

Extended warranties are cash cows for retailers

ROSEMAN from B1

“For example, there is an important distinction between a secondary cardholder who co-signed the original application (and is therefore responsible for the debt) and an authorized user who only has purchasing power on the account,” says Capital One spokesperson Sandra Decarvalho.

“If a primary cardholder passes away, a secondary cardholder can often take over the account along with any loyalty rewards, an option that wouldn’t be available to an authorized user.”

My advice: read the terms and conditions of your loyalty reward points programs. And if you can’t understand them because they’re written in fine-print legalese, call the company to ask what happens to points after a spouse dies.

If you find the points will be forfeited — and not transferred to a



Service plans typically have many fine-print exceptions that a provider can use to deny your claim.

surviving spouse — it would be smart to use them up quickly if you can. Your points may not expire, but life has a habit of expiring when you least expect it.

Appliance annoyance

Suzanne Clune-Taylor asked for help with Sears Canada. She had bought all her major appliances from the retailer, along with extended warranties that promised a re-

bate coupon if she did not make any claims.

“We lived in our house for 25 years and moved last December,” she said. “I called Sears to ask for my rebate coupon, only to be told I had waited too long.

“Sears talked about the payback coupon in bold print on the warranty literature.

“Not clearly visible or mentioned during the sales pitch was the fact that you had 90 days to claim the coupon.”

Another fact downplayed: you had to spend double the amount of the coupon in order to use it.

In a 2014 column, I wrote about a man who was shocked to find he had to spend \$450 at Sears to get a rebate on a three-year TV warranty at \$225.

“I spoke with a call centre supervisor, who could not even point to the exact paragraph in the long warranty,” the man told me. “She

said it was my problem, not hers, to find that paragraph and accept this condition.”

Sears spokesperson Vince Power resolved the complaint in a way that restored the man’s faith in the retailer. Instead of forcing him to spend \$450, Sears agreed to give him a \$150 gift card with no expiry date. “I’m out \$75, but I can take that,” the man said.

Clune-Taylor found a spirit of co-operation after I contacted Sears on her behalf. She received a \$100 gift card (instead of the rebate coupons) and a refund for two remaining years of warranty coverage on two appliances she no longer used.

“When purchasing appliances, you do not see the warranty terms in writing. Instead, you rely on the salesperson’s words,” she said. “If I had been aware of a 90-day time frame, I would have followed up sooner.”

My advice: stores love to sell ex-

tended warranties, which are cash cows for them. Don’t fall for the sales pitch without getting all the details.

“Stores keep 50 per cent or more of what they charge for these contracts,” said Consumer Reports magazine in an extended warranty buying guide last May. “That’s much more than they can make selling products.”

In addition, service plans typically have many fine-print exceptions that a provider can use to deny your claim.

“While a service plan may leave you coming out ahead once in a while,” Consumer Reports advises, “overall you’ll probably save money by avoiding plans and seeking other ways of tackling broken or defective products.”

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Centre helps seniors remain active, social

CENTRE from B1

Its main goals are to provide social and recreational opportunities for people 55 years and older, as well as disabled adults.

Besides the lessons and programs, “safe and affordable” transportation services are offered to seniors to get them to medical appointments, Harmony Hall recreational activities, or anywhere they need to go.

“Even though we live in a big city, seniors can be quite isolated,” says Weston.

“And it’s really important to their health and well-being to be able to remain as active as possible and to stay in their home as long as they can.”

The organization works with more than 900 seniors annually, and has more than 160 volunteers.

One of the best parts of her work is seeing how Harmony Hall programs help keep seniors connected.

“I think friendships are a big part of this,” Weston says.

“We must not forget seniors — they’re very important . . . And our work gives them something to look forward to.”

Where your money goes

- > 75.4 per cent goes to programs and services
- > 20.7 per cent goes to administrative costs
- > 3.5 per cent goes to the amortization of capital assets
- > 0.4 per cent goes to fundraising

What your money can do

- > \$5 buys a senior a hot meal with friends
- > \$50 gives clients coffee, tea and snacks for a week
- > \$500 covers the cost of a local day trip for 45 seniors
- > \$1,200 purchases a carpet-bowling set
- > Visit call-a-service.com



CARLOS OSORIO/TORONTO STAR

“We must not forget seniors,” says Dorene Weston, executive director of Harmony Hall Centre for Seniors/Call-A-Service.

U.S. stocks could affect Canada

STOCKS from B1

But people should remember that while stock markets sank in the wake of the so-called Brexit vote, they also bounced back in the weeks that followed. Those who sold their holdings in the immediate aftermath missed out on the rebound.

“I think that’s because people haven’t figured (Trump) out yet necessarily.”

