



Telecommunications
Industry
Ombudsman

How we can help with complaints about sales

Guidance Document

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Who is this document for?

This document is for anyone who wants to understand how the TIO approaches complaints about sales. It's designed to help consumers, representatives, and members of the scheme understand our work process and our expectations.

Whether you're making a complaint or responding to one, this guide explains how we work towards fair and consistent outcomes.

1. Common types of complaints involving sales

The following is a list of common sales complaints we can help with. This list does not cover all complaints, and we encourage all parties to contact us to find out if we can help with the complaint or concern.



1.1 Promises and pressure

- Promises not kept
- Pressured into buying products
- Misleading sales tactics
- Taking advantage of vulnerable consumers
- Inappropriate sales to under 18s



1.2 Information not shared

- Not told about internal or external credit checks
- No mention of early termination charges
- Inadequate credit assessments
- Product features not explained



1.3 Changing agreements

- Charged more than agreed to
- Providers changed contracts after sales

2. How we handle complaints

When handling complaints about sales, we uphold fair procedures and practices in all aspects of our work. We engage with all parties in a clear, independent and transparent way. We seek to build trust and collaboration through our engagement with all parties.

The following examples show how we may resolve cases. The examples are guides only. What is fair and reasonable depends on the individual circumstances of each complaint.

2.1 Promises and pressure

Consumers complain about providers making promises at points of sale that they don't keep. These promises may be about products that providers promise and cannot deliver. People also complain to us about pressure from sales staff to buy things they don't need, such as new phones and devices, or things that they can't afford but were told would be free.

Another common complaint is about providers selling them faulty or products not suitable for their needs.

Promises not kept

We expect providers to sell responsibly to all people over the age of 18. This means giving consumers' clear, accessible and complete information about products and services set out in Critical Information Summaries before they decide to buy.

Where consumers tell us providers made promises they can't keep, we ask providers to show us what they told consumers at the point of sale. We ask them for interaction notes or call recordings and Critical Information Summaries. We assess this information against consumers' understanding of what they bought and if the products work as described.

Where providers offer 'free' services that consumers later have to pay for, we expect providers to explicitly tell consumers about how long products are 'free' for. We may ask providers to show us they told consumers about this.

This helps us decide what fair and reasonable resolutions might be in the individual circumstances of each complaint.

Pressure to buy

We expect providers to treat all consumers fairly. This means training staff to respond to consumers' telecommunications needs with appropriate products and keeping staff up to date with current product knowledge.

We expect providers to recognise when consumers are unsure and suggest they take time to discuss offers with others.

Where consumers tell us they were pressured into buying products they didn't need, we ask providers for interaction notes or call recordings and Critical Information Summaries to show what providers told them at points of sale.

We assess this information against what consumers said they need. This helps us decide if the products meet the needs of consumers and what might be fair and reasonable ways to resolve complaints.

We expect providers to train staff to recognise and appropriately engage with consumers experiencing disability, domestic and family violence, illness, language difficulty, low levels of literacy or numeracy and vulnerability. This is so providers can responsibly help consumers choose products that suit their individual needs.

Where consumers or their representatives complain about being taken advantage of by sales staff, we ask providers for interaction notes or call recordings to show what providers told them at points of sale. We assess this information against the individual circumstances of each consumer. When dealing with events that are undocumented, we will assess and consider, on balance, what is more likely than not to have occurred.

Solutions

If we find products don't match the promises providers made at points of sale, we may ask providers to take them back, refund the costs, apologise and release consumers from associated contracts. We may also ask providers to offer consumers alternative products.

If we find providers pressured consumers into buying goods and services they don't need or if we find providers say products are 'free' but later need to be paid for and consumers cannot afford them, we may ask providers to take them back, apologise and replace them with products that meet their needs.

Where there are differences in cost between the original products and replacements, we may ask providers to refund those costs.

If we find providers took advantage of consumers, we may ask them to take back products, refund the costs, apologise and release consumers from any associated contracts. We may also suggest that the training and coaching be provided to those involved.

We may also ask providers to compensate consumers for selling irresponsibly and the impact this had on them. Amounts of compensation depend on the individual circumstances of each complaint.

Case study: Reindeer got the math wrong when it told Sami she'd save \$500 over two years

Sami and their sister went to a Reindeer store a few days after their seventeenth birthday. They told staff what they were paying each month for their mobile service and asked if they had anything better. Staff checked their plan and said if they upgrade the plan to \$90 per month, they could save \$500 over two years. Sami asked what the catch was. Reindeer staff said there was no catch and asked if they wanted to sign up. Sami thought it made sense and signed up.

On their way home, Sami used the calculator on their phone to check the numbers. Sami asked their sister to check the numbers again. They didn't match what Reindeer staff told them: there was no saving at all.

At home, Sami called the Reindeer store and said Reindeer had lied to them. They went through the calculations and staff agreed there was no saving, then said they'd signed the contract so there was nothing it could do: they had to pay the early termination charges of \$700. Sami said Reindeer had not told them anything about early termination charges.

Sami emailed the Reindeer regional manager and got no response. They complained on Reindeer's website and got no response. Then they complained to us.

We asked Reindeer for the Critical Information Summary and interaction notes. We asked Reindeer how Sami might have saved \$500 over two years. Reindeer said staff are good with people but aren't always good with numbers; it was a mistake.

We asked why Sami should pay for Reindeer's mistake, why it emailed them the Critical Information Summary after they signed up and left the store and why Reindeer sold to someone under 18. We also asked why the interaction notes show no discussion of early termination charges.

