



Credit, loans and debt

Stay out of trouble when you borrow money



MONEYSMART
Simple guidance you can trust



ASIC

Australian Securities & Investments Commission

About ASIC

The Australian Securities and Investments Commission (ASIC) regulates financial advice and financial products (including credit).

MoneySmart is our website for consumers and investors to help you make smarter choices about your personal finances.

Visit moneysmart.gov.au or call ASIC's Infoline on 1300 300 630.

About this booklet

This booklet has tips to help you stay out of trouble when you borrow money.

Each section has links and contact details where you can find out more.

While this booklet has general information about credit, remember that each person's situation is unique and may require a tailored approach.

The national credit law

When you borrow money, you are protected by consumer credit laws. These laws set rules for banks, building societies, credit unions and other finance companies that offer to lend you money as well as for people who arrange loans for you like finance or mortgage brokers.

Since 1 July 2010 a national credit law in Australia replaced the previous state and territory-based laws.

To find out more about consumer credit regulation go to moneysmart.gov.au



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Credit and you

'Lots of my friends have computer games, laptops, iPods and that kind of thing. My parents say we can't afford all of that stuff and that I don't really need it. This can be hard to deal with at times but I've decided that I can save for the things I really want. I just have to work out what I want most, because I know I won't be able to have everything.' **Will**



Credit is a fact of life for many Australians. It's often part of exciting decisions like buying a home or getting a new car, things you might not be able to pay for otherwise.

If used well, credit can help you achieve your financial goals. But there are also pitfalls: you pay for the convenience of credit through fees, charges and interest. So borrowing money can be expensive.

You might also be tempted to borrow more than you can afford. That's when the trouble starts. When your heart's set on something, it's easy to think of credit as your money and forget that you have to pay it back.

Responsible use of credit involves working out how much you can afford to repay on a regular basis, how long it will take you to repay a debt, and from there how much you can afford to borrow. By using the steps and tips in this booklet, you can stay in charge of your credit and make it work for you.



Your guide to credit words

Credit

- ▶ This means borrowing money that is paid back over time with an extra charge (either interest or fees).
- ▶ It includes credit cards or store cards, personal loans or car loans, home loans, overdrafts and borrowing to invest in residential property.
- ▶ It also includes taking out a consumer lease (for example, on a fridge or a computer) or buying things in instalments.

Credit providers (also called 'lenders')

- ▶ These are banks, building societies, credit unions, finance companies and other businesses that offer to lend you money.
- ▶ You might get credit or a loan directly from the credit provider or through someone else (for example, a finance or mortgage broker, a car dealer or a department store).

Interest

- ▶ This is what you pay to the credit provider for letting you borrow money. Interest is usually shown as a percentage of what you borrow.
For example, if the interest rate on your credit card is 12% 'per annum', you will pay \$12 interest a year on every \$100 you borrow.
- ▶ Interest gets added to what you owe as you go along, so you pay interest on interest.

Security

- ▶ This is something you offer the credit provider in case you can't meet repayments on a loan.
- ▶ If you don't make your repayments (this is called a 'default'), the credit provider may be entitled to repossess what you put up as security (except for essential household items).
- ▶ If this doesn't cover the full amount you owe, you might have to make up the shortfall in another way.
Under credit law, credit providers cannot take security over essential household property or tools of trade.

Six steps to smarter borrowing

Step 1. Work out if you can afford to borrow

Before you borrow, use our budget planner at moneysmart.gov.au to see exactly where your money goes now and how much you could afford in repayments. Remember to allow for interest rate rises and anything that might affect your income in the future (for example, changing jobs or starting a family).

Step 2. Shop around for the best deal

If you decide to borrow, take the time to compare interest rates, product features and fees and charges. Even a small difference in the interest rate can make a big difference to what you have to repay. It's easy to compare products using online comparison services (see 'Find out more' on page 46).

Step 3. Know who and what you're dealing with

Check that the person or organisation you're dealing with is licensed with ASIC at moneysmart.gov.au.

Anyone engaging in credit activities (for example, by providing credit or credit assistance to you) must give you either a credit guide and credit proposal disclosure document (with information such as their licence number, fees and details of your right to complain) or written notice containing contact details to access their External Dispute Resolution Scheme (EDR).

Unless they have already entered into a written contract with you setting out the maximum amount you will pay for their services or they are providing their services free of charge, they must also give you a quote for providing credit assistance.



Step 4. Keep up with your repayments

Keep your repayments up-to-date and make extra payments when you can to save on interest, subject to the conditions of your loan. Try to pay off the entire amount owing on your credit card each month (or as much as possible). Check for fees or charges if you're thinking of transferring your balance to another card, consolidating your loans or refinancing.

Step 5. Get help if you can't pay your debts

It's important to act quickly if you're having trouble making repayments. Even though it can be difficult to face the problem, ignoring it will only make things worse. If you can't make the full repayment, pay what you can. Contact your credit provider without delay. There are places you can go for help, see 'Get help if you can't pay your debts' on page 35.

Step 6. Complain if things go wrong

Try to resolve any problem with your credit provider or broker first. If you aren't satisfied, take your complaint to an independent dispute resolution scheme (see page 41). You can also complain to ASIC online at asic.gov.au or phone ASIC's Infoline on 1300 300 630.

Your credit report

If you've ever applied for credit or a loan (whether or not you went ahead), you'll usually be listed with a credit reporting agency.

Credit reporting agencies keep information about your credit history collected from credit providers who subscribe to their service.

Credit providers use this information to help work out whether you are likely to meet your repayments, if you apply for a loan.

What's in your credit report

Your personal details

Your name, date of birth, current and past addresses, employment and driver's licence number.

Your credit history

Listings of any credit or loan you've applied for, defaults (overdue payments of 60 days or more where collection activity has started) and any other credit infringements (for up to 5 years after they occurred, or 7 years for serious infringements).

Other information

Bankruptcies (for up to 7 years after they occurred), court judgments, debt agreements and personal insolvency agreements (for up to 5 years after they occurred).

Why it might be wrong

A debt might be listed twice or the amount might be wrong. You might have missed one repayment on your loan but were never 60 days in default. Someone might have stolen your identity to get credit.



What's changing in your credit report

Repayment history

Information about your repayment history is being collated from December 2012 and will be seen on your credit report from March 2014.

The repayment history information includes:

- ▶ Information about your current commitments
- ▶ The date your credit payments were due
- ▶ Whether or not you made the payments by the due date
- ▶ The dates on which you made any missed payments

Find out more about the changes by visiting the Office of the Australian Information Commissioner's website at oaic.gov.au

Your rights and responsibilities

The Privacy Act says how the information in your credit report can be used. It also gives you the right to find out what's in your report and correct any wrong information.

Credit providers may check your credit report before deciding whether to lend you money. They must tell you if your application has been rejected because of something in your credit report.

