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CONSUMER CREDIT REGULATIONS 2009

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CONSUMER CREDIT ACT 1999
(ACT NO. 15 OF 1999)

Consumer Credit Regulations 2009

IN exercise of the powers conferred upon me by sections 7(12) and 187 of the Consumer Credit Act, I make these Regulations—

PART 1 PRELIMINARY

Citation and commencement

1. These Regulations may be cited as the Consumer Credit Regulations 2009, and comes into force on a date or dates appointed by the Minister by notice in the Gazette.

Interpretation

2. A word or expression in these Regulations has the same meaning as in the Act unless otherwise provided herein or arising out of the context.

Forms

3.—(1) The forms prescribed for the purposes of the Act are the forms set out in the Schedule to these Regulations and a reference to a form in these Regulations in a reference to a form in the Schedule.

(2) A document required to comply with a form set out in the Schedule to these Regulations need not contain any matter not relevant to the credit contract, mortgage, guarantee or consumer lease concerned, and may contain consequential renumbering.

(3) The expression “credit provider”, “debtor”, “lessor”, or “lessee” in a form may be replaced by the name of a credit provider, debtor, lessor or lessee or, if first explained, by another expression.

(4) An intending credit provider may use alternative forms to those prescribed in these Regulations if—

- (a) a draft of the alternative form has first been submitted to the Director; and
- (b) the Director, having regard to the intended use of the alternative form, being satisfied that that form complies with the requirements of the Act and these Regulations, by notice in writing to the intending credit provider approves that alternative form.

PART 2 – MATTERS PRESCRIBED FOR THE PURPOSES OF PART 1 OF THE ACT

Exempt credit – maximum account charges

4. For the purpose of section 7(4) of the Act the prescribed maximum charge is—
- (a) within 12 months after the continuing credit contract is made - \$250;
 - (b) for any subsequent period of 12 months - \$150.

Additional exempt credit

5.—(1) The Act (except Part 4, Division 3 and Part 5) does not apply to the provision of credit under a contract (other than a continuing credit contract) if—

- (a) the amount of credit does not at any time exceed \$200;
- (b) there is no insurance financed under the contract;
- (c) there is no mortgage or guarantee taken by the credit provider; and
- (d) the annual percentage rate for the contract does not exceed the maximum annual percentage rate (if any) which would apply to the contract if it were a contract to which the Act applies.

Mortgages - exemptions from Act

6.—(1) Except as provided in subregulations (2) and (3), by virtue of section 8 (3), the Act does not apply to—

- (a) a mortgage relating to perishable goods, livestock, primary produce or food stuff;
- (b) a banker's right to combine accounts; or
- (c) a lien or charge arising by operation of any written law or by custom.

(2) Sections 14 and 15 of the Act apply in respect of a mortgage referred to in subregulation (1) (a).

(3) Section 83 of the Act does not apply to a mortgage relating to goods that are in the lawful possession of the credit provider.

Guarantees - exemption from Act

7. The Act does not apply by virtue of section 9(3) to any guarantee by the supplier under a tied loan contract or tied continuing credit contract.

Deemed mortgages for goods leased with option to purchase

8.—(1) The terms and conditions of a mortgage referred to in section 10(3) (f) of the Act are those set out in Form I of the Schedule.

(2) Parts 3, 4 and 5 of the Act do not apply to a mortgage under section 10(3).

Declaration of purposes for which credit provided

9.—(1) For the purpose of section 11 of the Act, the form of the declaration is as follows—

“I/We declare that the credit to be provided to me/us by the credit provider is to be applied wholly or predominantly for business or investment purposes (or for both purposes)”.

(2) The declaration is to contain (immediately below the above words) a warning in the following form—

IMPORTANT

You should not sign this declaration unless this loan is wholly or predominantly for business or investment purposes [or for both purposes].

By signing this declaration you may lose your protection under the Consumer Credit Act 1999.

(3) The declaration must contain—

- (a) the signature of each person making the declaration; and
- (b) the date on which the declaration is signed or the date on which it is received by the credit provider.

PART 3 – MATTERS PRESCRIBED FOR THE PURPOSES OF
PART 2 OF THE ACT

Statement about debtor's statutory rights and obligations

10.—(1) For the purpose of section 14(1) (b) of the Act, the information statement is to be a written statement in Form 2.

(2) The information statement may be in the form of a separate document or a part of the credit contract document.

Comparison rate

11.—(1) This regulation applies if—

- (a) a credit provider, before entering into a credit contract, informs the debtor of the comparison rate pursuant to section 14(3) of the Act; or
- (b) a person publishes, or causes to be published, an advertisement that states or implies that credit is available and includes in the advertisement the comparison rate pursuant to section 139(4) of the Act.

(2) The comparison rate must be calculated as a nominal rate per annum, together with the compounding frequency, in accordance with this regulation.

(3) The comparison rate is given by the following formula—

$$I = n \times r \times 100\%$$

where—

“n” is the number of repayments per annum to be made under the credit contract (annualized if the term of the contract is less than 12 months) except that—

- (i) if repayments are to be made weekly or fortnightly – n is to be 52.18 or 26.09, respectively; and
- (ii) if the contract does not provide for a constant interval between repayments – n is to be derived from the interval selected for the purposes of the definition of j mentioned below;

“r” is the solution of the following—

Where—

$$\sum_{j=0}^t \frac{A_j}{(1+r)^j} = \sum_{j=0}^t R_j + C_j$$

“j” is the time, measured as a multiple (not necessarily integral) of the interval between contractual repayments that will have elapsed since the first amount of credit is provided under the credit contract, except that if

the contract does not provide for a constant interval between repayments an interval of any kind is to be selected by the credit provider as the unit of time;

“ t ” is the time, measured as a multiple of the interval between contractual repayments (or other interval so selected) that will elapse between the time when the first amount of credit is provided and the time when the last repayment is to be made under the contract;

“ A_j ” is the amount of credit to be provided under the contract at time j (the value of j for the provision of the first amount of credit is taken to be zero);

“ R_j ” is the repayments to be made at time j ;

“ C_j ” is the fee or charge (if any) payable by the debtor at time j (j is taken to be zero for any such fee or charge payable before the time of the first amount of credit provided) in addition to the repayments R_j , being a credit fee or charge that is ascertainable when the comparison rate is disclosed.

(4) The comparison rate must be correct to at least to the nearest one hundredth of 1% per annum.

(5) In the application of the above formulae, reasonable approximations may be made if it would be impractical or unreasonably onerous to make a precise calculation. [For example, if repayments are to be made on a fixed day each month, it may be assumed that repayments will be made on that day each month even though the credit contract provides for payment on the preceding or succeeding business day when the due date is not a business day.]

(6) The tolerances and assumptions under sections 168 to 170 of the Act apply to the calculation of the comparison rate.

(7) The comparison rate must be accompanied by a statement of the amount of credit on which it is based and the term for which credit is provided.

(8) In the case of a comparison rate under section 14(3) of the Act--

- (a) the amount of credit is the amount (or the maximum amount) required by the debtor;
- (b) the term for which credit is provided is the term (or the maximum term) required by the debtor; and
- (c) the amount of credit, in the case of a continuing credit contract, must not exceed the credit limit required by the debtor.

(9) If any requirement under subregulation (8) is not made by the debtor, the credit provider may determine the matter.

(10) In the case of a comparison rate under section 139(4) of the Act, the amount of credit and term must be typical of a credit contract offered in the advertisement, and a number of comparison rates may be included in the advertisement for different credit contracts so long as the amount of credit and term applicable to each such rate are clearly stated.

(11) At the time that a potential debtor is informed of the comparison rate under section 14(3) of the Act the potential debtor must be given a warning by the credit provider that is in the following form—

“Care should be taken in using this comparison rate. Differences between contracts, and variations permitted during the period of a contract, can detract from its usefulness or even lead to a false impression”.

(12) A warning under subregulation (11) must be in writing if the comparison rate is given in writing.

(13) An advertisement that contains a comparison rate under section 139(4) of the Act must include a warning that the comparison rate is accurate only for the example given.

