

How do exchange cards work?

If you want to buy a gift and you don't know if the person will like it you can get an exchange card when you buy the goods. You can give the exchange card to the person with the present. If they don't like the gift then they can go back to the shop and exchange it for something that they like better.

Exchange cards usually have an expiry date, make sure that there will still be time after the person has received the gift for them to return it.

Can a shop have a 'no refunds' sign?

Signs that just say 'no refunds' are illegal because they mislead consumers about their rights under the Consumer Guarantees Act.

Misleading consumers about their rights breaches the Fair Trading Act. It is legal for a shop to say: "Choose carefully as we do not refund if you change your mind. If the goods are faulty we will meet our obligations under the Consumer Guarantees Act."

What are my rights under the Consumer Guarantees Act?

Under the Consumer Guarantees Act you have the right to a remedy from a trader if the goods or services are not an acceptable quality. For more information about this see our booklets "Your Consumer Rights (Goods)" and "Your Consumer Rights (Services)".

Want more information or help?

For more information about your consumer rights visit www.consumeraffairs.govt.nz or contact your local Citizens Advice Bureau.

Contact details of your local Citizen's Advice Bureau are in the White Pages or online at www.cab.org.nz. You can call 0800 FOR CAB (0800 367 222).

You can get free legal advice from a community law centre. Contact details are in the White Pages or online at www.communitylaw.org.nz.

Contact details of a local Budget Advice Service are in the White Pages or online at www.familybudgeting.org.nz. Or call 0508 BUDGETLINE (0508 283438) to talk with a trained budget adviser.

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This factsheet should not be used as a substitute for specialist legal advice.

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REFUNDS – CHANGING YOUR MIND

CONSUMER FACTS



MINISTRY OF CONSUMER AFFAIRS
MANATŪ KAIHOKOHOKO



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New Zealand Government

You don't actually have the right to return goods for a refund if you just change your mind and decide you don't want them.

A shop doesn't have to give you a refund if:

- › you decide you don't want the goods
- › you find the same thing cheaper elsewhere
- › you bought something for someone else that they don't like or already have
- › you bought clothes that don't fit
- › you bought something that doesn't match what you already have.

But they do have to give a refund if they told you that you could get one.

Return policies

Some shops have a 'change of mind' return policy. The terms of these return policies are decided by the shop owner.

What do return policies usually cover?

The terms and conditions of return policies usually say:

- › you have a limited time to return the goods.
- › goods can be exchanged for other goods or a credit note
- › proof of purchase is required – this could be a receipt or maybe even an eftpos or credit card statement that identifies what was purchased.

What about chain stores and franchises

A chain of stores with the same owner will usually have the same return policy, but if it is a franchise then each owner may be able to make their own return policy.

If you aren't sure, then ask the store about their return policy before you buy the goods.

Do they have to follow their return policy?

If the shop told you about their return policy before you bought the goods then this is part of your contract with them and they must follow the policy.

Can they change their return policy for goods 'on special'?

Shops may choose not to include items on special or on sale in their refund policy. But they must not mislead you to think that the refund policy does apply. Usually this means putting up a sign to say "no change of mind refunds on sale items".

What if the shop doesn't have a return policy?

You can ask the shop about being able to return goods if they are not suitable. For example, you might find some cushions you like but you are not sure if they will match your couch.

Before you buy you can ask if you can return them if they aren't suitable, or get the goods on cash approval. If this is not the shop's usual policy, then get the agreement in writing when you buy the goods.

If you are buying a gift for others, see if you can get an exchange card.

What is cash approval?

Cash approval is a service that some shops offer. It means you can take the goods home but you don't have to commit to buying them.

How it usually works is you pay the shop for the goods but the shop agrees not to bank the payment yet. You usually have 24 hours to bring the goods back.

If you return the goods then they must be in the same condition as they were in the shop. If you return them damaged then the shop can make you pay for the damage, or insist that you buy the goods.

If you do not return the goods then the shop banks your payment. You now own the goods.