It's a good idea to check your credit report every year (see page 11). As well as affecting your ability to get credit, wrong listings can alert you to things like identity theft.

What is identity theft?

Identity theft is where other people use your personal information for their financial gain. For example, someone might run up debts on your credit card or try to apply for credit in your name.

If you think you may have been the victim of identity theft, talk with your credit provider. If you are contacted about debts with a credit provider you have never used, contact the relevant credit reporting agency. In both cases, you should also contact your local state or territory police.

For more information about identity theft and protecting your financial identity, go to protectfinancialid.org.au and staysmartonline.gov.au.

Case study

Jin had a personal loan with a bank. Even though he'd been meeting all his repayments, he got a default notice on his loan.

Unfortunately, due to a processing error, his payments had not been credited to the loan for two months. The bank fixed the problem and adjusted the interest charged.

Jin paid out the personal loan about a year later.

When Jin applied for a home loan two years later, his application was rejected because of the old default listing from his bank on his now repaid personal loan.

Jin contacted the bank and asked them to investigate and correct the listing, which they did.

He then reapplied and was successful in obtaining a home loan.



Checking your credit report

- **Check** with the credit reporting agencies to see if you are listed with them (see 'Find out more' below).
- **Talk** with your credit provider if you don't agree with what's in your credit report. Explain why the listing is misleading or wrong. If they don't act to change the listing, go directly to your credit provider's independent dispute resolution scheme.
- **Complain** to the Financial Ombudsman Service (FOS) at fos.org.au or phone 1300 780 808, or the Credit Ombudsman Service Limited (COSL) at cosl.com.au or phone 1800 138 422.
- **Contact** the Office of the Privacy Commissioner if you haven't been able to sort out a wrong listing after going to FOS or COSL. You have 12 months from the date you became aware of the problem to file a complaint. If the incorrect listing has caused you financial loss, include this in your complaint.

Find out more

Read our factsheet on credit reports and see a sample credit report at moneysmart.gov.au.

To get a free copy of your credit report, contact the main credit reporting agencies:

- ▶ Veda Advantage veda.com.au or phone 1300 762 207
- ▶ Dun & Bradstreet checkyourcredit.com.au or phone 1300 734 806
- ▶ Tasmanian Collection Service tascol.com.au or phone 03 6213 5555
- ▶ Experian Credit Report experian.com.au or phone 03 8699 0100

For more information about the privacy rules that protect personal information, including your credit report, and complaints about credit reporting, visit the Office of the Australian Information Commissioner's website at oaic.gov.au or phone 1300 363 992.

Step 1

Work out if you can afford to borrow

'I'm now paying a good deal more for food and petrol than I planned for when I took out a home loan so things are tight. I've really fine-tuned my budget and worked out what my fixed expenses are. After I've taken out money for food and bills, I now have a set amount of money each week that I can spend on other things.' **Diane**



Borrowing money costs money. You pay interest (unless you pay your balance off within an interest-free period) plus fees and charges. The exact cost will depend on the type of credit or loan, who you borrow from and how long you take to pay it back.

If you pay with cash, you can often negotiate a cash discount. You'll pay less because you won't pay interest, fees or other charges and you won't have to worry about keeping up with repayments. You're also more likely to think twice before you buy something.

Quick tip



Credit card issuers are not allowed to send you invitations to increase your credit limit without first getting your permission.

If you're offered a new card or an increased credit limit you don't have to accept the offer. Having another credit card or an increased credit limit may tempt you to spend more.

Ignore the offer unless you're confident you can control your spending and repay the higher credit balance.



Before you borrow

If you're thinking about borrowing money, ask yourself these questions.

What am I borrowing money for?

- ▶ Is it something you need or something you want?
- ▶ Are you thinking of borrowing to help a family member or friend (see 'Love and loans' on page 15)?
- ▶ Are you borrowing money to pay bills or for other essential expenses?

Is borrowing the best way to pay for it?

There may be other ways to get what you want without borrowing money.

- ▶ Can you save up so you can borrow less or put the item on lay-by?
- ▶ Have you considered other alternatives (for example, using a debit card, which offers similar convenience to a credit card)?

If you're borrowing to pay bills, ask the service provider if you can pay by instalments.

Can I afford the repayments?

A budget can help you see exactly where your money goes now and what you might be able to afford in repayments.

Remember to add extra for interest rate rises and other unexpected expenses. Try living on less for a few months to see how you're going to manage.

Is now the right time to borrow?

Think about any changes that might affect your income. For example:

- ▶ How secure is your job?
- ▶ Are you planning to start a family or take time off for study?
- ▶ Do you have any health issues that may mean you'll earn less for a while?

You might be better off saving now and borrowing later.

Case study

Indira couldn't afford a new washing machine when her old one broke down, so she was doing the family's washing in the bathtub. When a friend told Indira about the no-interest loans scheme (NILS®) at her neighbourhood centre, she asked them about a loan.



She showed her Centrelink pension card and the NILS® person helped Indira work out how much she could afford to repay. She chose a washing machine available through the program and it was delivered to her house. Indira is about to make her last repayment on the loan and is very happy with her new washing machine.

No or low-interest loans

The no-interest loans scheme (NILS®) is available in many places in Australia. It offers loans without interest or fees to people on low incomes. The loans can be used for essential household goods or medical goods and services.

NILS® providers are based in community centres and other local organisations. To be eligible, you must have a Centrelink health care or pension card (or qualify for one) and show that you can repay the loan within 12 to 18 months.

Other programs offered to low-income earners include:

StepUP – fixed-rate, low-interest, unsecured personal loans for amounts between \$800 and \$3,000 with no fees or charges

AddsUP – a matched savings plan (up to \$500) for people who have successfully repaid their NILS® or StepUP loan

Saver Plus – a matched savings plan (up to \$500) for low-income families plus support and education.

If you're eligible for Centrelink payments, you may be able to get an advance payment. You have to pay it back to Centrelink over the next six months, but this may help cover a temporary shortfall and you won't pay interest or fees.



Find out more



Use our budget planner and loan calculators at moneysmart.gov.au to work out what you're spending now, how much you could afford in repayments if you borrowed and how much interest you'd pay on a loan.

If you're having trouble paying a water, phone, gas or electricity bill, contact your service provider to see if you can pay the bill in instalments. If you're eligible for Centrelink payments, talk with them to see whether you can get any financial assistance such as an advance payment: go to humanservices.gov.au or phone 132 850.

Financial counselling is a free service offered by community organisations, community legal centres and some government agencies. To find a service, call the National Financial Counselling Hotline on 1800 007 007, go to moneysmart.gov.au or phone ASIC's Infoline on 1300 300 630.

For more information about no or low-interest loans, go to goodshepvic.org.au (NILS®, StepUP or AddsUP) or bsl.org.au (Saver Plus) or phone ASIC's Infoline on 1300 300 630.