(14) A warning under subregulation (11) must be given immediately after the comparison rate is given.

Pre-contractual statement

12.—(1) For the purpose of section 14(4) of the Act, the pre-contractual statement must contain the following financial information (“relevant financial information”) as set out in Schedule 1 to the Act in respect of a contract document, that is to say—

- (a) item (B) Amount of credit;
- (b) item (C) Annual percentage rate or rates, other than paragraph (c)(iii);
- (c) item (D) Calculation of interest charges;
- (d) item (E) Total amount of interest charges payable;
- (e) item (F) Repayments; and
- (f) item (G) Credit fees and charges—the information referred to in paragraphs (a) and (b), but only in respect of—
 - (i) retained credit fees and charges (that is, credit fees and charges retained by the credit provider and not passed on to or retained in reimbursement of an amount paid to a third party); and
 - (ii) lenders mortgage insurance.

(2) For the purposes of section 14 (4) and (9) of the Act the relevant financial information must be set out separately from any other information in the pre-contractual statement and must be set out in tabular form, in either portrait or landscape format (the “financial table”).

(3) Additional information may be included in the financial table, but only in the following circumstances—

- (a) any information referred to in Schedule 1(B) to (G) of the Act that is not relevant financial information may be included with the relevant financial information; and
- (b) any other information referred to in Schedule 1(A) or (H) to (O) of the Act may be included after the relevant financial information and any information which is included under paragraph (a).

(4) If the relevant financial information relates to more than one type of credit facility, the information may be set out in a single financial table or in separate financial tables.

(5) A financial table must be set out on the first page of the pre-contractual statement (excluding any cover page) and, if necessary, on the immediately succeeding pages of the statement, if the pre-contractual statement consists of more than one document, the financial table need not be repeated. If the pre-contractual statement is not a separate document, the financial table must be set out on the first, and if necessary any immediately succeeding, pages of the proposed contract document.

(6) If any of the relevant financial information is subject to unilateral change under the credit contract by the credit provider, a clear statement must be made in the financial table that it is subject to change and that the change can be made without the debtor's consent, and a single statement may be made in respect of two or more items of information subject to change.

(7) Any expression may be used for the purpose of the relevant financial information if the expression is defined elsewhere in the pre-contractual statement.

(8) The relevant date of disclosure of the information in the financial table may be set out in the financial table.

(9) This regulation does not prevent a repetition of the relevant financial information in the financial table in any other form in connection with the remainder of the information under Schedule 1 to the Act that is to be set out in the pre-contractual statement.

Pre-contractual statement for credit not exceeding \$5000.00

13.—(1) The financial information prescribed under as set out in Schedule 1A of the Act ("the relevant financial information") must be set out separately from any other information in the pre-contractual statement, the relevant financial information must be set out in tabular form, and in either portrait or landscape format ("the financial table").

(2) Additional information may be included in the financial table, but only information referred to in Schedule 1.

(3) If the relevant financial information relates to more than one type of credit facility, the information may be set out in a single financial table or in separate financial tables.

(4) The financial table must be set out in the first page of the pre-contractual statement (excluding the cover page) and, if necessary, on the immediately succeeding pages. If the pre-contractual statement consists of more than one document, the financial table need not be repeated.

(5) If any of the relevant financial information can change under the credit contract because of a unilateral change by the credit provider, a clear statement must be made in the financial table that it is subject to change without consent. A single statement may be made in respect of two or more items of information subject to change.

(6) Any expression may be used for the purpose of the relevant financial information if the expression is defined elsewhere in the pre-contractual statement.

(7) The relevant date of disclosure of the information in the financial table may be set out in the financial table.

Additional disclosures about insurance financed by contract

14.—(1) For the purpose of paragraph (O) of Schedule 1 to the Act, the information and warnings set out in Form 3A or 3B (whichever is relevant to the particular case) are prescribed, but only if the credit contract document is to be signed by the debtor.

(2) The relevant form is—

- (a) Form 3A if the document signed by the debtor constitutes an offer;
- (b) Form 3B if the document signed by the debtor constitutes the acceptance of an offer by the credit provider.

(3) The information and warnings referred to in subregulation (1) must comply with the following requirements—

- (a) they must be in the relevant form (including in the form of a box);
- (b) they must be set out immediately above (and on the same page as) the place where the debtor (or at least one of the debtors) is to sign the contract document;
- (c) if the debtors are to sign the contract document on separate pages, set out on each page where each debtor is to sign.

Deduction of amount for interest charges

15. Section 23(1) of the Act does not apply to the deduction of an amount for the first payment of interest charges under a credit contract, but only if the deduction relates to interest charges for a period that is less than the normal period for which interest charges are to be periodically debited to the debtor's account.

Calculation of unpaid daily balances

16.—(1) This regulation applies to the calculation of average unpaid daily balances when interest charges under a credit contract are determined under section 26(2) of the Act for a month, a quarter or a half year by applying the relevant fraction of the annual percentage rate.

(2) The actual unpaid daily balances for each day in the month, quarter or half-year concerned must be added together and divided by the total number of days in the whole of that month, quarter or half-year.

(3) If the annual percentage rate applies to part (but not the whole) of the month, quarter or half-year, the calculation of the average unpaid daily balances for that part must be made by adding together the actual unpaid daily balances for each day in that part and dividing the sum obtained by the total number of days in that month, quarter or half-year.

(4) If the last day or days of the month, quarter or half-year fall on a non-business day or days, the average unpaid daily balances for the month, quarter or half-year may be calculated without reference to the unpaid daily balances for the non-business day or days; and in that event, the unpaid daily balances for the non-business day or days must be included in the next month, quarter or half-year for the purposes of calculating the average unpaid daily balances for that next month, quarter or half-year.

Early debit or payment of interest charges

17. Section 27(1) of the Act does not apply to the first payment of interest charges under a credit contract, but only if the payment relates to interest charges for a period that

is less than the normal period for which interest charges are to be periodically debited to the debtor's account.

When statement of account not required

18. For the purposes of section 31(3) (b) of the Act the amount outstanding is fixed at \$10.

PART 4 – MATTERS PRESCRIBED FOR THE PURPOSES OF PART 3 OF THE ACT

Form of guarantees

19.—(1) For the purpose of section 50 of the Act, a guarantee must contain a warning as set out in Form 4.

(2) The warning must be—

- (a) in the form of a box as indicated in Form 4;
- (b) set out immediately above (and on the same page as) the place where the guarantor (or at least one of the guarantors) is to sign the guarantee document;
- (c) if the guarantor is required to sign the guarantee document on separate pages – set out on each such page where he or she is to sign.

Explanation about guarantor's rights and obligations

20. Information required under section 51(1)(b) of the Act must be in Form 5 and may be provided as a separate form or as part of a guarantee document.

PART 5 – MATTERS PRESCRIBED FOR THE PURPOSES OF PART 4 OF THE ACT

Information about increases in the amount of credit

21.—(1) For the purpose of section 65(3) of the Act, such of the following information as is ascertainable is prescribed for inclusion in a credit contract (other than a continuing credit contract)—

- (a) the date of the change in the contract;
- (b) the unpaid daily balance at the date of the notice;
- (c) the amount by which the amount of credit will be increased in accordance with the agreement;
- (d) the person, bodies or agents (including the credit provider) to whom the amount referred to in paragraph (c) is to be paid and the amounts payable to them;
- (e) the total of the amounts referred to in paragraphs (b) and (c);
- (f) details of any change to the annual percentage rate;
- (g) details of any credit fees or charges that will be payable after the change in the contract;
- (h) current repayment details being the number of repayments yet to be made, the amount of each of those repayments and the total amount of those repayments yet to be paid;
- (i) the repayment details which will apply once the agreement is made, being the number of repayments yet to be made once the agreement is made, the amount of each of those repayments, the total amount of those repayments and details of any changes in the time or frequency of repayment;

- (j) if commission is to be paid by or to the credit provider for the introduction of credit business or business financed by the increased amount of credit under the contract – information of the kind referred to in paragraph (M) of Schedule 1 to the Act;
- (k) the proposed increase in the term of the contract; and
- (l) the proposed new expiry date for the contract.

