

# The Cool Consumer



# Takeaway leaves a bad taste!

## No money to pay for her meal

Ellie was out shopping and wanted a snack. She used her card to buy some food at a takeaway. Trouble was she didn't have enough money in her account and the extra spending meant her account went into the negative! There were no error messages on the EFTPOS machine to say "insufficient funds" when she bought the food. Ellie didn't realise she was broke and bought the food anyway.

## Penalty fees for her mistake

A day or two later Ellie checked her account over the internet. The bank



had hit her with a "penalty fee" of \$35.00 because she was overdrawn - making it a very expensive meal. As she only had a part time job it would

take her a lot of time to pay back the fees and charges. She spoke with her bank and they helped her sort out a solution.

## Tips

Some tips to avoid this happening to you:

- Try asking for the penalty fee to be reversed
- Keep an eye on your account balance, transactions, fees and charges
- Make sure you have enough money in the account to cover your spending
- Talk with your bank or credit union about what the fees and charges are on your account and how to reduce them

## Keep your PIN safe

**Your Personal Identification Number (PIN) is your personal security system.**

You should follow these simple rules to keep it safe:

- Keep your card in a safe place
- Make your PIN number easy to remember (but not something obvious like a birth date or phone number).
- Don't let anyone know what your PIN number is
- Don't allow anyone to watch you entering your PIN

If you lose your card or your PIN is compromised, **inform your financial institution** immediately.

## 'Interest Free' can be a trap for some

You know how it is. You want to keep up with all the latest – new laptop, flatscreen TV or lounge suite. So one of those 'buy now pay later' 'interest-free' deals is just what you need, right? Maybe not. No deposit. No interest. No repayments. For up to 48 months. Sounds great! If you can't afford it now, how will you pay for it later?

Be wary of terms and conditions on 'interest-free' loans. If you fail to manage the debt or don't pay it off before interest

starts to accrue, you could end up paying a lot more than you thought.

## Make these deals work for you

If you're smart, you can make these deals work for you by paying off the loan before the end of the interest-free period. If you don't, you can find yourself paying interest for the full period of the loan – and that's a lot of money! This interest rate is usually very high - over 20%.

Calculate how much you need to pay each month to ensure the full amount is paid within the interest-free period. The minimum monthly amount may not be enough, which means you will get interest charges.

It's important to read the contract thoroughly **BEFORE** signing. These deals often have establishment fees, stamp duty, and monthly account keeping fees. So watch out.

Consider your options and shop around as there may be a cheaper answer.

## Need more advice??

See our website or contact Consumer Affairs for a fact sheet or brochure [www.consumeraffairs.nt.gov.au/](http://www.consumeraffairs.nt.gov.au/)



# Changes to your ATM fees

Watch out when you next use an ATM to get your money out. Things have changed. You will see the **ATM owner fee** each time you use an ATM which doesn't belong to your bank, credit union or building society ('financial institution).

These fees were not displayed on the ATM screen in the past. They used to appear on your financial institution's statement. This is called 'direct charging' and could apply to **withdrawals** and **balance enquiries**. You cannot be charged for any transaction that is 'declined' or unsuccessful.

## What does it mean?

If you use a rival bank's ATM :

- After you key in your PIN, a message will pop up on the ATM screen.
- You will be shown how much the ATM owner will charge you to use the machine
- You will be asked if you want to continue or cancel the transaction

If you **decide to continue** the ATM owner's fee will be taken out of your account straight away.

If you **decide to cancel**, no fees will apply

## How to reduce direct charge ATM fees

- Use ATMs owned by your financial institution
- When you use EFTPOS, withdraw cash at the same time
- Check with your financial institution about your account charges. Internet or phone banking may be free.



# Where's all my credit gone?



**Josh couldn't understand why he was always running out of phone credit each month. He didn't make that many calls or texts and was putting credit on his phone all the time.**

## Ring tone download rip off

Turns out Josh had downloaded a ring tone a few months earlier after seeing an ad on the TV. He thought it was a one-off cost but it was a subscription. Even though he didn't download anything else he was still getting charged a monthly fee!

