

# Contract Checklist

**A contract can be a written or verbal agreement. Sometimes contracts can be called other names, such as service agreements. Every time you buy goods or services, you are forming a contract which gives certain rights and responsibilities to you and the trader. For example, you enter a contract when buying a house, car, TV, lounge or making other everyday purchases.**

## Contract rules

Each contract comes with terms and conditions which are the 'rules' that you and the trader are agreeing to. They set out how the contract should work. Terms and conditions may cover things such as deposits, cancellation fees, refunds, warranties, delivery details and when payments are due.

## Get it in writing

If you are buying something that will cost you a lot of money, it is always better for you and the seller if the contract is in writing, as it will be easier to prove if you have any problems later.

Always keep a copy of your contract in a safe place, including invoices, dockets or receipts. You may need them if you want to return, repair or exchange goods.

## Be sure about signing

Remember, it is important to read the contract fully before signing. NEVER sign a blank contract. If you are not sure about any of the details in the contract, talk about them and your rights with an independent person - family, friend, community worker or legal adviser. If you do sign, you will be bound by the terms and conditions of the contract.

## Checklist

- Are all your details and the trader's details correct?  
Does the business have an Australian Business Number?
- Are there any blank spaces in the contract?  
If so, fill them in or draw a line through them.

### Purchase details

Are all the details of the purchase correct including:

- product or service (as discussed with the trader)
- dates (delivery, completion, installation or payment dates)
- product serial or identification number (if applicable)
- total costs involved
- any additional requests that you may want added
- total period of the contract.

### Cancellation clause

- Is there a cancellation clause?
- Is there a cancellation charge?
- Can the trader refuse your request for cancellation?

#### TAKE YOUR TIME:

don't feel pressured into signing something you are unsure about.

## Cooling-off period

- Is there a cooling-off period if you change your mind?
- How long does it last?
- Do you qualify for the cooling-off period?
- What do you have to do if you want to cancel the contract during the cooling-off period?

## Ownership

- Will you own the goods at the end of the contract?
- If not, what do you have to do when the contract is over, if you want to own the goods?

## Warranty

- Is there any warranty information in the contract?
- What do you do if something goes wrong with the goods?
- If goods are faulty and need to be repaired, do you send them to the trader or repairer and how should you do this?

## The deal

- Can you take a copy of the contract away and think about it/discuss it with someone independent? If not, insist on it.
- Are all verbal agreements now written into the contract and initialed?

## Dates

- When does the contract start?
- When does it finish?
- When do the repayments start?

## Money

- How much will it cost in total?
- What are the costs monthly/fortnightly/weekly?
- Can you afford the payments?
- How will you make the payments (eg. Cash, Bpay, direct debit, cheque)?
- Are there any fees and charges?
- Are there any penalties for late payments?
- What happens if you can't make the payments?

### **IMPORTANT:**

If the information isn't correct, tell the trader and ask them to draw up a new contract or correct it and make sure you both initial the changes.

**If you have any questions about contracts, call NSW Fair Trading on 13 32 20  
or visit [www.fairtrading.nsw.gov.au](http://www.fairtrading.nsw.gov.au)**

**You can also speak to LawAccess NSW for free legal help on 1300 888 529.**

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