



# Consumer Information Standards (Used Motor Vehicles) Regulations 2003

Silvia Cartwright, Governor-General

## Order in Council

At Wellington this 17th day of November 2003

Present:

Her Excellency the Governor-General in Council

Pursuant to section 27(1) of the Fair Trading Act 1986, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and on the recommendation of the Minister of Consumer Affairs, makes the following regulations.

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## Regulations

### 1 Title

These regulations are the Consumer Information Standards (Used Motor Vehicles) Regulations 2003.

### 2 Commencement

These regulations come into force on the commencement of the Motor Vehicle Sales Act 2003.

### 3 Interpretation

(1) In these regulations, unless the context otherwise requires,—

**Act** means the Motor Vehicle Sales Act 2003

**car market operator**—

(a) means a person—

(i) who carries on the business of providing any premises or place for a market for the sale by other persons of used motor vehicles (whether or not the vehicles are subject to a bailment to the operator); or

(ii) who operates any facility (for example, an Internet web page) for the primary purpose of facilitating the sale of used motor vehicles (which sale is completed through, or by means of, that facility); and

(b) includes a person who is commonly referred to in the motor vehicle trading industry as a car fair operator or a display for sale operator

**motor vehicle** has the meaning given to it by section 6 of the Act

**motor vehicle trader** has the meaning given to it by section 7 of the Act

**sale**, in relation to a used motor vehicle,—

(a) means the sale or lease or exchange or any other disposition of that motor vehicle or of any interest in that motor vehicle (for example, under a hire purchase agreement); and

(b) includes the display for sale or offer for sale or offer for lease or offer for exchange of that motor vehicle; but

- (c) does not include a lease or offer for lease of that motor vehicle for a term not exceeding 4 months

**supplier** means—

- (a) a motor vehicle trader who offers or displays a used motor vehicle to which these regulations apply for sale (whether or not as an agent for another person); or
- (b) a person who offers or displays a used motor vehicle to which these regulations apply for sale through a car market operator

**supplier information notice** means a notice that—

- (a) discloses information about a used motor vehicle; and
- (b) complies with regulation 7

**used motor vehicle**—

- (a) means a motor vehicle that has, at any time before being offered or displayed for sale,—
- (i) been registered under—
- (A) the Transport Act 1962; or
- (B) the Transport (Vehicle and Driver Registration and Licensing) Act 1986; or
- (C) any corresponding enactment of another country;
- (ii) been used for a purpose not connected with its manufacture or sale; and
- (b) includes a motor vehicle that has been used for the purpose of demonstration in connection with the sale of another motor vehicle.
- (2) Any term or expression that is defined in the Act and used, but not defined, in these regulations has the same meaning as in the Act.

#### **4 Goods to which these regulations apply**

- (1) These regulations apply to a used motor vehicle that is offered or displayed for sale by—
- (a) a motor vehicle trader (whether or not as an agent for another person); or
- (b) a person through a car market operator.
- (2) Despite subclause (1), these regulations do not apply to a used motor vehicle that is offered or displayed for sale by a motor vehicle trader if it is offered or displayed for sale exclusively to other motor vehicle traders registered under the Act.

- 5 Consumer information standard for used motor vehicles**  
The requirements set out in regulations 6 to 8 and in the schedules are, for the purposes of section 27(1) of the Fair Trading Act 1986, a consumer information standard for a used motor vehicle to which these regulations apply.
- 6 Supplier information notice to be displayed on, or in relation to, used motor vehicles**
- (1) A used motor vehicle to which these regulations apply must have a supplier information notice that relates to that motor vehicle firmly attached to the motor vehicle in a prominent position that makes it clearly visible from the exterior of the motor vehicle.
  - (2) If a used motor vehicle to which these regulations apply is offered or displayed for sale on the Internet and a contract for sale in relation to that motor vehicle may be entered into on the Internet, then a supplier information notice, or access to a supplier information notice (for example, through a hypertext link), relating to that motor vehicle must be clearly and prominently displayed on the same Internet web page as—
    - (a) the offer or display for sale of that motor vehicle; and
    - (b) the contract for sale that may be entered into in relation to that motor vehicle.
  - (3) A supplier information notice must be attached to or displayed in relation to a used motor vehicle to which it relates from the time the motor vehicle is first offered or displayed for sale until the time it is sold.
  - (4) A supplier information notice must be attached to or displayed in relation to a used motor vehicle to which it relates by—
    - (a) the motor vehicle trader who offers or displays that motor vehicle for sale (whether or not as an agent for another person); or
    - (b) the person who offers or displays that motor vehicle for sale through a car market operator.
- 7 Requirements of supplier information notice**
- (1) Subject to subclause (5), every supplier information notice attached to or displayed in relation to a used motor vehicle in accordance with regulation 6 must—
    - (a) be in the form set out in Schedule 1; and

