

*The information in this booklet  
applies to goods and services  
purchased before 17 June 2014.*

# FIT FOR THE ROAD?

WHAT YOU SHOULD KNOW **BEFORE**  
BUYING A MOTOR VEHICLE



**CONSUMER AFFAIRS**  
MANATŪ KAIHOKOHOKO

New Zealand Government

# Watch your language

## Terms and definitions used in this booklet:

**Breach:** when a rule under a law has been broken – e.g. it is a breach of the Fair Trading Act for a trader to mislead you about the vehicle's age.

**Car-yard trader:** the term we use in this book to describe registered motor vehicle traders who usually sell vehicles from car-yards.

**Compensation:** money to put a problem right – e.g. asking for \$1,200 compensation from the seller for being misled about the condition of the vehicle's engine.

**Registered motor vehicle trader:** all people who are in the business of selling motor vehicles must be registered. This includes vehicle traders, vehicle importers, vehicle wholesalers and auctioneers.

**Security interest:** when a vehicle is purchased on credit (using a loan or hire purchase to pay for it), the finance company may register a security interest to show that they have a right to the vehicle if the money owed is not re-paid. Security interests are registered on the Personal Property Securities Register ([www.ppsr.govt.nz](http://www.ppsr.govt.nz)).

Before you start – information for all buyers	4
Buying from a car-yard trader	12
Buying from an auction	17
Buying from a car market, car fair or 'display for sale'	20
Buying from a private seller	25
Buying a motor vehicle on credit	28
Checking for wear and tear	32
After purchasing	35

## Before you start – information for all buyers

To avoid a bad deal it makes sense to do some homework before you buy. Some things to think about are:

- do your homework on the market – check out the vehicle market by looking at adverts in the paper and visiting traders' yards. Talk to friends and family about their recent vehicle purchases
- get an independent mechanical check of the vehicle before you agree to buy it – some traders may have already arranged a check of the vehicles they have for sale. If you want to rely on this check, make sure you know when the test was done, what was checked, who carried it out and what the test results were.

This booklet sets out the different checks you should do before you buy a vehicle and the protections the law gives you. These protections depend on whether you buy your vehicle from:

- a car-yard trader – a registered motor vehicle trader who usually operates from a car-yard
  - an auctioneer
  - a car market operator – also known as a car fair or “display for sale” operator
- or
- a private seller.

## Remember

The Motor Vehicle Sales Act (MVSA) requires motor vehicle dealers and other traders who sell motor vehicles to be registered.

Once you've got an idea of the current market and the mechanical state of the car you're in a better position to make a decision. If there are any mechanical problems with the car you could negotiate on the price to take account of the problems, or ask the seller to fix the problems before you buy the vehicle. If the seller agrees to fix the problems, ask for this in writing.

NZ Transport Agency has information on their website on buying a used car and what to look for when checking the quality of a used vehicle.

Visit [www.nzta.govt.nz](http://www.nzta.govt.nz) for more information.

## Checking the vehicle's Warrant of Fitness

All sellers of motor vehicles must ensure that the vehicle has a Warrant of Fitness (WoF) issued no more than one month before the date the vehicle is delivered to the buyer.

If you buy a vehicle with a recently issued Warrant of Fitness but the vehicle does not appear to be in a warrantable condition, contact NZ Transport Agency. They can investigate testing stations or garages that incorrectly issue Warrants.



## “As is, where is”

If the vehicle does not have a current WoF it must be sold “as is, where is”. In this case, you should give the seller a written undertaking that the vehicle will not be driven on the road except for the purpose of getting a new WoF – this is a protection for the seller.

Visit [www.nzta.govt.nz](http://www.nzta.govt.nz) for more information.

## Trader registration

All motor vehicle traders are required to be registered under the Motor Vehicle Sales Act (MVSA).

Registered motor vehicle traders will have a certificate with their trader number on it and the date their registration expires. You can ask to see this registration certificate.

