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Credit Contracts and Consumer Finance Act 2003

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Note

The Parliamentary Counsel Office has made editorial and format changes to this version using the powers under subpart 2 of Part 3 of the Legislation Act 2019.

Note 4 at the end of this version provides a list of the amendments included in it.

This Act is administered by the Ministry of Business, Innovation, and Employment.

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1 Title

This Act is the Credit Contracts and Consumer Finance Act 2003.

Part 1
Preliminary provisions

2 Commencement

(1) This section, section 1, subpart 3 of Part 3, section 138, section 141(2) and (3), and Schedule 3 come into force on the day after the date on which this Act receives the Royal assent.

(2) Part 1 (other than this section), subpart 4 of Part 2, Parts 4 and 5, and sections 132 to 137 come into force,—

(a) for the purpose of applying those provisions to buy-back transactions, on the day after the date on which this Act receives the Royal assent; and

(b) for all other purposes, on 1 April 2005.

(3) The rest of this Act comes into force on 1 April 2005.

3 Purposes

(1) The primary purpose of this Act is to protect the interests of consumers in connection with credit contracts, consumer leases, and buy-back transactions of land.

(2) It is also the purpose of this Act—

(a) to promote the confident and informed participation in markets for credit by consumers; and

(b) to promote and facilitate fair, efficient, and transparent markets for credit; and

(c) to protect the interests of consumers under credit contracts, consumer leases, and buy-back transactions of land, both when those agreements are entered into and for their duration; and

(d) to provide remedies for debtors, lessees, and occupiers (including consumers) in relation to—

(i) oppressive credit contracts, consumer leases, and buy-back transactions of land; and

(ii) oppressive conduct by creditors under credit contracts, lessors under consumer leases, and transferees under buy-back transactions of land.

(3) To achieve the purposes referred to in subsections (1) and (2), this Act—

(a) requires creditors under consumer credit contracts and transferees under buy-back transactions of land to be responsible lenders, both when they provide credit or finance and for the duration of those agreements; and

(b) provides for the disclosure of adequate information to consumers under consumer credit contracts and consumer leases (both before entry into, and before variation of, such agreements)—

(i) to enable consumers to distinguish between competing credit or lease arrangements; and

(ii) to enable consumers to be informed of the terms of consumer credit contracts or consumer leases before they become irrevocably committed to them; and

(iii) to enable consumers to monitor the performance of consumer credit contracts; and

(iv) in the case of consumer leases, to make clear to consumers that consumer leases are not consumer credit contracts; and

(c) provides rules about interest charges, credit fees, default fees, and payments in relation to consumer credit contracts; and

(d) enables consumers to seek reasonable changes to consumer credit contracts on the grounds of unforeseen hardship; and

(e) provides for the disclosure of adequate information to consumers under buy-back transactions of land and for independent legal advice to those consumers—

(i) to inform consumers of the terms, the effects, and the implications of those transactions before they become irrevocably committed to them; and

(ii) to enable consumers to monitor the performance of those transactions; and

(f) provides rules about fees in relation to buy-back transactions of land; and

(g) provides, in relation to credit contracts that include or involve a security interest,—

(i) rules that apply in relation to the creditor's rights to repossess consumer goods; and

(ii) corresponding rights for consumers and third parties that are affected by the exercise of the creditor's rights; and

(h) applies, as appropriate, the requirements, disclosure obligations, rules, and remedies specified in paragraphs (a) to (g) in relation to guarantors; and

(i) *[Repealed]*

(j) provides for the disclosure of certain information about debt collection to debtors under credit contracts.

Section 3: replaced, on 6 June 2015, by section 4 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 3(3)(i): repealed, on 1 July 2026, by section 4 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 3(3)(j): inserted, on 1 December 2021, by section 4 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

4 Overview

In this Act,—

(a) this Part deals with preliminary matters, including interpretation and the application of this Act to the Crown:

(ab) Part 1A contains provisions relating to lenders' responsibilities, including provisions for the development of a Responsible Lending Code and

requirements to make publicly available standard form contract terms and information about the costs of borrowing:

(b) Part 2 contains provisions relating to consumer credit contracts, including provisions relating to when a credit contract is a consumer credit contract, when a lease of goods is to be treated as a consumer credit contract (instead of a consumer lease), disclosure, interest charges, fees, payments, and changes to consumer credit contracts on the grounds of unforeseen hardship:

(c) Part 3 contains provisions relating to consumer leases, credit-related insurance, repayment waivers, extended warranties, and buy-back transactions of land:

(ca) Part 3A contains provisions relating to repossession of consumer goods under consumer credit contracts:

(d) Part 4 provides for enforcement and liability matters, including—

(i) statutory damages:

(ii) providing the FMA and the courts with certain powers in connection with breaches of this Act:

(iii) prohibitions on the enforcement of consumer credit contracts, guarantees, consumer leases, and buy-back transactions in certain situations:

(iv) offences:

(v) a reasonable mistake defence:

(vi) pecuniary penalties:

Guidance note

See also the Financial Markets Authority Act 2011, which provides for—

- this Act to be financial markets legislation; and
- the FMA to perform or exercise various functions, powers, and duties in relation to this Act.

(e) Part 5 contains provisions relating to the reopening of oppressive credit contracts, consumer leases, and buy-back transactions of land:

(ea) *[Repealed]*

(f) Part 6 contains miscellaneous provisions, including provisions relating to disclosure about debt collection, contracting out, regulations, consequential amendments, and transitional arrangements.

Section 4(ab): inserted, on 6 June 2015, by section 5(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 4(ca): inserted, on 6 June 2015, by section 5(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 4(ca): amended, on 13 January 2020, by section 18 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 4(d): replaced, on 1 July 2026, by section 5(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 4(ea): repealed, on 1 July 2026, by section 5(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 4(f): amended, on 1 December 2021, by section 5(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

5 Interpretation

In this Act, unless the context otherwise requires,—

advance means—

(a) money provided to the debtor or to another person to the order of the debtor:

(b) a pre-existing monetary obligation of the debtor that is paid, discharged, or consolidated by the creditor:

(c) the cash price of any property or services that are—

(i) purchased by the debtor from the creditor; or

(ii) the subject of an agreement between the debtor and the creditor under which the debtor either is required to purchase the property or services from the creditor or has an option to make such a purchase:

(d) in the case of the use of a credit card to purchase property or services from a person who is not the creditor or to obtain money, the agreed price of the property or services or the monetary amount, as the case may be:

(e) in relation to a credit contract to which Part 3A applies that secures the obligations of the debtor as guarantor under a guarantee, the amount of the guarantor's liability to the creditor under the guarantee

annual interest rate means a rate specified in the credit contract as an annual interest rate

broker means a person who, for consideration, assists a person in obtaining credit

buy-back default fees means fees or charges payable on a breach of a buy-back transaction by an occupier or on the enforcement of a buy-back transaction by a transferee

buy-back fees means fees or charges payable by the occupier under a buy-back transaction, or payable by the occupier to, or for the benefit of, the transferee in connection with a buy-back transaction (including any insurance premiums payable if the transferee requires the occupier to obtain insurance cover from a particular insurer or particular insurers); but does not include the following:

(a) a buy-back default fee:

(b) government charges, duties, taxes, or levies

buy-back promoter means a person who introduces the parties to a buy-back transaction to each other if—

(a) the person receives a fee in connection with the buy-back transaction from the occupier, the transferee, or any other person; or

(b) an associated person of that person receives a fee in connection with the buy-back transaction from the occupier, the transferee, or any other person

buy-back transaction has the meaning set out in section 8

cash price, in relation to property sold or leased, or to services provided under a contract, means—

(a) the lowest price at which a person could have purchased that property or those services from the vendor, lessor, or provider on the basis of payment in full at the time the contract was made; or

(b) if there is no price in accordance with paragraph (a), the fair market value of that property or those services at the time the contract was made

charge for an optional service means a fee or charge for a service or benefit that is offered to the debtor in connection with a credit contract if the debtor does not have to accept the service or benefit as a condition of entering into the contract

Commission means the Commerce Commission established by the Commerce Act 1986

consumer credit contract has the meaning set out in section 11

consumer credit insurance means insurance cover in the event of the insured's disability or death or the insured contracting a sickness, sustaining an injury, or becoming unemployed, if the liability of the insurer is to be determined by reference to the liability of the insured under a credit contract or a consumer lease

consumer goods means goods that are used or acquired for use primarily for personal, domestic, or household purposes

consumer lease has the meaning set out in section 60

costs of borrowing, in relation to a consumer credit contract, means any or all of the following costs:

(a) a credit fee:

(b) a default fee:

(c) interest charges

costs of the buy-back transaction, in relation to a buy-back transaction, means any or all of the following costs:

(a) the rent payable under the right to occupy:

(b) the fees and charges that are payable under the transaction

costs of the lease, in relation to a consumer lease, means any or all of the following costs:

(a) payments to be made by the lessee under the lease:

(b) fees or charges that are payable on a breach of the lease by the lessee or on the enforcement of the lease by the lessor

court means, in relation to any matter, the court, tribunal, or arbitral tribunal by or before which the matter falls to be determined

credit has the meaning set out in section 6

credit contract has the meaning set out in section 7

credit fees means fees or charges payable by the debtor under a credit contract, or payable by the debtor to, or for the benefit of, the creditor in connection with a credit contract, and—

(a) includes—

(i) establishment fees:

(ii) prepayment fees as defined in section 43(2) (whether in relation to part prepayments or full prepayments):

(iii) insurance premiums payable for credit-related insurance if the creditor requires the debtor to obtain insurance cover from a particular insurer or particular insurers:

(iv) fees and charges payable as referred to in section 45 if the other person, body, or agency referred to in that section is an associated person of the creditor; but

(b) does not include—

(i) interest charges:

(ii) charges for an optional service:

(iii) default fees:

(iv) government charges, duties, taxes, or levies:

(v) fees and charges payable as referred to in section 45 if the other person, body, or agency referred to in that section is not an associated person of the creditor:

(vi) cancellation charges as referred to in section 36F of the Fair Trading Act 1986

credit limit means the maximum unpaid balance permitted under the credit contract

credit-related insurance means, in connection with a credit contract or consumer lease,—

(a) insurance over secured property or leased goods; or

(b) insurance that provides cover for the shortfall that occurs if secured property or leased goods are totally or substantially destroyed and the insurance proceeds from another insurance contract are insufficient to pay any outstanding obligations of the debtor under the credit contract or the lessee under the consumer lease; or

(c) consumer credit insurance

credit sale means a contract involving the sale of property or the provision of services under which payment of the whole or a part of the purchase price is deferred; and includes a lease that is to be treated as a credit sale under section 16

creditor—

(a) means a person who provides, or may provide, credit under a credit contract; and

(b) if the rights of that person are transferred by assignment or by operation of law, includes the person for the time being entitled to those rights; and

(c) includes a person declared to be a creditor, or a person of a class of persons declared to be creditors, by regulations made under section 138(1)(abb)

(d) *[Repealed]*

creditor's agent means a person authorised by a creditor to repossess consumer goods on behalf of the creditor, and includes such a person who is an employee of the creditor

daily interest rate means the rate determined by dividing the annual interest rate by 365

debt collection has the meaning set out in section 132A

debtor means a person to whom credit has been provided, or may be provided, under a credit contract; and, if the rights of that person are transferred by assignment or by operation of law, includes the person for the time being entitled to those rights

default, in Part 3A, means 1 or more breaches of a credit contract by the debtor sufficient, according to the terms of the contract, to give rise to the creditor's right to repossess the consumer goods

default fees means fees or charges payable on a breach of a credit contract by a debtor or on the enforcement of a credit contract by a creditor; but does not include default interest charges

default interest charges means additional interest charges payable on a breach of a credit contract by a debtor

director has the same meaning as in section 6(1) of the Financial Markets Conduct Act 2013

dispute resolution scheme means an approved dispute resolution scheme within the meaning of section 50 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008

electronic includes electrical, digital, magnetic, optical, electromagnetic, biometric, and photonic

electronic communication means a communication by electronic means

establishment fees means the fees or charges payable under the credit contract that relate to the costs incurred by the creditor in connection with the application for credit, processing and considering that application, documenting the contract, and advancing the credit; but does not include any fee or charge to the extent that it is a charge for an optional service

estate means a fee simple estate, a leasehold estate, or a stratum estate

express trust has the same meaning as in section 12 of the Trusts Act 2019

extended warranty means an agreement between a creditor or lessor and a debtor or lessee under which the creditor or lessor, for an additional consideration, agrees to repair or replace defective goods outside of the warranty period that would otherwise apply

financing statement, in Part 3A, has the same meaning as in section 135 of the Personal Property Securities Act 1999

FMA means the Financial Markets Authority established by Part 2 of the Financial Markets Authority Act 2011

full costs includes reasonable costs incurred between solicitor and client, fees, and other expenses

full prepayment means the payment of the unpaid balance before the last amount to be paid under the credit contract becomes payable

goods means personal chattels other than money and choses in action

guarantee means a guarantee, indemnity, or liability given, assumed, or undertaken by a guarantor

guarantor, in relation to a credit contract,—

(a) means a natural person who—

  (i) guarantees the performance of a debtor's obligations under the contract; or

  (ii) indemnifies a creditor against any loss that the creditor may incur in connection with the contract; or

  (iii) assumes liability for performing the obligations of a debtor under the contract; but

(b) does not include such a person to the extent that the person indemnifies a creditor against any loss that the creditor may incur in connection with the contract under a contract of insurance

high-cost consumer credit contract has the meaning set out in section 45C

information system means a system for producing, sending, receiving, storing, displaying, or otherwise processing electronic communications

infringement fee and **infringement notice** have the meanings set out in section 105A

infringement offence has the meaning set out in section 102A

interest charge means a charge that accrues over time and is determined by applying a rate to an amount owing under a credit contract (and includes a default interest charge)

lawyer has the meaning given to it by section 6 of the Lawyers and Conveyancers Act 2006

layby sale agreement has the same meaning as in section 36B of the Fair Trading Act 1986

lease means a contract for the hire of goods

lender has the meaning set out in section 9B

lender responsibility principles means the principles set out in section 9C(2)

Minister means the Minister of the Crown who, under the authority of any warrant or with the authority of the Prime Minister, is for the time being responsible for the administration of this Act

Ministry means the department of State that, with the authority of the Prime Minister, is for the time being responsible for the administration of this Act

mobile trader means a person who carries on a business of offering or agreeing to supply, in person and outside of fixed premises, consumer goods to a natural person—

(a) under a credit sale (regardless of whether the contract is a consumer credit contract); or

(b) where all or a part of the supply of the consumer goods is to be financed by a consumer credit contract under which a creditor is an associated person of that person—

(whether or not the business is the provider's only business or the provider's principal business)

mobile trader service means the financial service of being a mobile trader under section 5(1) of the Financial Service Providers (Registration and Dispute Resolution) Act 2008

occupier has the meaning set out in section 8

oppressive has the meaning set out in section 118

paid adviser means a person who acts for consideration as an adviser to, or as a trustee, nominee, or agent of, 1 or more of the parties; but does not include a person who is an employee of 1 or more of the parties

part prepayment means the payment of an amount that is less than the unpaid balance before that amount is payable under the credit contract

payment, in relation to a credit sale, includes a deposit or a trade-in allowance

payment reminder has the meaning set out in section 132A

post-repossession notice means a notice under section 83V

prescribed means prescribed by regulations made under this Act

property means land, money, goods, choses in action, goodwill, and every valuable thing, whether real or personal, and whether situated in New Zealand or elsewhere

public holiday means a day specified in section 44(1) of the Holidays Act 2003

purchase money security interest has the same meaning as in section 16(1) of the Personal Property Securities Act 1999

register of financial service providers means the register of financial service providers established and maintained under the Financial Service Providers (Registration and Dispute Resolution) Act 2008

regulations means regulations in force under this Act

related company has the same meaning as in section 2(3) of the Companies Act 1993

repayment waiver means an agreement between a creditor or lessor and a debtor or lessee under which the creditor or lessor, for an additional consideration, agrees to waive the creditor's or lessor's right to any amount payable under the credit contract or consumer lease in the event of the unemployment of, sickness of, injury to, or the disability or death of the debtor or lessee

repossession means the exercise, or purported exercise, of the creditor's rights under a credit contract relating to consumer goods to take possession of those goods, or keys and access devices relating to those goods, whether or not the creditor was previously in actual possession of those goods, keys, or access devices; and **repossess** has a corresponding meaning

repossession warning notice means a notice under section 83G

residential premises means a building, or part of a building, that is a house, flat, townhouse, home unit, or similar dwelling erected, or currently used, primarily and principally as a residence, and includes any land, improvements, or appurtenances belonging to the dwelling or usually enjoyed with it

Responsible Lending Code or **Code** means the Code prepared and issued under section 9G

revolving credit contract means a credit contract, whether or not the contract specifies a credit limit, if the contract—

(a) anticipates multiple advances, to be made when requested by the debtor in accordance with the contract; and

(b) does not limit the total amount to be advanced to the debtor under the contract

security interest means an interest in property created or provided for by a transaction that, in substance, secures payment or performance of an obligation under a credit contract or buy-back transaction, without regard to—

(a) the form of the transaction; and

(b) the identity of the person who has title to the property that is subject to the security

senior manager has the same meaning as in section 6(1) of the Financial Markets Conduct Act 2013

standard form contract terms—

(a) means standard form contract terms that are intended to be contained (in whole or in part) in a class of agreements (as defined in section 9B) and that—

(i) have been printed or otherwise prepared by, or on behalf of, the lender; and

(ii) are used by the lender in concluding, or as a basis for concluding, such agreements; and

(b) includes standard form contract terms of a contract, an arrangement, a repayment waiver, or an extended warranty referred to in section 9B(3) or (4)

transferee has the meaning set out in section 8

unpaid balance means the amount owing under a credit contract at a particular time, being the difference between all amounts credited and all amounts debited to the debtor under the contract at that time

unpaid daily balance, in relation to a day, means the unpaid balance under a credit contract at the end of that day

weighted average annual interest rate has the meaning given in the regulations

working day means a day of the week other than—

(a) a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's birthday, Te Rā Aro ki a Matariki/Matariki Observance Day, and Labour Day; and

(ab) if Waitangi Day or Anzac Day falls on a Saturday or a Sunday, the following Monday; and

(b) a day in the period commencing with 25 December in a year and ending with 2 January in the following year; and

(c) if 1 January falls on a Friday, the following Monday; and

(d) if 1 January falls on a Saturday or a Sunday, the following Monday and Tuesday.

Section 5 **advance**: replaced, on 6 June 2015, by section 6(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **associated person**: repealed, on 25 August 2005, by section 75 of the Overseas Investment Act 2005 (2005 No 82).