- (b) be printed—
    - (i) in a font size that is easily readable by a person at a reasonable distance from the supplier information notice; and
    - (ii) on white paper or card, or similar material, that is at least 21 cm in width and 29.5 cm in length; and
  - (c) be completed by having the information required by Schedule 2 clearly and legibly typed or written upon it.
- (2) The information typed or written upon a supplier information notice in accordance with subclause (1)(c) must be updated to reflect any change in that information as soon as practicable after that change occurs.
  - (3) Any name, logo, mark, design, or other information relating to the supplier, or a trade association to which the supplier belongs, may be displayed along the top margin of a supplier information notice in a manner that does not detract from the contents of the supplier information notice.
  - (4) Subclause (1) prevails over subclause (3).
  - (5) A supplier information notice that is displayed in relation to a used motor vehicle in accordance with regulation 6(2)—
    - (a) must be in a font size that is easily readable; and
    - (b) does not have to comply with subclause (1)(b).

## **8 Written acknowledgment that buyer has received copy of supplier information notice must be obtained**

- (1) This regulation applies to a motor vehicle trader who is a party to, or acts as an agent for a party to, a contract for the sale of a used motor vehicle to which these regulations apply.
- (2) A motor vehicle trader to whom this regulation applies must—
  - (a) obtain a written acknowledgment from the buyer of the used motor vehicle that the buyer has received a copy of the supplier information notice that relates to that vehicle,—
    - (i) in the case of a car auctioneer, as soon as practicable after the sale of the vehicle; or
    - (ii) in any other case, immediately before the sale of the vehicle; and

- (b) keep a copy of that supplier information notice and acknowledgment for a period of not less than 6 years after the date of the acknowledgment; and
  - (c) make a copy of that supplier information notice and acknowledgment available for inspection at all reasonable times by the Registrar, or any person authorised by the Registrar, who asks to see it in accordance with section 125 of the Act.
- (3) The requirements of subclause (2) are satisfied if the motor vehicle trader in question complies with section 16 of the Act.
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# Schedule 1

## Form of supplier information notice

r 7(1)(a)

### SUPPLIER INFORMATION NOTICE

(You must fill in all relevant parts of this card)

Supplier's or auctioneer's name, address, and contact information:

Registered motor vehicle trader:  Yes  No      Motor vehicle trader  
registration number:

### SALE INFORMATION

Cash price: (incl. GST)      Security interest\*:

**WARNING:** A security interest means that this vehicle could be a security for a loan and could be repossessed. You should check the back of this card for information about the Personal Property Securities Register.

Make and model:      Vehicle year\*:  
Engine capacity:      Operating fuel type:  
Vehicle identification number or chassis number:

Actual distance the vehicle has travelled\*:

Registered vehicle:  Yes  No      Registration plate number:  
Vehicle licence (registration) expiry date:      Re-registered vehicle\*:  Yes  No  
Warrant or Certificate of Fitness:  Yes  No      Year first registered  
Expiry date:      in New Zealand:  
Road user charges apply\*:  Yes  No      Outstanding road user charges\*:  Yes  No

### INFORMATION ABOUT USED IMPORTED VEHICLES

(Not required for 'New Zealand new' used vehicles)

Year first registered overseas:      Country where last registered:      Imported as damaged vehicle\*:  Yes  No

**IF YOU BUY THIS MOTOR VEHICLE, THE SUPPLIER MUST GIVE YOU A COPY OF THIS CARD TO KEEP**

I, [name of buyer] have received a copy of this card, including a copy of the information on the back of this card.

Signature:

Date:

**FOR INFORMATION MARKED \* THERE IS FURTHER INFORMATION ON THE BACK OF THIS CARD**

**SUPPLIER INFORMATION NOTICE - IMPORTANT INFORMATION****YOUR RIGHTS**

The law offers protection if you buy a motor vehicle from a motor vehicle trader. However, your rights depend on the type of motor vehicle trader from whom you buy. You can get further information about your consumer rights from a Citizens Advice Bureau, a Community Law Centre or from [www.consumeraffairs.govt.nz](http://www.consumeraffairs.govt.nz).