(2) Notwithstanding subregulation (1), the provisions of paragraphs (h) and (i) relating to the total amount of payments need only be included in the written notice under section 65 (3) of the Act if the contract concerned would, on the assumptions under sections 168 and 170 of the Act, be paid out within 7 years of the date on which credit is first provided under the contract.

PART 6 – MATTERS PRESCRIBED FOR THE PURPOSES OF PART 5 OF THE ACT

Information after surrender of goods

22. A written notice under section 78(3) of the Act must contain other information as set out in Form 6.

Consent to enter premises

23. For the purpose of section 91 of the Act, consent by the occupier of residential premises to entry to the premises is taken to be given only if the following provisions have been complied with—

- (a) a request to the occupier for entry to the premises must be made by the credit provider or agent by application in writing or by calling at the premises concerned;
- (b) if the request is made personally, it may only be made between the hours of 8am and 6pm and not on a Sunday or public holiday;
- (c) the consent in writing must be in Form 7 and signed by the occupier;
- (d) the written document of consent must not be presented to the occupier for signature with, or as part of, any other document, unless the other document, or the remainder of the other document, contains only the provisions of section 91 of the Act.

Statement about mortgagor's rights and obligations

24. For the purpose of section 94(1) (c) of the Act, the statement of the mortgagor's rights and obligations must be in Form 8.

PART 7 – MATTERS PRESCRIBED FOR THE PURPOSES OF PART 7 OF THE ACT

Rate of interest on damages

25. For the purpose of section 121(1) of the Act, the prescribed rate of interest in respect of the relevant credit contract is the annual percentage rate under that contract as at—

- (a) the date of the judgment; or
- (b) if the contract was not still in force at that date – the date immediately before the contract was terminated.

Informing debtor of rights

26. For the purpose of section 125(2) of the Act, the information by the credit provider to the debtor must be—

- (a) a written statement in Form 9; and
- (b) given to the debtor within 21 days of the termination of the tied loan contract or the tied continuing credit contract.

Rebate of consideration

27. For the purpose of section 125(3) of the Act, the manner of calculating the proportionate rebate of consideration is by applying the following formula—

$$R = \frac{CxS}{T}$$

Where—

- “R” is the amount of rebate of consideration;
- “C” is the amount of the charges under the maintenance services contract financed under the credit contract;
- “S” is the number of whole months in the unexpired portion of the period for which maintenance was agreed to be provided;
- “T” is the number of whole months for which maintenance was agreed to be provided.

PART 8 – MATTERS PRESCRIBED FOR THE PURPOSES OF
PART 8 OF THE ACT

Particulars of insurance entered into by credit provider

28.—(1) For the purpose of section 135(2) of the Act, the credit provider must provide the debtor with particulars specified in sub-regulation (2) of the credit-related insurance contract.

(2) The particulars referred to in subregulation (1) are—

- (a) the name of the insurer;
- (b) the kind of insurance, the risks insured against and the exclusions;
- (c) the beneficiaries under the policy;
- (d) the expiry date of the policy;
- (e) the premium payable (to the extent ascertainable);
- (f) the fees and charges payable (to the extent ascertainable);
- (g) the person by whom, and the person with whom, a claim may be made in respect of the policy, and the manner of making such a claim.

(3) The written notice of any of the particulars referred to in subregulation (2) may be given by the provision of a copy of the policy containing those particulars.

Proportionate rebate of consumer credit insurance premium

29. For the purpose of section 137(4) of the Act the manner of calculating the proportionate rebate of premium is by applying the following formula—

$$Y = \frac{PS(S+1)}{T(T+1)}$$

Where—

- “Y” is the amount of the rebate of premium;
- “P” is the amount of the premium paid (not including any amount payable in respect of a government charge);
- “S” is the number of whole months in the unexpired portion of the period for which insurance was agreed to be provided; and
- “T” is the number of whole months for which insurance was agreed to be provided.

Notice of right to cancel mortgaged property insurance

30. For the purposes of section 138(2) of the Act, the information given to the debtor by the credit provider must be a written statement in Form 10.

Proportionate rebate of premium for insurance over mortgaged property

31. For the purpose of section 138, (2) of the Act, the manner of calculating the proportionate rebate of premium is to calculate the sum of the following amounts—

- (a) the amount of premium paid in respect of any period of the insurance contract that has not yet commenced; and
- (b) 90% of the proportion of the amount of the premium for insurance paid in respect of the current period of the insurance contract attributable to the unexpired portion of that period consisting of whole months.

**PART 9 – MATTERS PRESCRIBED FOR THE PURPOSES
OF PART 10 OF THE ACT**

Declaration about purpose of leases

32.—(1) For the purpose of section 149 of the Act, the form of the declaration is as follows—

“I/We declare that the goods to be hired by me/us from the lessor are to be hired wholly or predominantly for business purposes.”

(2) The declaration must contain (immediately below the above words) a warning in the following form—

IMPORTANT

You should not sign this declaration unless the goods are hired wholly or predominantly for business purposes

By signing the declaration you may lose your protection under the Consumer Credit Act.

(3) The declaration must contain—

- (a) the signature of each person making the declaration; and
- (b) either the date on which the declaration is signed or the date on which it is received by the lessor.

Explanations about rights and obligations of consumer lessees

33.—(1) For the purposes of section 152 of the Act the information statement must be a written statement in Form 11.

(2) The information statement may be in the form of a separate document or a part of the consumer lease document.

PART 10 – MATTERS PRESCRIBED FOR THE PURPOSES
OF PART 12 OF THE ACT

Tolerances relating to disclosures

34.—(1) For the purpose of section 168(1)(a) of the Act—

- (a) information about a percentage rate that contains more than 2 decimal places is permissible if it is rounded-off to not less than 2 decimal places (so long as it is correct to the nearest second decimal place); and
- (b) information about any amount payable that includes a fraction of a cent is permissible if it is rounded-off to the nearest whole cent.

(2) For the purpose of section 168(1)(a) of the Act, information about any amount payable that depends for its accuracy on an interest charge that is correct only because of a permissible tolerance under sub-regulation (1) (and is not inaccurate for any other reason) is also permissible.

(3) For the purpose of this regulation and regulation 35—

- (a) a percentage rate may be round up to the nearest highest second decimal place only if the part of the rate being rounded up is equal to or exceeds 0.005; and
- (b) a fraction of a cent may be rounded up to the nearest highest whole cent only if the fraction rounded up exceeds 0.49 cents.

(4) For the purposes of section 168(1)(a) of the Act, information disclosed about any—

- (a) interest charges or repayments payable; or
 - (b) credit fees or charges that are government fees or government charges,
- is permissible if it overstates the amount or amounts payable.

(5) Any overstatement does not affect the amounts payable under the credit contract and accordingly is not permissible for the purposes of section 169 of the Act (unless it is permissible by virtue of regulation 35).

Tolerances relating to amount payable etc.

35.—(1) For the purpose of section 169 of the Act—

- (a) if the daily or other percentage rate to be used for the calculation of an amount of interest contains more than 2 decimal places, the amount of interest is permissible if the rate used for the calculation is rounded-off to not less than 2 decimal places (so long as it is correct to the nearest second decimal place);
- (b) an amount charged, payable or calculated that includes a fraction of a cent is permissible if it is rounded-off to the nearest whole cent; and
- (c) if the credit provider is authorized by a written law to charge (or obtain reimbursement in respect of) an amount of duty in the nature of receipts or financial institutions duty that is not permissible under paragraph (a) or (b), the amount is permissible.

(2) For the purposes of Section 169 of the Act, an amount which depends for its accuracy on an interest charge that is correct only because it is permissible under subregulation (1) (and is not inaccurate for any other reason) is also permissible.

