

1972/160



## THE HIRE PURCHASE AGREEMENTS NOTICE 1972

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PURSUANT to section 6 (2) of the Hire Purchase Act 1971, the Minister of Justice hereby gives the following notice.

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### NOTICE

**1. Title and commencement**—(1) This notice may be cited as the Hire Purchase Agreements Notice 1972.

(2) This notice shall come into force on the 1st day of August 1972.

**2. Estimate of cost of insurance**—Where the vendor is to pay or advance to the purchaser the whole or part of the cost of any insurance which is to be taken out at the option of the purchaser or is required by the vendor, and that cost is not known to or ascertainable by the vendor at the time when the hire purchase agreement is executed by or on behalf of the purchaser, a fair estimate of the cost may be inserted in the financial details required by paragraph (c) of subsection (1) of section 6 of the Act instead of the actual cost, if, in each such case,—

- (a) The item is shown to be an estimate, e.g., Optional insurance (estimated cost) \$.....; and
- (b) Where the actual cost differs from the estimate, that cost is notified by the vendor to the purchaser in writing, together with an amended statement of the details required by paragraph (b) of subclause (1) of section 6 of the Act, as soon as practicable after the execution of the agreement by or on behalf of the purchaser.

Dated at Wellington this 25th day of July 1972.

ROY JACK, Minister of Justice.

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## EXPLANATORY NOTE

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

Where insurance is taken out by a purchaser under a hire purchase agreement and the whole or part of the cost of that insurance is to be paid to or advanced by the vendor, details of the cost of that insurance are required to be shown in the agreement when it is signed by the purchaser. It is now provided that where the cost of that insurance is not known to or ascertainable by the vendor at that time a fair estimate of that cost may be shown in the agreement instead of the actual cost if certain conditions are complied with.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 27 July 1972.

This notice is administered in the Department of Justice.