



## ANALYSIS

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1994, No. 47

**An Act to amend the Motor Vehicle Securities Act 1989**

[1 July 1994

BE IT ENACTED by the Parliament of New Zealand as follows:

**1. Short Title and commencement**—(1) This Act may be cited as the Motor Vehicle Securities Amendment Act 1994, and shall be read together with and deemed part of the Motor Vehicle Securities Act 1989 (hereinafter referred to as the principal Act).

(2) Except as provided in subsection (3) of this section, this Act shall come into force on the day on which it receives the Royal assent.

(3) Sections 4 to 6 of this Act shall be deemed to have come into force on the 21st day of September 1993.

**2. Interpretation**—(1) Section 2 of the principal Act is hereby amended by inserting, after the definition of the term “debtor”, the following definition:

“‘Dispose’ includes to lease, provide on hire purchase, exchange, or sell.”.

(2) Section 2 of the principal Act is hereby further amended by inserting, after the definition of the term “security interest”, the following definition:

“‘Trade’ means any trade, business, industry, profession, occupation, activity of commerce, or undertaking

relating to the supply or acquisition of motor vehicles.”.

(3) Section 2 of the principal Act is hereby further amended by repealing the definition of the term “wholesaler”, and substituting the following definition:

“‘Wholesaler’ means—

“(a) A person who engages in the business of selling new motor vehicles to dealers, or to other persons who engage in that business; or

“(b) A person who engages in the business of selling secondhand motor vehicles to dealers:”.

**3. Duration of registration**—The principal Act is hereby amended by inserting, after section 8, the following section:

“8A. The registration of a security interest shall continue to have effect, notwithstanding the expiry of the term of the interest, until such time as the debt or other pecuniary obligation is repaid or any other obligation is performed or until the registration is cancelled, whichever is the earlier.”

**4. Reimbursement of secured party by Motor Vehicle Dealers Fidelity Guarantee Fund**—Section 35 of the principal Act is hereby amended by inserting, after subsection (1), the following subsections:

“(1A) Notwithstanding subsection (1) of this section, no claim may be made against the Fund by or on behalf of a secured party in respect of a security interest which is a wholesale finance interest.

“(1B) For the purposes of this section, a wholesale finance interest is an interest which secures or secured money payable, or credit advanced or given, to enable rights of property in, or possession to, or powers over, motor vehicles to be obtained for the purpose of disposing of motor vehicles in trade.”

**5. Reimbursement of secured party in event of dealer with notice of security interest making hire purchase agreement or granting lease**—Section 38 of the principal Act is hereby amended by inserting, after subsection (2), the following subsections:

“(2A) Notwithstanding subsection (2) of this section, no claim may be made against the Fund by or on behalf of a secured party in respect of a security interest which is a wholesale finance interest.

“(2B) For the purposes of this section, a wholesale finance interest is an interest which secures or secured money payable,

or credit advanced or given, to enable rights of property in, or possession to, or powers over, motor vehicles to be obtained for the purpose of disposing of motor vehicles in trade.”

**6. Saving**—Any claim made under section 35(1) or section 38(2) of the principal Act before the date of commencement of sections 4 and 5 of this Act shall be dealt with as if sections 4 and 5 of this Act had not been enacted.

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This Act is administered in the Department of Justice.

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