Section 5 **buy-back fees**: amended, on 6 June 2015, by section 6(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **certified**: repealed, on 1 July 2026, by section 6(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 5 **consumer goods**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **costs of borrowing**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **costs of borrowing**: amended, on 13 January 2020, by section 19 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 5 **costs of the buy-back transaction**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **costs of the lease**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **credit fees**: replaced, on 6 June 2015, by section 6(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **credit fees** paragraph (b)(vi): inserted, on 1 May 2020, by section 6(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **creditor**: replaced, on 1 May 2020, by section 6(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **creditor** paragraph (c): replaced, on 1 July 2026, by section 6(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 5 **creditor** paragraph (d): repealed, on 1 July 2026, by section 6(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 5 **creditor's agent**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **debt collection**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **default**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **director**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **dispute resolution scheme**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **express trust**: inserted, on 1 July 2026, by section 6(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 5 **family trust**: repealed, on 1 July 2026, by section 6(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 5 **financing statement**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **FMA**: inserted, on 1 July 2026, by section 6(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 5 **guarantee**: inserted, on 6 June 2015, by section 6(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **guarantor**: replaced, on 6 June 2015, by section 6(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **high-cost consumer credit contract**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **infringement fee** and **infringement notice**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **infringement offence**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **interest charge**: amended, on 6 June 2015, by section 6(5) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **lawyer**: substituted, on 1 August 2008, by section 348 of the Lawyers and Conveyancers Act 2006 (2006 No 1).

Section 5 **layby sale agreement**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **lender**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **lender responsibility principles**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **Minister**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **Ministry**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **mobile trader**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **mobile trader service**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **payment reminder**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **post-repossession notice**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **prescribed**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **public holiday**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **purchase money security interest**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **register of financial service providers**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **repossession**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **repossession warning notice**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **residential premises**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **Responsible Lending Code** or **Code**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **Responsible Lending Code** or **Code**: amended, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

Section 5 **security interest**: amended, on 6 June 2015, by section 6(6) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **senior manager**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **standard form contract terms**: inserted, on 6 June 2015, by section 6(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 5 **weighted average annual interest rate**: inserted, on 1 May 2020, by section 6(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 5 **working day** paragraph (a): replaced, on 12 April 2022, by wehenga 7 o Te Ture mō te Hararei Tūmatanui o te Kāhui o Matariki 2022/section 7 of the Te Kāhui o Matariki Public Holiday Act 2022 (2022 No 14).

Section 5 **working day** paragraph (ab): inserted, on 1 January 2014, by section 8 of the Holidays (Full Recognition of Waitangi Day and ANZAC Day) Amendment Act 2013 (2013 No 19).

6 Meaning of credit

In this Act, unless the context otherwise requires, **credit** is provided under a contract if a right is granted by a person to another person to—

(a) defer payment of a debt; or

(b) incur a debt and defer its payment; or

(c) purchase property or services and defer payment for that purchase (in whole or in part).

7 Meaning of credit contract

(1) In this Act, unless the context otherwise requires, **credit contract** means a contract under which credit is or may be provided.

(2) If, because of any contract or contracts (none of which by itself constitutes a credit contract) or any arrangement, there is a transaction that is in substance or effect a credit contract, the contract, contracts, or arrangement must, for the purposes of this Act, be treated as a credit contract made at the time when the contract, or the last of those contracts, or the arrangement, was made, as the case may be.

(3) A particular arrangement or facility, or an arrangement or a facility of a class, declared by the FMA under section 138A(1)(a) is not a credit contract if the person who relies on the declaration complies with the terms and conditions (if any) that apply to the declaration.

Section 7(3): inserted, on 1 July 2026, by section 7 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

8 Meaning of buy-back transaction

(1) In this Act, unless the context otherwise requires, **buy-back transaction** means a transaction under which—

(a) a person (the **occupier**) transfers, or agrees to transfer, an estate in land to another person (the **transferee**); and

(b) the land is the principal place of residence of the occupier at the time that the occupier enters into the transaction; and

(c) the occupier, or a person designated by the occupier, has, after the transfer, a right to occupy the whole or any part of the land; and

(d) 1 or more of the following applies:

(i) the occupier, or a person designated by the occupier, has a right to repurchase the estate in the land in whole or in part:

(ii) there is an understanding between the occupier and the transferee that the occupier, or a person designated by the occupier, has a right to repurchase the estate in the land in whole or in part:

(iii) there is an understanding between the occupier and any buy-back promoter that the occupier, or a person designated by the occupier, has a right to repurchase the estate in the land in whole or in part; and

(e) the occupier is a natural person; and

(f) the relevant finance is to be used, or is intended to be used, wholly or predominantly for personal, domestic, investment, or household purposes.

(1A) For the purposes of subsection (1)(f), the predominant purpose for which the relevant finance is to be used is—

(a) the purpose for which more than 50% of the relevant finance is intended to be used; or

(b) if the relevant finance is intended to be used to obtain goods or services for use for different purposes, the purpose for which the goods or services are intended to be most used.

(1B) The reference to intention in subsections (1)(f) and (1A) is a reference to the occupier's intention.

(1C) In this section, **relevant finance** means—

(a) the money provided to the occupier or to another person to the order of the occupier in connection with the transaction; or

(b) the amount of a payment, discharge, or consolidation of a pre-existing monetary obligation of the occupier in connection with the transaction.

(2) If, by virtue of any contract or contracts (none of which by itself constitutes a buy-back transaction) or any arrangement, there is a transaction that is in substance or effect a buy-back transaction, the contract, contracts, or arrangement must, for the purposes of this Act, be treated as a buy-back transaction made at the time when the contract, or the last of those contracts, or the arrangement, was made, as the case may be.

Section 8(1)(e): replaced, on 6 June 2015, by section 7(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 8(1)(f): inserted, on 6 June 2015, by section 7(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 8(1A): inserted, on 6 June 2015, by section 7(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 8(1B): inserted, on 6 June 2015, by section 7(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 8(1C): inserted, on 6 June 2015, by section 7(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

8A Meanings of associated and associated person

(1) For the purposes of this Act, one person (**A**) is associated with another person (**B**),—

(a) if A is connected to B by blood relationship, marriage, or adoption or where A is a trustee for B, and for the purposes of this paragraph—

(i) persons are connected by blood relationship if they are within the fourth degree of relationship:

(ii) persons are connected by marriage if one person is married to the other person or to a person who is connected by blood relationship to the other person, or if one person has a relationship in the nature of marriage with the other person or with a person who is connected by blood relationship to the other person (whether or not the parties to the relationship are of the same or different sex):

(iii) persons are connected by adoption if one person has been adopted as the child of the other person or as a child of a person who is within the third degree of relationship to the other person:

(b) in the case where B is a company, if A is a director or officer of B, or is associated (within the meaning of paragraph (a)) with a director or officer of B, or is directly or indirectly able to exercise control over the affairs of B:

(c) in the case where A is a company, if B is a director or officer of A, or is associated (within the meaning of paragraph (a)) with a director or officer of A, or is directly or indirectly able to exercise control over the affairs of A:

(d) in the case where both A and B are companies,—

(i) if A is a holding company or subsidiary of B within the meaning of section 5 of the Companies Act 1993; or

(ii) if A owns or controls shares that in aggregate carry the right to exercise or control the exercise of 20% or more of the voting power at meetings of B; or

(iii) if B owns or controls shares that in aggregate carry the right to exercise or control the exercise of 20% or more of the voting power at meetings of A; or

(iv) if A and B have the same holding company within the meaning of section 5 of the Companies Act 1993; or

(v) if a third person owns or controls shares in each of them that carry the right to exercise or control the exercise of 20% or more of the voting power at meetings of each of them.

(2) **Associated person** has a corresponding meaning.

Section 8A: inserted, on 25 August 2005, by section 75 of the Overseas Investment Act 2005 (2005 No 82).

8B Provisions affecting application of amendments to this Act

Schedule 1AA contains application, savings, and transitional provisions relating to amendments made to this Act after 1 January 2014 (*see* section 141A).

Section 8B: inserted, on 6 June 2015, by section 8 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

8C Status of examples

(1) An example used in this Act is only illustrative of the provision to which it relates. It does not limit the provision.

(2) If an example and the provision to which it relates are inconsistent, the provision prevails.

Section 8C: inserted, on 1 May 2020, by section 7 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

9 Act binds the Crown

This Act binds the Crown.

Part 1A
Lender responsibilities

Part 1A: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

9A Outline of Part

(1) This Part provides for lender responsibility principles that must be complied with by creditors under certain credit contracts and transferees under buy-back transactions.

(2) In relation to those principles, this Act provides for—

(aaa) the FMA to make stop orders or direction orders in respect of a breach of the principles (*see* subpart 2A of Part 4):

(a) the court to make compensation and other orders, or to grant an injunction, in respect of a breach of the principles (*see* sections 93(aa), 96(1)(aa), and 107A):

(aa) the debtor to be entitled to recover statutory damages if the creditor breaches certain of the principles (*see* section 88):

(b) creditors to make decisions on hardship applications under section 55 in compliance with the principles (*see* section 57A):

(c) creditors to comply with the principles in relation to a repossession of consumer goods (*see* sections 83E(1)(c) and 83Q):

(d) the District Court to order persons not to act as creditors, lessors, or transferees if those persons have failed to comply with the principles (*see* section 108(1)(a)(v)):

(e) the court to have regard to compliance with the principles when deciding whether to reopen an agreement under Part 5 (*see* section 124(1)(b)).

(3) This Part also provides for requirements to make publicly available standard form contract terms and information about the costs of borrowing.