You can check whether a trader is registered by visiting the Motor Vehicle Traders Register online at [www.motortraders.med.govt.nz](http://www.motortraders.med.govt.nz) or phone 0508 MOTOR TRADERS (0508 668 678). This service is free.

You can also check the Motor Vehicle Traders Register for a list of people who have been banned from operating as a registered motor vehicle trader.

If a trader is not registered, you can report this to the Motor Vehicle Traders Registrar. Motor vehicle traders who are not registered can be fined up to \$200,000.

## Consumer Information Notice

All motor vehicle traders must attach a Consumer Information Notice to every used vehicle they offer for sale. (Private sellers do not have to display a notice.) Read the Consumer Information Notice carefully – it contains important information about the vehicle you're buying.

If the notice is missing, inaccurate, not completed, or misleading you can report this to the Commerce Commission on 0800 943 600 or by email to: [contact@comcom.govt.nz](mailto:contact@comcom.govt.nz)

The Motor Vehicle Sales Act requires the trader to get a written acknowledgement from you before the sale that you received a copy of the Consumer Information Notice. If you buy the car at an auction, this acknowledgement must happen as soon as is practical after the sale.

## Checking if there is money owed on the vehicle (when bought from a trader)

A previous owner may still owe money to a finance company for the vehicle. You can check whether money is owed on the vehicle by checking the Personal Property Securities Register (PPSR) website [www.ppsr.govt.nz](http://www.ppsr.govt.nz) If you buy a vehicle knowing that money is owed on it, then the finance company could take the vehicle from you.

If the vehicle carries a Consumer Information Notice, check to see if the following statement is on the front of this notice...

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

...the person or company who has registered the security interest may repossess the vehicle from you.

Read the Consumer Information Notice carefully to make sure this statement is not included. The notice provides more information about what a security interest is.

If you do buy the vehicle with this statement, you take it knowing there is money owing on it and you risk losing it to the person or company that registered the security.

If the statement does not appear on the notice, this means you take the vehicle free of any earlier security interest. The vehicle **cannot** be repossessed from you.

## Buying from a private seller or at a car market or car fair

To check if a vehicle has money owing on it, search the PPSR online at [www.ppsr.govt.nz](http://www.ppsr.govt.nz). Just because the seller can show you the vehicle registration or “ownership” papers, it doesn’t prove that any money owing on the vehicle has been paid off.



## How do I check the register?

You can search the Personal Property Securities Register (PPSR) online to find out if there is security interest on a vehicle. To check the PPSR you must first register as a user at the PPSR website at [www.ppsr.govt.nz](http://www.ppsr.govt.nz). There is no charge to register but there is a small fee for searches, which is payable by credit card.

You can use your mobile phone to access the PPSR by sending a text message to FIND (3463), with the motor vehicle registration number and/or Vehicle Identification Number (VIN) or vehicle chassis number (if the vehicle does not have a VIN).

You will receive a result telling you whether there seems to be a registered security over the motor vehicle or not. This service will cost you \$1.02. You can check your results by completing a motor vehicle search online at [www.ppsr.govt.nz](http://www.ppsr.govt.nz). Remember to keep a copy of your search results for future reference.

Or, you can check a security interest by using the services of a business which provides vehicle information checks. Look for these in the Yellow Pages under ‘Vehicle Inspection Services’.

## Buying from a car-yard trader

This section applies to buying from a motor vehicle trader operating from a car-yard (car-yard trader). This information also applies to motor vehicle wholesalers, importers, brokers and motor vehicle traders selling on the Internet.

The rules for auctioneers and car market operators are different – see pages 17 and 20 for more information.

### What to check

#### Trader registration, Consumer Information Notice and money owed on the vehicle

All car-yard traders who sell motor vehicles must be registered as motor vehicle traders and they must attach a Consumer Information Notice to every used vehicle they sell. See page 7 onwards for information on this and how to check if money is owed on the vehicle.

