

**Consumer
Protection**

Your consumer rights

Cars

How consumer laws can protect you.



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
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New Zealand Government



How to use this booklet

This booklet sets out your rights when there's a problem after you buy a car or other vehicle. It includes information on all parts of the complaints process.

Learn about your specific issue

- Use our flow chart to find the scenario that best fits your issue.
– **page 4**
- Turn to the page given in the flow chart to find out more.

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Problems after you've bought a car

Note: Consumer laws apply to dealer sales only

Start on the left, with who sold you the car. Then pick the statement that best matches your issue. Follow the arrows to find an answer to your question. Then go back to check if other statements also apply to you.

Who sold you the car:

Car dealer, e.g. car yard, online business, auction

My issue:

Dealer misled me

Faulty, or other problem with car's condition

Your issue in detail – find one or more that apply:

- Dealer told me consumer law doesn't apply
- Car cannot do what dealer said it would do
- Dealer put time limit on my consumer rights, e.g. 30 days
- Dealer lied about car's age or condition
- Car cannot do what I told dealer I needed it to do

- Car broke down soon after I bought it and it's not my fault
- Car doesn't match advert or test-drive model
- Car or car part doesn't do what it's designed to do
- Quality doesn't match what I paid for car
- Unsafe to drive

Where to find advice in this booklet:

Under the Fair Trading Act, dealers must:

- give you accurate information
- not leave out important info

See page 16

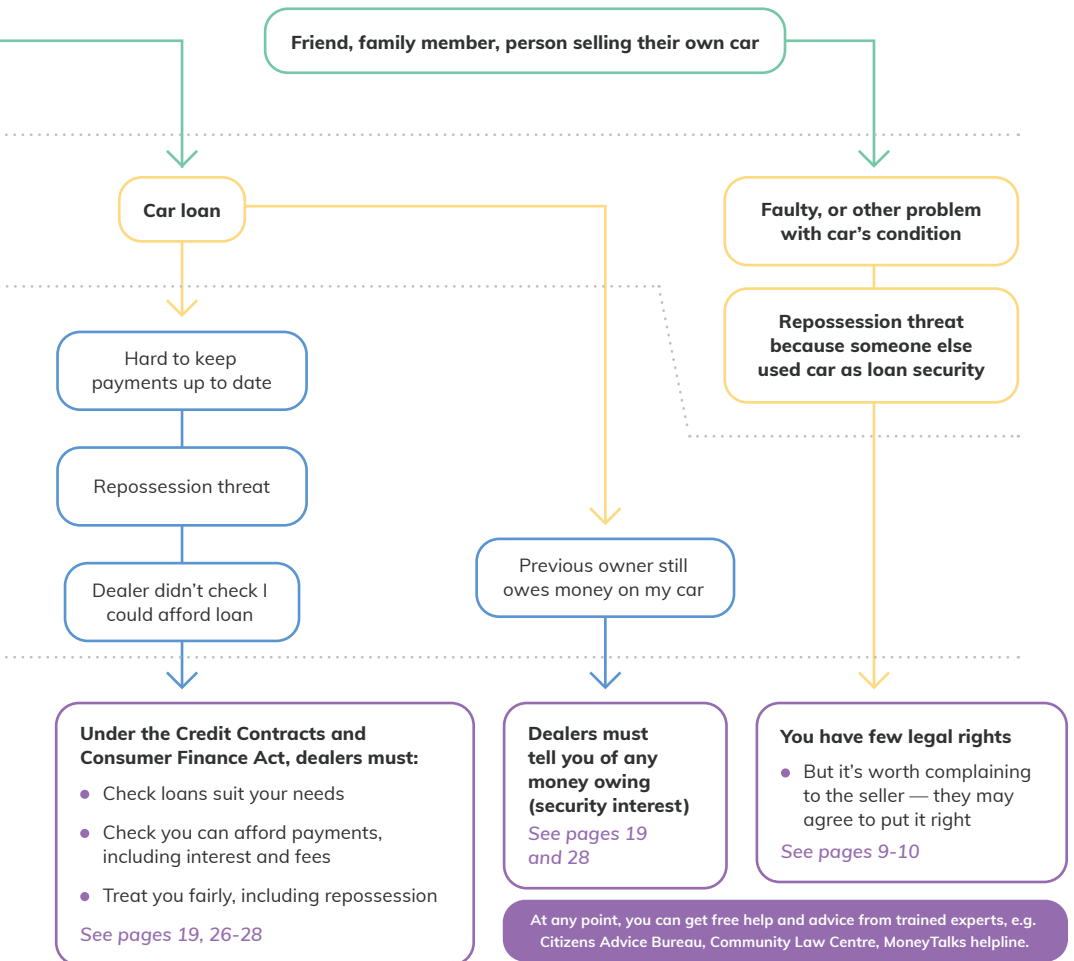
Under the Consumer Guarantees Act (CGA), cars sold by dealers must match consumer guarantees, including:

- acceptable quality
- do what it's designed to do (fit for purpose)
- match description
- arrive on time, if delivered

See page 12

My problem isn't on the chart

- How to tell if a car is “acceptable quality” – **page 14**
- Inspection fees to check for faults – **page 23**
- Faulty car bought on finance – **page 26**
- WoFs and insurance – **pages 30-31**
- How to choose the right car for you – **page 36**



How to tell if it's a private or dealer sale

If there's a problem with your car, your rights differ depending on who sold it.