## Premium SMS charges

Before you download that ring tone or cast your vote, check the fine print to make sure you know exactly what you're getting and how much it might cost. It's probably a mobile premium SMS service. These services start with '19' and usually have higher fees than a normal SMS or phone call. Costs can be charged for both sending and receiving messages.

## To cancel the service

You can cancel the service you've subscribed to by replying "STOP" in a text message to the number that sends you the premium service. This worked for Josh. It might take up to 24 hours for the "STOP" request to be activated. You can't be charged for any messages sent to you after you SMS "STOP". Contact your mobile phone carrier if you still have concerns. You may also be able to bar these type of calls from your phone.



# Smooth driving with AANT



Your friend on the road.

**Getting your licence and your first car is a pretty big deal. You don't have to rely on your parents for a lift anymore and you have the freedom to go wherever you want.**

But with a car comes responsibility and to help make the ride as smooth as possible, the Automobile Association of the Northern Territory (AANT) offers a range of services to cater for AANT members and their cars.

## What do you get?

Joining the AANT entitles you to 24-hour roadside assistance every day of the year. From flat batteries to punctured tyres, even if you've

locked your keys in the car – the AANT will be there to help. As an AANT member you'll also receive towing benefits and discounts on products in our shop, including street directories, to make sure you're always heading in the right direction.

Looking to buy your first car? Give AANT a call and they can offer advice on what you should look for when buying a new or used car. Already found your dream car? Don't get caught forking out on a lemon – the AANT offers vehicle inspections at special member rates. They'll thoroughly check the vehicle and let you know whether

the car is roadworthy and safe to purchase.

## Insurance Advice

Once you've bought your car it's important to insure your new pride and joy. Insurance can be confusing but the team at AANT Insurance Agency can help explain the ins and outs of insurance and work with you to find a level of AANT Insurance cover that suits your needs.

For more information on any of the services that the AANT can offer you, call 8981 3837, log on to [www.aant.com.au](http://www.aant.com.au) or visit the AANT Office at 79-81 Smith Street, Darwin. Happy driving!

## Buying a used car – QUICK CHECK LIST

- Set yourself a price limit
- Shop around for finance
- Budget for registration, petrol, insurance and maintenance
- Check advertisements or the Red Book to get an idea of what you can expect to pay ([www.redbook.com.au/](http://www.redbook.com.au/)).
- Visit as many car yards as possible to compare the value of deals on offer.
- Check as many details of the car as you can yourself
- Take the car for a test drive over a range of conditions
- Have a complete mechanical inspection by a qualified mechanic before you agree to buy.
- Don't sign anything unless you intend to purchase the vehicle. An 'offer to purchase' is a legally binding contract.
- Do a REVS check

## Want more car info to avoid hassles?

For a detailed checklist see our website or contact Consumer Affairs for a fact sheet or brochure

[www.consumeraffairs.nt.gov.au](http://www.consumeraffairs.nt.gov.au)

## Get your copy or a copy for a friend!

To receive your *free* electronic or paper copy of The Cool Consumer please contact Consumer Affairs.

Email [consumer@nt.gov.au](mailto:consumer@nt.gov.au) or SMS 040 111 6801 and ask to be put on the mailing list.

You can also telephone 8999 1999 or 1800 019 319 or write to The Cool Consumer Editor, Consumer Affairs GPO Box 1722 DARWIN NT 0801. Available free online [www.consumeraffairs.nt.gov.au](http://www.consumeraffairs.nt.gov.au)



# Watch out when you buy your wheels . . .



**REVS**  
(Register of Encumbered Vehicles)  
[www.revs.nsw.gov.au](http://www.revs.nsw.gov.au)  
13 3220

Jess bought a second hand car privately from a bloke down south. The car was then taken away (repossessed) by a finance company in the Territory because the previous owner still owed money on it.

He had no idea that cars could be sold 'encumbered'. Jess was left with a big **CAR LOAN** to pay off and **NO CAR**.

Jess should have contacted REVS to find out if there was any money owing on the car!

***Don't risk it – REVS check it!***

REVS is a service which can tell you if there is money owing on the car you want to buy. REVS will check if the car is carrying a debt, has been reported stolen or written off by an insurer. All for less than \$15.00!

You can get a REVS check over the phone by providing the car's registration number, engine number and VIN (vehicle identification number).