#### Quality of the vehicle

Although you may be entitled to a remedy from the car-yard trader if the vehicle is faulty (see further on), we suggest you have the vehicle checked before deciding if you wish to purchase it. If any problems are found you can talk to the car-yard trader about putting any problems right before the sale is finalised; or you can choose not to buy the vehicle.

### Trade-in offers

Be wary of unrealistic trade-in offers (high prices offered for trade-ins with lower actual value). The price of the vehicle you want to buy could be increased to cover the difference. Compare the prices of similar vehicles in other traders' yards to work out the best deal.

### Extended warranty offers

Many car-yards sell extended warranties. These are also known as:

- mechanical breakdown insurance
- breakdown insurance
- mechanical insurance
- mechanical warranty.

### Checking the terms and conditions of the warranty

If you are buying the vehicle for a **business** purpose, you may not be covered by the Consumer Guarantees Act. If you consider buying a warranty, ask:

- what parts and problems does it cover?
- what does it exclude?
- do I have to pay an excess, and if so how much?
- what are the rules about servicing? Many warranties state you must get the vehicle regularly serviced by certain mechanics every 5,000 kms. Will you be able to do this?
- check whether the warranty or insurance will become invalid if you use another mechanic.

If you are told the warranty or insurance is free, make sure that the cost has not been added to the price of the vehicle by checking the price of similar vehicles at other yards.

If the trader tells you that you can't buy the vehicle at the advertised price unless you also buy a mechanical warranty, this is a breach of the Fair Trading Act.

### Before you sign

- don't be pressured into buying before you are really sure. If a trader tells you they're offering you a good deal, compare the price of similar vehicles at other yards
- read very carefully what you are signing. Don't get caught out by signing something you haven't read properly
- decide how you're going to pay for the vehicle. Many car-yard traders offer finance deals but look into other finance sources too. Remember that using hire purchase or taking out a loan will usually add to the overall price. See page 28.

### If things go wrong – your legal protections

#### Consumer Guarantees Act

The Consumer Guarantees Act applies to both new and used vehicles of a kind ordinarily bought for a 'personal or domestic purpose'. It doesn't cover vehicles bought for business or commercial purposes.

If you buy from a trader, this law gives you a number of guarantees about the quality of the vehicle.

The vehicle you buy must:

- be of acceptable quality, including:
  - fit for its usual purpose
  - safe
  - free of small faults (unless they are obvious or pointed out to you before you buy)
  - acceptable in look and finish considering its age, condition and price
  - able to take a reasonable amount of wear and tear considering its age, condition and price
- match its description
- be fit for any particular purpose you made known to the seller – e.g. if you tell the trader you need a car that can tow a boat, the car must be able to do this.

The Consumer Guarantees Act sets out what the trader must do if the vehicle you buy fails to meet these guarantees. For more information see our booklet *Back on the Right Road – Your rights after buying a motor vehicle* and *Your Consumer Rights (Goods) – A Guide to the Consumer Guarantees Act*.

## BE AWARE

Traders can contract out of the Consumer Guarantees Act if you are buying the vehicle for business use. They will usually do this by getting you to sign a clause in the sale contract acknowledging that the vehicle is for business use. If the trader does not contract out, the Consumer Guarantees Act will apply.



## The Fair Trading Act

The car-yard trader must not mislead or deceive you, or make false representations about the vehicle.

This means that everything on the Consumer Information Notice must be true and correct, and anything the trader tells you about the vehicle must also be true (this includes: information in adverts, car-yard signs, and statements made by the trader).

The Fair Trading Act gives you the right to claim compensation from a car-yard trader if you end up with a bad deal because you were misled or deceived. Check out our booklet *Back on the Right Road – Your rights after buying a motor vehicle* for more information.

If you believe you have been misled you can report this to the Commerce Commission's contact centre – phone 0800 943 600 or email: [contact@comcom.govt.nz](mailto:contact@comcom.govt.nz)

## BE AWARE

The legal protections under the Consumer Guarantees Act and Fair Trading Act also apply to sales to consumers by unregistered motor vehicle traders.

