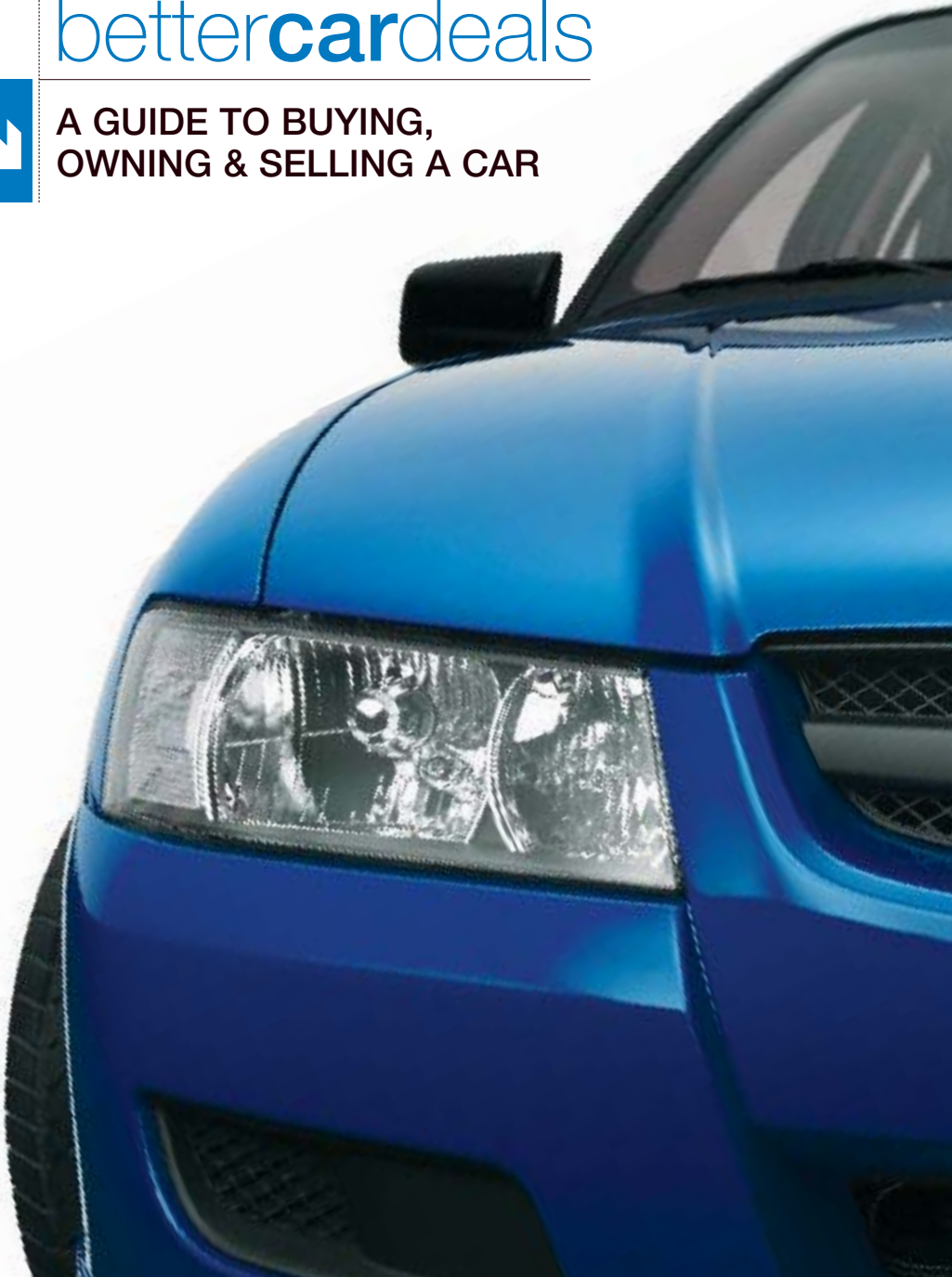




bettercardeals



**A GUIDE TO BUYING,
OWNING & SELLING A CAR**





DISCLAIMER

Because this publication avoids the use of legal language, information about the law may have been summarised or expressed in general statements. This information should not be relied upon as a substitute for professional legal advice or reference to the actual legislation.

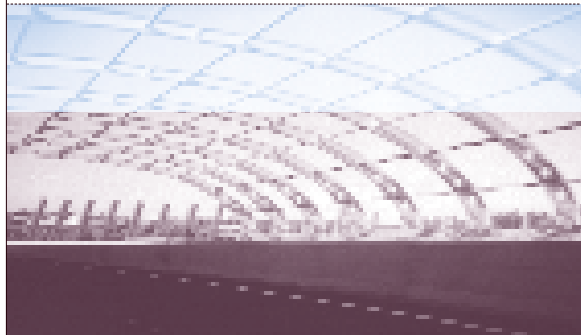
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.01 getting started

When you are beginning your search for a car, the vast array of vehicle makes and models on the market can be overwhelming.

CHOOSING THE RIGHT CAR

Before you set your heart on a particular car, you need to work out if it meets your needs. It is also important to think about the impact that your prospective purchase will have on others.

Ask yourself some basic questions

In order to work out if a car suits your needs, it might be worth asking yourself the following questions:

- + Is it the right price?
- + Is it the right size?
- + Does it have the safety features I need?
- + How much will it cost to service and repair?
- + Does it come with a full service history?
- + Is it fuel efficient?
- + How much will it cost to insure?
- + How much will it depreciate in value?
- + Am I certain that I'm not buying a stolen vehicle?
- + What anti-theft devices are installed in the vehicle?

This guide has been designed to help you answer these questions.

Do some research

When you are beginning your search for a car, the vast array of vehicle makes and models on the market can be overwhelming.

To help narrow the field, compare car prices advertised in newspapers and on the internet. Car magazines can provide detailed information about a vehicle's performance. You can even check out its fuel economy and environmental performance.

It might be worth having a look at the online resources listed below during the course of your research:

Car reviews

www.australiasbestcars.com.au
www.carsales.com.au
www.racv.com.au

Pre-purchase advice and consumer tips

www.vacc.com.au

Safety ratings

www.racv.com.au
www.howsafeisyourcar.com.au

Fuel Economy and emissions

www.deh.gov.au
www.greenvehicleguide.gov.au



to help narrow the field, compare car prices advertised in newspapers and on the internet



.01 getting started

OTHER CONSIDERATIONS

The environment

When we buy and use products and services, we have an impact on our environment. As consumers, there a number of simple things that we can do to reduce the size of our environmental “footprint.” These can include checking the energy efficiency of products

➤ ECOTIP: Do Your Homework!

Choosing the right car and maintaining it regularly can save you money, hassles and reduce your car's impact on the environment.

before you buy them or disposing of packaging responsibly. Acting sustainably can actually save you money – it can be easy to make a difference.

For more information on our environment, sustainability and what we can do as consumers check out:

www.sustainability.vic.gov.au

www.epa.vic.gov.au

www.dse.vic.gov.au

www.deh.gov.au

Probationary licensed drivers

If you are a probationary licence holder, there are restrictions on the types of cars you can drive. It is your responsibility to ensure that the car you want to buy is not a restricted vehicle. For more information on high-powered vehicle restrictions visit www.vicroads.vic.gov.au or phone VicRoads on 13 11 71.

Older drivers

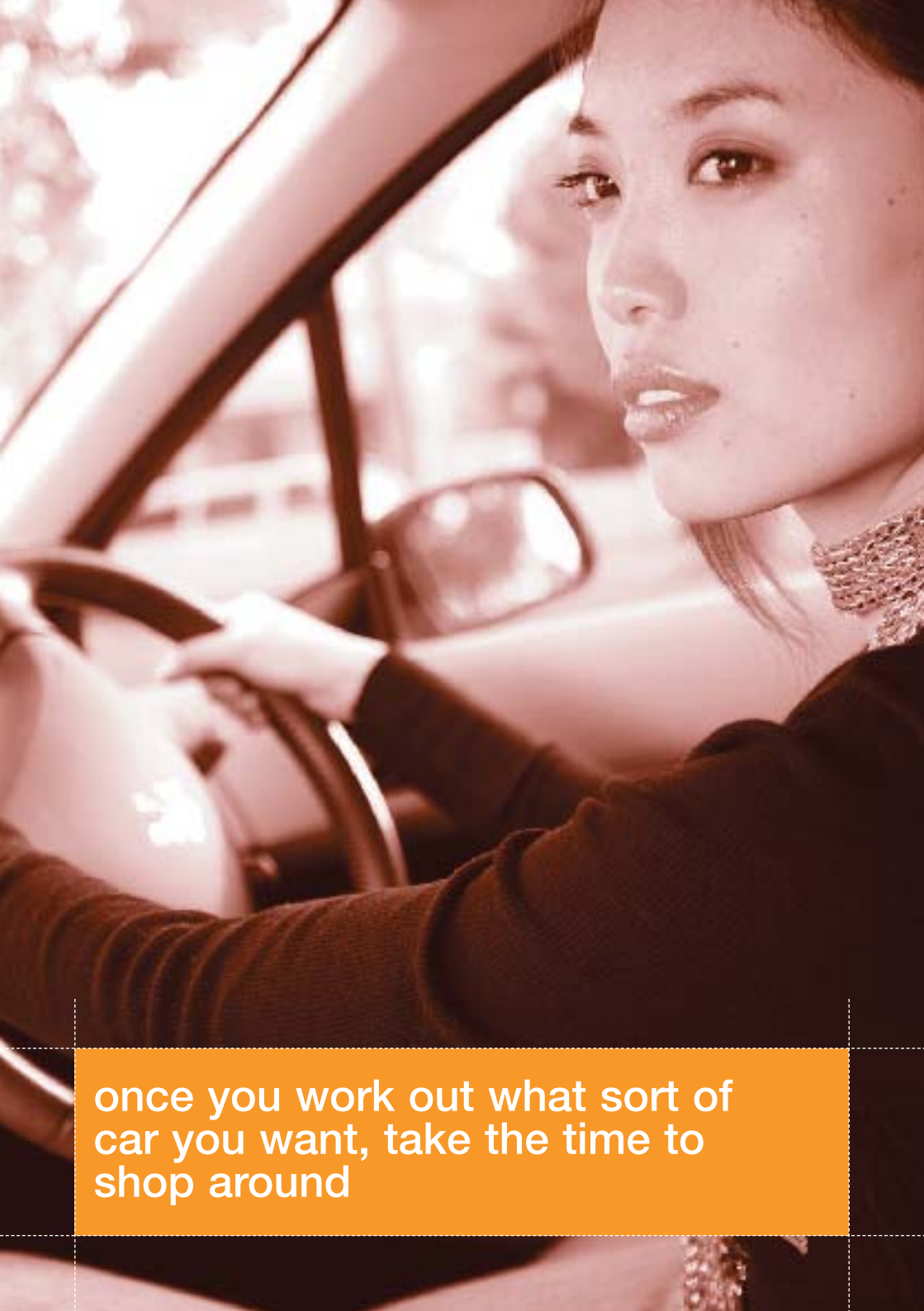
A brochure offering advice on car selection for older drivers is available on the RACV website at www.racv.com.au.

