



# MEDIA RELEASE

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## VCAT ORDERS SPRUIKER OF COMPUTER GAMBLING SOFTWARE TO REFUND CONSUMER

Consumer Action Law Centre (**Consumer Action**) has today succeeded in obtaining a refund from a spruiker of computer gambling software at the Victorian Civil and Administrative Tribunal (the **Tribunal**).

Reliance Investment Services Pty Ltd, a company based in Queensland which sells computerised gambling software under the guise of an investment product, was ordered to refund a Coburg resident \$6,215 within 30 days.

In making his decision, Tribunal Member Roland Price found that Reliance's salespeople had breached the *Fair Trading Act 1999* (Vic) by making false and misleading statements about the profits the consumer would receive, which induced the consumer to enter the contract.

Reliance had told the consumer that he would receive a profit of 20% on his investment and would recover the amount he paid within 55 days. The Tribunal member described the statements as grossly exaggerated and found that the consumer had suffered considerably higher losses over a 12 month period.

The Tribunal member also said that Reliance could not rely on a term in the contract which stated that "representations made by Reliance salespeople do not form part of the contract". Consumer Action had alleged that this term was an unfair contract term and should be voided.

"This is not only a good win for our client, but a win for all consumers who are misled by spruikers of computer gambling software", said Consumer Action Law Centre lawyer Lauren Walker.

Consumer Action will shortly be issuing proceedings against another company selling computerised gambling software and warned consumers that such systems are high-risk products.

"Promotional material commonly introduces computer gambling systems as an investment, when they are really just gambling. They are by nature very high risk and consumers should be wary of claims of high returns and immediate profits", said Ms Walker.

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