



A Loan for Christmas?



Currently, there are many advertisements offering same-day loans, pay-day loans and quick loans. However, as a consumer, you need to be cautious in responding to these offers, especially during the Christmas season when they may seem even more attractive, but not everything that glitters is gold. Many of these "deals" are often unrealistic and are being offered by predatory loan companies, which, are not regulated. Many practice over-lending to customers and sometimes impose excessive fees and onerous contract terms which once signed to, the consumer has to honour because it is a private contract. The most common is the requirement to pay a non-refundable processing fee. The loan application is frequently denied, as it is often used by unscrupulous lenders as a means of accumulating funds.

In instances where the loan is approved, consumers are faced with high loan repayments that are burdensome and some are not able to repay. As such, consumers find themselves in a bind when they are unable to make loan payments, and some may even go to other lenders — formal and informal — to get a new loan to repay the old one while accumulating more debt.

The end result in situations like these is that consumers find themselves with payments that exceed their entire income.

If you are seeking a loan for the Christmas season this year, try to approach reputable organisations like banks and credit unions. However, before you do so:

- ♦ **consider the purpose of the loan;**
- ♦ **review the terms and conditions of the loan -including interest (add-on versus reducing balance) and processing fees;**
- ♦ **time period for repayment; and**
- ♦ **other non-interest related charges**

Remember, Christmas is only one day of the year, and we at the CAC want you to enjoy the season. However, be mindful that after Christmas, all the other bills will have to be paid (rent, utilities, transportation, food as well as sending the children back to school).



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Your Credit Report and You

The Credit Reporting Act (the "Act") was passed in 2010 and its Regulations in 2011 (the "Regulations"). This legislation has been in effect as at September 2014, and information about consumers in the Jamaican marketplace is being actively collected to create your credit report.

A credit report contains information about your credit - and some bill payment history - and the status of your credit accounts. This information includes how often you make your payments on time, how much credit you have, how much credit you have available, how much credit you are using, and whether a debt or bill collector is collecting on money you owe. Credit reports can also contain public records such as liens, judgments, and bankruptcies that provide insight into your financial status and obligations.



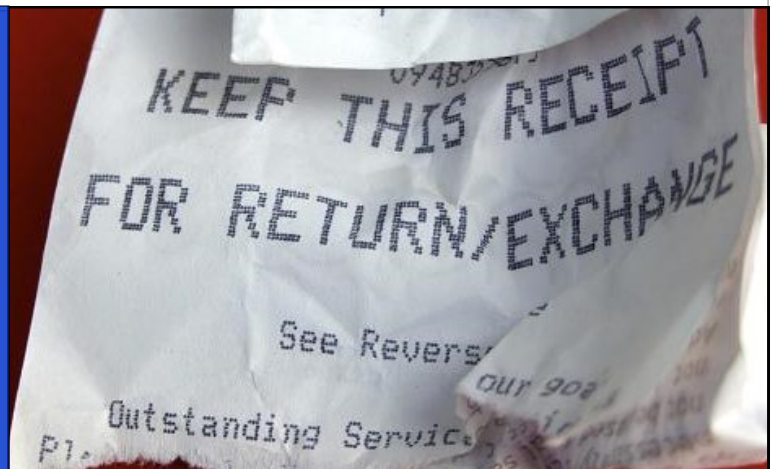
Lenders use these reports to help them decide if they will lend you money and what interest rates they will offer you. Other kinds of companies can purchase reports to help inform them while making a wide range of business decisions such as providing or pricing insurance; renting you a residential property; providing you with cable TV, internet, utility, or telecommunication services; and (if you agree to let them look at your consumer report) making employment decisions about you.

Credit Bureaus compile these reports and to date, two companies, Creditinfo Jamaica Limited and CRIF NM Credit Assure Limited have been issued licences under the Act.

As a consumer, you can request your own report from the credit bureau and this will outline all information about you that is in the credit bureau's possession. This includes the name and address of every entity to which disclosures were made during the six month period immediately preceding the date of your request.

Please note that, as a consumer, you may request your own report without cost, once in each calendar year. Subsequent reports in a calendar year would have to be paid for. It is therefore important that each consumer is aware of this and make every effort to ensure that your financial commitments are paid on time.

**Take charge
of your credit
today!**





How to avoid a scam...



There are a number of signs to look out for:

- ◆ Being contacted out of the blue by telephone, mail or email;
- ◆ The offer is too good to be true;
- ◆ Being asked to pay money up-front or to buy a product in order to claim your prize;
- ◆ If there is a deadline by which you must claim your prize;
- ◆ When contacted, if the person calling is overly familiar and friendly with you;
- ◆ Being notified that you have won a 'prize' but have not knowingly entered any competition;
- ◆ Being asked for your bank account, credit card details or other confidential information; and,
- ◆ Being told that you need to keep the offer a secret. If any of this seems familiar, you may be facing or have faced a scam.

If you have already sent money or provided bank details, please take the following actions:

- ◆ **Do not send any more money;** unfortunately if you have already parted with money it may be very difficult for you to get it back.
- ◆ **Contact your bank, building society or credit card company and close your account** if you have given your details to a third party that you do not know and trust.