Parents

If you plan to fit a child restraint to your car, you may wish to refer to the RACV website (www.racv.com.au) for information about suitable vehicles.

SHOP AROUND

Do not allow anyone to pressure you into buying a car. Once you work out what sort of car you want, take the time to shop around. Make sure you deal with people you feel comfortable with. Go elsewhere if you have doubts.



once you work out what sort of car you want, take the time to shop around



.02 what you really pay

Some vehicles are more expensive to operate than others. It is therefore worth comparing operating costs of different vehicles before buying a car

Do not forget that owning and operating a car costs money. Expenses such as compulsory charges, depreciation, fuel and servicing need to be budgeted for.

PURCHASE PRICE

Do your homework and know your car prices before negotiating with a seller.

COMPULSORY AND STANDARD CHARGES

The advertised price of a car may not be the bottom line. Unless a “drive away” price has been advertised, additional expenditure is required to get the car on the road. Refer to the list below:

- + Registration fees – \$168.60* (for buyers of new cars) paid when the vehicle is first registered and annually from this date.
- + Transport Accident Commission (TAC) charges – (for buyers of new cars) paid annually as part of the registration process. Fee varies.
- + Number plate fee – \$27.80* (for buyers of new cars and used cars which are sold as unregistered vehicles).
- + Government stamp duty – rates vary and are outlined below:
 - New cars valued at \$35,000 or less – \$5* for every \$200
 - New cars valued at between \$35,001 and \$45,000 – \$8* for every \$200

- New cars valued at \$45,001 and above – \$10* for every \$200
- Used cars – \$8* for every \$200.
(See www.sro.vic.gov.au for more details)

- + Dealer delivery charge – an additional fee for new cars may be charged to cover costs the trader incurs in preparing and delivering the new car.
- + Registration transfer fee – \$29.60* (for buyers of used cars) to transfer registration to the new registered owner.
- + Luxury Car Tax – 25 per cent of the difference between the price of the vehicle and the luxury car tax threshold, which is \$57,009 for the 2005-06 financial year. (See www.ato.gov.au for more details.)
- + Goods and Services Tax (GST) – (for buyers of new cars and used cars) a broad-based tax of 10 per cent on most goods sold or consumed in Australia. Under a range of circumstances, you may be able to claim a GST credit. (See www.ato.gov.au/gst for more details.)

*These VicRoads fees are subject to ‘automatic indexation’, which means certain fees and fines are adjusted each year for inflation to ensure that the value of those fees and fines is maintained. The costs quoted were correct at the time of printing. For the latest VicRoads charges, check www.vicroads.vic.gov.au.



do your homework and know your car prices before negotiating with a seller



.02 what you really pay

If you are buying a used car, you should also consider budgeting for:

- + The cost of a mechanical inspection by an RACV or VACC member or an independent qualified mechanic.
- + The cost of a VicRoads Vehicle Information Package – \$23.50*. This will tell you if the car you are considering buying has been registered as having money owing on it, is stolen, or is a write-off. (Refer to page 26 for details.)

*These VicRoads fees are subject to 'automatic indexation', which means certain fees and fines are adjusted each year for inflation to ensure that the value of those fees and fines is maintained. The costs quoted were correct at the time of printing. For the latest VicRoads charges, check www.vicroads.vic.gov.au.

RUNNING COSTS

Fuel

Some cars are more fuel efficient than others. It therefore pays to compare the fuel consumption rates of different vehicles. Refer to the Australian Greenhouse Office's Green Vehicle Guide (www.greenvehicleguide.gov.au) for more information.

OPERATING COSTS

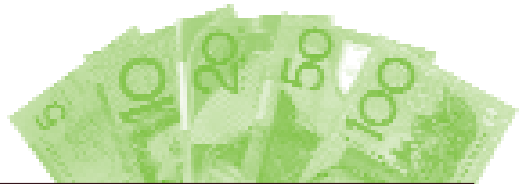
Some vehicles are more expensive to operate than others. It is therefore worth comparing operating costs of different vehicles before buying a car. Refer to RACV's vehicle operating costs survey at www.racv.com.au for more information.

Roadside assistance for breakdowns is also a service that you might like to consider to give you peace of mind.

DEPRECIATION

Depreciation can be the single most expensive cost of owning a car. Some cars depreciate significantly more than others so you should research the depreciation performance of the models you are considering buying. (Refer to RACV's Vehicle Operating Costs Survey at www.racv.com.au for estimated depreciation rate on popular new models.)





Determining the age of a car

A car's age will affect its resale value. It is therefore important to understand that for resale purposes the age of a car is determined by its year of manufacture. This can be verified by examining the date stamped on the car's build plate. The build plate, which can usually be found on the firewall between the engine and passenger compartments, is affixed to a motor vehicle when it is assembled. The date on the build plate should also be printed on the notice of particulars attached to the window of a used car by the motor car trader.

The build date differs from the car's compliance plate date, which confirms that the vehicle complies with Australian design standards for safety and emissions. The date shown on the compliance plate is the date when it was fitted to the vehicle by the importer (for imported cars) or the manufacturer (for locally built cars).

into a contract to buy a car from that person. If your contract is with the broker, then he or she is required to hold a licence. However, the motor car broker may be acting as an intermediary between you and a car trader. In this case it is the trader and not the broker who must hold a licence. If the trader or motor car broker with whom you enter a contract is not licensed, you will have no legal protection under the Motor Car Traders Act.

Also, if you use a motor car broker, be sure to find out how much you will be charged in commission or fees.

CAR INSURANCE

Car insurance protects you against costs and liabilities if you are in a car accident or your vehicle is stolen or vandalised. When budgeting, consider the cost of obtaining at least third party vehicle property insurance.

Remember, you do not have to purchase insurance through a licensed car trader as it may be cheaper to arrange your own. Contact other insurance companies to compare premiums and policy coverage.

Do not forget that premiums differ between vehicle models. Also, insurance may be more expensive for cars bought under finance and for modified and sports cars. You may also pay more if you or someone who drives the car is under the age of 25.

Ensure that your vehicle is insured before you take delivery of it. Read on for more information about the varieties of insurance available to you.

ECOTIP: Take it Smooth

Driving smoothly, avoiding excessive acceleration and braking can reduce wear and tear, fuel consumption and vehicle emissions. In fact, aggressive driving can increase fuel consumption by up to 30%!

With some vehicles, there may be a significant difference between the build date and the date of compliance due to shipping and storage time. The compliance plate may even be fitted in a different year.

MOTOR CAR BROKERS

Motor car brokers usually charge a fee or receive a commission to find a car for you.

If you decide to use a motor car broker, it is important to find out if you will be entering



.02 what you really pay

Comprehensive insurance

Comprehensive insurance offers the greatest protection, covering you against:

- + **fire**
- + **theft**
- + **accident damage to your car, and**
- + **damage to other cars and property.**

If you borrow money to buy a car, your finance company may ask for a copy of your comprehensive insurance certificate.

Third party property insurance

This covers you against damage caused to other cars and property. It does not give you any protection for your car.

If you are considering purchasing this type of insurance, you should also ask for information on “uninsured motorist cover”. This partially protects you against damage to your car to a limited amount if an uninsured driver is at fault. Other conditions may also apply.

Third party property, fire and theft insurance

This is third party property insurance, but with additional cover for damage to your car caused by fire and theft.

What you should check on your policy before signing

Make sure you read your policy booklet and product disclosure statement before signing up for insurance. These documents will specify conditions such as who is allowed to drive the vehicle you are insuring. Other conditions include:

- + **Policy excess** – this refers to the amount of excess you pay each time you make a claim. (The amount may be related to who is driving the vehicle.)
- + **Vehicle value** – this refers to the amount you will be paid if your vehicle is damaged beyond reasonable repair or stolen and never recovered.
- + **Exclusions** – this refers to items the policy does not cover.
- + **Ratings or no-claims discount** – this refers to the numerical rating insurers give their customers. Premiums are charged according to the numerical rating. For example, a “rating one” driver is charged the lowest premium. When you first take out insurance you will probably start on a rating six and your rating will decrease each year you do not make a claim.

Policy cancellation or claim refusal

Your insurer may cancel your policy or refuse your claim if you were under the influence of drugs or alcohol at the time of the incident, or you did not list the following in the duty of disclosure section:

- + **modifications to your car**
- + **your accident history**
- + **prior driving convictions or offences, or**
- + **personal disabilities.**



If you disagree with the cancellation or claim refusal, you should write to your insurer. If you are still not satisfied, you can contact the Insurance Ombudsman Service on **1300 78 08 08**.

LOANS

Finance deals vary significantly. A little research could therefore save you a lot of money. Many car traders can help you arrange finance, but it may be in your best interest to shop around and check rates and fees offered by banks, credit unions and other finance providers. It is important that you make the contract for sale conditional upon finance approval from your preferred financial provider.

What you should understand before you agree to a loan

Read the finance agreement and make sure you understand it. Before you sign on the dotted line, ensure that you are aware of:

- + **all fees and interest rates**
- + **the monthly repayment rates and due dates**
- + **the total amount you will have paid at the end of the loan period, and**
- + **all insurance requirements.**

Know your rights

Credit providers must inform you of your rights and responsibilities before you enter into a credit arrangement with them. The Consumer Credit Code stipulates that credit providers are required to include all relevant information, including interest rates, fees and commission, in a written contract. For more information about the Consumer Credit Code contact Consumer Affairs Victoria on **1300 55 81 81**.

Do not over commit yourself

Do not over commit yourself financially. Budget according to your means and only borrow what you can afford to pay.

How would you pay your loan if you were to lose your job or get too sick to work?

Consumer credit insurance or loan protection insurance can cover you if you are unable to make your loan repayments because of sickness or unemployment. However, this sort of insurance can be expensive.

What if you fail to repay the loan?

The property you put up as security becomes the property of the lender if you are unable to repay a loan. If the car itself is the security, it can be repossessed. It can also be sold for less than you owe. If this happens, you can end up paying the lender the difference.

What if the car is involved in a crash and gets written off?

If the car is in a crash and gets written off, you will still be obliged to pay the balance owing on your loan. Gap or shortfall insurance can cover the difference between the insurance payout and the balance owing on the loan.

Getting help

If you are having trouble repaying your loan, it might be useful to discuss your options with a financial counsellor. The Victorian Government funds free financial counselling services through Consumer Affairs Victoria and the Community Support Fund. For further information, contact the Financial and Consumer Rights Council on **(03) 9663 2000** or toll free on **1800 13 41 39**.



.02 what you really pay

“RENT-TO-BUY” SCHEMES

In a typical rent-to-buy arrangement, you will be offered the option of purchasing the car you are renting. However, it is important to remember that the money you pay, usually in installments, to rent the vehicle does not go towards its purchase price. Depending on the rent-to-buy contract, you will only own the vehicle after you:

- + **conclude all payments**
- + **pay a nominal sum, or**
- + **pay fair market value for the vehicle.**

Rent-to-buy deals may appear attractive if your credit history is poor or you cannot afford to buy a car outright. However, complaints to Consumer Affairs Victoria indicate that the cars on offer as part of rent-to-buy schemes are not always mechanically sound.