**Motor Vehicle Sales Act 2003**

This law controls who can trade in motor vehicles. Motor vehicle traders include:

- car auctioneers
- car importers
- car wholesalers
- car dealers
- car market operators.

Under the Motor Vehicle Sales Act:

- a motor vehicle trader must be registered
- a motor vehicle trader must attach this card to a vehicle they display for sale
- a supplier at a car market must attach this card to a vehicle offered or displayed for sale by the supplier
- the motor vehicle trader must provide you with a copy of this card if you buy this vehicle.

You can search the Motor Vehicle Traders Register to find out who is responsible for running a particular motor vehicle trading business and how to contact a motor vehicle trader. You can also search for traders who have been banned. Visit [www.motortraders.med.govt.nz](http://www.motortraders.med.govt.nz), or email [info@motortraders.med.govt.nz](mailto:info@motortraders.med.govt.nz) or freephone 0508 688 678.

**\*Security interest**

If a finance company or other person lends money to someone to buy a motor vehicle, the lender can register a security interest over the vehicle on the Personal Property Securities Register (PPSR). A security interest means that the lender has rights over the vehicle.

If a security interest is recorded on the PPSR, the supplier must state on the front of this card "There is a security interest registered over this motor vehicle". If you buy a vehicle from a registered motor vehicle trader and you were not told on the front of this card that a security interest is registered, then you receive the vehicle free of the security interest.

This protection does not apply to private sales at car markets. You should check the PPSR to ensure that the motor vehicle you intend to buy is free of a registered security interest. Visit [www.ppsr.govt.nz](http://www.ppsr.govt.nz), or email [info@ppsr.govt.nz](mailto:info@ppsr.govt.nz) or freephone 0508 777 746.

**WARNING: If you buy a motor vehicle that has a security interest registered on the PPSR and the motor vehicle trader discloses the security interest on the front of this card, the vehicle could be repossessed!**

**Consumer Guarantees Act 1993**

This law sets out guarantees that apply to new and used motor vehicles of the kind ordinarily bought for personal, domestic or household use from motor vehicle traders (other than vehicles bought at auctions). Under the Consumer Guarantees Act, the vehicle must:

- be of acceptable quality, taking into account its age, price and condition at the time of purchase
- be fit for any particular purpose you make known to the seller
- match its description
- match any demonstration model
- be free of any undisclosed security interest
- not be stolen.

**Fair Trading Act 1986**

This law makes it unlawful for motor vehicle traders to engage in misleading or deceptive conduct, or make false or misleading representations about vehicles that they are offering for sale.

Under the Fair Trading Act, representations made by a motor vehicle trader about the vehicle you are buying must be true and the information on the front of this card must be correct.

Fair trading complaints can be taken to the Motor Vehicle Disputes Tribunal (see details below) or made to the Commerce Commission. To contact the Commerce Commission, email [contact@comcom.govt.nz](mailto:contact@comcom.govt.nz) or freephone 0800 943 600.

**Motor Vehicle Disputes Tribunal**

The Motor Vehicle Disputes Tribunal can hear and determine applications or claims made against a motor vehicle trader under the Sale of Goods Act 1908, the Fair Trading Act 1986 and the Consumer Guarantees Act 1993. The Tribunal can hear claims of up to \$50,000. Visit [www.justice.govt.nz](http://www.justice.govt.nz) or freephone 0800 FOR MVDT (0800 367 6838).

**Checking vehicle details**

You can make an application to an authorised agent of the Land Transport Safety Authority to check if a motor vehicle has been reported stolen and to check vehicle registration details. To obtain this information you will have to complete an application, show identification and pay a fee. Visit [www.motocheck.co.nz](http://www.motocheck.co.nz) or freephone 0800 108 809.

**\*Vehicle year**

The "vehicle year" can be either the calendar year in which the motor vehicle was manufactured or the model year as designated by the manufacturer.

**\*Actual distance the vehicle has travelled**

You should not place too much importance on the odometer reading when buying a used motor vehicle. There is a risk with any used vehicle that the odometer has been wound back. A vehicle's mechanical condition is a better indicator of its quality. You may wish to have a vehicle checked by a person with mechanical knowledge before you buy.

On the front of this card suppliers must state one of the following:

- the odometer reading; or
- "[name of supplier] cannot accurately determine the actual distance this motor vehicle has travelled because the odometer reading may be inaccurate."; or
- "This motor vehicle's odometer reading is inaccurate."

Stating an incorrect odometer reading is a breach of the Fair Trading Act 1986.