See also our factsheets *No or low-interest loans* and *Love and loans* at moneysmart.gov.au or phone ASIC's Infoline on 1300 300 630 for a copy.

Love and loans

Has a family member or friend ever asked you to be a 'co-borrower' or guarantee a loan for them? Before you agree, think carefully about whether you will personally benefit from the loan and what you might lose.

As a guarantor or co-borrower, you will be responsible for the whole debt, not just your share, if the other person cannot or will not make repayments.

If your guarantee is secured against assets like your home or a car, you may end up losing them if you can't pay out the loan you've guaranteed.

Never allow a family member to force you into signing anything against your will. If a large amount of money is involved, talk with a lawyer or get free legal advice to make sure you understand the risks you are taking on.

If you're feeling pressured, see a free financial counsellor or go to your local community legal centre for help.

Step 2

Shop around for the best deal

Mel was worried about how she was going to pay her rent, which was due the next day.

She saw an ad on the internet that said 'Get a fast cash loan'.

Mel filled in an application form and later that day, a \$450 'small amount loan' was transferred into her account.

Over the next few weeks Mel had some other expenses so she didn't make her repayments and didn't pay off the loan in the required 23 days.

As the default fees were \$40 each time she missed a payment, as well as the original charges to borrow the money, Mel found that 4 weeks later, she had a debt of over \$600. Her mum had to help her pay it off.



If you've decided to go ahead and borrow, take the time to compare interest rates, product features, fees and charges.

You can compare loans online at comparison websites or shop around yourself by visiting a range of credit providers, or you can use a mortgage or finance broker (see page 27).





Quick tip

People in financial difficulty often end up with high-cost loans or credit. They might not be eligible for other loans, or know what else is available.

If you need money in a hurry, you could be tempted by advertisements offering quick cash loans. These loans are also called payday loans or small amount loans.

Know what you're getting into before you go ahead. Use MoneySmart's payday loans calculator to see what this type of loan will really cost you. Shop around as you would for anything else: you might find a better deal elsewhere.

If you're thinking about a small amount loan, talk to a financial counsellor first. You may be eligible for a no or low-interest loan (see page 14).

How much interest can you expect to pay?

The interest rate is a big factor in working out what credit will cost you and what you have to pay back each month. Even a small difference in the interest rate can make a big difference to what you have to repay.

The Reserve Bank of Australia sets what is called the 'cash' interest rate, which is reviewed every month. Credit providers can set their own rates. What you'll pay depends on the type of credit or loan and the credit provider.

Credit cards tend to have a higher interest rate than personal loans. Home loans tend to have a lower interest rate than most other types of credit.

When comparing loans, look at products offered by other lenders such as credit unions and building societies as well as banks: don't assume you'll get the best deal from the largest providers or the ones that advertise the most.

Comparing credit and loans

If you are shopping around for a credit card, get a 'key facts sheet' from the card issuer so you can compare interest rates, fees and features. This will include:

- ▶ minimum repayment (or how it will be calculated)
- ▶ interest rate that applies to purchases and cash advances
- ▶ interest rate that applies to balance transfers (and for how long)
- ▶ promotional interest rate (if any)
- ▶ length of the interest-free period (if any)
- ▶ annual and late payment fees (if any)

If you are thinking about taking out a home loan, ask the lender for a key facts sheet. A set format is used to make it easier for you to compare loans and understand how they work. Look for important information such as:

- ▶ total amount to be paid back over the life of the loan
- ▶ interest rate
- ▶ establishment fees (if any)
- ▶ ongoing fees
- ▶ what happens if interest rates increase
- ▶ how can I repay my loan faster

Credit providers must give a 'comparison rate' when they advertise a rate or a weekly payment for home loans. The comparison rate includes the interest rate or weekly repayment amount, plus most fees and charges.

This can be a better indicator of how much a loan will really cost you. For example, a loan with a lower interest rate but higher fees and charges may actually be more expensive than one with a higher interest rate.

	Interest rate	Fees and charges	Comparison rate
Home loan A	8%	0.5%	8.5%
Home loan B	8.25%	0.1%	8.35%

In the table above, home loan B will cost less than home loan A, even though home loan A has a lower interest rate. Just remember to check the features being offered by each loan to ensure they suit you.



Examples of interest rates*

▶ Home loan variable rate	4.29–7.45%
▶ Personal loan secured over car	5.99–17.75%
▶ Personal loan unsecured	6.34–17.75%
▶ Credit card (with interest-free period)	9.50–22.99%
▶ Credit card (no frills)	9.50–22.99%
▶ Store card from major retail chain	19.84–20.74%

*As at April 2013. Check comparison websites for the latest rates.

New cap on costs for credit contracts

Since 1 July 2013, new national interest rate caps apply meaning that credit providers cannot charge more than 48 percent in interest on a loan. There is also a new cap on costs that depend on the type of credit provider as well as the type of credit contract you enter into.

Who is exempt?

Authorised Deposit-taking Institutions (ADIs) - The caps on costs and interest rates do not apply to loans offered by ADIs such as banks, building societies and credit unions. The cap on costs also does not apply to continuing credit contracts such as credit cards.

What contracts are now prohibited?

Short term credit contracts - From 1 March 2013, credit contracts where the provider is not an ADI, the credit limit is less than \$2,000, and the term is 15 days or less, are prohibited.

Small amount credit contracts

Characteristics

- ▶ not a continuing credit contract
- ▶ the credit provider is not an ADI
- ▶ the credit limit of the contract is \$2,000 or less and
- ▶ minimum term of 16 days and a maximum term of one year.

Caps

- ▶ 20% establishment fee
- ▶ 4% monthly fee on the original value of your loan
- ▶ if you default, the maximum amount recoverable by the credit provider is 200% of the amount you borrowed.

Medium amount credit contracts

- ▶ not a continuing credit contract
- ▶ the credit provider is not an ADI
- ▶ the credit limit of the contract is between \$2,001 and \$5,000 and
- ▶ maximum term of two years.

- ▶ Annual cost rate must not exceed 48%
- ▶ You can also be charged an additional \$400 establishment fee.

All other loans

- ▶ the credit provider is not an ADI
- ▶ the credit limit of the contract is more than \$5,000 and
- ▶ the term is longer than two years.

- ▶ Annual cost rate must not exceed 48%.



Fees and charges

Fees and charges can add a lot to the cost of borrowing. So make sure you know what these are before you sign up.

Any fees or charges associated with a credit card or a loan must be set out in a key facts sheet. Most credit providers also publish fees and charges in their booklets and on their websites.

The credit guide or written notice you'll get from the credit provider or broker will also set out information about compensation arrangements, fees and charges and any commissions that are likely to be received if you take out a loan.

Fees and charges may change at any time, so always read any updates you get from your credit provider.

Find out more



Use our credit card and loan calculators at [moneysmart.gov.au](https://www.moneySMART.gov.au) to work out how much interest you'll pay on a credit card or loan.