In order to avoid problems, familiarise yourself with the contract terms and conditions. Be sure to find out:

- + who will be responsible for paying the car's registration and any mechanical repair or maintenance costs during the rental period
- + if the vehicle registration will be transferred to your name when you purchase the car
- + whether you can terminate the contract and, if so, on what conditions, and
- + the costs payable at the conclusion of the installment payments.

Most importantly, calculate the total price you will pay under the contract as you may not be getting value for money.

You should always consult a financial counsellor or obtain legal advice before you enter into a rent-to-buy contract. Anyone who experiences problems should contact Consumer Affairs Victoria on **1300 55 81 81**.

NOVATED LEASING

Your employer may offer you the option of leasing a vehicle, by effectively sacrificing a portion of your salary. This arrangement is known as a novated lease, which typically lasts three years. At the end of the three-year period, the lease is terminated and the car sold.

When you lease a vehicle, you do not own it. However, you will be responsible for the operating costs incurred during the lease period.

Before you sign on the dotted line, it is important that you understand the terms and conditions of the leasing package.



budget according to your means
and only borrow what you can
afford to pay



.03 buying a new car

While it might give you greater peace of mind to buy a new rather than a used car, the purchasing process is no less complex.

TEST DRIVE

Make sure you take the car you are considering buying for a test drive. A thorough test drive will help you ascertain whether you will be comfortable in the car. It will also enable you to work out if the vehicle suits your needs. It makes sense to test drive a number of cars so that you can make comparisons.

Before you leave the car yard, do not forget to check your legal liability if an accident should occur whilst on your test drive.

DETERMINING THE TRUE AGE OF A NEW CAR

You should be aware that in some cases a new car marketed as a “current model” may have been manufactured in the previous year.

Remember that the age of a car – a factor likely to affect its resale value – is taken from its date of manufacture, not its date of first registration. This date is stamped on a car’s “build plate”, which is attached to the vehicle when it is assembled at the factory.

COMPULSORY CHARGES

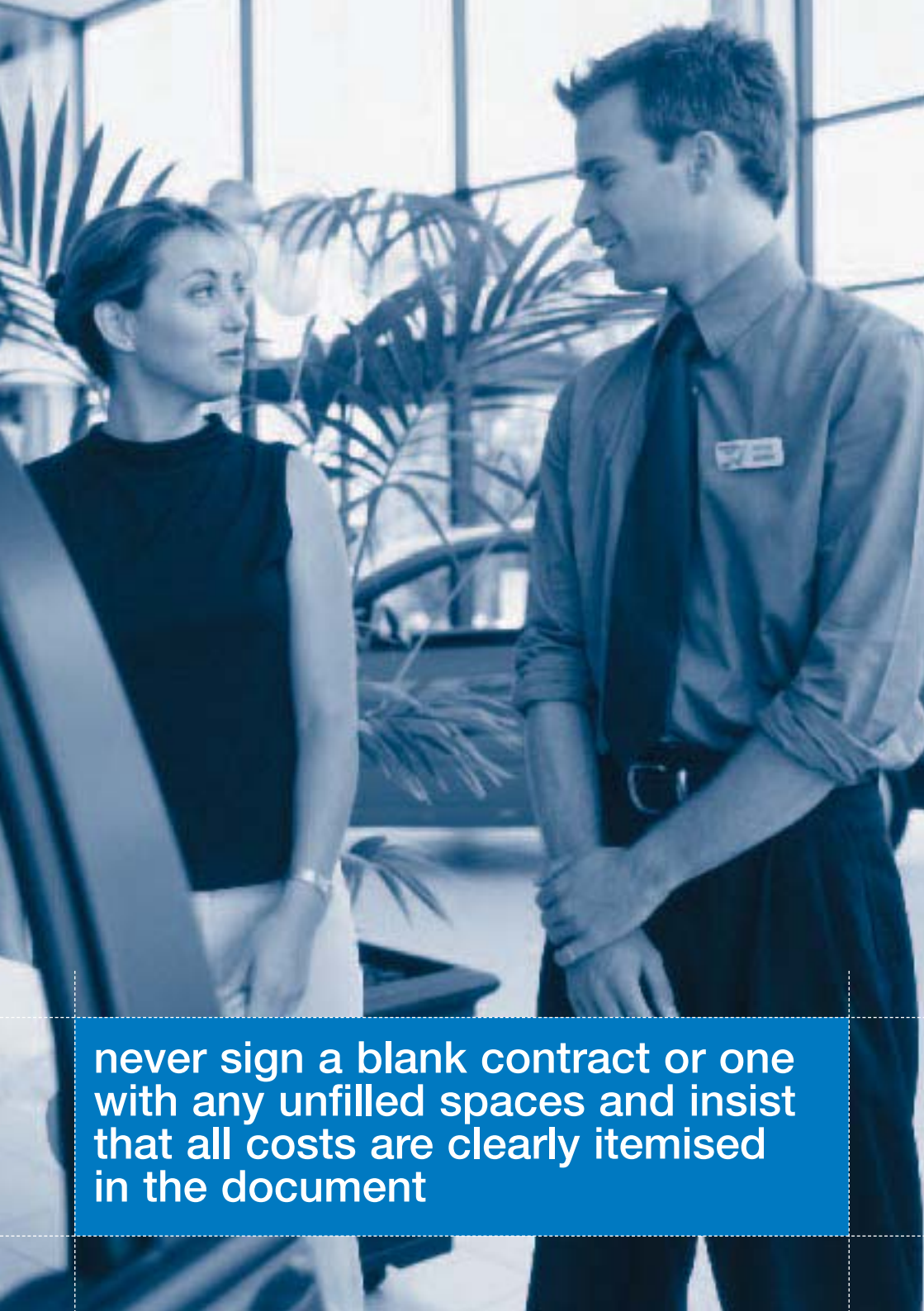
Remember that charges, such as motor vehicle duty and dealer delivery fees, are sometimes added to the advertised price of the car. These charges will be specified in a disclaimer in an advertisement for a vehicle unless the car is advertised at a “drive-away” or “on the road” price. (Refer to page 6 for details.)

OPTIONAL EXTRAS

Before negotiating your deal, work out which optional extras you may want and whether they are worth the additional cost. Often desirable features, such as airbags, are offered as extras. Remember to check with the vehicle manufacturer to find out if the fitting of such items after delivery will affect the warranty.

TRADE-INS

Remain focused on the total cost of swapping your car for the one you are buying. A high trade-in offer for your old car might appear attractive, but the new car price may simply have been increased to cover the difference. Also, ensure you keep your old car until the new one is ready for delivery.



never sign a blank contract or one with any unfilled spaces and insist that all costs are clearly itemised in the document



03 buying a new car

CONTRACT

The agreement for sale is a legally binding contract. Before signing it, make sure you read and understand it. Remember that for new cars there is no “cooling-off period” or time during which you may cancel the contract. Also keep in mind that if you have signed a contract to buy a new car with more than one trader you can be forced to buy more than one car.

Should you get finance before signing?

You are not required to arrange finance before signing the contract. However, make sure that your contract states that the sale is dependent upon you obtaining finance from a specified company. The following wording could be helpful: “this contract is subject to and conditional upon the purchaser being satisfied with finance from (insert the name of your credit provider) by (date)”.

ECOTIP: Protect Your Investment and the Air

Even new cars require regular servicing, which protects your investment, ensures best performance and reduces vehicle emissions.

Alternatively, you can apply for finance and wait for approval before signing. This allows you to shop around knowing exactly how much money you have to spend.

Never sign a blank contract or one with any unfilled spaces and insist that all costs are clearly itemised in the document. Also, do not sign the contract if a delivery date or deadline is not specified as you may have to wait a considerable amount of time for the vehicle. If the dealer is unable to specify a delivery date, the contract should include a date after which you no longer wish to proceed with the purchase. The contract should specify the vehicle’s colour and any other particulars or optional extras. If you want to buy a car that was manufactured in a particular year, then specify that in your contract too.

Unfavourable clauses

Ask your trader to delete any clauses in the contract that could have negative consequences for you. For example, listing the delivery date as “ASAP” (as soon as possible) could mean delivery of the vehicle is delayed so try to get a date specified in the contract.



MANUFACTURER'S WARRANTY

All new cars come with a manufacturer's warranty. It is worth studying the warranty carefully as details, such as the length of the warranty period, vary between vehicle retailers and manufacturers. Identify and have corrected any faults at the first mechanical service that should occur soon after delivery.

If repairs are required during the warranty period, the car should be taken back to your authorised dealer. Qualified independent repairers can undertake servicing without affecting the warranty provided the work is done in accordance with the manufacturer's specifications and genuine parts and lubricants are used.

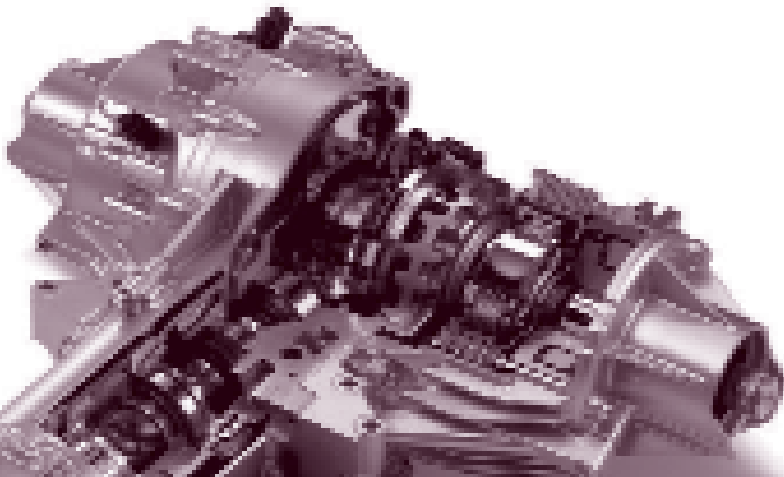
PRE-DELIVERY CHECK

New car dealers will examine the car before you collect it. However, it might also be worth giving the car a once over to check:

- + the bodywork for dents and chips in the paintwork
- + the date the car was built
- + the interior trim for cuts and scratches
- + there is a spare tyre, tool kit and jack
- + the lights and indicators to ensure they work properly
- + the accessories or extras you ordered, and
- + that the features specified in the contract are included.

This check is best done in a well-lit area.

You may also wish to take the car for a test drive with the sales representative to check for mechanical faults. Make a note of any faults that will be fixed at no charge during the car's first service. Ensure the sales representative has signed the note.





.04 buying a used car

Used cars are generally less expensive than new cars, but they may have more problems.

GO FOR A TEST DRIVE

A test drive is a good way to find out if the car you are thinking of buying is the right one for you. Test driving a used car will help you ascertain its condition. It can reveal problems that could prove costly to repair. Take your time and go for a good drive. If there are two regular drivers, both should test drive the car. (See page 32 for what to look out for on a test drive.)