**\*Re-registered vehicle**

Re-registration is necessary if a motor vehicle's registration has been cancelled. Common reasons for cancelling registration include vehicles being "written off" by insurance companies, destroyed or rendered useless, or having been unlicensed for more than one year.

**\*Outstanding Road User Charges**

All diesel powered motor vehicles and vehicles over 3,500 kg are subject to road user charges. To pay the charges you must buy a Road User Charge licence. To find out more from the Land Transport Safety Authority, visit [www.itsa.govt.nz](http://www.itsa.govt.nz). To find out where to buy a licence, contact the Road User Charge helpdesk on freephone 0800 655 644.

**\*Imported as a damaged vehicle**

The Land Transport Safety Authority records whether or not imported used vehicles had obvious structural damage or deterioration identified at the time of import. However, the extent of the damage is not recorded. Neither is any damage that may have occurred in New Zealand. You may wish to have a vehicle checked by a person with mechanical knowledge before you buy.

**YOUR RESPONSIBILITIES**

Within seven days of purchasing or obtaining a motor vehicle you must complete a Notice of Change of Ownership and present it, along with the change of ownership fee and the necessary owner identification, to an authorised agent of the Land Transport Safety Authority. To find out more, visit [www.itsa.govt.nz](http://www.itsa.govt.nz) or freephone 0800 108 809.

**Schedule 2**

r 7(1)(c)

**Information required to be typed or written upon a  
supplier information notice**

A supplier information notice attached to, or displayed in relation to, a used motor vehicle to which these regulations apply must have information that complies with the following requirements clearly and legibly typed or written upon it:

**Supplier information**

*Supplier's or auctioneer's name, address, and contact information*

The supplier must state the supplier's name, address, and any other contact information the supplier may voluntarily choose to provide (for example, the supplier's phone number or email address) unless the motor vehicle is displayed for sale by auction.

If the motor vehicle is displayed for sale by auction, the auctioneer must state the auctioneer's name, address, and any other contact information in place of the supplier's information.

*Registered motor vehicle trader*

The supplier must indicate whether or not the supplier is registered as a motor vehicle trader under section 36 of the Act by ticking the appropriate box.

If the supplier is a person who is treated as a motor vehicle trader registered under the Act in accordance with section 152(1) of the Act, then the supplier must tick the box marked "Yes".

*Motor vehicle trader registration number*

If the supplier is a registered motor vehicle trader, the supplier must state the registration number or other unique identifier given to the supplier upon registration.

If the supplier is a person who is treated as a motor vehicle trader registered under the Act in accordance with section 152(1) of the Act, then the supplier must write the following statement on the supplier information notice in place of the motor vehicle trader registration number:

"Not applicable".

If the supplier is not a registered motor vehicle trader, the supplier must leave the entry blank.

## Sale information

### *Cash price*

The supplier must state the cash price of the motor vehicle (including goods and services tax), unless the motor vehicle is displayed for sale by auction or competitive tender.

If the motor vehicle is displayed for sale by auction, the auctioneer must write the following statement on the supplier information notice in place of the cash price:

“For sale by auction”.

If the motor vehicle is displayed for sale by competitive tender, the supplier must write the following statement on the supplier information notice in place of the cash price:

“For sale by competitive tender”.

### *Security interest*

The supplier must disclose the existence of a security interest over the motor vehicle that is recorded on the personal property securities register (**PPSR**) established under the Personal Property Securities Act 1999.

The disclosure must be consistent with the information recorded about the motor vehicle on the PPSR.

If the PPSR records a security interest over the motor vehicle, the supplier must write the following statement on the supplier information notice:

“There is a security interest registered over this motor vehicle”.

If there is no security interest over the motor vehicle recorded on the PPSR, the supplier must leave the entry blank.

### *Make and model*

The supplier must state the make and model of the motor vehicle as recorded on the motor vehicle register established under the Transport (Vehicle and Driver Registration and Licensing) Act 1986 (the **motor vehicle register**).

### *Engine capacity*

The supplier must state the engine capacity of the motor vehicle as recorded on the motor vehicle register.

### *Vehicle identification number or chassis number*

If the vehicle identification number of the motor vehicle is recorded on the motor vehicle register, then the supplier must state the vehicle identification number as recorded on the motor vehicle register.

If this information is not recorded on the motor vehicle register but the chassis number of the motor vehicle is recorded on the motor vehicle register, then the supplier must state the chassis number as recorded on the motor vehicle register.