Additional assumptions relating to disclosures

36.—(1) For the purposes of the Act, disclosures relating to interest charges, repayments and fees and charges may, if any repayment is to be made or interest charge or fee or charge is to be paid or debited on a particular day, be made on the assumption that the repayment will be made or the interest charge or fee or charge paid or debited on that day even though—

- (a) it is not a business day; and
- (b) the contract provides that the repayment is to be made or the interest charge or fee or charge paid or debited on the next preceding or succeeding business day.

(2) For the purposes of the Act, disclosures relating to repayments and interest charges may also be made on the assumption that the amount of credit will be provided on the date—

- (a) nominated for the purpose in the pre-contractual statement given under section 14 of the Act;
- (b) if no date is so nominated – on the relevant date of disclosure set out in the financial statement as referred to in regulation 12(8); or
- (c) if no date is so set out – the date on which the statement is given to the debtor.

(3) Regulation 36(2) does not apply to—

- (a) a continuing credit contract; or
- (b) a credit contract under which credit is provided progressively and the dates on which the credit is to be provided are not ascertainable.

Contracts linked to loan account offset arrangements

37.—(1) For the purposes of the Act, disclosures relating to a credit contract linked to a loan account offset arrangement may be made on the assumption that the contract is not linked to the arrangement.

(2) If the amount of interest charges under a credit contract is affected by a loan account offset arrangement during a statement period—

- (a) the statement of account must disclose the net interest charge debited under the credit contract during the statement period; and
- (b) the statement of account must show the amount by which the net interest differs from the interest charge that would have been payable under the credit contract if the interest charge had not been affected by the loan account offset arrangement.

Requirements for print or type

38. For the purposes of section 172(1)(b) of the Act, print or type must not be less than 8 point.

Nominations as to address for notices

- 39.—(1) For the purpose of section 180(4) or (6) of the Act, a nomination must—
- (a) contain the words:
 - 'I/We nominate[full name of person nominated] to receive notices and other documents under the Consumer Credit Act 1999 on behalf of me/all of us';
 - (b) contain a prominent statement that each joint debtor, mortgagor or guarantor is entitled to receive a copy of any notice or other document under the Act and that by signing the form he or she is giving up the right to be provided with information direct from the credit provider;
 - (c) contain a prominent statement that a person who has signed the form can advise the credit provider at any time in writing that the person wishes to cancel the nomination.
- (2) For the purposes of section 180(5) of the Act, a consent must—
- (a) contain the words:
 - "We consent to notices and other documents under the Consumer Credit Act 1999 to us being sent jointly to us at[address for service];
 - (b) contain a prominent statement that each debtor/mortgagor/guarantor is entitled to receive a copy of any notice or other document under the Act and that by signing the form he or she is giving up the right to be provided with information separately from the credit provider;
 - (c) contain a prominent statement that any person who has signed the form can advise the credit provider at any time in writing that he or she wishes to cancel his or her consent.

Schedule**FORMS****FORM 1**

Consumer Credit Act 1999
Section 10 (3)(f)
Regulation 8(1)

PRESCRIBED TERMS AND CONDITIONS OF MORTGAGE

1. In this mortgage--
 - "goods" means the goods hired under the hire contract.
 - "hire contract" means the contract for the hire of goods as a consequence of which the mortgagor and the supplier are deemed by section 10(3) (f) of the Act to have entered into this mortgage.
 - "mortgagor" means the person to whom the goods are hired under the hire contract.
 - "supplier" means the person from whom the goods are hired under the hire contract.
 - "the Act" means the Consumer Credit Act.
2. The mortgagor gives and the supplier takes a mortgage of the goods.
3. The mortgagor's right or obligation to purchase the goods, which is contained in the hire contract, is extinguished.
4. Subject to item 5, the supplier may take possession of the goods, or may take possession of, and sell, the goods if--
 - (a) the supplier was induced by fraud on the part of the mortgagor to enter into the hire contract; or
 - (b) the mortgagor, contrary to a term of the hire contract, has attempted to assign or dispose of the goods; or
 - (c) the mortgagor, contrary to a term of the hire contract, has--
 - (i) failed to keep the goods in good order and repair; or
 - (ii) failed to keep the goods insured or registered; or
 - (d) the mortgagor has made default in the payment of any installment or other monetary sum due under the hire contract; or
 - (e) the mortgagor has made default in any other obligation under the hire contract which is likely to affect directly the value of the supplier's security; or
 - (f) the mortgagor has returned the goods to the supplier, or has given notice in writing to the supplier, that the mortgagor cannot continue to observe the obligations imposed by the hire contract.
5. Nothing in item 4 affects the operation of any statute or any principle of law or equity applicable to the rights and duties of the mortgagor or supplier in relation to each other.

FORM 2**INFORMATION STATEMENT**

Consumer Credit Act 1999
 Section 14(1) (b)
 Regulation 10(1)

**THINGS YOU SHOULD KNOW ABOUT
 YOUR PROPOSED CREDIT CONTRACT**

This statement tells you about some of the rights and obligations of your credit provider. It does not state the terms and conditions of your contract. If you have any concerns about your contract, contact your credit provider and, if you still have concerns, seek information from the Department of Fair trading and Consumer Affairs or get legal advice.

THE CONTRACT

1. How can I get details of my proposed credit contract?

Your credit provider must give you a pre-contractual statement containing certain information about your contract. The pre-contractual statement, and this document, must be given to you before—

- *your contract is entered into; or
- *you make an offer to enter into the contract;

whichever happens first.

2. How can I get a copy of the final contract?

If the contract document is to be signed by you and returned to your credit provider you must be given a copy to keep.

Also, the credit provider must give you a copy of the final contract within 14 days after it is made. This rule does not, however, apply, if the contract can be accepted by you—

- *accessing or drawing down credit to incur a liability; or
- *satisfying other conditions.

The rule will also not apply if, when the credit provider gives you a copy of the contract document to sign and return to the credit provider, you are also given a copy of the contract document signed by the credit provider to keep.

If you want another copy of your contract write to your credit provider and ask for one. Your credit provider may charge you a fee. Your credit provider has to give you a copy—

- within 14 days of your written request if the original contract came into existence 1 year or less before your request; or
- otherwise within 30 days of your written request.

3. Can I terminate the contract?

Yes. So long as you have not obtained or tried to obtain any credit under the contract, you can terminate the contract by writing to the credit provider. However, you will

still have to pay any fees or charges incurred before you terminated the contract.

4. How can I find out the pay out for the contract?

You can pay your credit provider the amount required to pay out your credit contract on the day you wish to end your contract.

5. How can I find out the pay out figure?

You can write to your credit provider at any time and ask for a statement of the pay out figure as at any date you specify. You can also ask for details of how the amount is made up.

Your credit provider must give you the statement within 7 days after you give your request to the credit provider. You may be charged a fee for the statement.

6. Will I pay less interest if I pay out my contract early?

Yes. The interest you can be charged depends on the actual time money is owing. However, you may have to pay an early termination charge (if your contract permits your credit provider to charge one) and other fees.

7. Can my contract be changed by my credit provider?

Yes, but only if your contract says so.

8. Will I be told in advance if my credit provider is going to make a change in the contract?

That depends on the type of change. For example—

- you get at least same day notice for a change to an annual percentage rate. The notice may be a written notice to you or a notice published in a newspaper.
- you get 30 days advance written notice for—
 - a change in the way in which interest is calculated; or
 - a change in credit fees and charges; or
 - any other changes by your credit provider;

except where the change reduces what you have to pay or the change happens automatically under the contract.

9. Is there anything I can do if I think that my contract is unjust?

Yes. You should first talk to your credit provider. Discuss the matter and see if you can come to some arrangement. If that is not successful you could apply to the court. Contact the Department of Fair Trading and Consumer Affairs or get legal advice on how to go about this.

INSURANCE

10. Do I have to take out insurance?

Your credit provider can insist that you take out or pay the cost of types of insurance specifically allowed by law. These are compulsory third party personal injury insurance, mortgage indemnity insurance or insurance over property covered by any mortgage. Otherwise, you can decide if you want to take out insurance or not.

11. Will I get details of my insurance cover?

Yes, if you have taken out insurance over mortgaged property or consumer credit insurance and the premium is financed by your credit provider. In that case the insurer must give you a copy of the policy within 14 days after the insurer has accepted the insurance proposal.