However, before you go, check with the trader or private seller to see if you are covered by their insurance policy. You may run the risk of substantial claims made against you if you have an accident.

ASK TO SEE THE VEHICLE'S SERVICE HISTORY

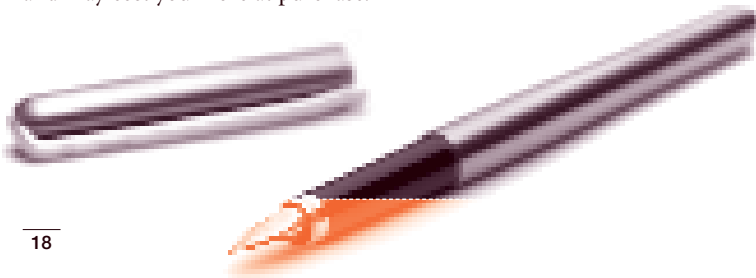
A vehicle that has been serviced regularly by a qualified mechanic according to the manufacturer's specifications is less likely to give you mechanical troubles than one which hasn't. It also gives the new owner valuable clues as to which future servicing operations are necessary, and which aren't (e.g. changing the timing belt). A full service history also potentially adds to the vehicle's resale value, and may cost you more at purchase.

MECHANICAL INSPECTION

If you do not know much about cars, organise to have an RACV, a VACC member or an independent qualified mechanic undertake a professional pre-purchase inspection of the vehicle you are considering buying. If a licensed trader or private seller does not agree to this, do not buy the car. Arrange the inspection before you sign the contract and pay your deposit. (Telephone (03) 9790 2190 for the RACV or see www.vacc.com.au to find your nearest VACC member.)

If it is not possible to arrange an inspection when buying a car from a licensed trader, ensure your contract states the following: "the sale is conditional on the purchaser's satisfaction with an independent inspection report".

If buying from a private seller, remember that you have less protection under the law than if purchasing from a licensed trader. It is therefore important to have the car mechanically inspected before agreeing to purchase it or handing any money over for the vehicle.





test driving a used car will help you ascertain its condition



.05 buying a used car from a licensed trader

The dealer is also required to give you a copy of the notice when you buy a car. Do not forget to sign and keep a copy.

It sometimes costs more to buy a car from a licensed trader than from a private seller, but you will have greater protection under the law. Benefits of using a Licensed Motor Car Trader (LMCT) include:

- + A cooling-off period – or time during which you may cancel a contract – of three clear working days for most sales. (This does not apply to commercial vehicles and motorcycles or new cars.)
- + A three-month/5,000 km statutory warranty if your car is not more than 10 years old and has travelled less than 160,000 km. (This does not apply to commercial vehicles, motorcycles and vehicles bought by body corporates.)
- + Clear title, which certifies that the vehicle is not listed as stolen or written off, and that money is not registered as owing on it.

All licensed car traders are required by law to display an LMCT number. If you have any doubts about whether a trader is licensed, you can check the register of motor car traders at www.bla.vic.gov.au or phone the Business Licensing Authority on **1300 13 54 52**. You can also visit www.vacc.com.au to find a new or used car trader near you.

NOTICE OF PARTICULARS

This important notice should be displayed on the car's rear side window. The notice will tell you:

- + If the car is covered by a statutory warranty.
- + The car's build date, which tells you when the vehicle was manufactured. This date is important as it determines the age of the car.
- + The car's engine number or the serial number on its registration label.
- + The car's model designation which refers to any words, letters or numbers specified by the manufacturer to identify a particular model series.
- + The year in which the vehicle was first registered.
- + The cash price (excluding statutory charges).



it sometimes costs more to buy a car from a licensed trader than from a private seller, but you will have greater protection under the law



.05 buying a used car from a licensed trader

- + The name and address of the previous owner. (It might be wise to contact the previous owner before buying the car. You should ask that person about the vehicle's condition and why he or she is selling it.)
- + The odometer reading. (You can verify by phoning the car's previous owner.)
- + The cooling-off provision – the period of time during which you may cancel your contract.

When you buy a car, you must sign the notice and the trader must provide you with a copy of it.

DEFECT NOTICE

A defect notice should be displayed on the rear side window of the car. It lists any of the vehicle's problems that the trader does not intend to repair. It also provides an estimate of those repair costs. Remember that you will have to pay for any repairs as they are not covered by a statutory warranty. If the notice contains a vague list of defects and does not explain specific problems, do not buy the car.

The dealer is also required to give you a copy of the notice when you buy a car. Do not forget to sign and keep a copy.

Be wary of vehicles displaying defect notices. Keep in mind that if it was not cost-effective for the dealer to fix the problem, undertaking the repairs could be an expensive exercise for you.

TRADE-INS

Remain focused on the total cost of swapping your car for the one you are buying. A high trade-in price might appear attractive, but the price of the car you are buying may simply have been increased to cover the difference. Also, try to keep your old car until the new one is ready for delivery.

AGREEMENT FOR SALE

The "agreement for sale" is a legally binding contract so do not sign it before you are absolutely ready to do so. You may be required to pay a deposit when you sign the contract.

If you cancel the contract during the cooling-off period, the trader is entitled to keep some of your deposit (\$100 or one per cent of the purchase price, whichever is greater).

However, the trader should refund your deposit in full if:

- + the contract is conditional upon the mechanical state of the car and an inspection by a qualified mechanic shows the state of the vehicle is not satisfactory
- + the contract is conditional on getting finance to your satisfaction, and finance is not approved
- + the contract is conditional on gaining approval from another person, and approval is not given
- + any other contract conditions are not fulfilled, or
- + the contract is flawed.



Useful wording for your contract

It might be useful to have the following wording in your agreement for sale: “this sale is subject to and conditional upon the purchaser being satisfied with finance from (insert the name of your credit provider) and being satisfied with an independent mechanical test report by (insert name of tester)”.

WHAT IF YOU CHANGE YOUR MIND?

Most of the time, when you buy from a trader, you have three clear business days (excluding weekends and public holidays) after you sign a contract to change your mind. This is known as a cooling-off period.

If you change your mind, the dealer must be notified in writing. You should confirm with the dealer before the end of the cooling-off period that he or she has received the notification. The dealer is allowed to keep some of the

You can tell if the car you are considering buying is classified as a commercial vehicle by looking at the category code stamped on the compliance plate. Vehicles with category codes of MD, ME, NA, NB or NC on the compliance plate are classified as commercial. The compliance plate can be found on the bulkhead behind the engine.

What if you want to pick up your car immediately?

The trader is not obliged to allow you to pick up the car during the cooling-off period. If the trader does allow you to collect the car immediately, you will be asked to sign a waiver form, thereby losing the protection of the cooling-off period. Remember that the waiver applies only if you take immediate delivery of the car after signing the form.

Remember that unless you sign a waiver form, the trader cannot sell the car you have traded in until after the cooling-off period.

↘ ECOTIP: Reuse and Recycle!

Reusing safe and serviceable parts during repairs is a great way to reduce your motoring “footprint.”

deposit you have paid (\$100 or one per cent of the purchase price, whichever is the larger amount).

However the cooling-off period does not apply if the vehicle is purchased in the name of a company or body corporate or if the car is classified as a commercial vehicle.

If you take the car within the cooling-off period without signing the waiver form and then cancel the contract within the three days, you will have to pay for any damage you cause to the vehicle.



.05 buying a used car from a licensed trader

STATUTORY WARRANTY

What is it?

A licensed car trader must provide a statutory warranty if the car is not more than 10 years old and has travelled less than 160,000 km. Remember that a car's age is determined by the build date stamped on its build plate. A statutory warranty lasts for three months or 5,000 km, whichever occurs first.

Under a statutory warranty, the trader must repair any faults covered by the warranty during the warranty period in order to ensure the car is in a reasonable condition for its age.

Any faults not covered by the statutory warranty must be listed on a defect notice. These faults could be costly to repair so be sure to read the defect notice.

A statutory warranty does not cover the following:

- + any item listed on a defect notice with a reasonable estimate of how much it will cost to repair
- + tyres
- + batteries
- + radios, cassette players, CD players and car aerials
- + telephones
- + non-standard body hardware
- + non-standard rear window demister
- + cigarette lighters
- + clocks
- + light globes
- + tools (other than jacks and wheel braces)
- + sealed beam lights, or
- + wear and tear or damage caused by misuse or negligence.

What if your car needs repairs while under statutory warranty?

If your car needs repairs while under statutory warranty you should contact the trader from whom you bought the vehicle. It is important to remember that if you do not contact the trader before repairs are undertaken, your statutory warranty may become void and you may have to bear the costs. Second-hand parts can be used as long as they are suitable and serviceable. The time it takes to repair your car is added to your warranty period.

If your car is unable to be driven due to a warranty defect, the trader is required to pay any towing costs. However, the trader or repairer is not obliged to provide you with a replacement vehicle while your car is being repaired. If a courtesy car is provided, make sure it is adequately insured.

If a trader cannot be contacted to authorise repairs or refuses to fix a problem, contact Consumer Affairs Victoria on **1300 55 81 81** for advice.

What is not covered by a statutory warranty?

Some vehicles are not covered by statutory warranties. These include:

- + used cars that are more than 10 years old or have travelled more than 160,000 km when sold
- + commercial vehicles including a vehicle with a category code of MD, ME, NA, NB or NC on the compliance plate, which can be found on the bulkhead behind the engine
- + cars bought at public auction, and
- + motorcycles.



EXTENDED WARRANTY

What is it?

An extended warranty may be available, typically at a cost separate to that of the vehicle itself. It protects your car against selected mechanical problems after a statutory or factory warranty has expired. However, extended warranties may require the strict observance of service dates and the use of specified parts. Extended warranties vary so make sure you read the fine print and know what is covered.

What if your car needs repairs while under an extended warranty?

You may have to take your car to an authorised repairer if it needs to be repaired while under an extended warranty. It is worth remembering that if you do not use an authorised repairer, the warranty may become void and you might have to pay for the repairs.

ROADWORTHY CERTIFICATE

If a car is registered, the person selling you the car must provide a current roadworthy certificate. This is a general safety check which is valid for a 30-day period from the date it is issued by a licensed vehicle tester. Never agree to arrange to obtain a roadworthy certificate yourself as the car may have hidden problems which could prove costly to repair. Also do not rely on the roadworthy certificate for an indication of the car's reliability or general condition.

UNREGISTERED CARS

To work out if a car is registered, first check its registration expiry date as shown on the windscreen sticker. To be sure it is not suspended or cancelled, contact VicRoads.

If a car is unregistered or the registration has been cancelled, it will be sold without a roadworthy certificate. You will be responsible for arranging and paying for a new roadworthy certificate, registration and new number plates. For more information about the registration process visit www.vicroads.vic.gov.au or phone VicRoads on **13 11 71**.

