

# Trading Standards



## REFUNDS & DEPOSITS

Sometimes when we agree to buy things we change our minds, or if the goods are faulty the shop refuses to refund. This leaflet looks at what you can expect to claim back.

### WHAT IF I HAVE PAID A DEPOSIT IN A SHOP?



Sometimes when you agree to buy something you may be asked to put some money down to secure the item. This is usually known as a deposit. It means that you are entering into a **LEGALLY BINDING CONTRACT**, with the seller, for the goods.

It is a sign of good faith that you have agreed to make a purchase. If you change your mind for whatever reason a trader **DOES NOT HAVE TO GIVE YOU YOUR DEPOSIT BACK**.

**IT DOES NOT MATTER HOW GOOD YOUR REASONS ARE** - loss of job or bereavement for example. (*n.b. This differs for mail order - see later section in leaflet*).

You could even be sued by the seller for more money up to the **FULL PRICE** of the goods or services ordered. This would depend on whether the goods were specifically ordered for you, or made for you, or if they were a stock item.



For example, if a dress was specially made for you and you cancelled because you changed your mind, you would be liable for the cost of the dress if it could not be sold to someone else.

If a trader agrees at the time an order is placed that a deposit is refundable, **GET IT IN WRITING**, for example on the back of your receipt - it may save problems later on if you decide not to go ahead.

This may already be in the terms and conditions of any agreements, so read them carefully.

### WHAT IF THE RETAILER FAILS TO SUPPLY?

If the shop or company is unable to keep their part of the deal, for example they may be unable to supply the model, size or colour you ordered, or deliver them on time, or if the goods are faulty, then you are entitled to your deposit back and any other reasonable costs you may have incurred as a result of the seller's breach of contract with you.

## WHAT IF I BUY VIA MAIL ORDER OR THE INTERNET?

If you do not place your order face to face, ie by visiting the store, but do so from a distance, perhaps by telephone, through mail order or via the internet, the law is different.

In such cases, you are entitled to receive a 7 day cancellation period from the day after you receive the goods - even if you have paid in full. (There are some exceptions to this rule and further advice should be sought).

The supplier should provide you with certain information, such as your right to cancel and details on how goods may be returned and monies refunded.

Remember though - you may have to pay the cost of returning the goods.

## WHAT ABOUT NOTICES SAYING 'NO REFUNDS'?

Certain notices are illegal. A trader cannot *wriggle* out of his responsibilities if he sells you faulty goods, or those not fit for their purpose, or not as described. You **may** be legally entitled to a full refund of all payments. **BUT**, you cannot ask for your money back if you simply change your mind.

## WHAT DOES THE LAW SAY?

Under the Consumer Transactions (Restrictions on Statements) Order 1976, any statement which leads you to believe you would not be able to pursue a justified complaint against the retailer is prohibited, and therefore illegal.

Such statements include:-

- 'No cash refunds'
- 'No sale goods exchanged or money refunded'
- 'Sold as seen and inspected'
- 'Please examine your goods with care because our liability ends once you leave the premises'
- 'No refunds or exchanges without a receipt'
- 'Defective goods must be returned within one week of purchase'.



## ARE ONLY NOTICES COVERED?

No, these kind of statements are also illegal if used in the following circumstances:-

- published in an advertisement
- marked on goods

- included on documentation such as delivery notes, order forms or invoices.

Don't forget - if you don't have a receipt, any proof of purchase is useful, such as a cheque counterfoil or credit card voucher. If you had a witness this might help. A shop assistant might also remember you.

## **WHAT ABOUT THE SALE OF SECONDS OR REJECTS?**

Unless specific faults are pointed out to you at the time of purchase, the law will apply in exactly the same way, and your legal rights remain the same. If a fault is pointed out to you **before** a purchase is made, then no claim can be made in relation to that fault. However, should a separate fault develop you may be entitled to a refund.

## **DOES THE LAW APPLY TO ALL BUSINESSES?**

The law applies to all businesses, which sell to consumers who are not acting as a business.

## **WHAT HAPPENS IF I SEE A STATEMENT?**

You should report it to your Kent Trading Standards office. Each case is looked at separately before any decisions are taken, but the trader may receive a warning, or even be prosecuted.

**Trading Standards Website:** [www.tradingstandards.gov.uk/kent](http://www.tradingstandards.gov.uk/kent)

**For further consumer advice please call Consumer Direct on the local rate number given below**

**08454 04 05 06**