Private sale = fewer legal rights.

For details, (see page 8)

Dealer sale = more legal rights.

For details, (see page 12)

A private sale is normally a family member, friend or stranger selling a private car in person or online.

A dealer sale is normally through a business or person who regularly sells cars, e.g. online, car yard, car fair — also called 'in trade'.

To protect yourself, it helps to learn as much as you can about the seller before you buy a car.

Dealers may mistakenly tell you the Consumer Guarantees Act (CGA) doesn't apply because they sold the car on behalf of a private seller. If you paid the dealer for the car, it's likely to be a dealer sale, not a private sale.

Clues it might be a dealer

If someone sells a car, they must tell you if they are in business. Look for clues in the car advert or on the seller's profile page — especially in the small print. Examples include:

- trader label on their Trade Me profile
- business/company name
- GST number
- business address
- staff to help with sales or admin.

If your car was advertised online, check the seller's past sales or feedback. Other car sales mean they're more likely to be a dealer.



It's a good idea to keep a copy of any car ad, e.g. a screenshot or printout. This can help you if something goes wrong.

Motor Vehicle Sales Act

This law applies to all dealers — any person or business who regularly buys, sells, imports or auctions cars. A dealer is anyone:

- in the business of selling cars
- who sells more than six, or imports more than three, vehicles in a 12-month period.

Dealers must:

- be registered
- comply with consumer laws, e.g. Consumer Guarantees Act and Fair Trading Act
- clearly display a consumer information notice (CIN) for used vehicles
- tell you if a previous owner owes money on the car (also called security interest)
- give you copies of the sales agreement and CIN
- keep copies of sales agreements for at least six years.

If a dealer is not registered, or doesn't tell you they are in business, they must still follow these rules. If they don't, you can report them to the Registrar of Motor Vehicle Traders.

If a dealer breaks other rules, e.g. missing or incorrect CIN, you can report them to the Commerce Commission.



To check if someone is a registered dealer, search the Motor Vehicle Traders Register: motortraders.govt.nz

If you bought privately

If there's a problem with a car bought in a private sale, you have few legal rights. You can however still contact the seller to try to work out a solution.

Private sale means you bought from a friend, family member or a stranger, online or in person. But if they sell more than six cars a year, they are a car dealer. They must be registered and comply with consumer laws.

Common issues include:

- faulty car
- seller misled you about the car's condition or performance
- repossession threat because a previous owner owes money on the car.

Example: Seller actually 'in trade'

Chen buys a car from Brad on Facebook, advertised as his mum's car in good condition. Chen soon finds lots of rust. Then he sees more car ads from Brad, which include GST. Chen can ask for a remedy under the Consumer Guarantees Act because Brad is 'in trade' and the car is not as described.



It helps to get as much information about a car as possible before you buy it. Take note of what the seller told you, e.g. in the car ad or in person.

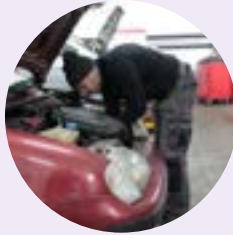
Faulty car / Seller misled you

Private sales are not covered by the Consumer Guarantees Act or the Fair Trading Act. You might be able to claim a refund or compensation under the Contracts and Commercial Law Act. This may involve taking your claim to the Disputes Tribunal.

Contracts and Commercial Law Act (CCLA)

This law only applies if:

- You were talked into buying the car because the seller made misleading statements, e.g. engine in “excellent condition” but it’s not
- The seller still owes money on the car, and didn’t tell you
- The seller didn’t have the right to sell the car, e.g. it’s stolen or money owing by previous owner.



Example: Misled by seller

Tom sells his car to Lisa, saying it has a recently reconditioned engine. A week later, she finds out this is untrue. As it’s a serious misrepresentation, Lisa can either:

- Claim compensation from Tom
- Cancel the sale and get her money back.

Money owing by previous owner

Your car may be repossessed if that person stops paying their lender.

Private sellers don't have to tell you if they, or someone else, owes money on the car. Vehicle registration or ownership papers will not tell you of any outstanding debt.

To check if anyone owes money on your car, search ppsr.govt.nz by number plate.

If the seller gave you false information about money owing, you may be able to:

- cancel the sale
- claim compensation under the CCLA.

Example: Money owing

Su buys a car from a friend. Two weeks later, a finance company calls to say the car was on a credit contract, and they want it back. Su can ask her friend for her money back. If they refuse, Su can take a claim to the Disputes Tribunal.