Shop around online to compare interest rates, fees and features of loans and other credit products.

Research published by the independent consumer group CHOICE can also help you find the right product for your needs and budget. See [choice.com.au](https://www.choice.com.au).

For information about equity release products (for example, reverse mortgages), visit [moneysmart.gov.au](https://www.moneySMART.gov.au).

Type of credit

Examples of fees and charges

Credit cards or store cards

- ▶ annual account fees
- ▶ fees to use rewards programs
- ▶ fees for late payments
- ▶ fees for going over your credit limit (from 1 July 2012, issuers of new cards must not charge you an over-limit fee without first getting your agreement to be charged for this)

Home loans, personal loans or car loans

- ▶ fees for establishing the loan
- ▶ fees or commissions to the finance or mortgage broker (if you use one who isn't solely paid by the credit provider)
- ▶ fees for administering the loan (monthly or annual 'service' or 'administration' fees)
- ▶ fees for breaking a fixed-rate loan
- ▶ fees for refinancing or consolidating your loans
- ▶ fees charged when you pay out a mortgage in full (also called a 'termination' or 'settlement' fees)

Consumer leases, sales by instalments or 'rent to buy'

- ▶ account-keeping fees
- ▶ penalties for missed repayments
- ▶ fees if you break the lease or repay it early



Case study: Jie and Ming save \$100,000 on their home loan

Jie and Ming saved up a deposit of around \$70,000 to buy a two-bedroom apartment. They used MoneySmart's mortgage calculator to work out what the monthly repayments would be. They decided they could afford to borrow \$380,000 over 25 years.

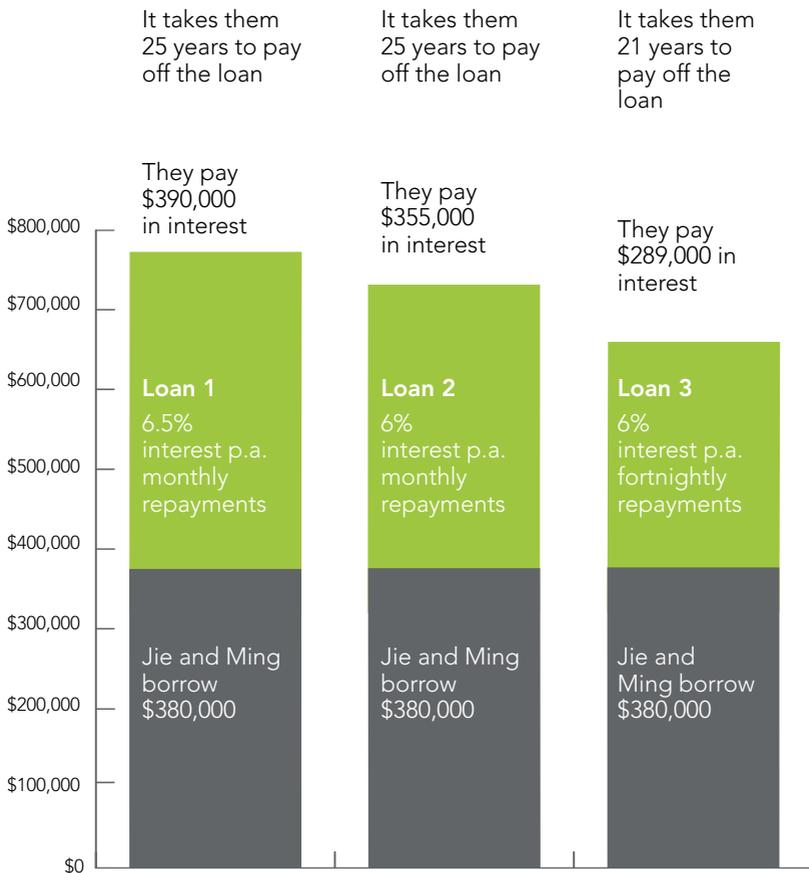
They first considered a loan with a variable interest rate of 6.5% but, after comparing online, they found a loan with the features they wanted at a rate of 6%. This could save them around \$35,000 over the life of the loan.

Jie and Ming also realised that by making slightly higher repayments fortnightly (calculated by dividing the monthly payment by 2), they would end up making an extra monthly payment each year. This means they could pay off the loan almost 4 years early and save about \$65,000 in interest.

These two simple steps could save them up to \$100,000 over the life of the loan (see table on page 24).



How Jie and Ming saved money on their home loan



* This graph was calculated using the mortgage calculator at moneysmart.gov.au rounded to the nearest \$1,000.



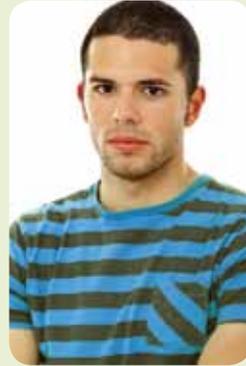
Step 3

Know who and what you're dealing with

Case study

Brian was worried when his fridge broke down. He couldn't afford to buy a new one so he decided to get a second-hand one through a 'rent to buy' scheme. The deal was to get the fridge by making monthly rental payments. Brian signed the contract even though he hadn't read it properly.

After 18 months of making payments, the company told Brian that to buy the fridge, he would have to pay an extra \$532 on top of what he'd already paid. All up, Brian paid out the value of the second-hand fridge many times over and much more than the price of a new one.



Reading a contract for a credit card, loan or lease can seem like hard work, but it's essential to know what you're signing up for before you go ahead.

You also need to know who you're borrowing money from. Some people think they're dealing with a credit provider directly when they're actually talking to a finance or mortgage broker.

If you're not sure, ask who the credit provider is. Check if the broker charges fees or is paid a commission by the credit provider, or both.

Find out more

To find out if a credit provider or broker is licensed, go to moneysmart.gov.au.

Some businesses that provide credit are currently exempt from licensing, such as retail stores and car yards. While the store may be exempt, the actual credit provider must be licensed. If you are unsure who the credit provider is, ask the person you are dealing with to point out the name in your credit contract.

For more information about using a broker visit moneysmart.gov.au.

If you think a credit provider or broker has acted unlawfully, or a credit or loan offer is misleading or deceptive, complain to us online at asic.gov.au/complain or phone ASIC's Infoline on the number above.

Are they licensed with ASIC?

Anyone who wants to engage in credit activities (including lenders and brokers) must be licensed with ASIC or be a representative of someone who is licensed (that is, they must either have their own licence or come under the umbrella of another licensee as an authorised credit representative or employee). If they aren't, they are operating illegally (except for the exemptions noted above, under 'Find out more').

Check moneysmart.gov.au to make sure you're dealing with someone licensed.

Why is this important?

Licensed credit providers and brokers have obligations under the law to:

- ▶ give you enough information about a credit product (including any fees, charges and commissions) so you can make an informed decision
- ▶ check that any loans you are offered are not unsuitable for you (that is, that you will be able to afford repayments without substantial hardship)
- ▶ try to help you if you have trouble making repayments because of illness, unemployment, or other financial difficulties.