If REVS tells you that there is no encumbrance (interest registered against the car), for a small fee you can obtain a REVS certificate which confirms your enquiry. Keep the REVS certificate. It gives you protection against repossession (a lender taking the car).

## Buying an encumbered car

**What if REVS tells you that the car you want to buy is encumbered but you still want to buy it?**

You can still buy a car without a clear title but you must make sure the outstanding loan (debt) against the car is cleared before you take it away. Here is what you need to do:

- Speak to the seller and ask them to provide you with a written pay-out figure from the lender. The pay-out figure is the amount that needs to be paid to that lender to clear the interest they have against the car.
- Make out two cheques – one payable to the seller and one payable to the lender. If the amount owed to the lender is more than the sale price of the car, ask the seller to speak to the lender to have their interest in the car removed from the REVS database.
- Keep proof of these payments such as receipts or cheque butts.

# Tips for buying online

Shopping on the Internet is great and most sellers are OK but there are some that aren't and you should check for the following:

- the company name, a street address, telephone or email address
- a description of the goods
- an explanation on how financial information will be handled
- a price list - to compare prices
- delivery method, date and cost
- a clear explanation of how they handle privacy issues
- information on refunds and returns
- exchange rates, sales tax and import duties when dealing with overseas businesses
- if you can legally import certain goods from overseas

## eBay – a case study

Recently Brad bid for a set of mag wheels on eBay. At first he received an 'out-bid' notice and thought he had not been successful.

A few days later, he received a 'Second Chance Offer' through an email from the seller, who claimed he was now working in Britain and asked for Brad's contact details in order for him to send the wheels.

Brad sent payment through Western Union and provided his contact details, but when he received an official 'Second Chance Offer' from eBay he became suspicious – his emails to the seller remained unanswered.

Brad then contacted eBay who confirmed the message he received from the 'seller' was fraudulent and he was selling an item outside eBay.

Brad has never received his mag wheels.



## Buyer beware

Buying and selling over the internet is a classic case of 'buyer beware'. Although eBay is reasonably safe, if people do not make sure they are dealing through eBay, there are no guarantees the transactions will be safe. eBay buyers should ensure they are aware of the safeguards in place against fraud, including the 'Meet the Seller' feedback ratings.

## eBay advice

eBay advises that buyers should ignore emails that ask to them complete a transaction outside eBay. To verify that a transaction is 'on eBay', a buyer should open a new browser, go to eBay.com.au, and confirm the item is in the Won section of the All Buying area of 'My eBay'.

## Tip

When you are buying over the Internet, it's a good idea to use a 'special' credit card with a low limit. That way if there is a security breach with your card number, your losses can be kept to a minimum.

You can also use secure payment facilities such as 'PayPal'.

## Be on the alert for email scams

Have you had an email asking you to rescue a friend overseas? Or one with a ticket for a holiday attached? Only you haven't booked a holiday! These are some examples of the scam emails that are being sent around.

It pays to be on the look out for these suspicious emails and other internet offers. They can lead to identity theft, infect your PC with viruses or hack into your contacts list and send emails to your friends.

*Please very urgent!!*

One email claims to be from your friend overseas. They really need some money from you **now** to get out of the country!! In this case the hackers have stolen their email address so it looks like the email is really from your mate.

Another email being sent around allows scammers to steal your identity. The email looks like it is from an airline but the ticket and receipt attached to the message are fake. If downloaded, the software can be used to get information such as your bank details.

## Protect yourself from email scams:

- Use your common sense. The offer may be a scam
- Do not send any money or pay any fee to claim a prize or lottery winnings
- Never send your personal, banking or online account details through email
- Do not agree to transfer money for someone else

For information on the latest scams visit the Consumer Affairs website

# Do you know about? BAIT ADVERTISING...

Have you ever gone to a shop to buy a sale item from a junk mail catalogue, only to find that there's none left? So you end up buying a different item – and probably spend more than you thought you would! And you never get that cheap mobile after all...

Bait advertising is a common form of false advertising and is used to lure people into a shop by listing sale items without having enough stock to meet the anticipated demand. When you arrive at the store you find that the item is 'sold out' and the seller will offer you another item which is usually more expensive or of lesser quality.