Personal Property Securities Act (PPSA)

If the person who owes money on your car stops paying, their lender may be able to repossess it.

This can only happen if the lender had a registered security interest in the car when you bought it. Ask to see the car's listing on the Personal Property Securities Register (PPSR): ppsr.govt.nz

Lenders cannot repossess a car bought from a private seller if either:

- The car was worth less than \$2,000 when the previous owner used it as loan security. Ask the lender to prove the car's value when the loan started.
- A registered dealer sold the car after the security interest was created and before you bought it from a private seller.
- There's incorrect information on the PPSR, e.g. wrong number plate.

How to solve problems with private sellers

Contact the seller as soon as possible. Explain what happened, and how you want to resolve the issue.

It helps to have supporting documents. Examples include:

- proof of purchase
- copy of the car advert
- details of what happened
- proof of the issue, e.g. photos of damage/faults, warrant of fitness (WOF) report, quotes for repairs, repossession notice
- copies of any messages between you and the seller, e.g. emails, texts.

The worksheets at the back of this booklet may be helpful, but they are mainly for dealer sales — your legal rights are more limited:

Complaint notes, ([see page 34](#))

Disputes Tribunal

If you and the seller cannot agree a solution, you can take a claim to the Disputes Tribunal. It's an informal process where you represent yourself. This involves:

- deciding what outcome you want
- gathering notes and supporting documents
- presenting your version of events.

Get help to take this step, e.g. from a Citizens Advice Bureau or Community Law Centre.

Example: Disputes Tribunal

Ania buys a car from a private seller on Trade Me. It soon breaks down. Repairs will cost \$1,500. Ania complains but the seller refuses to negotiate. Ania can make a Disputes Tribunal claim, but it may be hard to prove as she didn't get a pre-purchase inspection.



If you bought from a dealer

When you buy from a dealer, you have more legal rights than under a private sale.

A dealer usually is a business or person who regularly sells cars, e.g. online, car yard, car fair — also called 'in trade'. If they sell more than six cars a year, they must:

- be registered as motor vehicle traders
- comply with consumer laws.

Common issues include:

- faulty car
- dealer misled you, e.g. about the car's condition or your consumer rights
- repossession threat because of a previous owner's debt.



Example: Wrong part

Abi buys an imported electric vehicle from an online dealer. But its Japanese charging cable doesn't work in New Zealand. This breaks several consumer guarantees — products must be fit for purpose and be safe. Abi can ask the dealer for a new cable.



It helps to get as much information about a car as possible before you buy it. Take note of what the dealer told you, e.g. in the car ad or in person.

Faulty car

New and used cars are covered by the Consumer Guarantees Act (CGA) when bought from a dealer for personal use. If one of your CGA guarantees has not been met, the dealer may have to give you a remedy.



Consumer Guarantees Act (CGA)

The CGA applies to new and used cars bought for personal use.

The vehicle must be of acceptable quality. This means:

- fit for its normal purpose
- safe and durable
- free from minor defects
- acceptable in look and finish for its age, condition and price.

A car bought from a dealer must also:

- match its description
- fit the purpose you told the dealer you needed it for, or they told you it was suitable for.

If something goes wrong, your CGA rights may extend beyond the time specified in any dealer warranty.

For information on warranties and how these compare to your legal rights, see our booklet

Your consumer rights: Products.



Acceptable quality for cars

Cars bought from a dealer must be of acceptable quality under the Consumer Guarantees Act.

To be of acceptable quality, your car must:

- do what it's meant to, e.g. have four-wheel drive if you asked the dealer for a 4x4
- be safe
- at the time you bought it, be as problem-free as any reasonable consumer would find acceptable.

What is acceptable

This can be different in different situations. Consider:

Time

- How long after buying the car something goes wrong.

Distance

- How many kms the car has done — when you bought it, and since then.

Cost

- What you paid.

Age

- How old the car is.

Also take into account:

- How you have driven the car.
- What your dealer told you about the car.

Example: Tane's car

Tane buys a \$15,000 car. It's seven years old and has done 75,000km. The dealer says it's reliable and has been treated well. After six months the gearbox fails. In that time Tane has driven carefully for about 7,000km — the average distance people drive in six months.

It may be reasonable to expect this car's gearbox to last longer.



Example: Ellie's car

Ellie buys a \$3,500 car. It's 17 years old and has done 220,000km. The paintwork is scratched, with dented bumpers. Six months later the gear box fails.

Ellie's car is old and cheaper. After six months a reasonable person may expect worn parts to fail. If however, a dealer claimed it had a new gearbox, it may be reasonable to expect it to last longer.



Note: These examples show how the law may apply to real situations. However, every case is different. The outcome of each depends on the unique situation.

