

# Facts



# Information

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Hotline : 1300 65 44 99



## **Lay-by sales.**

A lay-by sale can be defined as an agreement between a customer and a retailer on the sale of goods, where the purchase price is paid over a fixed period of instalments.

### **The following principles should apply**

- Goods on lay-by must be set aside and stored separately to other goods, and should be clearly identified.
- The seller should keep adequate records including a description of the goods, the date of the transaction, an identification mark or number, the details of the deposit and instalments paid and the customer's address.
- The customer should be given a copy of the agreement which clearly sets out the conditions of the lay-by. This should include the period over which the instalments are to be made; the date by which the lay-by is to be finalised; penalties which may be imposed if the customer is either late making a payment, or wishes to cancel or vary the agreement and when ownership of the goods passes, and who is responsible for insurance.
- The purchase price of the goods on lay-by may not be changed during the lay-by period.
- If the customer fails to meet the terms and conditions, and the lay-by agreement is to be terminated, the customer should be given at least ten (10) days notice, sent by mail to the last address notified by the customer. It is the customer's responsibility to notify changes of address.
- Should the lay-by agreement be terminated as the result of any default by the customer, the retailer may return lay-by goods to stock, and retain a portion of the instalments paid to cover expenses incurred. However, the application of these penalties is dependent upon the customer being advised of such terms or conditions at the time of entering into the agreement.