If the car is not registered and you want to drive it to a licensed vehicle tester for repairs and testing you will need to purchase an unregistered vehicle permit from VicRoads by calling **13 11 71**.

TRANSFER OF REGISTRATION

The trader will ask you to sign a "vehicle registration transfer form". Before signing the form, make sure all the details on it are correct. The trader will submit the form together with a transfer fee, motor vehicle duty and a roadworthy certificate to VicRoads within 14 days of the date of sale.

It is a good idea to call VicRoads on **13 11 71** about six weeks after you have bought the car to check that it has been transferred into your name. If you do not phone VicRoads, you run the risk of not receiving a renewal notice and of accidentally driving an unregistered car.

ODOMETER READINGS

It is worth looking closely at the condition of the odometer on any used car. You can sometimes tell if a mechanical odometer has been tampered with if the numbers on it are not in an even line. Severe penalties apply for odometer tampering.



06 buying a used car from a private seller

It is important to remember that the name on the registration certificate is not necessarily the name of the owner of the vehicle.

It may be cheaper to purchase a car from a private seller than from a licensed car trader, but if you do so you have less protection under the law. For example:

- + there is no statutory cooling-off period
- + the car is not covered by a statutory warranty, and
- + it is your responsibility to check that the car does not have any registered security interest.

HOW TO AVOID BUYING A STOLEN CAR

If you decide to buy a car from a private seller, you need to ensure the vehicle has not been stolen. Read on for tips on how to avoid buying a stolen vehicle.

Buy a Vehicle Information Package

Obtain a Vehicle Information Package (VIP) from VicRoads. This will tell you whether the car has clear title and if it has been reported as stolen or registered as a wreck. A VIP can be purchased for \$23.50* by phoning **13 11 71** or dropping into a VicRoads office.

You will need to quote the car's registration and vehicle identification or chassis and engine numbers. The Vehicle Identification Number (VIN) is stamped on the compliance plate which is attached to the bulkhead between the engine and the passenger compartment. (Its location is usually listed in the owner's handbook.)

Call the Vehicle Securities Register

An alternative method of ascertaining whether the car you are interested in buying has money owing on it is to phone the Vehicle Securities Register and purchase a certificate of registered interests. You can do this by calling VicRoads on **13 11 71** or **1800 814 762** (when calling from interstate) or online at **www.vicroads.vic.gov.au**.

You will need the following details before you apply:

- + the vehicle's registration number and engine number, and
- + the car's Vehicle Identification Number (VIN) or chassis number, which can be found on the compliance plate that is usually attached to the bulkhead between the engine and the passenger compartments.

You can still contact the Vehicle Securities Register if the car is unregistered or has had its registration cancelled.

You can make a preliminary check by phone, but you must get a copy of the certificate before you are protected against repossession by a credit provider.



never agree to obtain a roadworthy certificate yourself as the car may have hidden problems that could prove costly to repair



06 buying a used car from a private seller

If the car you are considering buying was registered interstate and you want to find out if it has money owing on it, contact VicRoads on **13 11 71** (for all states except for WA and Tasmania). For cars registered in Tasmania call the Vehicle Securities Register on **1300 85 12 25** or visit www.transport.tas.gov.au. For cars registered in Western Australia, call the Register of Encumbered Vehicles **1300 30 40 24** or visit www.docep.wa.gov.au.

WHAT IF THE CERTIFICATE SAYS THERE IS NO REGISTERED INTEREST AND YOU FIND MONEY IS STILL OWED ON THE CAR?

You can apply to the Victorian Civil and Administrative Tribunal (VCAT) for compensation.

A certificate of registered interests may not show if there is a “warrant of seizure” pending from the Sheriff’s Office or if the car is stolen. In this situation, the car could be recovered and you may not be entitled to compensation.

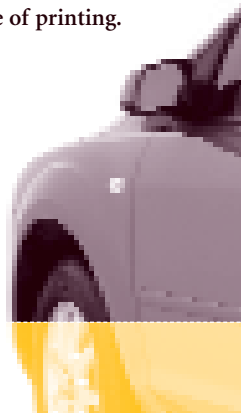
OTHER TIPS ON HOW TO AVOID BUYING A STOLEN VEHICLE

- + Be wary if the seller asks for payment (or a large portion of the payment) in cash.
- + Be suspicious if the seller offers to bring the car to you or is waiting for you outside the address he or she has given you and does not go inside.
- + Be wary if the asking price for a car is significantly under market value for its age, odometer reading and condition.
- + Check that the person selling the car is its owner. Ask that person for some identification, such as a driver’s licence, and check this against the details on the VicRoads VIP and/or the registration certificate.

Make sure the owner’s name, the registration plate, vehicle identification and engine numbers and other details match the information on the VicRoads registration certificate. Check the numbers for yourself rather than relying on information from a previous owner or the registration label. If any of that information does not match, the car may have been stolen.

(It is important to remember that the name on the registration certificate is not necessarily the name of the owner of the vehicle. Also remember that the VicRoads register is not a register of title.)

- + Ensure that the owner’s name, the registration plate and engine numbers have not been tampered with. Scratches, grind marks and drill holes could indicate tampering as welding or repainted surrounding panels.
 - + Make sure the car’s documentation is consistent with the kilometres travelled and the information in the service history section of the owner’s handbook or receipts for work on the vehicle. A phone call to the service centre or repairer to verify the car’s records is a good idea.
 - + Check to see whether the car has been recently re-registered. If it has find out why. Buying an interstate transferred vehicle has also been identified as a high risk area.
- *Costs are current at the time of printing.**





TRANSFER OF REGISTRATION

Once you have bought the car, it needs to be transferred into your name. In order for the transfer to occur, both you and the seller have to sign a “transfer of registration form”. It is important to ensure your driver’s licence numbers and addresses on the form are correct and written clearly. It is your responsibility to send the transfer form and a roadworthy certificate that is not more than 30 days old to VicRoads within 14 days of purchasing the vehicle. It is a good idea to call VicRoads yourself on **13 11 71** six weeks after you have bought the car to check that the transfer has occurred.

ROADWORTHY CERTIFICATE

If the car is registered, the seller is required to provide you with a current roadworthy certificate. A roadworthy certificate is a general safety check conducted by a licensed vehicle tester. It is valid for 30 days from the date of issue. Never agree to obtain a roadworthy certificate yourself as the car may have hidden problems that could prove costly to repair.

UNREGISTERED CARS

If a car is unregistered or the registration has been cancelled, it will be sold without a roadworthy certificate. If this is the case, you will be responsible for arranging and paying for a new roadworthy certificate, registration and registration plates. You may have to apply for an Unregistered Vehicle Permit from VicRoads, which can be used to drive the car under certain circumstances.

For more information about the registration process visit www.vicroads.vic.gov.au or phone VicRoads on **13 11 71**.





.07 buying a used car at auction

If the vehicle is unregistered, you will need an Unregistered Vehicle Permit (available from VicRoads) to drive it.

Buying a car at auction is usually cheaper than purchasing one privately or from a licensed trader. However, it carries more risks and it is best suited to people who know about cars.

If you buy a used car at auction, you will not have a statutory warranty, cooling-off period or roadworthy certificate. However, if you do not buy the car during an auction, but buy it “off the floor”, you are entitled to the usual benefits offered by licensed motor traders. These can include a statutory warranty, a roadworthy certificate if the car is registered and a cooling-off period.

INSPECT THE CAR

Generally the auction house will not let you test drive the car. However, you should inspect the car. (Refer to checklist on page 32.)

BE PREPARED TO MAKE A DOWN-PAYMENT

You should expect to make a down-payment of around 10 per cent or \$500 for the car at the fall of the hammer. Payment is usually in cash or by bank cheque.

YOUR RESPONSIBILITIES


The auction house is responsible for ensuring that no money is owed on the car.

If the vehicle is registered, it is your responsibility to obtain a roadworthy certificate. You must provide VicRoads with your roadworthy certificate within 14 days of purchase in order to complete the transfer of registration.

If the vehicle is unregistered, you will need an Unregistered Vehicle Permit (available from VicRoads) to drive it. You will also need to obtain a roadworthy certificate before the car can be registered.

Transfer of registration

You should be given a receipt and the completed “transfer of registration form” when you buy the car. It is important to ensure your driver’s licence numbers and addresses on the form are written clearly and are correct. It is your responsibility to send the form and a roadworthy certificate that is not more than 30 days old to VicRoads within 14 days of purchasing the vehicle. It is a good idea to call VicRoads on **13 11 71** six weeks after you have bought the car to check that the transfer has occurred.

A row of cars parked in a lot, viewed from a low angle. The cars are slightly out of focus, creating a sense of depth. The image has a teal color overlay. At the bottom, there is a teal rectangular box with white text.

if you buy a used car at auction,
you will not have a statutory
warranty, cooling-off period or
roadworthy certificate



.08 what to check before you buy a used car

A compliance plate must be fitted to all imported and locally manufactured vehicles to confirm that they comply with the Australian design rules.

This basic checklist will help you determine the condition of the car you are considering buying. It will also give you an indication of whether it is worth the asking price.

It pays to be thorough when buying a used car. You should therefore seek advice from an independent mechanic before purchasing the vehicle.

WHAT TO LOOK FOR BEFORE YOU GO ON A TEST DRIVE

Electrics

Check the following to make sure they work properly:

- + parking lights
- + indicators
- + tail lights
- + hazard lights
- + horn
- + dashboard light
- + number plate lights
- + brake lights
- + headlights on low and high beam, and
- + windscreen wipers.

Exterior

- + Check the paintwork for ripples or unevenness which may indicate the car has been in an accident. Loose body panels can also be a sign of accident damage.
- + Check the bonnet, roof and boot lid for hail damage.
- + Do not buy a car at night or when it is raining as you will not be able to see defects clearly.
- + Holes drilled in the car's roof or instrument panel indicates that it may have been a taxi or police car and subject to heavy wear and tear.
- + Check the doors, door sills, body and boot for signs of rust. Be sure to lift the floor and boot mats to check for corrosion, which can be expensive or impossible to repair.

Interior

- + Ensure the seats spring satisfactorily.
- + Make sure the seatbelts are in good condition and the retractors work smoothly.
- + Check to see if accessories like the radio and air-conditioning work.
- + Look at the car's upholstery, trim and carpets for signs of wear and tear.



**seek advice from an independent
mechanic before purchasing
the vehicle**



08 what to check before you buy a used car

Tyres

- + Check the tyres. If they are not worn evenly, the wheels may be unbalanced or incorrectly aligned. Uneven wear might also be a sign of uneven brake action.
- + Make sure the spare tyre is in good condition.
- + Check that the car has a wheel jack and associated tools.

Windows and doors

- + Ensure that windows work properly by winding them all the way up and down.
- + Check to see that doors do not sag or drop on opening.
- + Make sure that all the locks work.
- + Ensure that you do not have to slam the doors to close them. The boot should also close firmly. A car with doors that do not close properly may have been in an accident.

Compliance plate

- + Check the compliance plate. It is generally attached to the bulkhead between the engine and the passenger compartments. A compliance plate must be fitted to all imported and locally manufactured vehicles to confirm that they comply with the Australian design rules. If the plate has been tampered with, do not buy the car.