Section 9A: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9A(2)(aaa): inserted, on 1 July 2026, by section 8(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9A(2)(a): amended, on 1 July 2026, by section 8(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9A(2)(a): amended, on 1 June 2020, by section 8(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9A(2)(aa): inserted, on 1 June 2020, by section 8(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9A(2)(d): amended, on 1 June 2020, by section 8(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9A(2)(d): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Interpretation

Heading: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

9B Interpretation

(1) In this Part, unless the context otherwise requires,—

advertising means any form of communication—

(a) that is to be, or has been, distributed to a person; and

(b) that is reasonably likely to induce a person to inquire about or apply for an agreement; and

(c) that is authorised or instigated by, or on behalf of, the lender or an associated person of the lender, or prepared with the co-operation of any of those persons

agreement means—

(a) a consumer credit contract:

(b) a buy-back transaction

borrower means any person who has entered into, or is seeking to enter into, an agreement with a lender

distribute includes—

(a) make available, publish, and circulate; and

(b) communicate by letter, newspaper, an Internet site, broadcasting, an audio or visual service, sound recording, television, film, video, or any form of electronic or other means of communication

finance means finance provided under a buy-back transaction

lender means—

(a) a creditor under a consumer credit contract:

(b) a transferee under a buy-back transaction

relevant guarantee—

(a) means a guarantee given, or proposed to be given, by a natural person in respect of a consumer credit contract; but

(b) does not include a guarantee under which the guarantor is acting in their capacity as—

(i) a trustee of an express trust; or

(ii) a partner of a partnership under the Partnership Law Act 2019

relevant insurance contract means, in relation to a lender, a credit-related insurance contract entered into, or to be entered into, by a borrower if—

(a) the borrower has also entered into, or is seeking to enter into, an agreement with the lender; and

(b) the insurance is arranged by the lender.

(2) For the purposes of this Part, insurance is arranged by the lender if 1 or more of the following applies:

(a) the lender is the insurer:

(b) the lender acts as the agent of the insurer in relation to the insurance:

(c) the lender receives a commission in relation to the insurance:

(d) the lender requires the borrower to obtain the insurance from a particular insurer or particular insurers:

(e) the lender has in place any arrangement that has the effect of requiring the borrower to obtain the insurance from a particular insurer or particular insurers:

(f) the insurance is financed under the agreement entered into by the borrower and the lender, and the lender knows, at the time the agreement is entered into, that the insurance will be financed under the agreement.

(3) If a security interest is or may be taken in connection with an agreement, the contract or arrangement that creates or provides for the security interest is to be treated as forming part of the agreement for the purposes of this Part.

(4) If an agreement involves a repayment waiver or an extended warranty, the repayment waiver or extended warranty is to be treated as forming part of the agreement for the purposes of this Part.

Section 9B: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9B(1) **advertising**: inserted, on 1 December 2021, by section 9(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9B(1) **agreement** paragraph (a): amended, on 13 January 2020, by section 20(1) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 9B(1) **distribute**: inserted, on 1 December 2021, by section 9(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9B(1) **lender** paragraph (a): amended, on 13 January 2020, by section 20(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 9B(1) **relevant guarantee**: replaced, on 1 July 2026, by section 9(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9B(2)(f): amended, on 1 July 2026, by section 9(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Principles

Heading: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

9C Lender responsibility principles

(1) Every lender must comply with the lender responsibility principles.

(2) The lender responsibility principles are that every lender must, at all times,—

(a) exercise the care, diligence, and skill of a responsible lender—

(i) in any advertisement for providing credit or finance under an agreement or for providing credit-related insurance under a relevant insurance contract; and

(ii) before entering into an agreement to provide credit or finance or a relevant insurance contract and before taking a relevant guarantee; and

(iii) in all subsequent dealings with a borrower in relation to an agreement or a relevant insurance contract or a guarantor in relation to a relevant guarantee; and

(b) comply with all the lender responsibilities specified in subsections (3), (4), and (5).

(3) The lender responsibilities are that a lender must, in relation to an agreement with a borrower,—

(a) make reasonable inquiries, before entering into the agreement, and before making a material change referred to in subsection (8), so as to be satisfied that it is likely that—

(i) the credit or finance provided under the agreement will meet the borrower's requirements and objectives; and

(ii) the borrower will make the payments under the agreement without suffering substantial hardship; and

(b) assist the borrower to reach an informed decision as to whether or not to enter into the agreement and to be reasonably aware of the full implications of entering into the agreement, including by ensuring that—

(i) any advertising—

(A) complies with the advertising standards set out in the regulations; and

(B) is not, or is not likely to be, misleading, deceptive, or confusing to borrowers; and

(ii) the terms of the agreement are expressed in plain language in a clear, concise, and intelligible manner; and

(iii) any information provided by the lender to the borrower is not presented in a manner that is, or is likely to be, misleading, deceptive, or confusing; and

(iv) reasonable steps are taken to offer to the borrower information about the agreement in another language (**language A**) if—

(A) advertising that is wholly or significantly in language A is being, or within the preceding 6 months has been, distributed to the public or a section of the public; and

(B) the steps are necessary to ensure that the borrower can reach an informed decision (for example, if the borrower may not have a good understanding of the language in which the lender is otherwise providing information to the borrower under this Act); and

(c) assist the borrower to reach informed decisions in all subsequent dealings in relation to the agreement, including by ensuring that—

(i) any variation to the agreement is expressed in plain language in a clear, concise, and intelligible manner; and

(ii) any information provided by the lender to the borrower after the agreement has been entered into is not presented in a manner that is, or is likely to be, misleading, deceptive, or confusing; and

(d) treat the borrower and their property (or property in their possession) reasonably and in an ethical manner, including—

(i) when breaches of the agreement have occurred or may occur or when other problems arise:

(ii) when a debtor under a consumer credit contract suffers unforeseen hardship (*see* section 55):

(iii) during a repossession process (including by taking all reasonable steps to ensure that goods and property are not damaged during the process, that repossessed goods are adequately stored and protected, and that the right to enter premises is not exercised in an unreasonable manner); and

(e) ensure, in the case of an agreement to which Part 5 applies, that—

(i) the agreement is not oppressive:

(ii) the lender does not exercise a right or power conferred by the agreement in an oppressive manner:

(iii) the lender does not induce the borrower to enter into the agreement by oppressive means; and

(f) meet all the lender's legal obligations to the borrower, including under this Act, the Fair Trading Act 1986, the Consumer Guarantees Act 1993, the Financial Service Providers (Registration and Dispute Resolution) Act 2008, and the Financial Markets Conduct Act 2013, which include—

(i) obligations in relation to disclosure, credit fees, unforeseen hardship applications, and credit repossession under this Act; and

(ii) prohibitions on false or misleading representations and unfair contract terms; and

(iii) the guarantee that the service of providing credit and any other services will be carried out with reasonable care and skill under the Consumer Guarantees Act 1993.

(4) The lender responsibilities are also that a lender must, in relation to a relevant guarantee that is taken by the lender,—

(a) make reasonable inquiries, before the guarantee is given, so as to be satisfied that it is likely that the guarantor will be able to comply with the guarantee without suffering substantial hardship; and

(b) assist the guarantor to reach an informed decision as to whether or not to give the guarantee and to be reasonably aware of the full implications of giving the guarantee, including by ensuring that—

(i) the terms of the guarantee are expressed in plain language in a clear, concise, and intelligible manner; and

(ii) any information provided by the lender to the guarantor is not presented in a manner that is or is likely to be misleading, deceptive, or confusing; and

(iii) reasonable steps are taken to offer to the guarantor information about the guarantee in another language (**language A**) if—

(A) advertising about the agreement that is wholly or significantly in language A is being, or within the preceding 6 months has been, distributed to the public or a section of the public; and

(B) the steps are necessary to ensure that the guarantor can reach an informed decision (for example, if the guarantor may not have a good understanding of the language in which the lender is otherwise providing information to the guarantor under this Act); and

(c) treat the guarantor reasonably and in an ethical manner, including when breaches of a credit contract to which the guarantee applies have occurred or may occur or when other problems arise; and

(d) ensure, in the case of a guarantee that is to be treated as forming part of a credit contract for the purposes of Part 5 under section 119, that—

(i) the guarantee is not oppressive:

(ii) the lender does not exercise a right or power conferred by the guarantee in an oppressive manner:

(iii) the lender does not induce the guarantor to give the guarantee by oppressive means; and

(e) meet all the lender's legal obligations to the guarantor, including under the Acts specified in subsection (3)(f).

(5) The lender responsibilities are also that a lender must, in relation to a relevant insurance contract,—

(a) make reasonable inquiries, before the contract is entered into, so as to be satisfied that it is likely that—

(i) the insurance provided under the contract will meet the borrower's requirements and objectives; and

(ii) the borrower will make the payments under the contract without suffering substantial hardship; and

(b) assist the borrower to reach an informed decision as to whether or not to enter into the contract and to be reasonably aware of the full implications of entering into the contract, including by ensuring that—

(i) any advertising is not, or is not likely to be, misleading, deceptive, or confusing to borrowers; and

(ii) any information provided by the lender to the borrower is not presented in a manner that is, or is likely to be, misleading, deceptive, or confusing.

(5A) In subsections (3)(a), (4)(a), and (5)(a), the requirement to make **reasonable inquiries** so as to be satisfied of a matter includes a requirement to comply with regulations made under section 138(1)(abd).

(6) Subsections (3)(b)(iii) and (c)(ii), (4)(b)(ii), and (5)(b)(ii) do not apply to information that is subject to section 32(1).

(7) *[Repealed]*

(8) The **material changes** for the purposes of subsection (3)(a) are—

(a) the parties to the agreement agree to change the agreement by increasing a credit limit under the agreement:

(b) the lender exercises a power under the agreement to increase a credit limit under the agreement:

(c) the lender makes an additional advance that the lender did not take into account when previously satisfying itself as to the matters in subsection (3)(a).