When a seller advertises goods at a discounted price they must be able to supply those goods for a reasonable amount of time and in reasonable quantities. Of course, the shop may have genuinely run out of the item due to heavy demand

If you think you have been the victim of false or misleading advertising by retailers, contact Consumer Affairs.



**CHOOSE CAREFULLY**  
Don't expect a refund if you:

- Simply change your mind or don't like the colour
- Make a wrong choice
- Have damaged the goods
- See the item at a cheaper price elsewhere.

## Can I get a refund?

Not sure about your refund rights? Here's some good advice.

### Refund Signs

Signs such as '**No refunds**' or '**No refunds after 7 days**' are illegal. They mislead people about their warranty rights.

### Your rights

Depending on the situation, you are entitled to a repair, replacement or refund if goods:

- Are faulty
- Have been wrongly described
- Are different to the sample shown to you
- Do not do what they are supposed to do
- Are returned within a reasonable time after purchase

If you have a problem with an item, take it back to the seller with the receipt as soon as possible, making sure that you do not damage them in any way. The seller may offer to repair the item, exchange the item or give you a refund.

Some sellers may tell you to take the problem up with the manufacturer. Don't fall for this one! It's the seller's responsibility to return goods to the manufacturer, not yours.

**Tip: Always keep your receipts**



**YOUR CHANCE TO WIN A \$100 VOUCHER!**  
Go online!  
Answer some simple questions!  
[www.consumeraffairs.nt.gov.au](http://www.consumeraffairs.nt.gov.au)

# Thinking of sharing a house?

Moving out of home? New to town? Here's some tips for sharing a house with your friends.

## **Established share houses**

It may be cheaper to move into an already established share house. Hopefully the other tenants will have already furnished the common areas like the kitchen, laundry and lounge room.

If you decide on moving into an established share house you will need to find out if you will be a co-tenant or a sub-tenant.

Make sure you fully understand what you're getting yourself into. Ask as many questions as you need to, *before* you move in.

## **Head-Tenant**

If there is only one person's name on the lease they become the head-tenant and are responsible to the landlord for the place that you're living in.

## **Co-Tenant**

If you are going to sign the lease with the other tenants, then you will become a co-tenant and share all the rights and responsibilities of the tenancy.

Make sure you receive written receipts for any payments you make.

## **Sub-Tenant**

If you are going to live in the house and you have your own room but your name will not be put on the lease, then you are a sub-tenant.

The head-tenant must get permission from the landlord for you to live in the house.

As a sub-tenant you will generally share all the same rights as the others whose names appear on the lease.

## **Establishing your own share house**

If you decide to set up a house with a few friends, get together to decide the sort of place you want to live in.



You may want to consider:

- the rent that you can afford;
- how much money you will need to cover up front costs;
- what furniture you will need (fridge, bed, cooking utensils);
- if there is car parking space or a garden; and
- how many people you want to live with.

When sharing a house or unit with others and sharing the bond, it is important to ensure that the names of all the people contributing to the security deposit (the bond) appear on the receipt.

## Free booklets, brochures and information

Contact us for your free copy of the booklet *A Guide to Renting in the NT* or a *Moving out of Home* brochure.

Download them at:

[www.consumeraffairs.nt.gov.au](http://www.consumeraffairs.nt.gov.au)



## Internet rental scams

### **Territorians ripped off for thousands of dollars**

Territory renters beware! Phony rental properties and rooms for rent have been advertised on the Internet. Renters are asked to pay up front by direct debit. A number of locals have been caught out and lost large sums of money. Don't be one of them!

### **Overseas Landlord**

The scammers usually tell possible renters that they are overseas for work and want someone to look after the place until they come back. The 'landlords' say it's OK to move in while they are away, as long as your bond and rent are paid in advance. The tenants pay the money but then find out the property is not available for renting and the scammer is not the owner!

Never make an upfront payment for rent or bond by direct debit unless you are sure the person who advertised the property is the owner.

**For further information:**

[www.consumeraffairs.nt.gov.au](http://www.consumeraffairs.nt.gov.au), email [consumer@nt.gov.au](mailto:consumer@nt.gov.au)

Telephone 1800 019 319, SMS 040 111 6801

Write to Consumer Affairs, GPO Box 1722 Darwin NT 0801