Dealer misled you

Dealers must comply with the Fair Trading Act (FTA). You may be entitled to a remedy if a dealer gave you false or misleading information about:

- Your consumer rights, e.g. putting a 90-day time limit on getting faults repaired. No time frames are specified in the CGA.
- The car's condition or performance:
 - advertising a car with worn parts as "in excellent condition"
 - saying an electric car's second-hand battery is new
 - failing to tell you of past damage, e.g. from a collision, flood or fire.

Dealers must also tell you of any "security interests" in the car. This means a previous owner owes money on the car. If that person stops paying, their lender may repossess your car. For details, including how to check, see Personal Property Securities Act, (see page 19)

As is, where is

If the dealer described your car as "as is, where is", they may not have checked its quality. Or they may be trying to opt out of their consumer obligations.

If there's a fault — or another issue covered by the CGA — the dealer may have to put it right.

If you knew of the issue before buying the car, you have no right to a remedy for that issue.

Fair Trading Act (FTA)

Under the FTA, dealers cannot mislead or deceive you. Dealers must provide accurate information about the car and any warranties or other extras. They must not withhold important information.

This includes:

- information provided in adverts
- what the dealer tells you
- the CIN (consumer information notice) that must be displayed on used cars, e.g. on the window or online listing
- information about any add-ons, e.g. insurance, extended warranties, service plans.

If you pay extra for a warranty, the FTA says dealers must:

- explain your legal rights under the Consumer Guarantees Act (CGA)
- point out any differences between the warranty and your CGA rights
- give you a copy of the warranty document.



Find out as much as you can about a car's condition before you buy it. Ask if there are any defects and be thorough with pre-purchase inspections.

Example: False information

Bea bought a used car with new brake discs — or so the dealer said. After a few braking issues, Bea gets the brakes checked. They're worn, not new. The dealer gave Bea false information about the car's condition, breaching the FTA.



How to check your car's consumer information notice (CIN)

If any of this information is missing or inaccurate, the dealer may have broken consumer laws.

Security interest

A yes means there's money owing on the car.

If the previous owner doesn't keep up with payments, your car could be repossessed.

Vehicle identification number

Also called VIN or chassis number.

The number on the CIN and your car should match.

Actual distance traveled

Odometers can be wound back.

Pay attention to wear and tear, e.g. pedals, steering wheel, seat edges.

Be suspicious if the odometer reading is low but the car seems worn.

Warrant of Fitness (WOF)

Having a WOF doesn't mean a car is problem-free.

It proves it passed certain safety tests on the day the WOF was issued.

Re-registered vehicle

A yes could mean the car was in an accident or badly damaged.

Or it may have been off the road for a year or more.



The CIN shows important information about your car, e.g. model, odometer reading, any money owing by previous owner(s). Keep it safe. It can help you if there's an issue.

Other laws that may protect you

Personal Property Securities Act

Dealers must tell you if a previous owner still owes money on a car.

Look for a warning on the CIN saying: “There is a security interest over this vehicle.”

If the previous owner stops paying, their lender has the right to repossess and sell the car to cover the debt.

If the dealer fails to include this warning, the lender cannot take the car. The lender must instead contact the dealer to get their money.

To check if anyone owes money on your car, search the number plate on ppsr.govt.nz.

Credit Contracts and Consumer Finance Act

This law applies if you buy on finance, e.g. a loan set up by the dealer.

All lenders — finance companies, banks, car dealers who arrange finance — must follow responsible lending rules. Examples include:

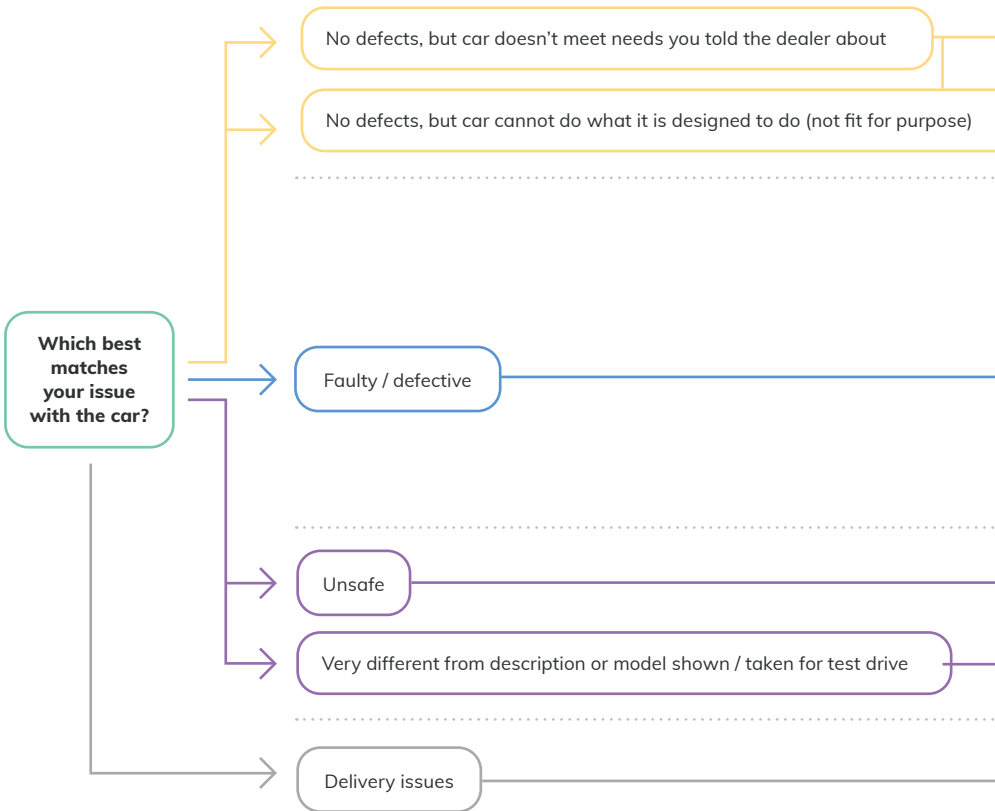
- Check the loan meets your needs
- Make sure you can afford repayments
- Share key information and help you understand it before you sign loan documents
- Treat you fairly, including if you fall behind on payments
- All loan information must be clear and understandable.