(9) However, neither of the following involves a **material change** for the purposes of subsection (3)(a):

(a) a lender paying unpaid rates under section 62 of the Local Government (Rating) Act 2002 (and the treatment of an amount paid under section 62(3) of that Act):

(b) a lender paying or advancing an amount as referred to in section 87 of the Property Law Act 2007 (and interest accruing as referred to in section 87(2) of that Act).

Section 9C: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9C(2)(a): replaced, on 13 January 2020, by section 21 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 9C(3)(a): amended, on 1 December 2021, by section 10(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(3)(b)(i): replaced, on 1 June 2020, by section 10(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(3)(b)(iv): inserted, on 1 December 2021, by section 10(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(3)(f): amended, on 1 July 2026, by section 10(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9C(3)(f): amended, on 15 March 2021, by section 98 of the Financial Services Legislation Amendment Act 2019 (2019 No 8).

Section 9C(3)(f)(ii): amended, on 1 July 2026, by section 10(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9C(4)(b)(iii): inserted, on 1 December 2021, by section 10(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(5)(b)(i): amended, on 1 December 2021, by section 10(5) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(5A): inserted, on 1 June 2020, by section 10(6) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(7): repealed, on 1 December 2021, by section 10(7) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(8): inserted, on 1 December 2021, by section 10(8) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9C(9): inserted, on 1 July 2026, by section 10(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

9CA Records about inquiries made

(1) The lender must keep records about the inquiries made by the lender under section 9C (including the results of those inquiries).

(2) Those records must demonstrate how the lender has satisfied itself as to the matters in section 9C(3)(a), (4)(a), and (5)(a).

(3) The lender must make those records available to the FMA, on request by the FMA.

(4) The lender must make available to a person responsible for an approved dispute resolution scheme, on request by that person, the records that relate to an agreement or a relevant insurance contract that is the subject of a dispute under that scheme.

(5) The lender must make available to a borrower, on request by that borrower and free of charge, the records about the inquiries made by the lender under section 9C(3)(a) and (5)(a) that relate to an agreement or a relevant insurance contract to which the borrower is a party.

(6) The lender must make available to a guarantor, on request by that guarantor and free of charge, the records about the inquiries made by the lender under section 9C(4)(a) that relate to a relevant guarantee to which the guarantor is a party.

(7) The lender must provide the records within 20 working days of the date on which the request is received by the lender or, in the case of records being provided to the FMA, within any longer period of time specified by the FMA.

(8) *[Repealed]*

(9) The lender must keep the records for a period of at least 7 years after the date on which the inquiry was made.

(10) To avoid doubt, the lender is not required to keep records about inquiries when an application is declined or withdrawn.

Section 9CA: inserted, on 1 December 2021, by section 11 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9(CA)(3): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9(CA)(7): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9CA(8): repealed, on 1 July 2026, by section 11 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 9CA(10): inserted, on 27 November 2025, by section 35 of the Statutes Amendment Act 2025 (2025 No 74).

9D Proceedings for breach of legal obligations under other Acts

(1) This section applies if, in relation to a legal obligation referred to in section 9C(3)(f) or (4)(e),—

(a) conduct by a person constitutes a breach of an Act (other than this Act); and

(b) proceedings have been commenced under that other Act in respect of that conduct.

(2) Proceedings may not be commenced under this Act in respect of the same conduct on the basis of a breach of section 9C(3)(f) or (4)(e).

(3) Subsection (2) applies unless the court orders otherwise.

(4) This section does not prevent proceedings from being commenced as a result of a breach of section 9C(2)(a), (3)(a) to (e), or (4)(a) to (d).

Section 9D: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Responsible Lending Code

Heading: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

9E Purpose of Responsible Lending Code

(1) The purpose of the Responsible Lending Code is to—

(a) elaborate on the lender responsibility principles specified in section 9C(2); and

(b) offer guidance on how those principles may be implemented by lenders.

(2) The Responsible Lending Code is not binding.

(3) However, in any proceedings relating to this Act, evidence of a lender's compliance with the provisions of the Responsible Lending Code is to be treated as evidence of compliance with the lender responsibility principles.

Section 9E: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

9F Content of Responsible Lending Code

(1) In order to achieve its purpose, the Responsible Lending Code may set out any, or all, of the following:

(a) the nature and extent of inquiries a lender should make before entering into an agreement, before a relevant guarantee is given, or before a relevant insurance contract is entered into:

(b) the processes, practices, or procedures that a lender should follow—

(i) to ensure that advertising for providing credit or finance under agreements complies with the advertising standards set in the regulations and is not, or is not likely to be, misleading, deceptive, or confusing to borrowers:

(ii) when making reasonable inquiries referred to in section 9C(3)(a), (4)(a), and (5)(a) so as to be satisfied of the matters referred to in those paragraphs and to comply with the regulations relating to those requirements:

(iii) to give the assistance referred to in section 9C(3)(b) and (c), (4)(b), and (5)(b) (including where the borrower or guarantor may not have a good understanding of the language in which the lender is otherwise providing information):

(iv) to ensure that the lender treats borrowers, guarantors, and their property (or property in their possession) reasonably and in an ethical manner:

(v) in the case of an agreement or a guarantee to which Part 5 applies, to ensure that the agreement or guarantee is not oppressive, the lender does not exercise a right or power conferred by the agreement or guarantee in an oppressive manner, and the lender does not induce the borrower to enter into the agreement, or the guarantor to give the guarantee, by oppressive means:

(vi) to promote or facilitate compliance with the legal obligations referred to in section 9C(3)(f) and (4)(e) (for example, by reference to compliance programmes):

(vii) to ensure that fees are not unreasonable in terms of section 41, 80, or 82:

(c) the circumstances in which the lender should require or recommend independent legal advice to be obtained:

(d) the processes, practices, or procedures that a lender should follow for the purposes of Part 3A:

(da) the processes, practices, or procedures that a lender should follow for the purposes of debt collection:

(e) any other matter that promotes or facilitates the lender responsibility principles (set out in section 9C(2)) and that is not inconsistent with any other enactment.

(2) The Code may also contain different provisions in relation to particular—

(a) lenders or classes of lenders:

(b) borrowers or classes of borrowers:

(c) guarantors or classes of guarantors:

(d) agreements or classes of agreements.

Section 9F: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9F(1)(b)(i): amended, on 1 June 2020, by section 12(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9F(1)(b)(ii): amended, on 1 June 2020, by section 12(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9F(1)(b)(iii): amended, on 1 June 2020, by section 12(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 9F(1)(da): inserted, on 1 June 2020, by section 12(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

How Responsible Lending Code made and administered

Heading: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

9G Preparation and issue of Responsible Lending Code

(1) The Minister must prepare and issue the Responsible Lending Code.

(2) The Minister may use any process that the Minister considers appropriate to develop the Code, but must—

(a) release a draft Code to the public:

(b) consult persons, or representatives of such persons, that the Minister considers will be substantially affected by the Code:

(c) consider comments received on the draft Code:

(d) prepare a revised Code in response to comments received:

(e) consult the Minister of Commerce and the Minister of Finance:

(f) consider comments received from those Ministers:

(g) issue the Code.

(3) The Code may specify different commencement dates for different provisions, but no date may be before the 28th day after the date on which the Code is published in accordance with subsection (4).

(3A) *[Repealed]*

(3B) *[Repealed]*

(4) The Code is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this section		
Publication	The maker must: • notify it in the *Gazette* • ensure that it is available at all reasonable times on an Internet site maintained by, or on behalf of, the Ministry	LA19 ss 73, 74(1)(a), Sch 1 cl 14
	The Ministry of Foreign Affairs and Trade considers that the secondary legislation may have international transparency obligations under the CPTPP. As a result the maker may also have to comply with s 75 of the Legislation Act 2019	LA19 ss 74(2), 75
Presentation	The Minister must present it to the House of Representatives	LA19 s 114, Sch 1 cl 32(1)(a)
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Section 9G: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9G(2)(a): amended, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

Section 9G(3): inserted, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

Section 9G(3A): repealed, on 1 January 2022, by section 9G(3B).

Section 9G(3B): repealed, on 1 January 2022, by section 9G(3B).

Section 9G(4): inserted, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

9H Responsible Lending Code comes into force by notice in *Gazette*

[Repealed]

Section 9H: repealed, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

9I Amendment of Responsible Lending Code

(1) The Minister may, at any time, amend or replace the Responsible Lending Code.

(2) Section 9G applies, with any necessary modifications, to any amendment to, or replacement of, the Code.

(3) However, in the case of a minor amendment that does not materially affect the Code, the Minister need not comply with section 9G(2)(a) to (f).

Section 9I: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9I(2): amended, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

Publication of standard form contract terms and costs of borrowing

Heading: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Heading: amended, on 8 September 2018, by section 31 of the Statutes Amendment Act 2018 (2018 No 27).

9J Publication of standard form contract terms

(1) Every lender who, in relation to an agreement, uses standard form contract terms must ensure that those terms are publicly available in accordance with this section.

(2) For the purposes of subsection (1), a lender does not use particular standard form contract terms if the lender has ceased to offer agreements that contain those terms.

(3) For the purposes of subsection (1),—

(a) if the lender has an Internet site, the lender must display prominently and clearly a copy of the standard form contract terms on that site; and

(b) if the lender operates from business premises that are accessible to the public, the lender must display prominently and clearly on those premises a notice that a copy of those terms is available on request (free of charge).

(4) The lender must, immediately after receiving the request of any person, supply a copy of its standard form contract terms, free of charge, to that person (regardless of whether subsection (3) applies).