Battery

- + Check the battery and mounting platform or bracket for acid corrosion.

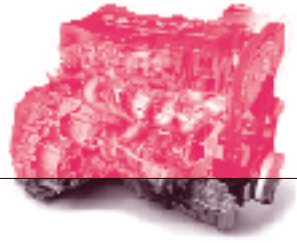
WHAT TO LOOK FOR ON A TEST DRIVE

Engine

- + The engine should idle smoothly. Listen for irregular running, or any knocking or rattling noises as they could be a sign of incorrect tuning or excessive wear.
- + The engine should run smoothly while driving, accelerating, decelerating and cruising.
- + The water temperature gauge should also remain within the “safe” range.
- + Make sure oil is not leaking from the car after a test drive. Pools of oil or water under the car may mean it needs costly repairs.

ECOTIP: Stop Those Leaks!

Fuels, oils, coolants and other automotive chemicals find their way into our stormwater system and waterways. Such leaks can also lead to potential engine damage and costly repairs.



Brakes

- + When safe to do so, stop the car quickly to see if the brakes are working effectively. The car should stop smoothly and in a straight line. The pedal should not sink to the floor or feel too spongy and the steering wheel should not vibrate.

Clutch and gearbox

- + Find a hill on which to stop and start. Any shuddering could indicate clutch or gearbox problems.
- + Make sure gears in a manual car change easily. If force is required to put the car into first gear or reverse, it could have serious problems.
- + Grinding gears is an indication of bad wear.
- + Listen for rumbling or whining noises in an automatic car.
- + Gear changes should be smooth. You should not hear rattles or knocking noises during gear changes.

Steering

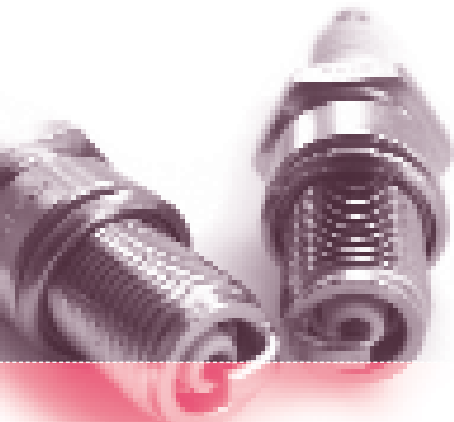
- + If the car does not have power steering, check its responsiveness.
- + The car's steering should not pull. If it wanders excessively on straight roads, it may have worn suspension or misaligned steering.
- + With the vehicle in motion, when the steering wheel in a front-wheel drive car is turned to "full lock", there should be no clicking noises.

Exhaust

- + After starting the engine, accelerate moderately a few times. Blue exhaust smoke indicates engine wear.
- + Get someone to check for smoke while you are driving the car, particularly when you are going up a hill. Lots of smoke suggests major engine problems.
- + Fumes or excessive noise indicates holes or rust in the pipes or mufflers.

Suspension

- + Knocking sounds can be a sign of bad wear in the wheel bearings, king pins or other suspension parts.
- + Loud thumps over bumps or on a rough road usually mean the car's suspension is worn.





.09 selling your car

If you are trading-in your old car, ask the seller to give you the total amount you will pay to leave your car and drive away in another vehicle. After all, that is the only figure that matters.

TRADE-INS

Trading in your car to a dealer for a used or new vehicle can be simpler than selling it privately. You will not have the hassle and expense of trying to find a buyer or having to hold on to your old car for a long period of time.

While a trade-in can be the quickest and least stressful way of selling your old car, there are some drawbacks. The main disadvantage of trading in your old car is that you may not get as much money for it as you would have if you were selling it privately.

If you are trading-in your old car, ask the seller to give you the total amount you will pay to leave your car and drive away in another vehicle. After all, that is the only figure that matters.

PRIVATE SALE

You may get a higher price for your old car if you sell it privately rather than trade it in, but finding a buyer can take some time, effort and advertising expense.

Get an idea of your car's market value by checking prices asked for models in a similar condition. Advertisements on the internet and in newspapers and used car magazines can help you with this.

Once you have determined the car's value, write an ad. The next step is to choose a publication for your advertisement. Some print classifieds also place ads on the internet, which can be useful in reaching more potential customers.

Do not forget that you must provide a roadworthy certificate that is less than 30 days old if you are selling a registered vehicle.

AUCTIONS

You could consider offering your car for sale at a public auction if it is old and in poor condition. You should be aware that an auction house may charge commission for selling your old car.

AUTO PARTS RECYCLER

If your car is in extremely poor condition, you may wish to sell it to an automotive parts recycler. The recycler may be able to pick your car up from your home. A list of VACC accredited recyclers can be found at www.vacc.com.au.

TRANSFER OF REGISTRATION

You should ensure the car you sell is out of your name so that you do not incur any of the buyer's fines. Make sure you provide the buyer with a roadworthy certificate that is not more than 30 days old and complete and sign the transfer form.

It is the buyer's responsibility to sign the form and send it to VicRoads within 14 days of purchasing the vehicle. However, if you have any concerns, then you can also notify VicRoads of the transfer in writing. Also enclose a copy of the transfer form.



get an idea of your car's market value by checking prices asked for models in a similar condition



10 keeping your car on the road

Learn how to look for deterioration under the bonnet. Your owner's handbook will help, or ask your repairer to show you what components need checking regularly.

POST-PURCHASE PRECAUTIONS FOR USED CAR BUYERS

Engine coolant and oils

If you are unsure when the used car you are buying was last serviced, it might be wise to change the engine coolant and oils. The fluids may not have been changed for some time and problems could arise if the situation is not rectified.

PREVENTATIVE MAINTENANCE

Once you have bought a car, it becomes your responsibility to keep it in good condition. A simple maintenance routine will go a long way towards extending the life of your car. It will also help you obtain a good price for the vehicle when you sell it.

↘ ECOTIP: Fix it Right!

If servicing your car at home, don't tip used oils or coolants into the stormwater drain. Visit www.sustainability.vic.gov.au for information on free chemical collection services.

Timing belt

You should check to see if the car has a timing belt. If it has, find out when it was last replaced as it has a limited service life and must be changed in accordance with the vehicle manufacturer's schedule.



a simple maintenance routine will go a long way towards extending the life of your car



.10 keeping your car on the road

DAILY CHECKS

Tyres

Walk around your car and check that the tyres have even pressure. Incorrect tyre pressure reduces tyre life and affects fuel consumption. It is best to check the pressure of tyres when they are cool.

You will usually find the recommended tyre pressure for normal driving stamped inside the driver's doorframe or in the owner's handbook. Don't forget to keep the spare tyre inflated as well, and that temporary use spare tyres typically require significantly more air pressure.

Do not forget to check the spare tyre from time to time as well. It should be given higher pressure than those on the road to compensate for pressure loss over time.

Engine

Check that all the gauges and warning lights are working when you start the engine.

Note any symptoms such as sluggish or difficult start-up operation, or any abnormal noises. If unsure of what is causing them, have them checked.

CHECKS TO DO EACH WEEK OR BEFORE A LONG TRIP

Engine

Check oil, engine coolant and battery fluid levels.

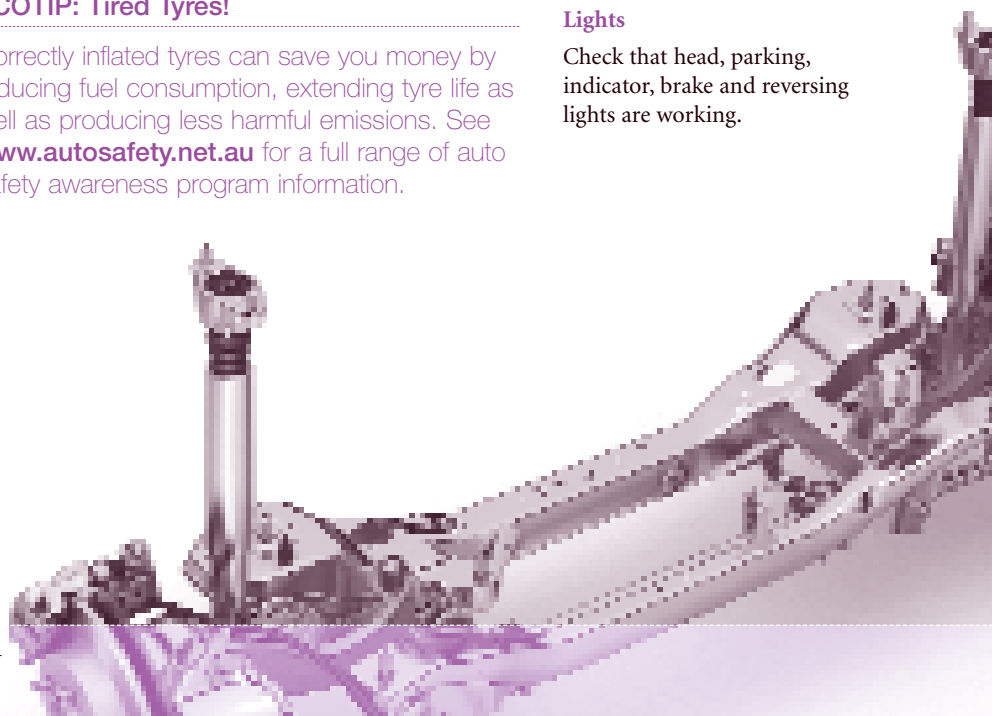
Learn how to look for deterioration under the bonnet. Your owner's handbook will help, or ask your repairer to show you what components need checking regularly.

ECOTIP: Tired Tyres!

Correctly inflated tyres can save you money by reducing fuel consumption, extending tyre life as well as producing less harmful emissions. See www.autosafety.net.au for a full range of auto safety awareness program information.

Lights

Check that head, parking, indicator, brake and reversing lights are working.





OTHER MAINTENANCE TIPS

Cleaning and polishing the car will enhance its appearance and preserve its value. Regular cleaning and polishing will prevent rust and minimise paintwork deterioration.

SERVICING

It pays to have your car serviced regularly to ensure it runs reliably. Regular servicing helps minimise repair costs and emissions.

Your car will receive correct and ongoing maintenance if you follow the manufacturer's service schedule in the owner's handbook. The schedule aims to ensure that no component is neglected and unexpected repairs are reduced. (Refer to next section for more information about servicing.)

EDUCATE YOURSELF ABOUT YOUR CAR

You could save yourself money by enrolling in a short course on basic car maintenance. For a small investment, you could save yourself hundreds of dollars in servicing and

✦ ECOTIP: Clear the Air

EPA Victoria says that regular servicing can reduce vehicle emissions by up to 25%! That is great news for all of us.

repair costs and boost your confidence when buying a car or dealing with repairers. It is still necessary to have your car serviced at regular intervals, but keeping an eye on fluid levels and tyre pressure will enable you to identify problems between services.