Also, if you acquire an interest in any such insurance policy which is taken out by your credit provider then, within 14 days of that happening, your credit provider must ensure you have a written notice of the particulars of that insurance.

You can always ask the insurer for details of your insurance contract. If you ask in writing your insurer must give you a statement containing all the provisions of the contract.

12. If the insurer does not accept my proposal, will I be told?

Yes, if the insurance was to be financed by the credit contract. The insurer will inform you if the proposal is rejected.

13. In that case, what happens to the premiums?

Your credit provider must give you a refund or credit unless the insurance is to be arranged with another insurer.

14. What happens if my credit contract ends before any insurance contract over mortgaged property?

You can end the insurance contract and get a proportionate rebate of any premium from the insurer.

MORTGAGES

15. If my contract says I have to give a mortgage, what does this mean?

A mortgage means that you give your credit provider certain rights over any property you mortgage. If you default under your contract, you can lose that property and you might still owe money to the credit provider.

16. Should I get a copy of my mortgage?

Yes. It can be part of your credit contract or, if it is a separate document, you will be given a copy of the mortgage within 14 days after your mortgage is entered into.

However, you need not be given a copy if, when the credit provider gives you a copy of the mortgage document to sign and return to the credit provider, you are also given a copy of the mortgage document to keep.

17. Is there anything that I am not allowed to do with the property mortgaged?

The law says you cannot assign or dispose of the property unless you have your credit provider's, or the court's permission. You must also look after the property. Read the mortgage document as well. It will usually have other terms and conditions about what you can or cannot do with the property.

18. What can I do if I find that I cannot afford my repayments and there is a mortgage over property?

See the answers to questions 22 and 23.

Otherwise you may—

- if the mortgaged property is goods -- give the property back to your credit provider, together with a letter saying you want the credit provider to sell the property for you;
- sell the property, but only if your credit provider gives permission first;
OR
- give the property to someone who may then take over the repayments, but only if your credit provider gives permission first.

If your credit provider won't give permission contact the Department of Fair Trading and Consumer Affairs for help.

If you have a guarantor, talk to the guarantor who may be able to help you.

You should understand that you may owe money to your credit provider even after mortgaged property is sold.

19. Can my credit provider take or sell the mortgaged property?

Yes, if you have not carried out all of your obligations under your contract.

20. If my credit provider writes asking me where the mortgaged goods are, do I have to say where they are?

Yes. You have 7 days after receiving your credit provider's request to tell your credit provider. If you do not have the goods you must give your credit provider all the information you have so they can be traced.

21. When can my credit provider or its agent come into a residence to take possession of mortgaged goods?

Your credit provider can only do so if it has the court's approval or the written consent of the occupier which is given after the occupier is informed in writing of the relevant section in the Consumer Credit Act.

GENERAL

22. What do I do if I cannot make a repayment?

Get in touch with your credit provider immediately. Discuss the matter and see if you can come to some arrangement. You can ask your credit provider to change your contract in a number of ways, for example –

- to extend the term of the contract and either reduce the amount of each payment accordingly or defer payments for a specified period; or
- to simply defer payments for a specified period.

23. What if my credit provider and I cannot agree on a suitable arrangement?

If you have been unemployed, sick or there is another good reason why you are having problems with your contract, then your contract may be able to be changed to meet your situation.

You may be able to apply to the court. Contact the Department of Fair Trading and Consumer Affairs or get legal advice on how to go about this.

There are other people, such as financial advisors, who may be able to help.

24. Can my credit provider take action against me?

Yes, if you are in default under your contract. But the law says that you cannot be unduly harassed or threatened for repayments. If you think you are being unduly harassed or threatened, contact the Department of Fair Trading and Consumer Affairs, or get legal advice.

25. Do I have any other legal rights and obligation?

Yes. The law will give you other rights and obligations. You should also READ YOUR CONTRACT carefully.

IF YOU HAVE ANY DOUBTS, OR WANT MORE INFORMATION, CONTACT THE DEPARTMENT OF FAIR TRADING AND CONSUMER AFFAIRS OR GET LEGAL ADVICE. PLEASE KEEP THIS INFORMATION STATEMENT. YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

FORM 3A

Consumer Credit Act 1999
 Schedule 1(0)
 Regulation 14(2) (a)

IMPORTANT

BEFORE YOU SIGN

THINGS YOU MUST KNOW

- **READ THIS CONTRACT DOCUMENT** so that you know exactly what contract you are entering into and what you will have to do under the contracts. However, you may end the contract
- You should also read the information statement: "THINGS YOU SHOULD KNOW ABOUT YOUR PROPOSED CREDIT CONTRACT".
- Fill in or cross out any blank spaces.
- Get a copy of this contract document.
- **Do not sign** this contract document if there is anything you do not understand.
- You can withdraw this offer at any time before the credit provider accepts it. When the credit provider does accept it, you are bound by it. before you obtain (or try to obtain) any credit by telling the credit provider in writing, but you will still be liable for any fees or charges already incurred.
- You **do not** have to take out consumer Credit insurance unless you want to. If this contract document says so, you must take out insurance over any mortgaged property.
- If you take out insurance, the credit provider cannot insist on any particular insurance company.
- If this contract document says so, the credit provider can vary the annual percentage rate (the interest rate), the repayments and the fees and charges and can add new fees and charges without your consent.
- If this contract document says so, the credit provider can charge a fee if you pay out your contract early.

FORM 3B

Consumer Credit Act 1999
 Schedule 1(0)
 Regulation 14(2)(b)

IMPORTANT

BEFORE YOU SIGN

- **READ THIS CONTRACT DOCUMENT** so that you know exactly what contract you are entering into and what you will have to do under the contract.
- You should also read the information statement: **"THINGS YOU SHOULD KNOW ABOUT YOUR PROPOSED CREDIT CONTRACT"**.
- Fill in or cross out any blank spaces.
- Get a copy of this contract document.

***Do not sign this contract document if there is anything you do not understand**

THINGS YOU MUST KNOW

- Once you sign this contract document, you will be bound by it. However, you may end the contract before you obtain (or try to obtain) any credit by telling the credit provider in writing, but you will still be liable for any fees or charges incurred.
- You do not have to take out consumer credit insurance unless you want to. If this contract document says so, you must take out insurance over any mortgaged property.
- If you take out insurance, the credit provider cannot insist on any particular insurance company.
- If this contract document says so, the credit provider can vary the annual percentage rate (the interest rate), the repayments and the fees and charges and can add new fees and charges without your consent.
- If this contract document says so, the credit provider can charge a fee if you pay out your contract early.

FORM 4

Consumer Credit Act 1999
Section 50
Regulation 19

IMPORTANT

BEFORE YOU SIGN

- READ THIS GUARANTEE DOCUMENT AND THE CREDIT CONTRACT DOCUMENT

You should also read the information statement:
"THINGS YOU SHOULD KNOW ABOUT GUARANTEE".

- You should obtain independent legal advice.
- You should also consider obtaining independent financial advice.

- You should make your own inquiries about the credit worthiness, financial position and honesty of the debtor

THINGS YOU MUST KNOW

- Understand that, by signing this guarantee, you may become personally responsible instead of, or as well as, the debtor to pay the amounts which the debtor owes and the reasonable expenses of the credit provider in enforcing the guarantee.
- If the debtor does not pay you must pay. This could mean you lose everything you own including your home.
- You may be able to withdraw from this guarantee or limit your liability. Ask your legal adviser about this before you sign this guarantee.
- You are not bound by a change to the credit contract, or by a new credit contract, that increases your liabilities under the guarantee unless you have agreed in writing and have been given written particulars of the change or a copy of the new credit document.

FORM 5

— Consumer Credit Act-1999 —
Section 51(1) (b)
Regulation 20

INFORMATION STATEMENT

THINGS YOU SHOULD KNOW ABOUT GUARANTEES

This information tells you about some of the rights and obligations of yourself and the credit provider. It does not state the terms and conditions of your guarantee.