If you have a complaint that you can't resolve with your credit provider or broker, you can take it to a free independent dispute resolution scheme (see page 41).

Did you get a credit guide?

Anyone engaging in credit activities (for example, by providing credit or credit assistance to you) must give you either a credit guide (with information such as their licence number, fees and details of your right to complain) or a written notice with details of your right to complain about their activities.

If your credit provider or broker doesn't give you a credit guide or written notice, make sure you get one before you go ahead with any credit or loan product.

Using a broker

Finance or mortgage brokers are go-betweens who arrange loans for people for a fee (usually called a 'commission'). A mortgage broker specialises in home loans.

A commission is often paid to the broker by the credit provider whose products they sell, but sometimes the broker will charge a fee to the customer. In some cases, a broker may get both. Make sure you understand the fee structure for this service and compare fees charged by different brokers.

Finance or mortgage brokers can offer you a variety of loan options. They can help you select a loan and manage the process through to settlement. But they may be limited to a particular range of products.

For example, if a credit provider doesn't pay commissions, their loans might not be included on the list of products that a broker offers. You may be able to get a better deal by shopping around yourself.

If you need the money by a certain date, ask the broker how realistic this is.

If they agree to secure the funds for you, make sure you have this in writing. But don't be pressured into signing something you're not sure about – always take time to think things through. See our tips for resisting sales pressure at moneysmart.gov.au.

Consumer credit insurance

Consumer credit insurance (CCI) covers you if you can't meet the repayments on your credit card or loan because of unexpected circumstances like unemployment, sickness or injury.

The benefits, limitations and costs of this insurance can vary, and the insurance offered by the credit provider might not be the cheapest.

Check if consumer credit insurance is included in a credit contract before you sign – some credit providers include it and others don't.

A credit provider cannot force you to have this insurance and in many cases you may not need it. You can ask the credit provider to remove it from the contract.

Credit contracts

Before you sign a contract for credit or a loan, check:

- the name of the business or person lending you the money
- details of the loan, and any guarantee or security
- how interest is calculated and charged, including any default rate (that is, a higher rate of interest if you fall behind on repayments)
- fees and other charges, including any commissions and insurance premiums if they're included
- if and how often you'll get account statements and how you'll be told of any changes to the terms and conditions of your contract.

Never sign blank forms or leave details for the credit provider or broker to fill in later.

Ask the credit provider or broker what happens if you can't meet your repayments (for example, will you be charged an extra fee?)

Since 1 July 2010, you are protected by laws about unfair contracts: see acc.gov.au.



Step 4

Keep up with your repayments

'I sometimes use my credit card when I'm shopping or caught without cash. But I'm 100% committed to paying off the balance within the interest-free period, because the interest charged on credit cards is high, especially if I take out cash. I'm already paying off my HECS debt from uni, so I don't want to get into more debt.' **Ricky**



How you manage your credit card and loans can make a big difference to how much you pay in interest.

If you make only the minimum repayment each month, you will pay more in interest and it will take longer to pay off your balance.

For example, if you only make minimum monthly repayments on your credit card, the amount you owe will go down slowly and you'll pay the maximum amount of interest.

By making extra repayments on your credit card or loans when you can, you'll pay off your debts faster and save on interest. If you have more than one credit card or loan, pay off the one with the highest interest rate first.

From 1 July 2012, your monthly credit card statement must tell you how long it will take to pay off your entire balance by making minimum monthly repayments.

If you choose a fixed-rate loan, you may not be able to make extra repayments without paying extra fees. Check with the credit provider to see if any fees apply.

Take a quick credit quiz

Yes No

- Do you only pay off the minimum balance on your credit cards?
- Do you need to use your credit card to pay for essential items like food, telephone, gas, electricity, rent or mortgage repayments?
- Do you use more than one credit card?
- Do you use cash advances on one credit card to pay off the others?

If you answered 'yes' to any of these questions, you could be building up debts you'll have trouble repaying.

If you feel like your credit is already out of control, use our budget planner at moneysmart.gov.au to see how you can cut back on expenses. Talk with your credit provider or see a free financial counsellor (see pages 36 and 38).

Paying off your credit card

Try to pay off the entire amount owing on your credit card each month if you can (or as much as possible). This way you'll take advantage of any interest-free period and pay off your debt more quickly.

Of course, you may only be able to pay the minimum monthly repayments. If this is the case, look for a card with a lower interest rate and pay off more when you can.

Avoid taking out cash on your credit card:

- ▶ Cash advances have no interest-free period and the interest rate is sometimes higher than for things you buy.
- ▶ You might also pay a fee if you use your card in another institution's ATM.



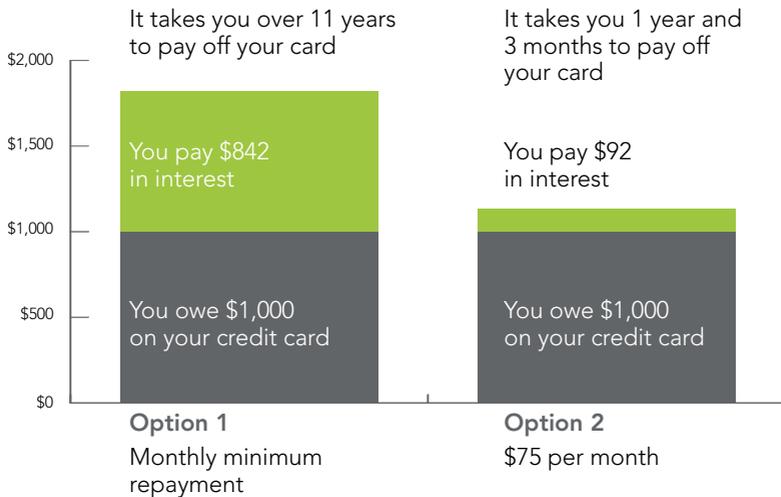
How \$1,000 on your credit card turns into an 11-year loan

Let's assume you've run up \$1,000 on your credit card and you have a typical credit card with minimum repayments of 2.5% of the outstanding amount or \$10 (whichever is more). You've decided to stop using the card so you can pay off what you owe.

Interest is charged at 16% per annum from the date of purchase (unless you pay it all off each month) and there are no fees on the account.

By making only minimum repayments you'll pay about \$842 in interest on top of the \$1,000 you borrowed – or \$1,842 in total and it will take you over 11 years to pay off your card.

By paying just \$75 a month, you'll pay off the balance in 1 year and 3 months and pay only \$92 in interest (Option 2). That's a saving of \$750!



* This graph was calculated using the credit card calculator at moneysmart.gov.au rounded to the nearest \$1.

Find out more



Get tips on paying off your credit card faster at moneysmart.gov.au. Use our budget planner and credit card calculator to help you.