Reindeer asked Sami what they wanted to resolve the complaint. Sami said they wanted release from contract without paying early termination charges.

Reindeer agreed to Sami's resolution and helped them take their number to another provider.

2.2 Information not shared at points of sale

Consumers complain providers didn't tell them they'd check their credit scores, and this would show as credit enquiries on their credit reports. They also complain providers did not tell them about early termination charges, which they only find when they cancel a service.

Credit checks

We expect providers to speak with consumers about affordability, ongoing costs and the terms of agreements. We also expect providers meet their legal obligations to assess consumers' capacity to pay.

When consumers apply for credit, providers must check consumers' external credit reports to make sure they can afford the products they want to buy, and check they are not in debt.

When providers do this, they must tell consumers they will check their credit reports, but they do not need consumers' permission to do so. The check and the amount of credit consumers apply for are recorded on credit reports. These are called credit enquiries.

In handling complaints about credit enquiries, we ask providers for call recordings, contract or Critical Information Summaries and interaction notes. We may also ask for statements from sales representatives. We ask providers to show us they told consumers they would make credit enquiries.

Providers may also check consumers' payment history. Where they find missed payments, providers may refuse credit to consumers. In dealing with complaints about internal checks of payment histories, we ask providers to show they notified consumers about missed payments and how they responded to this as a sign of potential financial hardship.

We expect providers to contact consumers who have missed payments and ask if they are experiencing financial hardship. Where consumers say they are experiencing financial hardship, we expect providers to offer them help in line with their financial hardship policies and regulatory obligations.

In handling these complaints, we ask providers to show us they shared their financial hardship policies with affected consumers and what help they offered them. We use this information to assess whether providers took appropriate steps to deal with financial hardship and whether they followed their own policies and met their obligations.

Early termination charges

We expect providers to speak with consumers about what happens when they cancel services, particularly where consumers have contracts for phones or other devices over long periods.

We may ask providers for contracts and Critical Information Summaries, as well as interaction notes and call recordings. We use this information to assess if providers told consumers what happens if they cancel.

Where early termination charges may impact consumers experiencing financial hardship, we may ask providers to arrange payment suited to consumers' individual circumstances. We may also ask providers to offer them alternative plans and services that may reduce

consumers' costs. Where appropriate, we may ask providers to waive some or all the charges.

Solutions

If we find providers did not tell consumers they will check their credit reports we may ask them to apologise and, where appropriate, have credit enquiries removed.

If we find providers did not respond early and proactively to signs of financial hardship, such as missed payments, we may ask them to share their financial hardship policies with consumers and offer them payment arrangements that suit their individual circumstances. We may ask providers to waive some or all charges, depending on the individual circumstances of consumers.

If we find providers did not tell consumers about early termination charges, we may ask them to offer consumers payment arrangements that suit their individual circumstances or release consumers from contract without cost.

If we find providers did tell consumers about early termination charges, we may ask both parties to share the costs, where appropriate.

Case study: Earthfone refused Shirley a phone upgrade because she missed a payment

Shirley had an 18-month-old mobile phone on a 24-month contract with Earthfone. She also paid for its More service, which let her upgrade to a new phone once a year. Tired of her old phone, Shirley called Earthfone to use More to upgrade. Shirley said Earthfone then told her she'd failed its internal credit check as she missed a payment so could not upgrade. Shirley said she always pays on time by direct debit from her bank account and no one told her about a missed payment. Earthfone said it couldn't upgrade her phone until her account showed she paid on time for six more months. Shirley asked for evidence of the missed payment. Earthfone told her to talk to her bank about it and it could do nothing more.

Shirley complained to us.

We asked Earthfone and Shirley to show us their agreement for direct debit and other information they had to support their versions of events. Shirley gave us a bank statement showing regular monthly debits over the last year. Earthfone sent us a screenshot from its system showing a failed payment from a credit card in Shirley's name two months ago. We shared the information with both parties.

Shirley said the charges are direct debited from her bank account, not her credit card. We asked Earthfone to confirm this with a copy of the direct debit agreement and records of her account. The agreement showed the direct debit was made from her bank account. However, the account records showed that two months ago Earthfone debited her card instead and the debit failed.

We asked Earthfone to show us it told Shirley about the missed payment and tell us why it debited her credit card. Earthfone realised its mistake and apologised to Shirley.

To resolve the complaint, Earthfone offered Shirley the upgrade to a new phone and credited her account \$200 for the inconvenience she suffered because of its mistake. Shirley accepted the offer.

We asked Earthfone to correct Shirley's payment history.

3. Laws, Codes and relevant information

The laws, codes and relevant information below are what we will consider in complaints about sales.

- [Australian Consumer Law](#)
- [Consumer vulnerability: expectations for the telecommunications industry](#)
- [Unfair Business Practices](#)
- [Telecommunications Act 1997](#)
- [Telecommunications Consumer Protections Code 2019](#)
- [Telecommunications \(Consumer Complaints Handling\) Industry Standard 2018](#)
- [TIO Terms of Reference 2025](#)

TIO Good Industry Practice

Our Good Industry Practice Guide for Sales sets out what we think is good industry practice for complaints about sales under these headings:

- Clear information about goods and services before sales
- Train their staff to responsibly sell goods and services
- Support consumers after sales.

Please see the [TIO Good Industry Practice Guide for Sales](#).