## Buying from an auction

### What to check

#### Trader registration, Consumer Information Notice & money owed on the vehicle

All auctioneers who sell motor vehicles must be registered as motor vehicle traders and they must attach a Consumer Information Notice to every used vehicle they sell. See page 7 onwards for information on this and how to check if money is owed on the vehicle.

## BE AWARE

The Consumer Guarantees Act does **not** cover vehicles sold at auction or by tender. This means when you buy at an auction or by tender you have much less protection.

### Quality of the vehicle

Some auctioneers offer vehicles for sale which have been mechanically checked. Make sure you know how thorough the check is. If it is not as thorough as you would like, arrange for an independent mechanical check.

Some auctioneers also sell break-down insurance or extended warranties. If you agree to buy this, check the terms and conditions of the warranty or insurance.



Ask:

- what parts and problems does it cover?
- what does it exclude?
- do you have to pay an excess on any claims? If so, how much?
- what are the rules about servicing?  
Many warranties say you must get the vehicle regularly serviced at certain mechanics. Will you be able to do this? Check whether the warranty or insurance will become invalid if you use another mechanic.

## BE AWARE

A trader can not use a ‘sham tender’ to get out of responsibilities under the Consumer Guarantees Act. There must be actual competition between buyers for the sale to be excluded.

### If things go wrong – your legal protections

#### Fair Trading Act

The auctioneer cannot mislead or deceive you, or make false representations about the vehicle. This means that everything on the Consumer Information Notice must be true and correct, and anything the auctioneer tells you about the vehicle must also be true (this includes adverts, signs on the car, and statements made by the auctioneer).

The Fair Trading Act gives you the right to claim compensation from the auctioneer, if you were misled or deceived about the

vehicle. Check out our booklet *Back on the Right Road – Your rights after buying a motor vehicle* for more information.

If you have been misled by the auctioneer you can report this to the Commerce Commission’s contact centre – phone 0800 943 600 or email [contact@comcom.govt.nz](mailto:contact@comcom.govt.nz)

#### Sale of Goods Act

Under the Sale of Goods Act the vehicle needs to be of merchantable quality and fit for its purpose – that is, the vehicle is reasonably roadworthy and in a good enough condition to be sold.

The auctioneer must also have the right to sell the vehicle. If these guarantees are not met you may have a right to a refund, partial reimbursement or compensation.

## BE AWARE

Auctioneers can contract out of the Sale of Goods Act at the time of sale. They may do this by making a statement at the auction or posting a notice in the auction rooms that the Sale of Goods Act does not apply.

#### Online auctions

The Fair Trading Act applies to all traders. They can’t mislead, deceive or make a false statement. Check the terms and conditions of the seller and the website to see how the law applies.

## Buying from a car market, car fair or 'display for sale'

### BE AWARE

Car market, car fair or “display for sale” operators do not arrange the sale. The contract to buy the vehicle is between you and the seller. In most cases, the operator merely provides a place for sales to take place. Although many vehicles sold at car markets are offered for sale by private sellers, traders may also sell through car markets.



### What to check

#### Trader registration

All motor vehicle traders selling through car markets must be registered.

See page 7 for more information.

### BE AWARE

It is important to check whether the seller is a trader or a private person. Your legal rights and remedies will change depending on what type of seller you purchased your vehicle from.

### Consumer Information Notice

#### Private sales

If you buy from a private sale at a car fair you are in the same situation as if you were buying from a private seller. See page 25. However a private seller who sells more than six motor vehicles in a 12-month period may be treated as a motor vehicle trader and be required to register. See pages 12-16.

#### Sales by motor vehicle traders

Registered motor vehicle dealers who sell vehicles at car markets must attach Consumer Information Notices to these vehicles. See page 8 for information on the Consumer Information Notice.

If car market operators do not take reasonable steps to make sure that motor vehicle traders attach the Consumer Information Notice, they could be in breach of the Motor Vehicle Sales Act and may be subject to prosecution.

