

## New Zealand.



### ANALYSIS.

- |  |  |   |
|--|--|---|
| <p>Title.</p> <p>1. Short Title.</p> <p>2. Finance corporations to be dealers for purposes of section 57 of principal Act.</p> |  | <p>3. Defining rights of Official Assignee in respect of property the subject-matter of a customary hire-purchase agreement.</p> <p>4. Section 24 of principal Act amended.</p> <p>5. Section 26 of principal Act amended</p> |
|--|--|---|

1931, No. 34.

AN ACT to amend the Chattels Transfer Act, 1924.

Title.

[9th November, 1931.]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Chattels Transfer Amendment Act, 1931, and shall be read together with and deemed part of the Chattels Transfer Act, 1924 (hereinafter referred to as the principal Act). Short Title.

2. (1) In this section, unless the context otherwise requires,—

“Customary chattels” means chattels described in the Seventh Schedule to the principal Act or of a description added to that Schedule by Order in Council as provided by the principal Act:

Finance corporations to be dealers for purposes of section 57 of principal Act.

“Finance corporation” means a corporate body engaged in financing transactions in relation to purchases of customary chattels on hire-purchase terms or conditional sale.

(2) A finance corporation shall be deemed for all the purposes of section fifty-seven of the principal Act to be a dealer engaged in the trade or business of selling or disposing of customary chattels, and a deed or agreement of hire-purchase between a finance corporation and a conditional purchaser of a customary chattel in relation to such customary chattel shall for those purposes be deemed to be a customary hire-purchase agreement.

(3) The Money-lenders Act, 1908, except section three thereof, shall have no application in respect of any of the provisions of a

customary hire-purchase agreement or any assignment thereof, whether absolute or by way of mortgage, and, except for the purposes of the said section, a finance corporation shall not in respect of any such agreement or assignment be deemed to be a money-lender within the meaning of that Act.

(4) Customary chattels the property of a wholesale dealer in the possession of a retail dealer for the purposes of sale, hire, or demonstration shall not be deemed to be in the order and disposition of the retail dealer with the consent of the true owner thereof within the meaning of any law relating to bankruptcy or insolvency.

(5) An agreement in relation to customary chattels, made between the manufacturer of or a wholesale dealer in such chattels or a finance corporation and a retail dealer in such chattels, by which possession of the chattels is given to such dealer, shall not be deemed to be a customary hire-purchase agreement.

(6) Subsection five of section fifty-seven of the principal Act shall be read subject to the provisions of section three of the Mercantile Law Act, 1908. For the purposes of the last-mentioned section, a person entitled to the benefit of a customary hire-purchase agreement as assignee or mortgagee shall be deemed to be the true owner of any customary chattels the subject of such hire-purchase agreement.

(7) Section fifty-seven of the principal Act is hereby amended by inserting, after the words "A customary hire-purchase agreement" in subsection three, the words "and any assignment of a customary hire-purchase agreement, whether absolute or by way of mortgage".

(8) Section one hundred and thirty of the Companies Act, 1908, shall not apply in respect of an assignment by way of mortgage, pledge, or charge of a customary hire-purchase agreement.

(9) This section shall be deemed to have come into force on the date of the commencement of the principal Act, save that nothing in this section shall apply with respect to any deed, agreement, or chattel which before or at the date of the passing of this Act has been or is the subject of any action or proceeding in any Court of law.

Defining rights of  
Official Assignee in  
respect of property  
the subject-matter  
of a customary  
hire-purchase  
agreement.

3. (1) Notwithstanding anything to the contrary in section fifty-seven of the principal Act or in any customary hire-purchase agreement (whether executed before or after the passing of this Act), but subject in every case to the provisions of section three of the Mercantile Law Act, 1908, the following provisions shall apply where the purchaser or bailee under a customary hire-purchase agreement is hereafter adjudged bankrupt, or hereafter makes a conveyance or assignment of his property to a trustee or trustees for the benefit of all or any of his creditors.

(2) In any case to which this section applies, the Official Assignee or the trustee or trustees may at any time within one month after the date of the adjudication, or after the date of such conveyance or assignment, as the case may be, on payment or tender to the vendor or bailor of all moneys unpaid under the agreement, whether then due or not, take possession of and deal with the chattels the subject-matter of the agreement as if they were property belonging to or vested in the purchaser or bailee and were not the subject-matter of a customary hire-purchase agreement :

Provided that the powers conferred by this section on the Official Assignee or on any trustee or trustees shall not be exercised in respect of any chattels unless those chattels are then or within two months before the date of adjudication, or conveyance, or assignment, as the case may be, have been in the possession of the purchaser or bailee.

4. Section twenty-four of the principal Act is hereby amended by adding the following proviso:—

Section 24 of principal Act amended.

“Provided that where an instrument by way of security over any chattels is therein expressed to be given as security for a loan to be expended, in whole or in part, in the purchase of those chattels, the grantor shall be deemed to have acquired the said chattels contemporaneously with the execution of the instrument.”

5. Section twenty-six of the principal Act is hereby amended by adding the following paragraph:—

Section 26 of principal Act amended.

“(c) Tractors, engines, machines, vehicles, implements, and farming plant of every description described in such instrument and used upon or in connection with any land or premises specified in the instrument.”

---