(5) *[Repealed]*

Section 9J: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9J(5): repealed, on 1 June 2020, by section 13 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

9K Publication of costs of borrowing

(1) Every creditor must ensure that information about all the costs of borrowing in relation to every class of consumer credit contract offered by that creditor is publicly available in accordance with this section.

(2) *[Repealed]*

(3) For the purposes of subsection (1),—

(a) if the creditor has an Internet site, the creditor must display prominently and clearly on that site the creditor's credit fees, default fees, and annual rates of interest (and default interest charge rates) in relation to every class of consumer credit contract offered by that creditor; and

(b) if the creditor operates from business premises that are accessible to the public, the creditor must display prominently and clearly on those

premises a notice that a copy of the information about those credit fees, default fees, and rates is available on request (free of charge).

(4) The creditor must, immediately after receiving the request of any person, supply a copy of the information referred to in subsection (1), free of charge, to that person (regardless of whether subsection (3) applies).

(5) Information about rates of interest may be expressed by reference to a range.

(6) Information made publicly available under this section must—

(a) contain the prescribed information; and

(b) be in the prescribed form (if any).

Section 9K: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 9K(1): amended, on 13 January 2020, by section 22(1) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 9K(2): repealed, on 13 January 2020, by section 22(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 9K(3)(a): amended, on 13 January 2020, by section 22(3) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

9L Extended meaning of business premises

(1) In sections 9J and 9K, **business premises** includes a vehicle, stand, or stall from which goods are offered or exposed for sale, or from which goods may be ordered, if those goods may be sold under a credit sale.

(2) In subsection (1), **vehicle** has the same meaning as in section 2(1) of the Land Transport Act 1998.

Section 9L: inserted, on 6 June 2015, by section 9 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Part 2
Consumer credit contracts

Subpart 1—Application

10 When this Part applies

This Part applies to consumer credit contracts.

11 Meaning of consumer credit contract

(1) A credit contract is a **consumer credit contract** if—

(a) the debtor is a natural person; and

(b) the credit is to be used, or is intended to be used, wholly or predominantly for personal, domestic, or household purposes; and

(c) 1 or more of the following applies:

(i) interest charges are or may be payable under the contract:

(ii) credit fees are or may be payable under the contract:

(iii) a security interest is or may be taken under the contract; and

(d) when the contract is entered into, 1 or more of the following applies:

(i) the creditor, or one of the creditors, carries on a business of providing credit (whether or not the business is the creditor's only business or the creditor's principal business):

(ii) the creditor, or one of the creditors, makes a practice of providing credit in the course of a business carried on by the creditor:

(iii) the creditor, or one of the creditors, makes a practice of entering into credit contracts in the creditor's own name as creditor on behalf of, or as trustee or nominee for, any other person:

(iv) the contract results from an introduction of one party to another party by a paid adviser or broker.

(1A) For the purposes of subsection (1)(b), the predominant purpose for which the credit is to be used is—

(a) the purpose for which more than 50% of the credit is intended to be used; or

(b) if the credit is intended to be used to obtain goods or services for use for different purposes, the purpose for which the goods or services are intended to be most used.

(1B) The reference to intention in subsections (1)(b) and (1A) is a reference to the debtor's intention.

(1C) An arrangement or a facility is also a consumer credit contract if it is of a class declared by the FMA under section 138A(1)(b).

(2) This section is subject to sections 14 and 15.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 6(1) (Qld)

Section 11(1)(b): replaced, on 6 June 2015, by section 10(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 11(1A): inserted, on 6 June 2015, by section 10(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 11(1B): inserted, on 6 June 2015, by section 10(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 11(1C): replaced, on 1 July 2026, by section 12 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

12 Investment purposes

Investment by the debtor is not a personal, domestic, or household purpose.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 6(4) (Qld)

13 Presumption relating to consumer credit contract

In any proceedings in which a party claims that a credit contract is a consumer credit contract, it is presumed that the credit contract is a consumer credit contract unless the contrary is established.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 11(1) (Qld)

14 Effect of declaration

(1) A credit contract is not a consumer credit contract if the debtor makes a declaration before entering into the contract that the credit is to be used wholly or predominantly for business or investment purposes (or for both purposes).

(2) Subsection (1) does not apply if the creditor, or the person who obtains the declaration, knew, or had reason to believe, at the time the declaration was made, that the credit was in fact to be used wholly or predominantly for personal, domestic, or household purposes.

(3) A declaration is effective only if the declaration is in a separate written document and the debtor confirms that he or she has read and understood the declaration.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 11(2), (3) (Qld)

Section 14(1): amended, on 6 June 2015, by section 11 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 14(2): amended, on 6 June 2015, by section 11 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

15 Certain contracts not consumer credit contracts

(1) The following contracts are not consumer credit contracts:

(a) a contract for the sale of property, or the provision of services, to a person if the total amount payable under the contract by the person (other than any amount payable solely as a result of a default in payment by the person) is the agreed price of the property or services and is to be paid within 2 months from the day the contract is entered into:

(b) a contract that is a credit contract merely because a person's account with a creditor is debited and—

(i) the effect of the debit is to put the account into overdraft; and

(ii) the creation of the overdraft has not been agreed between the creditor and the person before the debit of the account:

(c) a credit contract under which the debtor is a trustee acting in his or her capacity as a trustee of an express trust:

(ca) a loan contract (as defined in section 4(1) of the Student Loan Scheme Act 2011):

(d) a contract of any class prescribed by regulations to be a class of contract that is exempted from being a consumer credit contract if the person who relies on the exemption complies with the terms and conditions (if any) that apply to the exemption.

(2) Subsection (1)(b) applies whether or not—

(a) the creditor knows at the time the account is debited that the debit would have the effect of putting the account into overdraft; or

(b) the creditor makes a charge (whether by way of an interest charge or otherwise) relating to the creation of the overdraft.

Section 15(1)(a): amended, on 6 June 2015, by section 12 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 15(1)(c): amended, on 1 July 2026, by section 12 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 15(1)(ca): inserted, on 30 August 2011, by section 222 of the Student Loan Scheme Act 2011 (2011 No 62).

Section 15(1)(ca): amended, on 1 April 2012, by section 223 of the Student Loan Scheme Act 2011 (2011 No 62).

15A Part does not apply to pawnbroking contract

(1) This Part does not apply to a pawnbroking contract if—

(a) the contract was entered into by a pawnbroker in the ordinary course of the pawnbroker's business in accordance with the Secondhand Dealers and Pawnbrokers Act 2004; and

(b) in the case that the pledger is in default of his or her obligations under the pawnbroking contract or does not redeem his or her pawned goods on or before the redemption date, the pawnbroker's only right of recourse is under section 63 of the Secondhand Dealers and Pawnbrokers Act 2004.

(2) In this section, **pawnbroker** has the same meaning as in section 4 of the Secondhand Dealers and Pawnbrokers Act 2004.

Section 15A: inserted, on 6 June 2015, by section 13 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

16 Lease of goods treated as consumer credit contract

(1) For the purposes of this Act, a lease is to be treated as a credit sale, a credit contract, and a consumer credit contract if—

(a) the lessee is a natural person; and

(b) the goods are hired, or intended to be hired, wholly or predominantly for personal, domestic, or household purposes; and

(c) when the lease is entered into, the lessor, or one of the lessors, carries on the business of leasing goods (whether or not the business is the lessor's only business or the lessor's principal business), or makes a practice of leasing goods in the course of a business carried on by the lessor; and

(d) either or both of the following applies:

(i) the amount payable by the lessee under the lease is substantially equivalent to, or in excess of, the cash price of the goods (whether or not the lessee has an option to purchase the goods):

(ii) the lessee has an option to purchase the goods for no additional amount, for a nominal amount, or for an amount substantially below a reasonable estimate (calculated as at the date the lease is made) of the fair market value of the goods at the end of the term of the lease (whether or not the amount payable by the lessee under the lease is substantially equivalent to, or in excess of, the cash price of the goods).

(1A) For the purposes of subsection (1)(b), the predominant purpose for which the goods are hired is, if the goods are intended to be used for different purposes, the purpose for which the goods are intended to be most used.

(1B) The reference to intention in subsections (1)(b) and (1A) is a reference to the lessee's intention.

(2) For the purposes of this section, the amount payable by the lessee under the lease does not include—

(a) any amount payable for optional services or services that are incidental to the hire of the goods; and

(b) any amount payable to exercise an option to purchase the goods; and

(c) any amount that would cease to be payable on the cancellation of the lease if the lessee were to exercise a right of cancellation at the earliest opportunity.

(3) If subsection (1) applies,—

(a) the lessor under the lease is to be treated as a creditor; and

(b) the lessee under the lease is to be treated as a debtor; and

(c) this Act applies with all other necessary modifications as if the lease were a credit sale, a credit contract, and a consumer credit contract.

(4) If a lease is to be treated as a credit contract under subsection (1), then, for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act 2008,—

(a) the lease is to be treated as a credit contract; and

(b) the lessor under the lease is to be treated as a creditor; and

(c) that Act applies with all other necessary modifications as if the lease were a credit contract.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 10(1), (4) (Qld)

Section 16(1): amended, on 6 June 2015, by section 14(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 16(1)(b): replaced, on 6 June 2015, by section 14(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 16(1A): inserted, on 6 June 2015, by section 14(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 16(1B): inserted, on 6 June 2015, by section 14(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 16(3): inserted, on 6 June 2015, by section 14(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 16(4): inserted, on 6 June 2015, by section 14(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

16A Mobile trader credit sales treated as consumer credit contract

(1) For the purposes of this Act, a credit sale under which a mobile trader supplies consumer goods to a natural person is to be treated as a credit contract and a consumer credit contract.