*Vehicle year*

The supplier must state the vehicle year of the motor vehicle as recorded on the motor vehicle register. Vehicle year means either the calendar year in which the motor vehicle was manufactured or the model year of the motor vehicle as designated by the manufacturer.

*Operating fuel type*

The supplier must state the operating fuel type of the motor vehicle as recorded on the motor vehicle register.

*Actual distance the vehicle has travelled*

The supplier must write either the reading on the motor vehicle's odometer or 1 of the following statements on the supplier information notice:

- “I [*name of supplier*] cannot accurately determine the actual distance this motor vehicle has travelled because the odometer reading may be inaccurate”; or
- “This motor vehicle's odometer reading is inaccurate”.

*Registered vehicle*

The supplier must indicate, by ticking the appropriate box, whether or not the motor vehicle is currently registered as required by Part I of the Transport (Vehicle and Driver Registration and Licensing) Act 1986.

*Vehicle licence (registration) expiry date*

The supplier must state the vehicle licence expiry date as recorded on the most recent licence (whether current or expired) issued under Part I of the Transport (Vehicle and Driver Registration and Licensing) Act 1986.

If the vehicle has never been issued with a licence, the supplier must leave the entry blank.

*Warrant or certificate of fitness*

The supplier must indicate, by ticking the appropriate box, whether or not the motor vehicle has a current warrant or certificate of fitness (under the Land Transport Rule 35001/1: Vehicle Standards Compliance 2002).

If the motor vehicle has a current warrant or certificate of fitness, the supplier must state the expiry date of the warrant or certificate of fitness.

*Road user charges apply*

The supplier must indicate, by ticking the appropriate box, whether or not the motor vehicle is subject to road user charges under the Road User Charges Act 1977.

*Registration plate number*

The supplier must state the number or distinguishing mark on the registration plate of the motor vehicle as recorded on the motor vehicle register.

*Re-registered vehicle*

The supplier must indicate, by ticking the appropriate box, whether or not the motor vehicle has been previously registered and then re-registered as recorded on the motor vehicle register.

*Year first registered in New Zealand*

The supplier must state the year that the motor vehicle was first registered in New Zealand as recorded on the motor vehicle register.

*Outstanding road user charges*

The supplier must indicate, by ticking the appropriate box, whether or not there are any outstanding road user charges in relation to the motor vehicle.

### **Information about used imported vehicles**

Suppliers of used imported motor vehicles must also state the following information:

*Year first registered overseas*

The supplier must state the year the motor vehicle was first registered overseas as recorded on the motor vehicle register.

*Country where last registered*

The supplier must state the country where the motor vehicle was last registered as recorded on the motor vehicle register.

*Imported as damaged vehicle*

The supplier must indicate, by ticking the appropriate box, whether or not the motor vehicle is recorded on the motor vehicle register as being damaged at the time of importation.

## Signing and dating the supplier information notice

The supplier information notice must contain a space for a buyer of a motor vehicle to sign and date the supplier information notice beneath the following words:

“I [*name of buyer*] have received a copy of this card, including a copy of the information on the back of this card”.

Diane Morcom,  
Clerk of the Executive Council.

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### Explanatory note

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations, which come into force on the commencement of the Motor Vehicle Sales Act 2003, prescribe, under section 27(1) of the Fair Trading Act 1986, a consumer information standard in relation to used motor vehicles.

The regulations apply to used motor vehicles that are offered or displayed for sale by motor vehicle traders or persons who are offering or displaying a motor vehicle for sale through a car market operator. However, the regulations do not apply to a used motor vehicle that is offered or displayed for sale by a motor vehicle trader registered under the Motor Vehicle Sales Act 2003 exclusively to another registered motor vehicle trader.

The consumer information standard prescribed by these regulations requires relevant used motor vehicles to display a supplier information notice setting out specified information in relation to the motor vehicle, and prescribes requirements in relation to the form and content of the notice, how the notice must be displayed, and who is to display the notice.

It is an offence under section 40 of the Fair Trading Act 1986 to supply, to offer to supply, or to advertise to supply goods in respect of which a consumer information standard has been prescribed unless that standard is complied with.

In addition, the Fair Trading Act 1986 provides for the granting of injunctions, and specifies other remedies that may be obtained, against persons who contravene Part II of that Act.

Offences are also set out in sections 101 and 102 of the Motor Vehicle Sales Act 2003 in relation to the offer or display for sale of a used motor vehicle without attaching to that motor vehicle a notice containing the particulars set out in a consumer information standard that relates to that motor vehicle.

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These regulations are administered in the Ministry of Economic Development.

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