

PUBLIC WARNING NOTICE

Luxury car hire services supplied by Melbourne Luxury Car Hire Pty Ltd

I, Simon Cohen, the Director of Consumer Affairs Victoria, issue this public warning under Section 228 of the *Australian Consumer Law and Fair Trading Act 2012* to consumers regarding the alleged conduct of Melbourne Luxury Car Hire Pty Ltd (ACN: 618 438 743) (Melbourne Luxury Car Hire).



Melbourne Luxury Car Hire leases high-performance and luxury vehicles to consumers. It is located at 87 Queensbridge St Southbank, and has the website www.melbourneluxurycarhire.com.au.

I have a number of concerns about this company, including the high number of contacts received about them, and the level of consumer detriment, and therefore believe it is in the public interest to issue this warning.

Melbourne Luxury Care Hire customers have contacted Consumer Affairs Victoria and advised that, before hiring a vehicle, they are required to pay a rental fee, and a 'security deposit' or 'bond' via direct deposit. This security deposit is often substantial, ranging from \$2,000 to \$30,000, depending on the vehicle. The rental agreement indicates that the security deposit will be returned to consumers within 10 business days after the lease period ends.

Car owners who have leased cars to Melbourne Luxury Car Hire have also contacted Consumer Affairs Victoria, to complain they have not received payments.

Between December 2017 and August 2018, we have been contacted 46 times by consumers about Melbourne Luxury Car Hire, including 10 contacts in May and seven in June, alleging that the company either did not return their security deposit in a timely manner, or at all.

These contacts also include car owners who have leased cars to Melbourne Luxury Care Hire, advising that they have not received payments.

Given the high number of recent contacts and the substantial sums of money that consumers say is disputed (being several hundred thousand dollars across the 46 contacts), I am concerned that Melbourne Luxury Car Hire may be:

- acting unfairly in not giving security deposits back to consumers who have hired cars in a timely way, or at all, in cases where consumers are entitled to get their deposits back
- offering rental agreements with unfair contract terms, including terms that:
 - may be considered penalties, and
 - allow only the company to decide whether the rental agreement has been breached
- acting unfairly in not paying lease fees to car owners who have provided cars to the company, in cases where the owners are entitled to those fees.

You should be very cautious before dealing with Melbourne Luxury Car Hire. By doing so, you may:

- be agreeing to unfair contract terms, and
- find it hard to get your security deposit back.

Also, any person leasing cars to Melbourne Luxury Car Hire may not be paid fees they are due.

Anybody concerned about their dealings with Melbourne Luxury Car Hire should contact Consumer Affairs Victoria on 1300 55 81 81.



Simon Cohen

Director, Consumer Affairs Victoria

18 September 2013