GUARANTEES

1. What is a guarantee?

A promise by you that the person who is getting credit under a credit contract (the “debtor”) will keep to all the terms and conditions. If that person does not do so, you promise to pay the credit provider all the money owing on the contract (and any reasonable enforcement expenses) as soon as the money is asked for, up to the limit, if any, stated in the guarantee. If you do not pay, then the credit provider can take enforcement action against you which may result in the forced sale of any property owned by you such as your house.

2. How do I know how much the debtor is borrowing and how the credit charges are worked out?

These details are on the copy of the credit contract or proposed credit contract that you should be given before you sign the guarantee.

3. What documents should I be given?

Before you sign the guarantee you should get—

- the document you are reading now; and
- a copy of the credit contract or proposed credit contract.

Your guarantee is not enforceable unless you get a copy of the credit contract or proposed credit contract before you sign.

Within 14 days after you sign the guarantee and give it to the credit provider, the credit provider must give you a copy of —

- the signed guarantee; and
- the credit contract or proposed credit contract (if you do not already have a copy of the contract).

4. Can I get a statement of the amount that the debtor owes?

Yes. You can ask the credit provider at any time for a statement of the amount the debtor currently owes or any amounts credited or debited during a period you specify or any amounts which are overdue and when they became overdue or any amount payable and the date it became due.

The credit provider must give you the requested information—

- within 14 days if all the information requested related to a period 1 year or less before your request is given; or
- otherwise within 30 days.

This statement must be given to you in writing if you ask for it in writing but otherwise may be given orally.

You may be charged a fee for the statement.

You are not entitled to more than 1 written statement every 3 months.

5. How can I find out the payout figure?

You can write to the credit provider at any time and ask for a statement of the amount required to pay out the credit contract as at any date you specify. You can also ask for details of the items that make up the amount.

The credit provider must give you the statement within 7 days after you give your request to the credit provider. You may be charged a fee for the statement.

6. What other information can I get?

You can write to the credit provider and ask for a copy of—

- the guarantee; or
- any credit-related insurance contract (such as insurance on mortgaged property) the credit provider has; or
- a notice previously given to you, the debtor or the mortgagor under the Act.

The credit provider must give you the requested copy—

- within 14 days of your written request if the contract came into existence one year or less before the request was given to the credit provider; or
- otherwise within 30 days of your written request.

The credit provider may charge you a fee.

Your request can be made at any time up to 2 years after the end of the credit contract.

7. Can I withdraw from my guarantee?

Yes, by written notice to the credit provider, if—

- you do so before the debtor gets any credit under the credit contract; or
- at any time if the final credit contract is materially different from the proposed credit contract given to you before you signed the guarantee.

8. Can I limit my guarantee?

Yes, if it relates to a continuing credit contract (such as a credit card contract or an overdraft). In that case you can give the credit provider a notice limiting the guarantee so that it only applies to—

- credit previously given to the debtor; and
- any other amount you agree to guarantee.

9. Can my guarantee also apply to any future contracts?

No, unless the credit provider has given you a copy of the proposed new credit contract and you have given your written acceptance.

10. If my guarantee says I have to give a mortgage, what does this mean?

A mortgage means that you give the credit provider certain rights over any property you mortgage. If you default under your guarantee, you can lose that property and you might still owe money to the credit provider.

11. Should I get a copy of my mortgage?

Yes. It can be part of your guarantee or, if it is a separate document, you will be given a copy of the mortgage within 14 days after your mortgage is entered into.

12. Is there anything that I am not allowed to do with the property I have mortgaged?

The law says you cannot assign or dispose of the property unless you have the credit provider's, or the court's permission. You must also look after the property. Read the mortgage document as well. It will usually have other terms and conditions about what you can or cannot do with the property.

13. What can I do if I find that I cannot afford to pay out the credit contract and there is a mortgage over my property?

See the answer to question 22.

Otherwise you may—

- if the mortgaged property is goods – give the property back to your credit provider, together with a letter saying you want the credit provider to sell the property for you;
 - sell the property, but only if the credit provider gives permission first;
- OR

- give the property to someone who may then pay all amounts owing under the guarantee or give a similar guarantee, but only if the credit provider gives permission first.

If the credit provider won't give permission contact the department of Fair Trading and Consumer Affairs for help.

You should understand that you may owe money to the credit provider even after mortgaged property is sold.

14. Can the credit provider take or sell the mortgaged property?

Yes, if you have not carried out all of your obligations under your guarantee.

15. If the credit provider writes asking me where the mortgaged goods are, do I have to say where they are?

Yes, if you have not carried out all of your obligations under your guarantee.

16. When can the credit provider or its agent come into a residence to take possession of mortgaged goods?

The credit provider can only do so if it has the court's approval or the written consent of the occupier which is given after the occupier is informed in writing of the relevant section in the Act.

17. If the debtor defaults, do I get any warning that the credit provider wants to take action against the debtor?

In most cases both you and the debtor get at least 30 days from the date of a notice in writing to do something about the matter. The notice must advise--

- why the credit provider wants to take action;
- what can be done to stop it (if the default can be remedied); and
- that if the same sort of default is committed within 30 days of the date of the notice and is not remedied within that period, the credit provider can take action without further notice.

You should immediately discuss any warning notice with the debtor and consider getting independent legal advice and/or financial advice.

However, there will be no warning notice if--

- there is a good reason to think the debtor committed a fraud to persuade the credit provider to enter into the contract; or
- the credit provider has been unable to locate the debtor after making reasonable efforts to do so; or

- the court says so; or
- there is a good reason to think that the debtor has, or will, remove or dispose of mortgaged goods without the credit provider's consent, or that urgent action is necessary to protect mortgaged property.

18. When can the credit provider enforce a judgment against me?

When –

- the credit provider has judgment against the debtor and if the judgment amount has still not been met 30 days after the credit provider has asked the debtor in writing to pay it; or
- the court says so because recovery from the debtor is unlikely; or
- the credit provider has been unable to locate the debtor after making reasonable efforts to do so; or
- the debtor is insolvent.

19. If the debtor cannot be found and the credit provider intends to take legal action against me do I get any warning?

You may not. See the answer to question 17.

20. Can the credit provider take action against me without first taking action against the debtor?

Yes, but the credit provider will not be able to enforce any judgment against you except in the circumstances described in the answer to question 18.

21. How much do I have to pay the credit provider if the debtor defaults?

You have to pay what the debtor owes the credit provider, subject to any limit provided in the guarantee, plus the credit provider's reasonable expenses in making you honour your contract of guarantee.

GENERAL

22. What can I do if I am asked to pay out the credit contract and I cannot pay it all at once?

Talk to the credit provider and see if some arrangement can be made about paying.

If you cannot come to a suitable arrangement, contact the Department of Fair Trading and Consumer Affairs. There are other people, such as financial counselors, who may be able to help.

23. If I pay out money for a debtor, is there any way I can get it back?

You can sue the debtor, but remember, if the debtor cannot pay the credit provider, he or she probably cannot pay you back for a while, if at all.

24. What happens if I go guarantor for someone who is under 18 when he or she signs a credit contract?

You are responsible for the full debt if the contract of guarantee has a clear and obvious warning. The warning has to tell you that the courts might not let you sue the debtor if you have to pay out the credit contract for him or her.

25. Do I have any other rights and obligations?

Yes. The law does give you other rights and obligations. You should also READ YOUR GUARANTEE carefully.

IF YOU HAVE ANY DOUBTS, OR YOU WANT MORE INFORMATION, CONTACT THE DEPARTMENT OF FAIR TRADING AND CONSUMER AFFAIRS OR GET LEGAL ADVICE. PLEASE KEEP THIS INFORMATION STATEMENT, YOU MAY WANT SOME INFORMATION FROM IT AT A LATER DATE.