If you're having trouble paying your mobile phone bill, contact the service provider to see if you can pay the bill in instalments.

If you have a problem or complaint about a mobile phone bill or contract and you can't resolve it with your service provider, contact the Telecommunications Industry Ombudsman at tio.com.au or phone 1800 062 058.

See moneysmart.gov.au for tips on paying off your debts including utility and mobile phone bills.

What if you can't pay your mobile phone bill?

Some people can rack up debt on their mobile phones without realising what will happen if they can't pay it off. Just like other bills, any late payments or defaults on your mobile phone bills will affect your credit report. This could make it hard for you to get a loan for a car or house in the future.

Mobile phone cards and plans are covered under Australia's fair trading laws (they are not a credit product). But decisions you make before you get a phone can help you stay out of trouble with debt.

Before you get a mobile phone or upgrade to a new one:

- ▶ **Think** about how you want to use the phone. Do you want to use it for text messaging, talking or both? How long will you spend on calls?
- ▶ **Work** out what you can afford to pay upfront each month for your phone. This will help you find the best phone and plan for your needs.
- ▶ **Check** out several phones and plans before choosing. Prepaid might suit you (especially if you have kids). It gives you control over how much you spend and won't break the budget.



Case study

David and Carole were delighted with their new home. But four years after buying it, David was made redundant. They began to fall behind in their repayments and got worried that their lender would sell their home to repay the loan.

They approached a broker who advertised that he could help people in arrears on their loans. By the time he refinanced their loan, they were over three months and more than \$5,000 overdue on repayments.

The broker and the new lender charged them over \$30,000 in fees and costs to refinance. David and Carole soon discovered that they were paying a higher interest rate on the new loan (9.95% instead of 7%) and that the repayments were \$500 a month higher than on their previous loan. Within 12 months of refinancing, they had to sell their home.

Because of the refinancing, they owned even less of their home than before. Altogether, they ended up over \$90,000 worse off after refinancing.



Consolidating loans or refinancing

If you have a problem managing your repayments, rolling all your loans together into a single loan can sound like a good idea.

'Consolidating' or refinancing your loans can work for some people, but for others it may be only a short-term fix, especially if you can't meet the repayments on your new loan. There will usually be extra fees or charges to pay as well.

If you're having long-term problems trying to repay your home loan, try to come to some arrangement with your existing lender through negotiation or by applying for a hardship variation (see pages 36 and 37).

If this isn't possible, you may be better off taking the hard decision to sell your home so you have some money left over after repaying your debts to start again.

Otherwise you could pay substantial fees to refinance and still end up having to sell your home, with less money left over after the sale.

Find out more



Use the mortgage calculator or the personal loan calculator at moneysmart.gov.au to help you work out whether a new loan would be better for you.

If you're thinking of consolidating your loans or refinancing, always check that the credit provider or broker you're dealing with is licensed with ASIC at moneysmart.gov.au.

Get advice from a free financial counsellor, your local community legal centre or Legal Aid office (especially if you've been contacted by a debt collector). Go to moneysmart.gov.au for a list of free services or phone ASIC's Infoline on 1300 300 630.



Step 5

Get help if you can't pay your debts

'A lot of people come to us who've never had financial problems before. It makes a real difference to have someone to talk to. We can give practical help, like helping people work out a budget or a repayment plan for their debts.' **Jan** (financial counsellor)



At some point in your life, you might be struggling to make ends meet because of unemployment, ill health, economic conditions or a relationship breakdown.

Perhaps this is the first time you've run into trouble with your family finances or small business. You might not know what to do if you can't pay your bills or meet your repayments, or where to go for help.

It's important to act quickly if your debts are getting out of control. Contact your credit provider without delay – payment options are usually available to help in a wide range of circumstances.

There are other places you can go for free help. For example, a financial counsellor may be able to help you work out how to prioritise your debts.

Find out more



Contact your service provider if you're having trouble paying a water, phone, gas or electricity bill. Most companies have 'hardship' officers who can help you work out a plan to pay the bill in instalments. If the provider won't help you, you can complain to one of the ombudsman schemes (see 'To find out more' on page 46).

If you're eligible for Centrelink payments, talk with them about whether you can get any financial assistance such as an advance payment: go to humanservices.gov.au or phone 132 850.

If you're finding it hard to cope with financial worries or other problems, contact beyondblue.org.au or phone 1300 224 636. Go to moneysmart.gov.au for information about other support services.

Talking with your credit provider

If you can't keep up with repayments on a credit card or loan (including a home loan), talk with your credit provider straight away.

Many credit providers will try to help you if you can't make repayments because of illness, unemployment, or other financial difficulties. It's important to contact them as soon as possible.

They will assess your situation and, in consultation with you, work out what kind of help is available. You can ask your credit provider to change your contract in a number of ways.

With negotiation, you have a wide range of options, from temporary assistance (for example, short-term payment proposals) to longer-term flexible arrangements.

You should ask for what will work best for you, keeping in mind that you still need to repay the loan.

If you can't come to some agreement with your credit provider, ask them to review their decision if you think it's unfair. If you are still unhappy with their decision, you can complain to an independent dispute resolution scheme (see page 41).



Case study

Steve and Nicky have two children, aged two and five. Recently Steve's carpentry business has been slow and the family's income has dropped.



For the first time in their lives, Steve and Nicky find themselves with no available cash and have to juggle credit cards to pay their bills.

They've reached the limit on three of their four credit cards and are using the fourth card to make minimum monthly repayments on the other cards, repayments on their home loan and to pay bills.

Steve is confident that business will pick up. In the meantime, they're contacting their credit providers to ask if they can reduce repayments on their credit cards for a short time. They plan to try and keep up with home loan repayments because their mortgage is their most important loan.

Applying for a hardship variation

If you want to repay your debts but can't, and you haven't been able to come to an arrangement with your credit provider through negotiation, you have a legal right to seek a hardship variation.

A hardship variation is a formal process where you ask your credit provider to 'vary' the terms of your loan contract.

Without any change being made to your current interest rate, you can ask them to extend your loan period, so that you make smaller payments over a longer period of time, OR postpone your repayments for an agreed period, OR extend your loan period AND postpone your repayments for an agreed period.

After you apply for a hardship variation, the credit provider must respond to your request in writing within 21 days. If your credit provider refuses your hardship application and you think this is unfair, you can complain to an independent dispute resolution scheme (see page 41).

They can require a credit provider to vary a credit contract if they think it is appropriate given your circumstances.

Free financial counselling

Financial counselling is a free service offered by community organisations, community legal centres and some government agencies. Their focus is always on the needs of their clients and they work without conflict of interest.

A financial counsellor can help you assess your situation and work out a budget. They might help you negotiate repayments with your credit providers, or prepare an application for a hardship variation (see page 37).

They'll talk you through your options and the consequences, including what happens if you go bankrupt or get a debt agreement. They can then help you with any negotiations you might need to make.

