

## What types of claims are brought in consumer fraud class actions?

Consumer fraud class actions generally fall into several categories. Many allege that merchandise, services or products are not performing the way they were represented or advertised to perform (because of false advertising, product defects, or other reasons). Class actions also often involve situations in which consumers are being overcharged or improperly charged for goods or services. Another fertile ground for class actions are situations in which companies performing form contracts (such as, for example, insurance contracts, mortgages, or loan agreements) in ways that disadvantage consumers. Most states have laws prohibiting unfair or deceptive trade practices and false advertising; class actions often allege violations of these statutes. Class actions often also allege breach of contract, negligence, and fraud, and other causes of action. However, just being unsatisfied with something you have bought may not be a sufficient basis for a class action. The defendant's conduct is the key. In class actions alleging that merchandise, services or products are not performing the way they were represented or advertised to perform, it is generally necessary that there be a deception on the part of the defendant in order to recover in a consumer fraud class action. In some instances it is possible to recover for innocent, as well as willful, misrepresentations or false statements. It is important to remember that an omission of a material fact can be as misleading as a false statement, and can form the basis for a class action.