✦ ECOTIP: Keep it Clean

Wash your car on a grassed area to prevent dirt, detergent and soapy water entering the stormwater system. Many commercial car wash systems use recycled water – this has multiple benefits for the environment.

UPDATING YOUR DETAILS

You must notify VicRoads within 14 days of changing your residential or postal address. This will ensure important information such as registration renewals reach you. To change your address visit www.vicroads.vic.gov.au and click on "change my address".



11 dealing with repairers

Make it clear to the repairer that you must be called before any repair work for which you have not been quoted starts.

Most cars need to be taken to a repairer at some stage. Here are some tips to help you get the work done satisfactorily.

PROBLEMS COME WITH AGE

Repair costs are likely to increase as the car ages. It is also important to keep in mind that spare parts can become more difficult to obtain as a car ages.

FINDING A REPAIRER

Ask friends and relatives for the names of reputable repairers. Find out if any of the suggested repairers belong to associations, such as the RACV or VACC, whose members must abide by a code of conduct. See

www.vacc.com.au for your nearest VACC Accredited Automobile Repairer.

Make sure staff working for the repairer you choose are qualified and the business has the necessary equipment to do the job. Take a look around the premises before handing your car over. A clean and well-organised workshop signals an efficiently run business.

HELP THE REPAIRER TO FIND THE FAULT

Help the repairer by clearly explaining what is wrong with the car. If necessary, go for a test drive with the repairer so you can point out the problems as they occur.

Remember that diagnosing a car's problems is not always straight forward. Intermittent faults are often difficult to identify. Your repairer may need to keep your car overnight in order to pinpoint a fault. The repairer may also find other faults before starting repairs.

It is important to keep in mind that these problems may not have been included in the original quote.

GET AN ESTIMATE OF COST

Ask for a written estimate before you have any work done. The estimate should detail the repairs that need to be undertaken and the cost of the work, including parts and labour. It should also include details of any agreements or promises and information about warranties on both parts and labour.

It may be appropriate and cheaper to repair your used car with second-hand parts, so find out early on if a used part is a safe option for a repair job.

Be wary of repairers who ask for up-front payment.



help the repairer by clearly
explaining what is wrong with
the car



11

dealing with repairers

BEFORE YOU LEAVE YOUR VEHICLE FOR REPAIRS

After obtaining your estimate, ask the repairer to let you know of any work that needs to be done on the car in the future. This will enable you to develop a maintenance plan.

If somebody else is taking your car to the repairer, ensure that you explain what you want done. Remember, as your agent, that person will bind you to a contract with the repairer. However, it will be your responsibility to pay.

Before you leave, make sure you ask how long the repairs will take.

The repairer is legally required to keep a record of each vehicle that comes in for repair. Therefore, before leaving the vehicle you should be asked to sign a job card or repair order.

WHAT IF SOMETHING ELSE NEEDS TO BE REPAIRED AFTER WORK HAS STARTED?

Make it clear to the repairer that you must be called before any repair work for which you have not authorised starts. Make sure that you are contactable in case you have to authorise extra repairs.

WARRANTIES ON REPAIRS

Remember to ask about the manufacturer's warranty on the parts used and the repairer's warranty on work done. Make sure any warranty details are noted on your invoice.

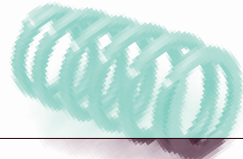
SECOND-HAND PARTS

Second-hand parts may be used if they are the only ones available or advisable to use because of cost. However, second-hand parts should not be used for safety-related items such as seatbelts and brakes.

AFTER THE REPAIRS – KNOW WHERE YOU STAND

The repairer is obliged to give you any of the parts that may have been removed from your vehicle if you ask for them. This does not apply when parts that must be returned to the manufacturer are used. If you want the parts, ask the repairer for them when you leave your car.





PAYMENT

Before you pay, obtain an itemised account listing the repairs that were undertaken and how the costs were calculated.

Obtain a receipt and keep it safe in case of future problems with the repair. A clear record of regular servicing and repairs may add to the resale value of your vehicle.

If you are not able to pay for the repairs and you have not come to any financial arrangement, the repairer has the legal right to keep your car until you can pay. This is called a “repairer’s lien”. In some cases the repairer can also charge a storage fee. Your best option may be to try negotiating payment by regular installments until you have paid off the repairs.

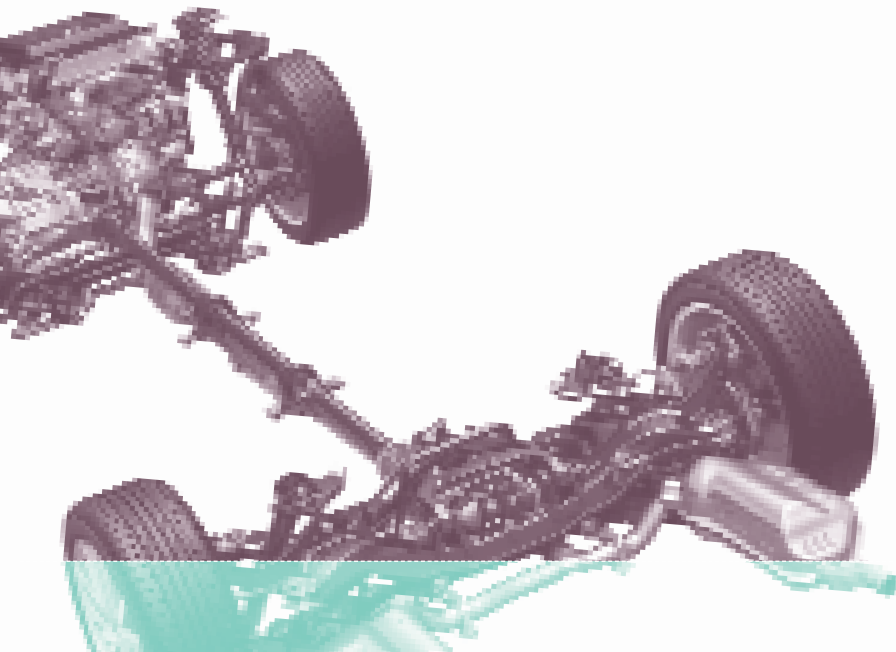
WHAT IF YOU ARE UNHAPPY WITH THE REPAIRS?

Discuss your concerns with the repairer. Make sure you mention the warranty on parts and repairs. Give your repairer a chance to rectify any faults.

If you remain dissatisfied and the repairs were carried out under insurance, contact your insurance company. Otherwise, if the repairer is part of a franchise or affiliated with a recognised body, such as the VACC or RACV, contact the relevant organisation.

It may be necessary to obtain an independent report from a suitably qualified person.

Contact the VACC or the RACV for advice. If you are unsure what to do next, contact Consumer Affairs Victoria on **1300 55 81 81**.





12 dealing with a crash

You are not obliged to have your vehicle towed just because a tow truck turns up at the scene of the crash.

STEP 1

MAKE THE SCENE SAFE

- + Look out for dangers to yourself and others. Make the scene safe and position your car to safeguard the area.

STEP 2

CHECK IF EVERYBODY IS OKAY

- + If somebody is injured or unconscious call **000** to get help.
- + Give assistance where possible and where appropriate.

STEP 3

EXCHANGE DETAILS

- + It is a legal requirement to exchange names and addresses and vehicle registration numbers.
- + Note the time and location of the crash.
- + Do not admit fault, even if you think you are to blame. There may be factors or circumstances surrounding the crash you are unaware of.

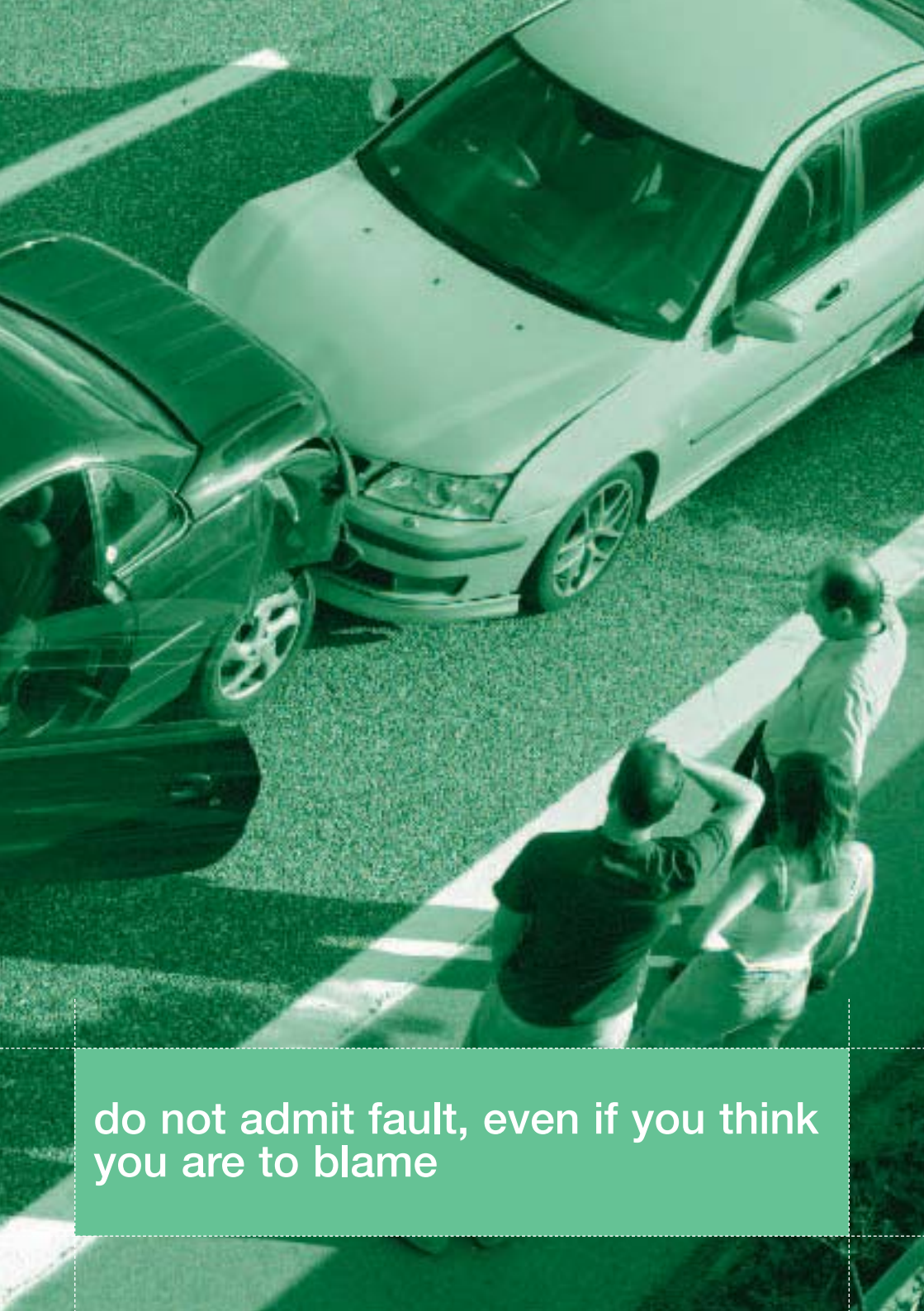
STEP 4

REMOVE THE CAR FROM THE ACCIDENT SCENE

- + If you believe the damage to your vehicle has made it unroadworthy, you should not drive it.