For example, financial counsellors can help you deal with debt collectors, eviction from your home, repossession of assets, disconnection of gas, electricity or phone, taxation debts and unpaid fines. They can help you work out if you owe the money claimed and how much.

Free legal advice

Free legal advice is available from community legal centres and Legal Aid offices in each state and territory. They can help you with some of the same things as financial counsellors, including handling disputes with credit providers and debt recovery through the courts.

Find out more



Find out about applying for hardship at moneysmart.gov.au.

To find a free financial counselling service near you, go to moneysmart.gov.au. Or call the National Financial Counselling Hotline on 1800 007 007.

For links to community legal centres and Legal Aid offices around Australia, go to moneysmart.gov.au. You can also go to nationallegalaid.org.



Dealing with debt collectors

A debt collector is a person who collects debts in the course of a business. This could be the credit provider or a debt collection agency acting on their behalf. Sometimes debts are sold and the buyer of the debt will do the collecting.

Debt collectors must follow certain rules. For example, they are not allowed to act in a way that is misleading or deceptive, or unduly harass or coerce you into paying.

If you are worried about the conduct of a debt collector, contact them directly with your concerns.

If the debt is a financial service or product such as a credit card debt, you can make a complaint to the external dispute resolution scheme of which they are a member. If the debt is a non financial service or product, such as a utility or telephone bill, you should contact your relevant state government agency (see 'To find out more' on page 46).

If you've been contacted by a debt collector or received a court notice, you can also get free legal advice from your local community legal centre or Legal Aid office.

In the meantime, keep a written record of all phone calls or visits, including the date and person you spoke to. Don't be pressured into making payments you can't afford.

Debt agreements

A debt agreement is an option under the Bankruptcy Act where you and the people and businesses you owe money to, agree on a compromise about how much you will pay them.

Debt agreements depend on all the parties agreeing to the same solution, which can be difficult to achieve. They are listed on your credit report.

Some companies advertise debt agreements as a way of controlling or consolidating debts, or avoiding bankruptcy. These companies can charge high set-up fees.

Always get advice from a free financial counsellor, your local community legal centre or Legal Aid office before you sign any debt agreement.

What happens if you go bankrupt?

If you think you won't be able to repay your debts, you can apply for bankruptcy.

Bankruptcy releases you from most of the debts you owe when you apply for it and all debt collection activity will stop. But it is a very serious step that can permanently affect whether you can get credit in the future.

After you are declared bankrupt, you are usually classified as bankrupt for three years, and a trustee is appointed to look after your affairs.

Your bankruptcy will be listed on your credit report for seven years and on a publicly-accessible register called the National Personal Insolvency Index for life.

You may have to pay some of your income to the trustee to repay your debts. If you are on a pension or your income is relatively low, you may not have to make repayments.

Centrelink income is generally not affected by bankruptcy, but any other assets you have may be (except for essential household goods and furniture).

Get legal advice before you make any decision. Every person's circumstances are different. What suits one person may not suit another. In making your decision, be realistic about your current situation as well as what you expect to happen in the future.

Find out more



Read our free booklet *Dealing with debt*. Download it at moneysmart.gov.au/publications.

For information about your options under the Bankruptcy Act, visit the Australian Financial Security Authority's website at afsa.gov.au.

Get advice from a free financial counsellor, your local community legal centre or Legal Aid office before you apply for bankruptcy or sign a debt agreement.

For personal support, contact Lifeline 24-hour telephone counselling at lifeline.org.au or phone 131 114. Go to moneysmart.gov.au for information about other support services.



Step 6

Complain if things go wrong

Even with the best intentions, things can go wrong.

If you have a complaint about a credit product or service, talk with your credit provider or broker first. They will have a process for dealing with your complaint.

If you aren't satisfied with their response, you can take your complaint to an independent dispute resolution scheme. These schemes hear complaints for free and are a simple way to resolve disputes without going to court.

How to complain

Explain the problem to your credit provider or broker. Follow their process for dealing with complaints.

Ask which independent dispute resolution scheme your credit provider or broker belongs to. If you aren't satisfied that your problem has been resolved, contact the scheme. They will tell you what to do next.

Complain to ASIC if you think a credit provider or broker has acted unlawfully or in a misleading way.

Lodge a complaint with ASIC online at asic.gov.au or phone ASIC's Infoline on 1300 300 630.

Independent dispute resolution

Licensed credit providers and brokers must belong to an independent dispute resolution scheme that is approved by ASIC. There are currently two schemes approved by ASIC for credit complaints.

Financial Ombudsman Service (FOS)

fos.org.au 1300 780 808

▶ covers complaints where the value of the claim is \$500,000 or less

▶ can award up to \$280,000 in compensation.

Credit Ombudsman Service Limited (COSL)

cosl.com.au 1800 138 422

▶ covers complaints where the value of the claim is \$500,000 or less

▶ can award up to \$280,000 in compensation

Quick tips

Keep these tips in mind when you're shopping around for a credit product. The type of credit product you apply for will depend on what you want the money for and your financial circumstances.

Credit cards or store cards

How they work

You borrow up to a maximum spending limit. You may keep borrowing as long as you make regular minimum repayments and stay below the limit.



You are charged interest on all remaining transactions if you don't pay your full balance each month.

They are best used as a short-term credit option for making smaller purchases.

What to watch out for

- ▶ may charge fees and tend to have higher interest rates than other forms of credit (particularly store cards)
- ▶ interest rates may vary depending on features offered
- ▶ can cost a lot in interest if they are not paid off quickly

Make sure you always

- pay off the balance within the interest-free period (if possible) to avoid paying interest
- even if you can't pay what's owing in full, try to pay off more than the minimum monthly repayment to pay off your balance more quickly and reduce the amount of interest you pay
- set your credit limit at a rate you can comfortably afford
- limit the number of cards you have, especially if you can't pay them off within the interest-free period
- read your statements to check you are charged correctly
- check the limitations of any reward schemes – will the extra costs in fees and/or interest be worth any benefits you might get?



Personal loans (e.g. a car loan)

How they work

You borrow an amount of money which you agree to repay within a certain period of time (usually 12 months to 5 years, but this can vary).

They are typically used for specific purchases such as a car or a holiday. The credit contract will specify the amount borrowed and how you will repay it.



What to watch out for

- ▶ tend to have lower rates of interest than credit cards, but fees can be higher
- ▶ the loan can be 'secured' or 'unsecured'
- ▶ if you take out a 'secured' loan, the lender holds security over one of your assets
- ▶ if you don't make the repayments, the lender can repossess the asset (e.g. a car) and sell it to recover their money

Make sure you always

- organise your loan *before* you go shopping
- as with any credit product, compare prices including interest rates, fees and charges to get the best deal
- know how much interest you'll pay over the life of the loan
- understand what you'll be charged if you can't meet loan repayments
- try to pay the loan off quickly to reduce the interest you have to pay
- contact your lender early if you have trouble meeting loan repayments to discuss your options
- get help from a free financial counsellor or free legal service if you can't pay your debts

Anyone engaging in credit activities (for example, by providing credit or credit assistance to you) must give you either a credit guide (with information such as their licence number, fees and details of your right to complain), or a written notice with details of your right to complain about their activities. If your credit provider or broker doesn't give you a credit guide or written notice, make sure you get one before you go ahead with any credit or loan product.