If the Consumer Information Notice is missing, inaccurate, not completed or misleading you can report this to the Commerce Commission's contact centre – phone 0800 943 600 or email [contact@comcom.govt.nz](mailto:contact@comcom.govt.nz)

## Quality of the vehicle

### Private sales

The Consumer Guarantees Act **does not** apply to vehicles sold by a private person at a car market. This means that there are no legal guarantees about quality with this type of sale. We recommend you get an independent mechanical check before you buy, because it may be hard to track down the seller to fix things after you have bought the vehicle.

### Sales by motor vehicle traders

The Consumer Guarantees Act **does** apply to vehicles sold by registered motor vehicle traders at a car market. This means that you may be entitled to a remedy if the vehicle is faulty. But we recommend getting an independent mechanical check before deciding whether to purchase the vehicle. If there are problems, you can then ask the trader to fix them before the sale is finalised, or choose not to go ahead with the purchase.

## Money owing on the vehicle

### Private sales

Check that the vehicle does not have any money owing on it before you buy. See page 9 on how to check if money is owing on the vehicle.

### Sales by registered motor vehicle traders

Check the Consumer Information Notice for a statement about any security interest on the vehicle. If there is no such statement, you buy it free from any prior security interest. This means that the vehicle cannot be repossessed from you. This protection does not apply to private sales.

## If things go wrong – your legal protections

### Private sales

The Contractual Remedies Act gives you some protection if you can show that:

- you were persuaded to buy the vehicle by what the seller said, and
- what the seller said was untrue, and
- the seller's false statements have caused you to lose money – e.g. by having to pay to repair the engine when the seller told you it was in excellent condition.

Compensation from the seller would be based on the difference between what the vehicle is actually worth and what it would have been worth if the seller's statements about the vehicle had been true.

Get independent vehicle information and mechanical checks before you buy rather than relying on what the seller tells you about the vehicle.

For more information on your rights if you have a problem with a vehicle bought from a private seller, see our publication *Back on the Right Road – Your rights after buying a motor vehicle, Buying Second-hand Goods, and The Disputes Tribunal*.

### Sales by motor vehicle traders

If the seller of the vehicle is a registered motor vehicle trader the legal protections under the Consumer Guarantees Act and Fair Trading Act will apply. For more information see the section *Buying from a car-yard trader* on page 12.

## BE AWARE

The legal protections under the Consumer Guarantees Act and Fair Trading Act also apply to sales to consumers by unregistered motor vehicle traders.



## Buying from a private seller

A private sale is one where an individual person sells their vehicle to another consumer – perhaps through a classified advertisement in a newspaper, from a roadside sale area, or through a car market or car fair.

Although you may get a cheap deal, you have less legal protection if things go wrong.

### What to check

#### Quality

The Consumer Guarantees Act **does not** apply to vehicles sold by a private person. This means that there are no legal guarantees about quality with this type of sale. We recommend you get an independent mechanical check before you buy, because it may be hard to track down the seller to fix things after you have bought the vehicle.

#### Money owing on the vehicle

See page 9 on how to check if money is owing.

#### If things go wrong – your legal protections

##### Contractual Remedies Act

The Contractual Remedies Act gives you some protection if you can show that:

- you were persuaded to buy the vehicle by what the seller said, and

- what the seller said was untrue, and
- the seller's false statements have caused you to lose money – e.g. by having to pay to repair the engine when the seller told you it was in excellent condition.

Compensation from the seller would be based on the difference between what the vehicle is actually worth and what it would have been worth if the seller's statements about the vehicle had been true.

For more information on your rights if you have bought a vehicle from a private seller see our booklets *Back on the Right Road – Your rights after buying a motor vehicle*, *Buying Second-hand Goods*, and *The Disputes Tribunal*.

### Checking if a vehicle is stolen

When you buy a vehicle from a private seller, be careful to look out for signs that either the vehicle is stolen or the seller is not the true owner of the vehicle.