Towing

- + You are not obliged to have your vehicle towed just because a tow truck turns up at the scene of the crash. However, the police may require the vehicle to be towed away if it is in the way of other motorists. Under no circumstances should a car be left where it may endanger road users.
- + If a tow truck is required, contact the Accident Allocation Centre on **131 176** (Melbourne metropolitan area). There are set charges for accident towing.
- + Ensure that the tow truck driver fills out an “authority to tow” docket and provides you with a copy. The destination should appear on the docket. It is important to make sure you understand the charges for the tow.
- + If you are in a country region, more than one tow truck may arrive, but make it clear which towing operator you are authorising to tow your vehicle.
- + Give the tow truck driver clear instructions about where to tow your car.



do not admit fault, even if you think
you are to blame



12 dealing with a crash

- + In most cases, the cost of having your vehicle towed from your home to a repairer of your choice is covered by either your insurance company or the repairer. However, be prepared to pay for the tow immediately.

A tow to home

- + Having your vehicle towed to your residence has some advantages. It gives you time to check your insurance details and shop around for a repairer. It also means you avoid storage charges.

A tow to the repairer

- + If you have a preferred repairer, you can insist that the towing operator tow directly to that business.

A tow to the towing operator

- + Victorian towing operators are legally required to provide secure storage for your vehicle. Although storage charges are minimal, you should ensure you contact your repairer or insurer as soon as possible to avoid storage charges accumulating. Generally insurers will pay for storage.
- + The towing operator will ask you to sign a “standard tow authority” form. Make sure you agree with its terms and conditions.
- + Tell the towing operator that your car should not be repaired without authorisation from you or your insurance company.

STEP 5

ASSESS YOUR SITUATION

- + If you have a preferred repairer, discuss your options with them.
- + If you are insured, carefully read your insurance company’s Product Disclosure Statement. Not all insurance cover is the same and you should familiarise yourself with the insurance product you are purchasing, or have purchased.





13 getting help

VCAT Civil Claims List may settle disputes between purchasers and motor car traders or private sellers relating to the supply of cars.

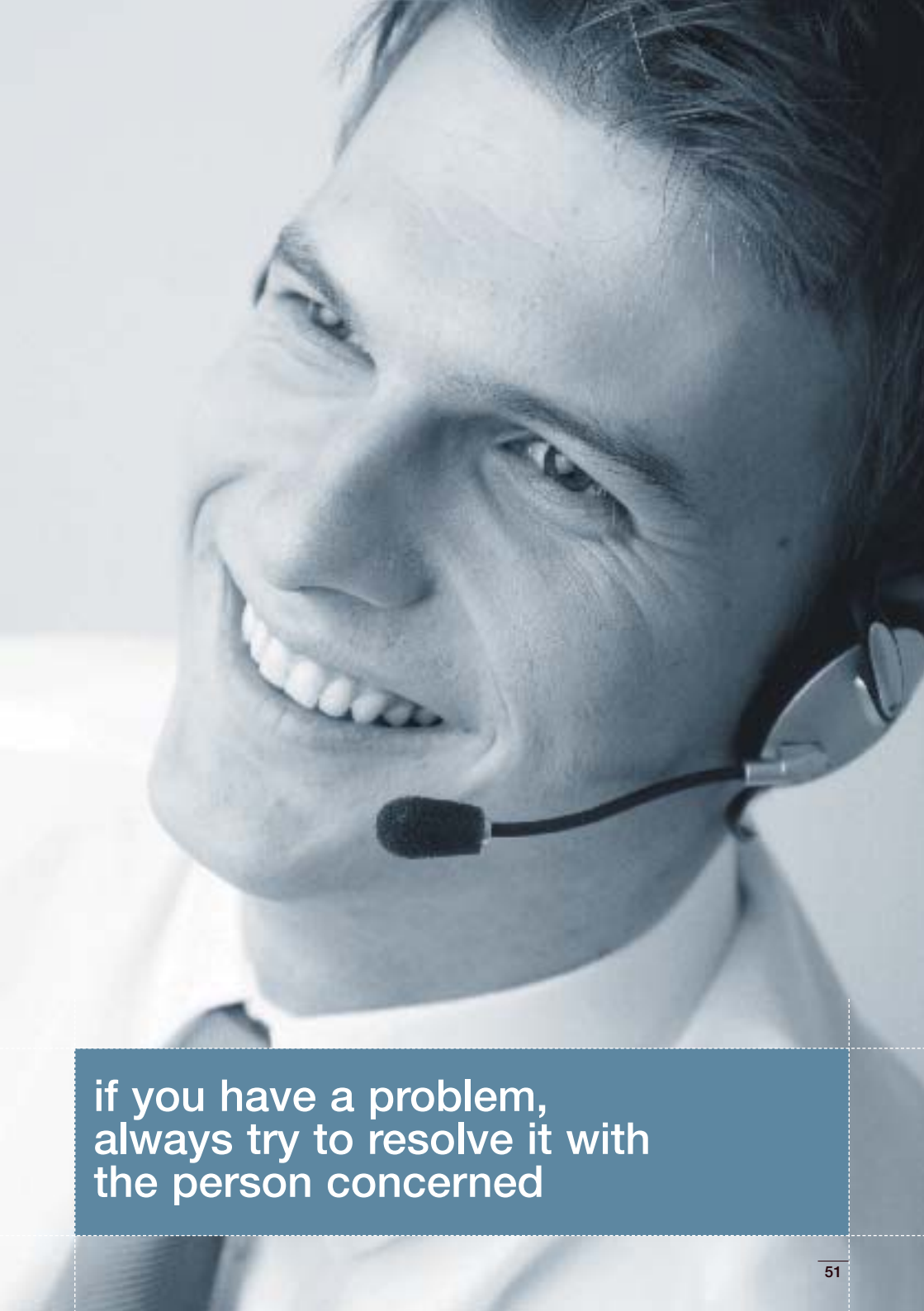
If you have a problem, always try to resolve it with the person concerned. If this fails, contact Consumer Affairs Victoria on **1300 55 81 81**.

Consumer Affairs Victoria may help resolve the matter or provide advice about the suitability of the Victorian Civil and Administrative Tribunal (VCAT) or court resolution.

VCAT Civil Claims List may settle disputes between purchasers and motor car traders or private sellers relating to the supply of cars. Claims may be made under the *Fair Trading Act 1999* and or the *Small Claims Act 1973*. Disputes are a complex area so you should seek legal advice before going to VCAT.

When you suffer a loss in dealing with a licensed car trader, Consumer Affairs Victoria may recommend that you apply to the Motor Car Traders Guarantee Fund for compensation. This would include cases in which the trader:

- + sells a car without clear title
- + has not paid registration fees, transport accident charges, or motor vehicle duty but promised to do so
- + has closed down and a purchaser is unable to have warranty repairs undertaken under the statutory warranty
- + has not paid insurance policy fees but promised to do so, or
- + has not met a court order, an order of VCAT or an order made by the Business Licensing Authority.



**if you have a problem,
always try to resolve it with
the person concerned**



.14 useful contacts

CONSUMER AFFAIRS VICTORIA

Victorian Consumer & Business Centre
113 Exhibition St, Melbourne
Consumer Affairs Helpline: **1300 55 81 81**
www.consumer.vic.gov.au

ROYAL AUTOMOBILE CLUB OF VICTORIA (RACV)

550 Princes Hwy, Noble Park North
Motoring Advisory Line: **9790 2190**
www.racv.com.au

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE (VACC)

464 St Kilda Rd, Melbourne
Consumer enquiries: **(03) 9829 1111**
www.vacc.com.au

VICROADS

60 Denmark St, Kew (administration only)
Enquiries: **13 11 71**
TTY (for hearing impaired) **1300 65 23 21**
www.vicroads.vic.gov.au

FINANCE AND INSURANCE ADVICE

Financial & Consumer Rights Council

Enquiries: **(03) 9663 2000** or
Free call **1800 13 41 39**

Insurance Ombudsman Service

Enquiries: **1300 78 08 08**

ENVIRONMENT & SUSTAINABILITY

EPA Victoria

General Information: **9695 2722**
www.epa.vic.gov.au

Sustainability Victoria

General Information: **8626 8700**
www.sustainability.vic.gov.au

The Green Vehicle Guide

www.greenvehicleguide.gov.au

Fuel Consumption Database

www.greenhouse.gov.au/fuelguide



used car buyer's checklist

Take this basic checklist when you shop for a used car

BEFORE THE TEST DRIVE

Electrics

Do the following work properly?

- parking lights
- tail lights
- horn
- number plate lights
- headlights
- windscreen wipers
- indicators
- hazard lights
- dashboard light
- brake lights

Exterior

Check:

- paintwork for ripples/unevenness
 - exterior for loose body panels
 - for signs of rust in doors/sills/body/floors and boot
- Note: checking cars at night or on rainy days is not recommended*

Interior

Be sure to examine:

- seat springs
- seatbelts
- air-conditioning
- radio
- carpets and upholstery

Tyres

- check the wear of the tyres
- make sure there is at least 5mm of tread
- check the condition of the spare tire
- ensure there is a wheel jack & tools

Windows and doors

- do they wind up and down?
- do the doors sag?
- do all the locks work?

Service history

Ask the seller for information about the service history of the vehicle. It is better if the vehicle has been serviced regularly and a service log kept.

ON THE TEST DRIVE

Engine

- check the engine for rattling, knocking or irregular running while driving
- check that the water temperature gauge remains within the 'safe' range at all times
- check under the car for pools of oil and water when parked

Clutch and gearbox

- check the gearbox by doing a hill start – there should be no shuddering
- if the car is a manual, check that it goes into gear easily and smoothly
- if the car is automatic, make sure the gears do not 'slip' when you accelerate, and that it makes no rumbling or whining noises

Steering

- check that the steering doesn't 'pull' or wander on straight roads
- check that there is no 'clicking' when the car is turned to full lock

Exhaust

- check for blue exhaust smoke when accelerating – it indicates engine wear
- check for fumes and noise in the cabin when driving – there could be holes in the muffler

Suspension

- check for sounds when going over bumps

CONSUMER AFFAIRS VICTORIA

Consumer Helpline: 1300 55 81 81
www.consumer.vic.gov.au

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www.racv.com.au

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE (VACC)

Consumer Advice: (03) 9829 1111
www.vacc.com.au

VICROADS

www.vicroads.vic.gov.au
General Enquiries: 13 11 71

FINANCE AND INSURANCE ADVICE

Financial & Consumer Rights Council:
Enquiries: (03) 9614 5433 or
Free call 1800 134 139

INSURANCE OMBUDSMAN SERVICE

Helpline: 1300 78 08 08

