

Traders' responsibilities

Traders have a number of responsibilities under the Motor Vehicle Sales Act 2003 (MVSA) and we recommend you familiarise yourself with the MVSA to ensure all obligations are met.

[View the MVSA on the New Zealand Legislation website](#)

Sales agreements

Under the Motor Vehicle Sales Act 2003 you are required to keep a record of the contract for sale (Section 21 Motor Vehicle Sales Act 2003 and regulations), which includes the following information:

- the names of all the parties to the contract
- the agreed price
- a description of the motor vehicle sold including its VIN (or where no VIN is recorded the chassis number) make, model, and calendar year of manufacture or model year, as recorded on the LTNZ Motor Vehicle Register.

The records may be kept in an electronic form or as a copy of a written sales contract as long as the records can be retrieved easily and they contain all the required information. The records can be inspected by the Registrar or the Police. The records must be kept for a period of at least six years.

You must obtain written acknowledgement from the purchaser that they have received a copy of the Consumer Information Notice.

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Consumer Information Notice (CIN)

As a trader you will need to display a window card (CIN) in any used cars that are for sale. If no CIN is displayed in the vehicle offered for sale you are in breach of the Motor Vehicle Sales Act 2003.

If you are a car market operator you are required to take reasonable steps to ensure that a consumer selling a vehicle attaches a CIN. Motor vehicle traders selling through car market operators are also responsible for displaying the CIN. You may supply sellers with a blank window card for them to fill in - it is not your responsibility to complete the card for the seller.

If false or misleading information is contained in the CIN you may be liable under the Fair Trading Act 1986.

You will be required to disclose information about any security interest on a motor vehicle that has been used as security for a debt. Information about whether a security interest has been registered can be found on the Personal Property Securities Register (PPSR). The PPSR is a government register of security interests (debts) in personal property (such as a car).

The MVSA and Personal Property Securities Act (PPSA) provide that a buyer takes a vehicle free of a security interest if the interest was not disclosed to them. In this instance the vehicle cannot be repossessed from the buyer and it would be for the secured party to serve claim for payment of outstanding monies on the MVT under section 59 of the PPSA.

The CIN is regulated under the Fair Trading Act 1986, and is enforced by the Commerce Commission as well as by any person individually.

If you need a CIN please visit the Consumer Protection website where you will also find further information.

[Visit the Personal Property Securities Register \(PPSR\) website](#)

[Visit the Consumer Protection website](#)

Sales on consignment

Where a motor vehicle trader acts as an agent for another person in the sale of a used motor vehicle, they must pay to that person all money received immediately on demand by that person or, where no demand is made, within five working days after the receipt of the money.

For further information on this see sections 19 and 20 of the Motor Vehicle Sales Act 2003 (MVSA).

[View the MVSA on the New Zealand Legislation website](#)

Motor vehicle registrations and dealer plates

The MVTR is not responsible for motor vehicle registrations or dealer plates. This service is provided by the New Zealand Transport Agency.

- [What the MVTR doesn't do, and who else can help](#)