FORM 6

Consumer Credit Act 1999
Section 78(3)
Regulation 22

**INFORMATION AFTER SURRENDER OF
MORTGAGED GOODS**

.....
Date

TO :
(name of mortgagor)

.....
(address of mortgagor)

FROM:
(name of credit provider)

.....
(address of credit provider)

CONTACT PERSON:
(name, telephone no. & address)

You have returned mortgaged goods to the credit provider/asked the credit provider to sell the mortgaged goods.*

This information tells you some of your rights and obligations and some of the options open to you.

DETAILS YOU SHOULD KNOW

Description of the goods:.....

Date you returned the goods to the credit provider/asked the credit provider to sell the goods*
.....

The cost of enforcing the mortgage up to the date you returned the goods to the credit provider/asked the credit provider to sell the goods* is \$.....

The cost of the goods being in the credit provider's possession is \$.....
per.....**

The credit provider's estimate of the value of the goods is \$.....

HOW TO GET THE GOODS RETURNED OR NOT SOLD

YOU CAN GET THE GOODS BACK OR STOP THEM BEING SOLD BY THE CREDIT PROVIDER IF YOU ASK THE CREDIT PROVIDER AND IF THE REPAYMENTS AND OTHER OBLIGATIONS UNDER THE CREDIT CONTRACT HAVE BEEN MET. YOUR REQUEST MUST BE MADE IN WRITING WITHIN 21 DAYS OF THIS NOTICE BEING GIVEN TO YOU.

IF YOU DO NOTHING, YOU MAY LOSE THE GOODS

SALE OF GOODS

The law says that the credit provider must get the best price reasonably obtainable for the goods.

If you want to, you can introduce a buyer to the credit provider. This has to be done in writing within 21 days after the date of this notice and the buyer must be willing to pay the credit provider's estimate of the value of the goods or any greater amount for which the credit provider has obtained a written offer to buy the goods.

The credit provider must offer to sell the goods to the buyer you have introduced.

Your letter introducing the buyer has to reach the credit provider before the goods are sold. If you post the letter, it is best to send it by certified or registered mail. Then you can check that it was delivered. If you take it to the credit provider's office, you should get an employee of the credit provider to sign and date something to say that your letter has been received. Make sure you keep anything that was signed by that employee.

Once the 21 day period has expired, the credit provider must sell the goods as soon as reasonably practicable unless you and the credit provider agree on some other time for sale.

As mentioned above, the goods must be sold for the best price reasonably obtainable.

FINALISING THE CONTRACT

As soon as the goods are sold, the total amount payable under the credit contract becomes due. The credit provider must credit you with the proceeds of the sale less—

- the amount owing under your mortgage (which cannot be more than the amount owing under the contract);
- any amount owing under a prior mortgage of the goods;
- any amount owing under a subsequent mortgage of the goods which the credit provider knows about; and
- the credit provider's reasonable expenses of enforcing the mortgage.

After the goods are sold the credit provider must give you a notice setting out certain information including —

- what the sale price was;
- the net proceeds of the sale;
- the amount credited to you; and
- the net amount due under the credit contract.

GENERAL

You should discuss this matter with the credit provider as soon as possible. You should know that even after the goods are sold, you will still have to pay the credit provider any amount still outstanding. You may be able to work out some alternative arrangement about your contract if you are the debtor. For example, you could ask the credit provider—

- to extend the term of the contract and either reduce the amount of each payment accordingly or defer payments for a specified period; or
- to simply defer payments for a specified period.

The name and telephone number of the person to contact is on the front of this document.

If you cannot come to a suitable arrangement with the credit provider, contact the Department of Fair Trading and Consumer Affairs immediately. If you are the debtor and have been unemployed, sick or there is another good reason why you are having problems making payments under your contract, then your contract may be able to be varied under the law to meet your situation.

There are other people, such as financial advisers, who may be able to help.

**IF YOU HAVE ANY DOUBTS OR YOU WANT MORE INFORMATION,
CONTACT THE DEPARTMENT OF FAIR TRADING AND CONSUMER
AFFAIRS OR GET LEGAL ADVICE.**

.....
(signature of credit provider or person signing on behalf of credit provider)

.....
(name of person signing)

.....
(position of person signing)

**Delete if inapplicable*

***Indicate the daily, monthly or other rate at which enforcement expenses may accrue.*

FORM 7

Consumer Credit Act 1999
Section 91(2)
Regulation 23

CONSENT TO ENTER PREMISES

.....
Date

TO:
(name of credit provider)

FROM:
(name of occupier)*

.....
(address of occupier's premises)

.....
("the premises")

I consent to the credit provider entering the premises for the purpose of taking possession of the mortgaged goods described below.

The mortgaged goods are: **

.....
.....

IMPORTANT
YOU HAVE THE RIGHT TO REFUSE CONSENT
IF YOU DO THE CREDIT PROVIDER MAY GO TO
COURT FOR PERMISSION TO ENTER THE PREMISES

.....
(signature of occupier giving consent)*

.....
(name, address and signature of credit provider's representative by whom the consent was obtained)

* The name/signature of occupier

** Insert brief details of the mortgaged goods

FORM 8

Consumer Credit Act 1999
Section 94(1)(c)
Regulation 24

NOTICE AFTER TAKING POSSESSION OF
MORTGAGED GOODS

.....
Date

TO:
(name of mortgagor)

.....
(address of mortgagor)

FROM
(name of credit provider)

.....
(address of credit provider)

CONTACT PERSON :
(name, telephone no, and address)

This information tells you some of your rights and obligations and some of the options open to you.

DETAILS YOU SHOULD KNOW

Description of the goods

Date the goods were taken:.....

The goods were taken because:.....

.....

The cost of enforcing the mortgage up to the date the goods were taken is \$.....

The cost of the goods remaining in the credit provider's possession is \$.....
per*

The credit provider's estimate of the value of the goods is \$.....

HOW TO GET THE GOODS BACK

-----IF YOU WANT THE GOODS BACK YOU MUST DO ONE OF THE THINGS LISTED BELOW AS SOON AS POSSIBLE. IF YOU DO NOT ACT WITHIN 21 DAYS AFTER THE DATE OF THIS NOTICE, THE CREDIT PROVIDER MAY SELL THE GOODS. IT IS ALSO POSSIBLE THAT THE GOODS MIGHT BE SOLD EARLIER IF THE CREDIT PROVIDER GETS A COURT ORDER.

EITHER

You can get the goods back if you pay \$..... and there is no repetition of the default that caused the goods to be taken. The amount of \$..... is calculated as follows -

Arrears:.....
Enforcement expenses:.....
Total:.....

OR

You can pay out the credit contract. If you do this you can get the goods back and you do not have any further obligations.

To give you an idea of what the amount required to pay out the credit contract may be, 2 figures are given below. The first is the amount required to pay the contract at the date of this notice. The second is the amount required calculated 21 days from that date. Any difference is the result of further payments or charges that fall due between the 2 dates.

- 1. Amount required to pay out the credit contract on / / / \$
- 2. Amount required to pay out the credit contract on / / / \$

IF YOU DO NOTHING, YOU WILL LOSE THE GOODS

SALE OF GOODS

The law says that the credit provider must get the best price reasonably obtainable for the goods.

If you want to, you can introduce a buyer to the credit provider. This has to be done in writing, within 21 days after the date of the notice you receive and the buyer must be willing to pay the credit provider's estimate of the value of the goods or any greater amount for which the credit provider has obtained a written offer to buy the goods.

The credit provider must offer to sell the goods to the buyer you have introduced.

Your letter introducing the buyer has to reach the credit provider before the goods are sold. If you post the letter, it is best to send it by certificate or registered mail then you can check that it was delivered. If you take it to the credit provider's office, you should get an

employee to sign and date something to say that your letter has been received. Make sure you keep anything that was signed by the employee.

Once the 21 day period has expired, the credit provider must sell the goods as soon as reasonably practicable unless—

- you and the credit provider agree on some other time for sale; or
- legal proceedings have been taken which prevent the sale.

As mentioned above, the goods must be sold for the best price reasonably obtainable.