CHRIS CATLIFF
CEO OF BLUESHORE FINANCIAL

Those who are nervous about the short-term moves on the market may have too much risk in their portfolios. Catliff says the Canadian dollar and peso have rallied when Hillary Clinton, the presidential nominee for the Democrats, has done well in the campaign. Trump, on the other hand, has injected a little more uncertainty into the markets when he performs well, Catliff says.

“I think that’s because people haven’t figured him out yet necessarily,” he says. “He is a bit whimsical in his policy thoughts, they’re not well thought out and he doesn’t really have a guiding ideology maybe like Clinton does.”

Stan Wong, portfolio manager at Scotia Wealth Management, says investors need to remember the U.S. is Canada’s largest trading partner and the largest economy in the world.

“So anything that happens in the U.S., they are the elephant,” he says. “If they move, it’s going to affect us.”

Day off is good time to spend getting finances in order

VAZ-OXDALE from B1

3. Review your bank statements for your accounts and make sure you aren’t paying too much in bank charges.

Are you earning as much as you can on your savings?

If not, look around online at the high-interest-rate options available to earn more money on your hard-earned savings.

4. Review your budget. You should do this at least once a year.

Better yet, twice.

Are you spending what you planned? Have some categories grown over the past few months, necessitating that you trim back elsewhere? Are there expenses that have crept up slowly and are now eating more of your money than you’d imagined? Get out the paring knife.

5. Look over your retirement plan. Don’t have one yet?

Open up a retirement savings plan and start setting aside \$25 a month

for your future.

Make a date (put it in your calendar) to up the amount to \$50 a month because you’ve found a way to trim some money from your nice-to-have expenses.

If you’ve been diligently saving for the future, review your investments and see if you’re happy with the way things are going.

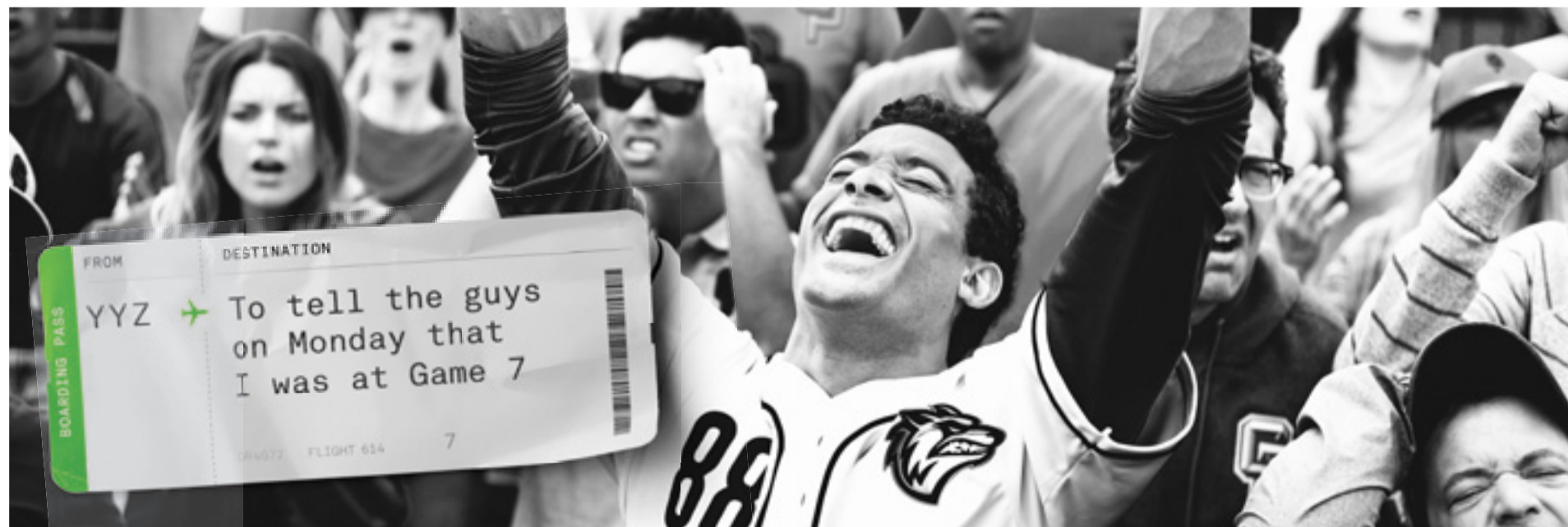
Your Money Day is also the day you put your will and your powers of attorney into place (finally!) and have a visit with your money team

(investment advisor, insurance broker, et. al) to make sure they’re keeping you front and centre in their minds.

Hey, they’re busy too. You have to make sure they’re thinking about you.

Whatever needs tweaking, tweak. And if you’re right on track with where you wanted to be financially, imagine how fabulous you’ll feel at day’s end.

Gail Vaz-Oxdale’s column appears each week in Smart Money.



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