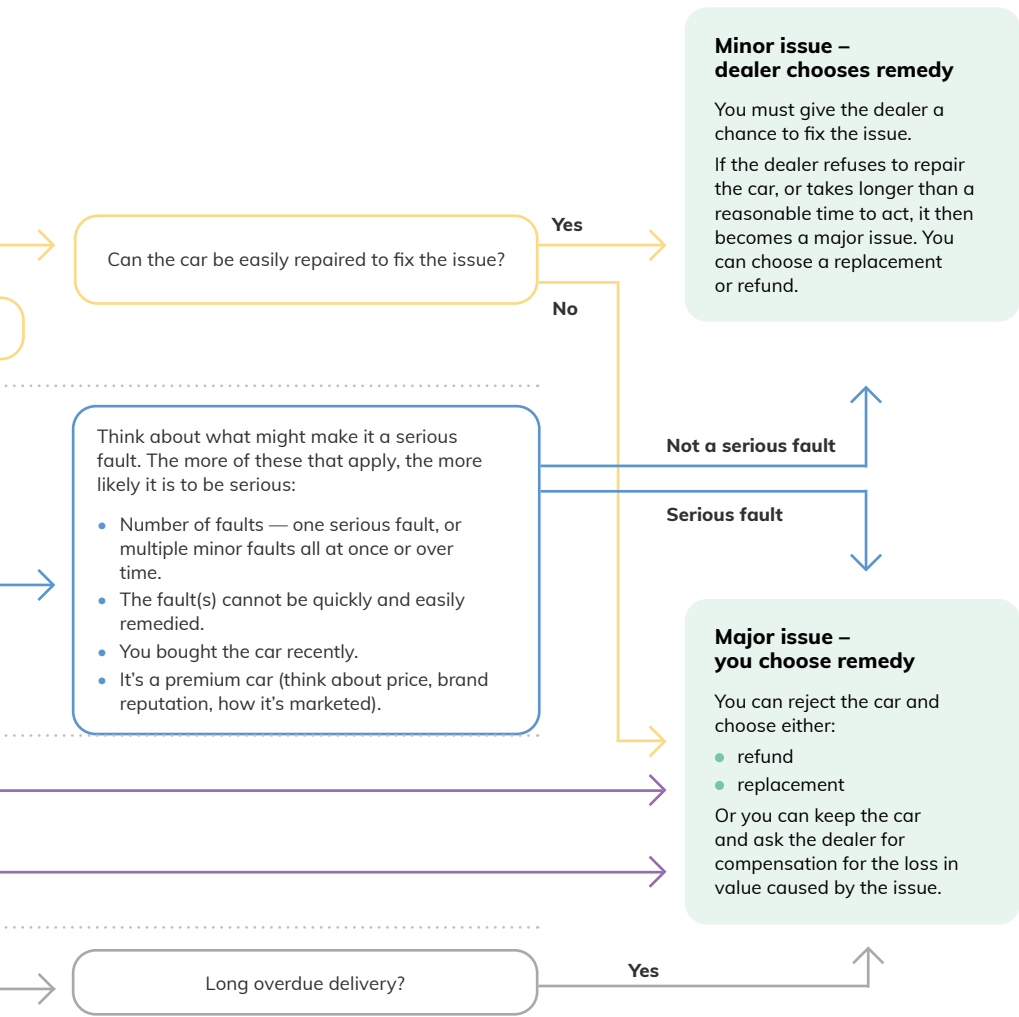
Example: Illegal repossession

Harry misses several car finance payments. One day, without warning, a tow truck arrives to repossess his car. This is illegal. His lender must give at least 15 days' notice that the car could be seized if he doesn't start paying again.

Is it a minor or major issue?