The New Zealand Police advise that:

- if the deal seems too good to be true or the price too cheap, be suspicious. Criminals selling stolen vehicles make the sale exceptionally attractive to prevent questions being asked and to move the property fast
- when telephoning the seller, do not describe the vehicle but say you are enquiring about the vehicle advertised for sale. Be cautious where the seller is a private individual but indicates they have more than one vehicle for sale

- don't deal with a seller at the side of the road. Always confirm an address
- go to where the vehicle is on sale rather than have the person bring the vehicle to you. A dishonest seller is unlikely to allow a prospective purchaser to visit a home address.

Further information about checking to see if a vehicle is stolen is available on the Neighbourhood Support New Zealand website at [www.ns.org.nz/33](http://www.ns.org.nz/33)

A number of organisations offer services which include checking to see if a vehicle has been reported as stolen.



## Buying a motor vehicle on credit

Thinking about buying a vehicle on credit? Here's a checklist to work through to make sure this is an option for you:

- work out how much you can comfortably afford in repayments. Remember to include running costs like petrol and licensing fees
- if you need some help with your budget, contact the Budget Advice Service (local contact details in the White Pages) for confidential and skilled budget advice; or visit their website [www.familybudgeting.org.nz](http://www.familybudgeting.org.nz)
- interest and other charges will add to the cost of the vehicle, so try to keep the amount you borrow and the duration of the loan to a minimum. Remember – the longer you take to pay off the vehicle, the more interest you pay
- saving for a deposit means you'll have less interest to pay and may have more choice about who you borrow from.

### Look around

Shop around for the best finance deal and the best interest rates. Although most vehicle traders will offer to arrange finance, it may be cheaper to find your own. You can compare loan or credit terms against others by checking:

- the monthly repayments over the same period of time e.g. three years
- the total amounts you will pay
- the cash price of the goods – if sellers are arranging finance
- the interest rate.

Using the Ministry's TrueCost Checklist you can see how much the cost of finance really is. Take the Checklist (overleaf) to the dealer and ask them to fill it in. The Checklist is designed to be used to:

- help you decide if the finance is a good deal
- take the Checklist home and talk about the deal, the car and the finance with someone you trust, a law centre or budget advisor
- look at other cars on other dealers' yards. Take the Checklist to them and ask if they can give you a better deal on the finance
- take the Checklist to a bank, Credit Union, or other finance companies; and ask if they can give you a better deal
- ask the dealer what any fees are for – they have to be reasonable
- if there are insurances or warranties added, ask the dealer what they cover. If you are not in paid employment, insurance for redundancy is of no use.



# TrueCost Check List

## What car am I thinking about buying?

Make

Model  Year

**THE TOTAL AMOUNT I WILL HAVE TO PAY IS: \$**

## This amount is made up of:

The cash price of the car: \$

**LESS** – a trade-in or deposit of: \$

**PLUS** – total interest of \$  at  % per annum

**PLUS** – insurances and warranties of: \$

*Please list they type of insurance and the costs separately.* \$

\$

## PLUS – Fees of:

*Please list separately each fee charged and the cost.* \$

\$

\$

## PLUS – Other amounts:

*For example – cash backs, amounts to pay off other loans.* \$

\$

\$

**I WILL BE PAYING OFF THE CAR FOR**  **YEARS**  **MONTHS**

Amount I will pay per week \$

Amount I will pay per fortnight \$

Amount I will pay per month \$

## What should I do now?

- You can ask the dealer if they can reduce or remove some of the fees and charges.
- You can take these figures to your bank or credit union and ask if they can give you a cheaper loan.
- But the best thing you can do is take the checklist away and think about it.