FINALISING THE CONTRACT

As soon as the goods are sold, the total amount payable under the contract becomes due. However, the credit provider will have to deduct from what you owe any amount the credit provider gets for the goods less—

- the amount owing under your mortgage (which cannot be more than the amount owing under the contract);
- any amount owing under a prior mortgage of the goods;
- any amount owing under a subsequent mortgage of the goods which the credit provider knows about; and
- the credit provider's reasonable expenses of enforcing the mortgage.

After the goods are sold, the credit provider must give you a notice setting out certain information including—

- what the sale price was;
- the net proceeds of the sale after the amounts referred to above have been deducted;
- the amount due under the credit contract or the amount of any surplus due to you; and
- details of any further recovery action that might be taken against you under the credit contract if you are the debtor.

GENERAL

You should discuss this matter with the credit provider as soon as possible. You should know that after the goods have been sold, you will still have to pay the credit provider any amount still outstanding. You may be able to work out some alternative arrangement about the contract and mortgage. For example, if you are the debtor, you could ask the credit provider—

- To extend the term of the contract and either reduce the amount of each payment accordingly or defer payments for a specified period; or
- To simply defer payments for a specified period.

The name, telephone number and address of the person to contract is on the front of this form.

If you cannot come to a suitable arrangement with the credit provider, contact the Department of Fair Trading and consumer Affairs immediately. If you are the debtor and have been unemployed, sick or there is another good reason why you are having problems with your contract, then your contract may be able to be varied under the law to meet your situation. There are other people, such as financial advisors, who may be able to help.

IF YOU HAVE ANY DOUBTS, OR YOU WANT MORE INFORMATION, CONTACT THE DEPARTMENT OF FAIR TRADING AND CONSUMER AFFAIRS OF GET LEGAL ADVICE.

.....
(signature of credit provider or person signing on behalf of credit provider)

.....
(name of person signing)

.....
(position of person signing)

*Indicate the daily, monthly or other rate at which enforcement expenses may accrue.

FORM 9

Consumer Credit Act
Section 125(2)
Regulation 26

**NOTICE OF RIGHT TO TERMINATE MAINTENANCE
SERVICES CONTRACT**

.....
Date

TO:
(name of debtor)

.....
(address of debtor)

FROM:
(name of credit provider)

.....
(address of credit provider)

The law says that you must be told, now that your credit contract has terminated, that you can also —

- terminate your maintenance services contract with dated.....
.....*("supplier").
- Recover from the supplier a proportionate rebate of the amount you have paid under the maintenance services contract.

You must tell the supplier in writing if you want to terminate the maintenance services contract.

The proportionate rebate must be calculated in accordance with the law.

**IF YOU HAVE ANY DOUBTS, OR YOU WANT MORE INFORMATION, CONTACT
THE DEPARTMENT OF FAIR TRADING AND CONSUMER AFFAIRS OR GET
LEGAL ADVICE**

.....
(signature of credit provider or person signing on behalf of credit provider)
.....

.....
(name of person signing)
.....

.....
(position of person signing)
.....

* Insert name and address of supplier under the maintenance services contract.

FORM 10

Consumer Credit Act 1999
Section 138(2)
Regulation 30

**NOTICE OF RIGHT TO CANCEL MORTGAGED
PROPERTY INSURANCE**

.....
Date

TO:
(name of debtor)

.....
(address of debtor)

.....

FROM:
(name of credit provider)

.....
(address of credit provider)

.....

The law says that you must be told, now that your credit contract has terminated, that you can also—

- terminate your insurance contract over mortgaged property financed under the credit contract; and
- recover from the insurer a proportionate rebate of premium paid under the insurance contract.

Your insurer will not terminate the insurance contract unless you ask the insurer in writing to do so. If you terminate the insurance, you will not be covered in the event of loss or damage to the property.

According to our records your insurer is

The mortgaged property is

.....
.....
.....
.....

The proportionate rebate of insurance must be calculated in accordance with the law.

**IF YOU HAVE ANY DOUBTS, OR YOU WANT MORE INFORMATION, CONTACT
THE DEPARTMENT OF FAIR TRADING AND CONSUMER AFFAIRS OF GET
LEGAL ADVICE.**

.....
(signature of credit provider or person signing on behalf of credit provider)

.....
(name of person signing)

.....
(position of person signing)

FORM 11

Consumer Credit Act 1999
Section 152
Regulation 33

INFORMATION STATEMENT**THINGS YOU SHOULD KNOW ABOUT
YOUR CONSUMER LEASE**

This statement tells you about some of the rights and obligations of yourself and your lessor. It does not state the terms and conditions of your lease.

THE LEASE**1. How can I get details of my lease?**

Your lessor must give you a copy of your consumer lease with this statement. Both documents must be given to you within 14 days after the lessor enters into the consumer lease.

If you want another copy of your lease write to your lessor and ask for one. Your lessor may charge you a fee. Your lessor has to give you a copy—

- Within 14 days of your written request if the contract came into existence 1 year or less before your request; or
- Otherwise within 30 days of your written request.

2. What should my lease tell me?

You should read your lease carefully.

Your lease should tell you about your obligations, and include information on matters such as—

- details of the goods which have been hired;
- any amount you have to pay before the goods are delivered;
- stamp duty and other government charges you have to pay;
- charges you have to pay which are not included in the rental payments;
- the amount of each rental payment;
- the date on which the first rental payment is due and either the dates of the other rental payments or the interval between;
- The number of rental payment or the interval between them;
- The number of rental payments;
- The total amount of rent;
- when you can end your lease; and
- what your obligations are (if any) when your lease ends.

This information only has to be included in your lease if it is possible to give it at the relevant times.

If your lease does not tell you all these details, contact the Department of Fair Trading and Consumer Affairs, or get legal advice as you may have rights against your lessor.

3. Can I end my lease early?

Yes. Simply return the goods to your lessor. The goods may be returned in ordinary business hours or at any other time you and the lessor agree on or the court decides.

4. What will I have to pay if I end my lease early?

The amount the lease says you have to pay. If you have made rental payments in advance then it is possible that your lessor might owe you money if you return the goods early.

5. Can my lease be changed by my lessor?

Yes, but only if your lease say so.

6. Is there anything I can do if I think that my lease is unjust?

Yes. You can apply to the court. Contact the Department of Fair Trading and Consumer Affairs or get legal advice on how to go about this.

GOODS

7. If my lessor writes asking me where the goods are, do I have to say where they are?

Yes. You have 7 days after receiving your lessor's request to tell your lessor. If you do not have the goods you must give your lessor all the information you have so they can be traced.

8. When can my lessor or its agent come into a residence to take possession of the goods?

Your lessor can only do so if it has the court's approval or the written consent of the occupier which is given after the occupier is informed in writing of the relevant section in the Consumer Credit Act.

GENERAL

9. What do I do if I cannot make a rental payment?

Get in touch with your lessor immediately. Discuss the matter and see if you can come to some arrangement. For example, you could ask your lessor—

- To extend the term of the lease and either reduce the amount of each rental payment accordingly or defer rental payments for a specified period; or
- To simply defer rental payments for a specified period.

10. What if my lessor and I cannot agree on a suitable arrangement?

You can apply to the Court. Contact the department of Fair Trading and Consumer Affairs or get legal advice on how to go about this.

If you have been unemployed, sick or there is another good reason why you are having problems with your lease, then your lease may be able to be changed to meet your situation.

There are other people, such as financial counselors who may be able to help.

11. Can my lessor take action against me?

Yes. If you are in default under your lease. But the law says that you cannot be unduly harassed or threatened for rental payments. If you think you are being unduly harassed or threatened, contact the Department of Fair Trading and Consumer Affairs, or get legal advice.

12. Do I have any other rights and obligations?

Yes. The law will give you other rights and obligations. You should also READ YOUR LEASE carefully.

IF YOU HAVE ANY DOUBTS, OR YOU WANT MORE INFORMATION, CONTACT THE DEPARTMENT OF FAIR TRADING AND CONSUMER AFFAIRS OR GET LEGAL ADVICE.

Dated this 28th day of July 2009.

A. SAYED-KHAIYUM
Attorney General, Minister for
Justice, Anti-Corruption, Public Enterprises,
Industry, Tourism, Trade and Communications