(2) If subsection (1) applies,—

(a) the mobile trader under the credit sale is to be treated as a creditor; and

(b) the person to whom the goods are supplied is to be treated as a debtor; and

(c) this Act applies with all other necessary modifications as if the credit sale were a credit contract and a consumer credit contract.

(3) This section prevails over section 15.

Section 16A: inserted, on 1 June 2020, by section 15 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Subpart 2—Required disclosure

Initial disclosure

17 Initial disclosure

(1) Every creditor under a consumer credit contract must ensure that disclosure of as much of the key information set out in Schedule 1 as is applicable to the contract is made to every debtor under the contract before the contract is entered into.

(2) Every creditor under a consumer credit contract must ensure that a copy of all of the terms of the contract not disclosed under subsection (1) (other than terms implied by law) is given or sent to every debtor under the contract before the contract is entered into.

(a) *[Repealed]*

(b) *[Repealed]*

(3) For the purposes of subsection (2), the copy of the terms of the contract must be given or sent in the same manner that disclosure is made under section 35.

Compare: 1981 No 27 s 16

Section 17(1): replaced, on 6 June 2015, by section 15(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 17(2): amended, on 6 June 2015, by section 15(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 17(2)(a): repealed, on 6 June 2015, by section 15(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 17(2)(b): repealed, on 6 June 2015, by section 15(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Continuing disclosure

18 Continuing disclosure

(1) Every creditor under a consumer credit contract must ensure that disclosure of as much of the information set out in section 19 as is applicable to the contract is made periodically to every debtor under the contract in continuing disclosure statements.

(2) The maximum period for a continuing disclosure statement is,—

(a) in the case of a revolving credit contract, 45 working days; or

(b) in any other case, 6 months.

(3) This section is subject to section 21.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 31 (Qld)

19 Content of continuing disclosure statement

(1) Every continuing disclosure statement must contain as much of the following information as is applicable to the consumer credit contract:

(a) the opening and closing dates of the period covered by the statement; and

(b) the opening and closing unpaid balances; and

(c) the date, amount, and a description of each advance during the statement period; and

(d) the date and amount of each interest charge debited to the debtor's account during the statement period; and

(e) the date and amount of each amount paid by the debtor to the creditor, or credited to the debtor, during the statement period; and

(f) the date, amount, and a description of each fee or charge debited to the debtor's account during the statement period; and

(g) the amount and the time for payment of the next payment that must be made by the debtor under the contract; and

(h) the annual interest rate or rates during the statement period (expressed as a percentage or percentages); and

(i) in the case of a credit card contract, a prescribed minimum repayment warning (for example, to warn that if the debtor makes only a minimum payment each month, the debtor will pay more interest and it will take the debtor longer to pay off the unpaid balance) and other prescribed information in connection with payments under a credit card contract.

(2) For the purposes of subsection (1)(i),—

(a) a **credit card contract** is a revolving credit contract under which credit is ordinarily obtained only by the use of a credit card:

(b) a **credit card** is—

(i) a card of a kind commonly known as a credit card; or

(ii) a card of a kind that persons carrying on business commonly issue to their customers, or prospective customers, for use in obtaining goods or services from those persons on credit; or

(iii) anything else that may be used as a card referred to in subparagraph (i) or (ii).

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 32 (Qld)

Section 19(1)(h): amended, on 6 June 2015, by section 16(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 19(1)(i): inserted, on 6 June 2015, by section 16(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 19(2): inserted, on 6 June 2015, by section 16(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

20 Opening unpaid balance must not exceed closing unpaid balance of previous continuing disclosure statement

The opening unpaid balance shown in each successive continuing disclosure statement must not exceed the closing unpaid balance shown in the last continuing disclosure statement.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 33(1) (Qld)

21 Continuing disclosure not required

(1) Disclosure under section 18 is not required if—

(a) *[Repealed]*

(b) in connection with the consumer credit contract,—

(i) the creditor maintains (at all reasonable times) a website that allows the debtor to access the information set out in section 19 as is applicable to the contract for any reasonable statement period specified by the debtor; and

(ii) the debtor consents to the information set out in section 19 being disclosed in the manner set out in subparagraph (i); or

(c) neither interest charges nor credit fees are payable under the consumer credit contract.

(1A) The requirement in subsection (1)(b)(i) must be treated as satisfied to the extent that it relates to the information set out in section 19(1)(b) if, in connection with a consumer credit contract, the creditor maintains (at all reasonable times) a website that does either or both of the following:

(a) the website allows the debtor to access information about the unpaid balance after each transaction is credited or debited to the debtor's account:

(b) the website allows the debtor to access information about the unpaid balance as at the end of each day in which a transaction is credited or debited to the debtor's account.

(1B) In subsection (1A), **transaction** means any advance, interest charge, amount paid or credited, fee, or charge referred to in section 19(1)(c), (d), (e), or (f).

(2) Disclosure under section 18 is not required in relation to a particular period if—

(a) the creditor cannot reasonably locate the debtor; or

(b) during the period that would otherwise be covered by a disclosure statement,—

(i) there have been no debits or credits to the debtor's account and the unpaid balance is nil; or

(ii) the creditor has written off the unpaid balance and there are no subsequent credits or debits to the debtor's account; or

(iii) the debtor has breached the consumer credit contract and the creditor has commenced enforcement proceedings; or

(iv) the debtor has been declared bankrupt or died and the Official Assignee or executors or trustees or administrator of the debtor's estate have not requested a continuing disclosure statement.

(3) If disclosure under section 18 has not, in accordance with this section, been made in relation to a particular period, the next continuing disclosure statement that is required to be given or sent under this Act must cover every immediately preceding period for which a continuing disclosure statement has not been given or sent.

Section 21(1)(a): repealed, on 6 June 2015, by section 17 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 21(1A): inserted, on 1 July 2026, by section 14 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 21(1B): inserted, on 1 July 2026, by section 14 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Variation disclosure

22 Disclosure of agreed changes

(1) Every creditor under a consumer credit contract must ensure that disclosure of the following information is made to every debtor under the contract if the parties to the contract agree to change the contract:

(a) full particulars of the change:

(b) any other information prescribed by regulations to be information that must be disclosed under this section.

(2) Disclosure under this section must be made before the change takes effect.

(3) Despite subsection (2), disclosure may, instead of being made in accordance with that subsection, be made in accordance with subsection (4), but only if the change is one that—

(a) reduces the obligations that the debtor would otherwise have, unless the obligations are reduced following an application under section 55; or

(b) extends the time for payment of any payment to be made under the contract, unless the time for payment is extended following an application under section 55; or

(ba) reduces the amount of each payment due under the contract for a period not exceeding 3 months, where—

(i) the creditor considers on reasonable grounds that any consequential increase to the total amount of interest charges payable, and to the total number of payments, under the contract is immaterial; and

(ii) the reduction is not made following an application under section 55; or

(c) releases the whole or any part of a security interest relating to the contract; or

(d) increases or decreases any credit limit under the consumer credit contract.

(4) The disclosure referred to in subsection (3) may be made, at the creditor's discretion, either—

(a) within 5 working days of the day on which the change takes effect; or

(b) if the creditor is required to make continuing disclosure under section 18, at the same time as the creditor provides the debtor with the next continuing disclosure statement (as required under that section) after the change takes effect.

(5) Subsection (4) does not apply to a high-cost consumer credit contract.

Compare: 1981 No 27 s 17

Section 22(3): amended, on 6 June 2015, by section 18(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 22(3)(ba): inserted, on 1 July 2026, by section 15 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 22(3)(d): replaced, on 6 June 2015, by section 18(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 22(3)(d): amended, on 20 December 2019, by section 16(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 22(4): inserted, on 6 June 2015, by section 18(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 22(5): inserted, on 1 May 2020, by section 16(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

23 Disclosure of changes following exercise of power

(1) Every creditor under a consumer credit contract must ensure that disclosure of the information set out in subsection (2) is made to every debtor under the contract if the creditor exercises a power under the contract to change any of the following matters:

(a) the amount of an interest rate under the contract or any other particular in relation to how any interest charge under the contract is calculated or applied:

(b) the amount, frequency, time for payment, or method of calculation of any payment to be made under the contract:

(c) the amount, frequency, time for payment, or method of calculation of any fee or charge payable under the contract:

(d) the amount of a credit limit under the contract.

(2) The information that must be disclosed is as follows:

(a) full particulars of the change:

(b) any other information prescribed by regulations to be information that must be disclosed under this section.

(3) Disclosure under this section must be made within 5 working days of the day on which the change takes effect.

(4) In the case of a change to the amount of an interest rate or in the case of a change to the amount of any fee or charge payable, a creditor may, instead of complying with section 35, make disclosure in accordance with any publication requirements prescribed by regulations for the purposes of this section.

(5) Despite subsection (3), disclosure may, instead of being made in accordance with that subsection, be made in accordance with subsection (6), but only in relation to—

(a) a change that—

(i) reduces the obligations that the debtor would otherwise have; or

(ii) extends the time for payment of any payment to be made under the consumer credit contract; or

(iii) *[Repealed]*

(b) a change of any class prescribed by regulations to be a class of change to which this subsection applies.

(6) The disclosure referred to in subsection (5) may be made, at the creditor's discretion,—

(a) within 5 working days of the day on which the change takes effect; or

(b) if the creditor is required to make continuing disclosure under section 18, at the same time as the creditor provides the debtor with the next continuing disclosure statement (as required under that section) after the change takes effect.

(7) Disclosure under this section is not required in relation to a particular debtor if the creditor cannot reasonably locate the debtor.