The Consumer Guarantees Act (CGA) sets out solutions (remedies) if a new or used car bought from a dealer does not meet the CGA guarantees. If your issue is covered by the CGA, use this flowchart to see which remedies apply.





Minor issue – dealer chooses remedy

You must give the dealer a chance to fix the issue. If the dealer refuses to repair the car, or takes longer than a reasonable time to act, it then becomes a major issue. You can choose a replacement or refund.

Major issue – you choose remedy

You can reject the car and choose either:

- refund
- replacement

Or you can keep the car and ask the dealer for compensation for the loss in value caused by the issue.

Refund, replacement, repair

The Consumer Guarantees Act sets out solutions (remedies) if your car or a dealer's services do not meet the CGA guarantees. There are three remedies:

- repair
- replacement
- refund — rare with cars, but you may get compensation for any loss in value.

This table shows which remedy you are entitled to and who gets to choose.

Minor issues that can be fixed

The dealer chooses the remedy, usually free repairs within a reasonable time.

A 'reasonable time' is how long it would take most dealers/mechanics to fix it.

If the dealer does not resolve the issue — or takes too long to act — you can:

- get the car repaired elsewhere
- ask the dealer to refund repair costs.

Major issues

You choose to either:

- reject it and get an identical replacement
- reject it and get a refund
- keep the car and claim compensation for loss in value caused by the fault.

All refunds must be how you originally paid for the car, e.g. cash refund if you paid cash.

If you and the dealer disagree about it being a major issue, get a second opinion from an expert.



Tell the dealer about the issue as soon as you find it. If you wait too long, you might lose the right to a repair, replacement or refund.

Returns and inspection fees

You are responsible for:

- returning the car to the dealer
- paying any costs to return it, e.g. towing fees.
- If the car is faulty, the dealer should provide a remedy — and repay any costs to return it.

You might be asked to pay an inspection fee to check for faults, but the dealer should notify you about these fees ahead of time. If the inspection finds a genuine fault, you do not need to pay this fee.

Example: Inspection fee

Pete's headlight stops working after three months. The dealer charges a fee to check for faults. It's not a fault. Loose gravel chipped the headlight, so rainwater damaged the electronics. Pete must pay for repairs and the inspection fee.



No right to a remedy

Consumer laws do not apply if you:

- buy privately
- simply change your mind
- damage the car by accident or on purpose
- misuse the car or fail to follow its instruction manual, and that causes damage
- alter the car, e.g. add spoilers or other modifications
- know of an issue before you buy, e.g. dealer tells you about rust
- buy the car for business use.

Example: Business use

Shirley buys a car to use as a taxi. As it's for business use, the Consumer Guarantees Act does not apply. If there's a problem with the car once any warranty expires, Shirley has no rights under the CGA.

How to solve problems with dealers

Contact the dealer as soon as possible. Explain what happened, and how you want to resolve the issue.

Use the worksheets in this booklet:

- How to resolve an issue worksheet, (see page 32)
- Complaint notes worksheet, (see page 34)

It helps to have supporting documents. Examples include:

- sales agreement
- copy of the car advert
- the CIN
- details of what happened
- proof of the issue, e.g. photos of damage/faults, WOF report, quotes for repairs, repossession notice
- copies of any messages between you and the dealer, e.g. emails, texts.

Motor Vehicle Disputes Tribunal

If you and the dealer cannot agree on a solution, you can place a claim to the Motor Vehicle Disputes Tribunal. It's an informal process where you represent yourself. This involves:

- deciding what outcome you want
- gathering notes and supporting documents
- presenting your case.

Get help to take this step, e.g. from a Citizens Advice Bureau or Community Law Centre.

Report the dealer

Your information can help these agencies make sure businesses comply with the law. But note that the agencies don't act on behalf of individuals and can't investigate every complaint.

Suspected issue	Report it to:
Missing or misleading CIN (consumer information notice)	Commerce Commission
WOF complaints	New Zealand Transport Agency
Odometer tampering	Registrar of Motor Vehicle Traders
Unregistered dealers or dealers posing as private sellers	Registrar of Motor Vehicle Traders

Finance issues

Common issues include:

Payment problems: You struggle to pay your car loan.

Repossession: A lender says they will take your car.

Faulty car bought on finance:

Your car develops a fault while you are paying it off.



It helps to talk to a free financial mentor. They can work out what you can afford and talk to lenders for you. Call the MoneyTalks helpline 0800 345 123.

Payment problems

Talk to your lender as soon as possible. Many lenders prefer to change your repayments, rather than risk missed payments. You can ask for more time to pay, or to pay a smaller amount over a longer period.

Or you can apply for hardship — only an option if:

- an unexpected life event makes it hard to afford repayments, e.g. job loss, serious illness
- you apply before getting too far behind on payments.

If you just stop paying, your debt will grow with extra fees and interest. The lender may also be able to repossess your car, or activate its immobiliser.

