

NAME: _____

DATE: _____

ACTIVITY

Know Your Rights

What + Why: Hidden fees, credit report mistakes, and unfair lending happen—knowing the laws and agencies that protect consumers helps you protect your money.

**Instructions:**

1. With your partner, read and match each scenario to the correct law or agency.
2. Then, answer the synthesis question.

Be prepared to explain why your choice fits the situation.

Consumer Protection Laws & Agencies



Consumer Protection Laws

Truth In Lending Act (TILA)

Requires lenders to clearly disclose:

- Interest rate (APR)
- Fees
- Total cost of the loan

Protects you from hidden costs and unclear loan terms.

Fair Credit Reporting Act (FCRA)

Requires credit reports to be accurate

Gives you the right to:

- See your credit report
- Dispute errors
- Correct inaccurate information

Protects your credit history from mistakes and identity theft damage.

Equal Credit Opportunity Act (ECOA)

Prohibits discrimination in lending

- Decisions must be based on:
 - Income
 - Credit score
 - Debt level

Cannot consider:

- Race
- Gender
- Religion
- Age

Protects fairness in borrowing decisions.



Consumer Protection Agencies

Federal Trade Commission (FTC)

Investigates:

- Scams
- Fraud
- Deceptive advertising
- Misleading business practices

Protects consumers from being tricked or misled.

Consumer Financial Protection Bureau (CFPB)

- Oversees banks and lenders
- Handles complaints about:
 - Credit cards
 - Mortgages
 - Loans
 - Financial services

Protects consumers in financial transactions.

Remember:

- Laws set the rules.
- Agencies enforce the rules.
- Consumers must still review, question, and take action when something seems wrong.

Key Term

- **consumer rights:** legal protections that allow buyers to expect safety, accurate information, fair treatment, and ways to resolve problems

Scenario 1

A lender approves Lydia for a car loan but does not clearly explain the interest rate, total repayment amount, or added fees before she signs the contract.

- Which law and/or agency applies here? Why?

Scenario 2

When checking his credit report, Thomas notices a credit card account he never opened. He wants to dispute the error directly with the credit bureau so the inaccurate information is corrected.

- Which law and/or agency applies here? Why?

Scenario 3

Evelyn applies for a home loan. The lender asks about her religion and later denies the application even though her income and credit score meet the requirements.

- Which law and/or agency applies here? Why?

Scenario 4

An online company advertises a “free trial,” but customers later discover hidden monthly charges that were not clearly disclosed.

- Which law and/or agency applies here? Why?

Scenario 5

After repeated billing issues and confusing mortgage fees, Marcus wants to file a formal complaint against his lender for unfair financial practices.

- Which law and/or agency applies here? Why?

Synthesis Question

Choose **one** scenario. In one or two sentences, explain what the law or agency you matched actually does for the consumer in that situation. What specific protection does it provide?