Find out more at moneysmart.gov.au



If you want to know more about how to compare credit cards, car loans, rent to buy products or home loans visit **moneysmart.gov.au**. MoneySmart also has credit card and loan calculators to help you work out how to pay off your credit cards and loans faster.

Research by the independent consumer group CHOICE can also help you find the right product for your needs. See **choice.com.au**.

Consumer leases or 'rent to buy'

How they work

You hire or buy an item (for example, a fridge or computer) over a certain period of time and make regular payments on the rental or purchase price (for example, each month).

With a consumer lease, you hire the item for an agreed period of time but do not automatically own the item at the end of this period.

With 'rent to buy', you make a commitment to buy the item at the end of the rental period, paying an extra amount of money to finalise your purchase.



What to watch out for

- ▶ you may not have the right to buy the goods – it's at the lender's discretion
- ▶ the terms and conditions of these leases or rental agreements can be complicated
- ▶ you're likely to pay more for the item than if you bought it upfront
- ▶ you may be charged fees and/or penalties if you miss repayments, break the lease or pay it off early

Make sure you always

- ask questions about the terms and conditions of the rental or lease agreement
- if you intend to buy the product, check that you will own it at the end of the agreed period – you may think you're buying something by instalments only to find out you still have to pay more to own it



Home loans or residential investment loans ('mortgages')



How they work

You borrow the money to buy a house. Your lender has security over the property (that is, they can evict you or your tenants or take possession of the house if you fail to make repayments). The loan is usually repaid over 10 to 30 years.

What to watch out for

- ▶ interest rates, features of loans, and fees and charges vary widely so it's important to shop around
- ▶ if you get a loan with a 'variable' interest rate, your repayments may go up if interest rates rise – if interest rates come down, your repayments usually come down (but not always)
- ▶ if you get a loan with a 'fixed' interest rate, the rate is only fixed for a set period (e.g. 3 years) – your repayments will not be affected by interest rate rises, but you won't get the benefit of a drop in interest rates either
- ▶ if you use a mortgage or finance broker, you may pay extra fees, and/or the credit provider may pay a commission to the broker

Make sure you always

- use our budget planner to decide what you can afford to repay (you don't have to take what's offered)
- budget for the higher 'regular' interest rate if you're looking at a loan with an introductory interest rate for the first year or two (a 'honeymoon' period)
- allow for interest rate rises so you're not caught short – you don't want to have to sell your home if you can't meet repayments later on
- if your loan allows, make extra repayments when you can (e.g. if you get a bonus or tax refund)
- check for fees and charges if you're thinking of refinancing
- get independent advice if you're looking at an equity release product (for example, a reverse mortgage)

To find out more

Australian Securities and Investments Commission (ASIC)

ASIC's MoneySmart website has calculators, tools and independent information about credit products and budgeting.

moneysmart.gov.au or phone ASIC's Infoline on 1300 300 630

Australian Competition and Consumer Commission (ACCC)

Information about how businesses should act when selling you goods and services and your rights as a consumer.

acc.gov.au or phone 1300 302 502

Department of Human Services

Information about benefit payments, Centrepay and financial assistance such as advance payments.

humanservices.gov.au or phone 132 850

Credit Ombudsman Service Limited (COSL)

Independent dispute resolution scheme for many members of the non-bank financial services industry.

cosl.com.au or phone 1800 138 422

Energy and water ombudsman services

Advice and conciliation for complaints about these services.

ACT: acat.act.gov.au or phone 02 6207 1740

NSW: ewon.com.au or phone 1800 246 545

NT: ombudsman.nt.gov.au or phone 1800 806 380

QLD: ewoq.com.au or phone 1800 662 837

SA: eios.com.au or phone 1800 665 565

TAS: energyombudsman.tas.gov.au or phone 1800 001 170

VIC: ewov.com.au or phone 1800 500 509

WA: ombudsman.wa.gov.au/energyandwater or phone 1800 754 004

Financial counselling

Free service offered by community organisations, community legal centres and some government agencies.

financialcounsellingaustralia.org.au

or call the National Financial Counselling Hotline during business hours on 1800 007 007



Financial Ombudsman Service (FOS)

Independent dispute resolution scheme for the financial services industry.

fos.org.au or phone 1300 780 808

Australian Financial Security Authority (AFSA)

Information about interim relief measures, debt agreements, personal insolvency agreements and bankruptcy.

afsa.gov.au or phone 1300 364 785

Legal advice

Free legal advice and representation, including for disputes with credit providers.

naclc.org.au or nationallegalaid.org

National Information Centre on Retirement Investments (NICRI)

Up-to-date independent information on retirement investments including equity release products (for example, reverse mortgages).

nicri.org.au or phone 1800 020 110

Office of the Privacy Commissioner

Information about privacy rules that protect personal information, including your credit report, and complaints about credit reporting.

oaic.gov.au or phone 1300 363 992

State and territory fair trading agencies

Information about how businesses should act when selling you goods and services, debt collection, tenancy and other matters.

ACT: ors.act.gov.au or phone 02 6207 3000

NSW: fairtrading.nsw.gov.au or phone 13 32 20

NT: consumeraffairs.nt.gov.au or phone 1800 019 319

QLD: fairtrading.qld.gov.au or phone 13 74 68

SA: cbs.sa.gov.au or phone 13 18 82

TAS: consumer.tas.gov.au or phone 1300 65 44 99

VIC: consumer.vic.gov.au or phone 1300 55 81 81

WA: commerce.wa.gov.au or phone 1300 30 40 54

Telecommunications Industry Ombudsman

Free independent dispute resolution scheme for unresolved complaints about phone or internet services.

tio.com.au or phone 1800 062 058

We welcome your feedback

Email: feedback@moneysmart.gov.au

Post (no stamp required):

ASIC Publications

Feedback

Reply Paid 3451

GIPPSLAND MC VIC 3841



ASIC's MoneySmart website has calculators, tools and tips to help you make smart choices about:

- ▶ Budgeting and saving
- ▶ Borrowing and credit
- ▶ Investing
- ▶ Superannuation and retirement
- ▶ Scams

moneysmart.gov.au

ASIC Infoline: **1300 300 630**



MoneySmartAu



@MoneySmartTeam

Disclaimer

Please note that this is a summary giving you basic information about a particular topic. It does not cover the whole of the relevant law regarding that topic, and it is not a substitute for professional advice.

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