Example: Hardship application

When Harry loses his job, he wants to reduce his car payments. He can do this by applying for hardship. His lender must consider the application promptly, and help Harry understand the impact of repayment changes.

Responsible lending

Lenders must comply with the Credit Contracts and Consumer Finance Act's responsible lending rules, e.g. affordability checks. (see page 19)

If the car dealer or lender breaks these rules, you have good reason to ask them to:

- reduce what you owe, e.g. cancel or reduce interest and/or fees
- agree an affordable repayment plan.

For more information, see **What lenders must do** on consumerprotection.govt.nz

Example: Affordability check

Mary gets a car loan, with no questions asked about income or living costs. Mary soon struggles to pay. A financial mentor finds the payments are more than Mary can afford. The lender failed to check this. The mentor contacts the lender to arrange lower payments.



You cannot cancel car finance unless you change your mind soon after getting the loan document — a cooling-off period of 5 working days in most cases.

Repossession

If a car has been used to secure debt, e.g. vehicle finance, the lender can take it in certain situations.

Examples include:

- your payments are overdue
- a previous owner owes money on your car and has stopped paying it off
- a previous owner owes money on your car and had an agreement with the lender not to sell it until fully paid off.

Your car can only be seized if the finance company or car dealer follows a proper repossession process, and also:

- registered a security interest in the car — check the Personal Property Securities Register
- told you about the security interest in your credit contract or on the car's CIN (Consumer Information Notice).

For more information, see **Debt collection and repossession** on consumerprotection.govt.nz

Example: Lender cannot seize car

Mark buys a car from a dealer. The CIN has no security interest warning. Mark gets a repossession notice from a lender owed money by the last owner. But the lender cannot seize Mark's car. The dealer failed to tell Mark about the debt, so they must pay the lender.

Faulty car bought on finance

Tell your lender about faults as soon as possible. Keep making payments, even if you cannot use the car while it's being repaired.

If the fault is genuine, it may be covered by the Consumer Guarantees Act. The dealer must pay for any repairs.

If it's a major fault, you may be able to return the car to the dealer. Get advice about your loan payments from your lender or a free financial mentor.

You may have to go to the Motor Vehicle Disputes Tribunal, which can transfer your loan to the dealer. This means:

- the dealer, not you, pays off the lender
- the dealer or lender must refund any deposit, repayments to date, and the value of any trade-in.

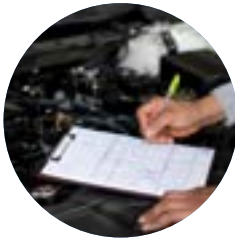


Lenders can only fit immobilisers (also called disabling devices) to your car if they follow strict rules. Details must be in your loan document.

Warrant of fitness (WOF)

A WOF is a general safety check. It's unlikely to flag all potential issues, e.g. a worn clutch.

A valid WOF is needed to renew your vehicle license (rego). Keep an eye on when both expire. If your rego or WOF is out of date, you may have to pay a big fine.



Between WOFs

WOF inspections do not replace the need for regular maintenance. To keep your car roadworthy, have it serviced regularly.

Check things like:

- tyres
- windscreen and wipers
- mirrors
- indicators and headlights
- rust.

Your insurer could refuse a claim if the car is unsafe, even if your WOF is current.

Insurance



Make sure you take out the insurance you need — ask your insurer about different options. Check if any add-ons apply to your situation.

Driving without insurance is risky.

Third party insurance is least expensive. It protects you if you damage somebody else's property or car, but not if you damage your car.

Third party, fire and theft gives extra cover if your car is stolen or catches fire.

Comprehensive is needed if you bought your car on finance. Keep your policy up to date so your loan contract remains valid. It covers:

- damage to your car
- damage you cause to someone else's car or property
- other accident-related costs, e.g. towing, car hire.

Remember to renew your policy so your loan contract stays valid.



Contact your insurer if anything changes, e.g. you get a speeding ticket, new driver.

Disclosure

Tell your insurer:

- who will drive the car
- about any accidents or traffic convictions
- if the car is modified (including before you bought it), e.g. lowered, turbo added
- Be honest or a claim could be denied.

Reasons claims can be denied:

- not sharing information your insurer asks for
- intentional damage
- breaking driving license rules
- unroadworthy car
- wear and tear.

How to resolve your issue with a dealer

When you know which consumer laws apply — and remedies you may be entitled to — you are ready to resolve your issue. You may not need to do both steps. Support and advice is available along the way.

Step 1: Contact the dealer first

Phone, email or visit the dealer

Most issues can be resolved with the dealer without having to do anything else. Get in touch with the dealer you bought the car from.

Describe your problem and what you want to happen. Be prepared to answer questions and give the dealer time to look into your issue.

Tips

- It's best to talk to a manager or supervisor, if possible.
- Keep calm and stick to the facts.
- Explain the outcome you want.
- Know your rights. For details and examples. ([see page 12](#))
- Take this booklet to show you understand what you are entitled to.
- Bring the sales agreement, CIN and/or other proof, e.g. photos of damage/faults.
- Dealers must keep sales records for at least six years, but it's a good idea not to rely on this.
- Take a friend or family member for support.



