



## ANALYSIS

Title	
1. Short Title and commencement	2. Application of Act extended

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1974, No. 49

**An Act to amend the Hire Purchase Act 1971**

[31 August 1974]

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

**1. Short Title and commencement**—(1) This Act may be cited as the Hire Purchase Amendment Act 1974, and shall be read together with and deemed part of the Hire Purchase Act 1971 (hereinafter referred to as the principal Act).

(2) This Act shall come into force on the 1st day of January 1975.

**2. Application of Act extended**—(1) Section 2 of the principal Act (as amended by section 2 (1) of the Hire Purchase Amendment Act 1972) is hereby amended by adding the following subsections:

“(5) Where it is a condition of any agreement to sell goods at retail that the buyer grant security over the goods to the seller for the whole or part of the purchase price and the property in the goods passes to the buyer subject to that condition, the transaction shall, for the purposes of this Act, be deemed to constitute a hire purchase agreement made at the time when the sale was made.

“(6) Where any person lends money upon the security of any goods that have been bought or are to be bought at retail, the sale and the loan shall, for the purposes of this Act, be deemed to constitute a hire purchase agreement (made at the time of the making of the loan) if—

“(a) The whole or part of the purchase price of the goods is to be paid out of the proceeds of the loan; and

“(b) The loan is—

“(i) Made by the seller of the goods; or

“(ii) Arranged by the seller of the goods and made by a person (not being such seller) who is engaged in the business of lending money or who habitually lends money in the course of his business.

“(7) Where subparagraph (ii) of paragraph (b) of subsection (6) of this section applies the seller of the goods shall be deemed to be a dealer and the person in whose favour the security is granted shall be deemed to be the vendor, except that section 18 of this Act shall apply, with all necessary modifications, as if the seller were the vendor and the person in whose favour the security is granted were the assignee.”

(2) Section 2 of the principal Act (as so amended) is hereby further amended by inserting at the beginning of paragraph (a) of the definition of the term “hire purchase agreement” in subsection (1), before the word “Under”, the words “Subject to subsections (5) and (6) of this section.”.

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This Act is administered in the Department of Justice.

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