*
- 3) *Submit the request in writing.*

Note: The credit card company may agree to recall the payment even if certain conditions entitling the cardholder to a chargeback prescribed by law are not fulfilled.

If the merchant refuses to cover the costs of returning the goods, in order to make the reimbursement of those fees easier, it is recommended that you pay those fees using the same credit card you used for the purchase, and then add them to the chargeback request.

REMINDER!

A consumer can send the merchant a verbal or written cancellation notice.

It is recommended the consumer keep proof of sending this notice, such as a recording or an email.

➤ **10. A chargeback request must be submitted in writing. What must it include?**

Answer:

The credit cardholder's name; the credit card number and expiry date; the merchant's name; the date on which the contract was entered into; the amount charged to the credit card account; the amount the merchant is required to reimburse; a description of the goods or services covered by the chargeback request; the reason for the cancellation; the purchase cancellation date; the means by which the cancellation notice was sent.

➤ **11. If the merchant fails to reimburse Vincent within 15 days after cancelling his purchase paid by credit card, how many days does he have to file a chargeback request with the company that issued the credit card?**

- 7 days
- 30 days
- 60 days.
- 90 days.

Explanation:

Given that Vincent paid by credit card, he has 60 days to file a chargeback request with the company that issued the credit card used to complete the transaction. The credit card company must then send Vincent an acknowledgement of receipt within 30 days after receiving the request. The credit card company must credit his account in the amount paid and cancel the charges made to the account in connection with the purchase, within the shorter of the two following deadlines:

- *No later than 90 days after receiving the request;*
- *Within a deadline that corresponds to 2 full account statement periods.*