Use the Complaint notes worksheet on **page 34** to record who you talk to, the date, and what was said.

Step 2: Make your complaint official

Put your complaint in writing

If contacting the dealer doesn't help resolve your issue, try making your complaint official by writing a letter or email to the manager, owner or customer service team, if the business has one.

Let them know about your issue and what you want done.

Tips

- Include details of your purchase, e.g. make and model, when you bought it, who sold it to you.
- Give a detailed description of the issue and when it happened.
- Mention which consumer law(s) apply to your issue — for help identifying these. (see page 4)
- Stick to the facts.
- Include your contact details.
- Give a date you want to hear back by.
- Attach copies of your sales agreement, CIN or other proof — don't send originals.



Find example complaint letters at consumerprotection.govt.nz

Get help and advice

Contact an advisor

At any point when trying to resolve your issue, you can get help and advice from trained experts.

They can explain your rights, show the next steps, and provide support. This might mean helping you resolve the issue directly with the dealer, or taking your issue to the Motor Vehicle Disputes Tribunal.

Where to find help

Citizens Advice Bureau is a free, independent service, run by volunteers. CAB can advise you on your consumer rights in person, by phone 0800 367 222 or online at cab.org.nz

Community Law Centre offers free, one-on-one legal advice to people with limited finances. Find legal information and other resources online at communitylaw.org.nz

Complaint notes

Use this worksheet to record your issue. Have it with you when you contact the car dealer. Fill in the **Notes and supporting documents** section as you follow the steps.

Purchase information

Write down details of your purchase — type of car, price, date, where you bought it.

For example: 2005 Toyota Corolla hatchback, \$4,000, 21 Aug 2020.



Keep your sales agreement and CIN safe and handy. If you don't have proof, give as much detail about the purchase as possible.

What's gone wrong

Write down the issue, how you found out about it, and how you use the car, e.g. long-distance or city driving. State the main facts.

For example: Dealer said it had new battery. After 2 months city driving, it's hard to start and battery warning light shows. I drive normally and haven't left headlights on.

Consumer laws

Tick the law that applies to your issue. There may be more than one. (see page 4) to find out which applies.

- Consumer Guarantees Act - acceptable quality
- Consumer Guarantees Act - match description
- Consumer Guarantees Act - fit for particular purpose
- Fair Trading Act - misleading information
- Fair Trading Act - incorrect or missing CIN
- Credit Contracts and Consumer Finance Act, e.g. responsible lending
- Personal Property Securities Act, e.g. someone else owes money on your car

Requested outcome

Explain what you want the dealer to do. Who gets to decide if it's a repair, refund or replacement will depend if it's a major issue or not, and if it can be fixed. Check which remedy you can ask for (see page 22).

For example: I want the battery checked. If it's faulty, I want it replaced with a new battery at no extra cost.

Notes and supporting documents

When you contact the dealer, keep a record of what happened. Take notes if you spoke in person or by phone. Save emails. Take screenshots of texts or online messages. These will be helpful if you need to follow up again, or take the issue further.

Date and time	Who	What they said, actions from here
10am, 23 Nov 2020	Name of manager/owner	They said battery will be tested in next 2 days. They will call me back by 23 Oct.

Choose the right car for you

Next time you are looking to buy a car, always check:



The car's condition

Do a test drive and check for rust, wear, and other problems — even if the car has a recent WOF. Examples include checking for:

- worn tyres
- oil leaks
- battery health/capacity for electric vehicles.

Ask a mechanic or trusted friend to help if needed. You may also wish to get a pre-inspection report from a vehicle inspector.



If it's affordable

Think about the total costs over time, e.g. purchase price, running costs, loan costs.

Make sure any add-ons are worth the cost, e.g. insurance, service warranties.

If you get a loan, shop around to compare interest rates and loan rules.

Ask a free financial mentor for help if needed. Call the MoneyTalks helpline 0800 345 123.



Safety ratings on rightcar.govt.nz

Search by number plate. The more stars the better, so buy a car with as many stars as you can afford.

Safe cars protect you and others in a crash. Safer cars are usually cheaper to register and insure.



For hidden problems

Examples include:

- If someone owes money on the car — search by number plate on Personal Property Security Register: ppsr.govt.nz
- If the car is stolen — search by number plate on NZ Police's Stolen Vehicles database.
- A dealer pretending to be a private seller. When you first get in touch, ask about "the car". If they answer "which car?", they may be 'in trade'.



See Consumer Protection's cars section for more advice: consumerprotection.govt.nz/help-product-service/cars



Consumer Protection

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Disclaimer: This document is a guide only. It should not be used as a substitute for legislation or legal advice. The Ministry of Business, Innovation and Employment is not responsible for the results of any actions taken on the basis of information in this document, or for any errors or omissions.

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