## IF YOU'RE NOT SURE, DON'T SIGN!

The checklist is also available in Samoan and Tongan at [www.truecost.govt.nz](http://www.truecost.govt.nz)

## The paperwork

- if you decide to get a loan to buy a car, read the whole contract before you sign, especially the part of your contract that is headed *What could happen if you fail to meet your commitments*. This will tell you what the penalties are and what can be repossessed from you if you don't pay
- if you buy the car on finance then you should be given one contract for buying the car and another contract for the loan
- check that the cash price of the car on the Consumer Information Notice is the same as the cash price on the loan contract
- you must be given a copy of your loan contract and 'disclosure statement' when you sign (or within five working days of signing it). You must also be given copies of any credit-related insurance policies within 15 working days of the day it is arranged. If you're not given all this information within the required time, you are entitled to some money back
- if you haven't taken the car home yet, you can change your mind about buying it. You have three working days from the day you get your contract to cancel the whole deal.



## Checking for wear and tear

### Odometers

There's always a risk with any used vehicle that the odometer may have been wound back.

While the odometer gives some indication of a vehicle's value, don't rely on it as the main measure. It gives no indication of the quality of the mileage or the driving, and it does not reflect all the engine's running and wear in many circumstances.

### Consumer Information Notice

When a trader offers a vehicle for sale they can include a statement on the Consumer Information Notice warning consumers not to rely on the odometer reading.

If the trader believes the odometer reading is incorrect they must include the words

*"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."*

If either of these statements is included on the Consumer Information Notice for your vehicle, it will be very difficult for you to make a claim against the trader for an inaccurate reading.

## Checking the vehicle's condition

As odometer tampering can be very difficult to detect, a vehicle's mechanical condition is a much better indication of quality.

Look out for the following signs of wear and tear which may indicate the vehicle has been used more than the odometer reading indicates:

### Inside

The steering wheel and gear lever will start to look shiny after about 60,000kms.

If the carpet under the pedals is wearing, then the vehicle has done a fair mileage – also look for plating wearing off the ignition key, worn rubbers on the pedals, original seat covers wearing thin, or seatbelts fraying.

### Outside

Areas of bright or mismatched paint (view the vehicle in good light) indicate recent repairs. If the paint looks dimpled, this may indicate bad quality repairs. Look around the doors and other panels to see that they line up – use something with a straight edge such as a credit card to check the line. And look out for uneven or mismatched tyres.

### Engine

If a vehicle is burning oil, this is a sign of a worn engine. Feel under the bumper bar, close to the exhaust pipe. If it feels oily and slippery, then the vehicle is burning oil. Open the bonnet and check that the dipstick indicates a good oil level and that the oil

isn't black and sludgy. If it is an automatic, also check the transmission dipstick under the bonnet. The oil should be clean (not black) and smell sweet.

Listen for heavy noises like rumbling, clattering and knocking. These are not good signs!

Warm the engine and leave the vehicle in neutral. If blue clouds of smoke gush from the vehicle when it's revved, it's bad news – it's burning oil.

Black smoke is also bad news, indicating excessive fuel usage.

White smoke indicates water loss (but white smoke or steam can be normal on a cold day).

While driving the vehicle, check when braking that there is not excessive pedal travel, or pulling to the left or right.



## After purchasing

### Changing registration

After you have bought a vehicle you should notify NZ Transport Agency of the change of ownership by lodging a form within seven days of the purchase date.

You can lodge the form, with the fee, at a NZ Transport Agency agent which include the AA, NZ Post Shops, On Road New Zealand, Vehicle Inspection New Zealand (VINZ) and Vehicle Testing New Zealand (VTNZ). You'll need valid identification to take to the agent.

### Where can I find out more?

For further information on changing registration of the vehicle, contact NZ Transport Agency on 0800 108 809 or visit [www.nzta.govt.nz](http://www.nzta.govt.nz).

## Related Ministry resources

- Back on the Right Road – Your consumer rights after buying a motor vehicle
- Your Consumer Rights: A guide to the Consumer Guarantees Act (Goods)
- Buying on Hire Purchase – A guide for consumers
- Buying Second-hand Goods
- The Disputes Tribunal

### Consumer Affairs

P O Box 1473

Wellington

Phone (04) 474 2750

[www.consumeraffairs.govt.nz](http://www.consumeraffairs.govt.nz)

#### *Disclaimer:*

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