Consumer Rights

There are eight (8) basic consumer rights which are based upon the Charter of Rights of the Consumer and the United Nations Guidelines for Consumer Protection to which Jamaica became a signatory in 1985. These are:

- ◆ *The Right to Choose*
- ◆ *The Right to be Informed*
- ◆ *The Right to be Heard*
- ◆ *The Right to Redress*
- ◆ *The Right to the Satisfaction of Basic Needs*
- ◆ *The Right to a Healthy Environment*
- ◆ *The Right to Consumer Education*
- ◆ *The Right to Safety*



Consumer Responsibilities

- ⇒ *Be aware*
- ⇒ *Gather all the information and facts*
- ⇒ *Think Independently*
- ⇒ *Speak Out*
- ⇒ *Complain*
- ⇒ *Be an Ethical Consumer*
- ⇒ *Respect the Environment*



$$1 + 1 = 3$$

SHOPPERS BEWARE!!

Too Good to be True: False or Misleading Advertising

The **Consumer Protection Act, 2005 section 30 subsection 1** states that,

No person shall, in the course of trade or business, in connection with the supply or possible supply of goods or services or with the promotion by any means of the supply or use of goods or services falsely represent that:

- ◆ the goods or services are of a particular kind, standard, quality, grade, quantity, composition, style, or model, or have had a particular history or particular previous use;
- ◆ services are of a particular kind, standard, quality, or quantity, or that they are supplied by any particular person or by any person of a particular trade or business, qualification, or skill;
- ◆ a particular person has agreed to acquire goods or services;
- ◆ goods are new, reconditioned, or that they were manufactured, produced, processed, or reconditioned at a particular time;
- ◆ goods or services have any sponsorship, approval, endorsement, performance characteristics, accessories, uses or benefits; or
- ◆ a person has any sponsorship, approval, endorsement, or affiliation;

(b) make a false or misleading representation:

- ◆ with respect to the price of any goods or services;
- ◆ concerning the need for any goods or services;
- ◆ concerning the existence, exclusion, or effect of a condition, warranty, guarantee, right or remedy; or
- ◆ concerning the place of origin of goods

Any person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine not exceeding one million dollars or imprisonment for a term not exceeding one year or to both such fine and imprisonment.

Remember to:

1. *Read all labels carefully.*
2. *Test all appliances in the store if possible.*
3. *Get a Guarantee or warranty for all appliances.*
4. *Do not sign hire purchase agreements without reading every word.*
5. *When you buy a present—make sure it can be changed if necessary either for another item or cash.*



CHRISTMAS SAFETY TIPS

NEVER leave young children alone with candles, lamps and matches.

DO NOT OVERLOAD electric plugs with too many appliances, or with lights for Christmas trees.

UNPLUG Christmas tree lights when you leave the house.

Redress during the yuletide season and after...

As the yuletide season approaches, many consumers will be making purchases. In so doing however, the Consumer Affairs Commission is urging consumers to use their knowledge wisely, be vigilant and selective when conducting any transaction. Unfortunately, at this time of year in particular, some merchants are so busy that they do not write receipts, or they offer bargains where discounts are given but no receipts provided. However, without a receipt, there is no proof that the item was purchased from a particular establishment or individual. This therefore means that if there is no receipt, the redress is more difficult to obtain.

Regarding the issue of refund and the return of items, it is important that consumers be vigilant and find out the store's policy prior to making a purchase. Signs which state "no refund, no exchange" are in fact illegal as there are provisions under the Consumer Protection Act which allow for items to be returned and a refund obtained in the event that something goes wrong.

On the matter of hire purchase arrangements, it is important that consumers read and understand the terms and conditions of the contract before signing. Although the documents are often long with fine prints, consumers should take the time to read, ask the relevant questions and get clarifications on the areas that are unclear. Remember, once you sign the document, you will be obligated to adhere to the terms and conditions in the contract.



Christmas shopping tips for consumers

- **Be creative** - it is time-consuming but less expensive.
- **Take advantage** of discount stores for novelty, funny gifts.
- **Ensure that** products purchased are of a superior quality, that a warranty is supplied in writing and insist that the delivery date agreed upon is adhered to or seek redress immediately.
- **Be aware** of offers of no down payment, no GCT, and other store promotions which require you to forfeit some rights in order to win or to be eligible for a free gift.
- **Be wary** of store promotions where you are required to leave your receipt in a box. Your receipt is needed in the event that you have to prove ownership of the item if you later request an exchange, refund or repair of the item or service.

CONSUMER RIGHTS





Christmas Recipes

Christmas Cookies

2 1/4 cups sifted all-purpose flour

1/2 teaspoon baking powder

1/4 teaspoon salt

1 cup margarine

3/4 cup sugar

1 egg, unbeaten

1 teaspoon lemon or lime juice

Oven Temperature 400 degrees F

Method

1. Sift together flour, baking powder, and salt onto wax paper.
2. Put butter or margarine and sugar in mixing bowl, and cream until well blended.
3. Add unbeaten egg and lemon extract, and beat until light and fluffy.
4. Stir in sifted dry ingredients and blend thoroughly to make a fairly stiff dough.
5. Put dough in cookie press, and make desired shapes on ungreased baking sheet.
6. Remove cookies immediately from baking sheet to wire rack to cool.

Coconut Ice Cream

Jelly from 1 coconut (not too hard, not too soft)

3 tablespoons granulated sugar

3 tablespoons powdered milk

Approximately 8 ice cubes

Method

1. Blend coconut jelly, sugar and powdered milk.
2. Continue blending and add enough ice cubes until creamy.
3. Serve immediately.

Serves 6

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