(8) Subsections (4) and (6) do not apply to a high-cost consumer credit contract.

Section 23(1)(d): inserted, on 6 June 2015, by section 19(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 23(5): amended, on 6 June 2015, by section 19(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 23(5)(a)(iii): repealed, on 6 June 2015, by section 19(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 23(5)(b): replaced, on 6 June 2015, by section 19(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 23(6): inserted, on 6 June 2015, by section 19(5) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 23(7): inserted, on 20 December 2019, by section 17(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 23(8): inserted, on 1 May 2020, by section 17(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Request and guarantee disclosure

24 Request disclosure

(1) Every debtor or guarantor under a consumer credit contract may request in writing that disclosure of any or all of the matters referred to in subsection (2) be made to them by the creditor.

(2) The matters are as follows:

(a) the effect of a part prepayment on the debtor's obligations under the consumer credit contract:

(b) full particulars concerning any changes made to the consumer credit contract since the contract was made:

(c) the amount of any fee or charge payable on a part prepayment and how that amount is calculated:

(d) the amount required for full prepayment at a specified date and how that amount is calculated:

(e) the unpaid balance, including the amount of any interest charge outstanding (calculated as at the date that the disclosure statement is prepared):

(f) the information specified in paragraph (o) of Schedule 1:

(g) a continuing disclosure statement containing as much of the information specified in section 19 as is applicable to the consumer credit contract for any reasonable statement period specified by the debtor or guarantor.

(2A) Subsection (2)(g) does not apply if, under section 21, disclosure under section 18 is not required.

(2B) Every debtor or guarantor under a consumer credit contract may also request in writing that the creditor provide them with a copy of—

(a) any disclosure statement that was provided, or that should have been provided, before the date on which the request is made:

(b) the contract between the debtor and the creditor.

(3) The creditor must comply with the request for disclosure within 15 working days of the later of—

(a) the date that the request is received by the creditor; or

(b) the date on which the creditor receives payment of a reasonable fee for the disclosure as specified by the creditor.

(4) However, the creditor does not have to comply with the request for disclosure if—

(a) disclosure of the matter that is requested has been made to the person making the request during the 3 months before the receipt of the request by the creditor; or

(b) the request is received by the creditor more than 1 year after the consumer credit contract has come to an end.

(5) *See* section 9J(4) (which allows any person to request a copy of the standard form contract terms used by a creditor).

Compare: 1981 No 27 s 19

Section 24(2)(g): replaced, on 6 June 2015, by section 20(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 24(2A): inserted, on 6 June 2015, by section 20(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 24(2B): inserted, on 6 June 2015, by section 20(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 24(5): inserted, on 6 June 2015, by section 20(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

25 Disclosure of guarantee

(1) Every creditor who takes a guarantee of a consumer credit contract must ensure—

(a) that every guarantor under the guarantee is given or sent a copy of all of the terms of the guarantee (other than terms implied by law); and

(b) that disclosure of as much of the key information (set out in Schedule 1) as is applicable to each consumer credit contract that the creditor and the debtor enter into and to which the guarantee applies is made to every guarantor under the guarantee.

(2) The copy of the terms of the guarantee must be given or sent, and disclosure of the key information concerning each consumer credit contract that the creditor and the debtor enter into and to which the guarantee applies at the time the guarantee is given must be made, before the guarantee is given.

(3) Disclosure of the key information concerning any subsequent consumer credit contract that the creditor enters into with the debtor and to which the guarantee applies must be made within 5 working days of the day on which the contract is entered into.

(4) For the purposes of subsection (1), the copy of the terms of the guarantee must be given or sent in the same manner that disclosure is made under section 35.

Compare: 1981 No 27 s 16A

Section 25(2): replaced, on 6 June 2015, by section 21(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 25(3): amended, on 6 June 2015, by section 21(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

26 Disclosure of changes to guarantors

(1) Every creditor who takes a guarantee of a consumer credit contract must ensure that disclosure of the information set out in subsection (2) is made to every guarantor under the guarantee if—

(a) the debtor and the creditor agree to a change to the contract that increases the obligations that the debtor would otherwise have or reduces the time for payment of any payment to be made under the contract; or

(b) the creditor exercises a power under the contract that has the effect of increasing the obligations that the debtor would otherwise have or reducing the time for payment of any payment to be made under the contract.

(2) The information that must be disclosed under subsection (1) is as follows:

(a) full particulars of the change:

(b) any other information prescribed by regulations to be information that must be disclosed under subsection (1).

(3) Disclosure under subsection (1) must be made within 5 working days of the day on which—

(a) the change is agreed to by the debtor and the creditor, in the case of subsection (1)(a); or

(b) the change takes effect, in the case of subsection (1)(b).

(4) If the creditor has exercised a power under the credit contract to change the amount of an interest rate or to change the amount of any fee or charge payable, the creditor may, instead of complying with section 35, make disclosure in accordance with any publication requirements prescribed by regulations for the purposes of this section.

(5) Disclosure under this section is not required in relation to a particular guarantor if the creditor cannot reasonably locate the guarantor.

(6) Subsection (4) does not apply to a high-cost consumer credit contract.

Section 26(5): inserted, on 20 December 2019, by section 18(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 26(6): inserted, on 1 May 2020, by section 18(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

26A Disclosure of transfer of rights of creditor under consumer credit contract

(1) Every creditor who transfers (whether by assignment or operation of law) the rights of that person under a consumer credit contract to another creditor (the **new creditor**) must ensure that the disclosure of the following information is made to every debtor and guarantor under the contract:

(a) the name, address, and other contact details of the new creditor:

(b) the new creditor's registration number under the register of financial service providers and the name under which the new creditor is registered under that register:

(c) the name and contact details of the dispute resolution scheme of which the new creditor is a member (unless the Financial Service Providers (Registration and Dispute Resolution) Act 2008 does not require the new creditor to be a member of such a scheme):

(d) the date on which the rights were, or are to be, transferred to the new creditor:

(e) the impact (if any) of the transfer on the debtor:

(f) that the transfer does not affect the terms of the contract that the debtor entered into (other than terms relating to the identity of the creditor).

(2) Disclosure under this section must be made within 10 working days of the day on which the transfer takes effect.

(3) This section does not apply in the prescribed circumstances (being circumstances that relate to securitisation or covered bond arrangements or similar arrangements).

(4) Disclosure under this section is not required in relation to a particular debtor or guarantor if the creditor cannot reasonably locate the debtor or guarantor, as the case may be.

Section 26A: inserted, on 6 June 2015, by section 22 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 26A(4): inserted, on 20 December 2019, by section 19 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

26AB Disclosure not required for guarantor who is trustee or partner

Sections 24 to 26A do not require disclosure to be made to a guarantor who is—

(a) a trustee acting in their capacity as a trustee of an express trust; or

(b) a person acting in their capacity as a partner of a partnership under the Partnership Law Act 2019.

Section 26AB: inserted, on 1 July 2026, by section 16 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

26B Disclosure about dispute resolution schemes and financial mentoring services: hardship applications, arrears, credit declined, and complaints

(1) Information about the creditor's dispute resolution scheme must be disclosed as follows:

(a) by a creditor in every notice required under section 57A(1)(a) (obligations of creditor in relation to hardship applications):

(b) by the creditor to the debtor, when the creditor receives a written complaint in relation to any enforcement action under Part 3A:

(c) by the creditor to the debtor, when the creditor receives any other type of complaint described in the regulations.

(2) Information about financial mentoring services must be disclosed as follows:

(a) by a creditor, to a debtor who has made a default in payment or has caused the credit limit under the contract to be exceeded:

(b) by a creditor in every notice required under section 57A(1)(a) (obligations of creditor in relation to hardship applications):

(c) by a creditor who declines an application for a high-cost consumer credit contract, to the applicant.

(3) The disclosure must be made—

(a) in a prominent manner; and

(b) in accordance with regulations made under section 138(1)(dba).

(4) Subpart 4 does not apply to disclosure required under this section.

Section 26B: inserted, on 1 December 2021, by section 20 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Subpart 3—Debtor's right to cancel

27 Right to cancel consumer credit contract

(1) A debtor under a consumer credit contract may cancel the contract by giving written notice of the cancellation to the creditor under the contract within 5 working days of the day that disclosure is made under section 17 (or at any time if that disclosure has not been made) and either,—

(a) in the case of a contract referred to in subsection (2), paying the cash price of the property or services (or the balance of the cash price after deducting any amount already paid by the debtor) to the creditor within 15 working days of the day the notice is given; or

(b) in any other case, returning to the creditor any advance and any other property received by a debtor under the contract within 5 working days of the day that disclosure is made under section 17 (or at any time if that disclosure has not been made).

(2) A consumer credit contract for the purposes of subsection (1)(a) is—

(a) a credit sale of goods if the debtor has taken possession of the goods and disclosure of the information referred to in paragraph (s) of Schedule 1 has been made:

(b) a credit sale involving a sale of property by auction:

(c) a credit sale of property that the debtor wants to keep or of services the debtor wants to obtain:

(d) a credit sale of services that have been performed.

Compare: 1981 No 27 s 22(1), (2)

Section 27(1): amended, on 6 June 2015, by section 23 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 27(1)(b): amended, on 6 June 2015, by section 23 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

28 Notice of cancellation, return of property, and payment of cash price

(1) Written notice of cancellation may be expressed in any way that shows the intention of the debtor to cancel or withdraw from the consumer credit contract.

(2) Written notice of cancellation may be given, property may be returned, and a cash price paid, to a creditor—

(a) by giving it to the creditor or any agent or employee of the creditor; or

(b) by posting it to the last known place of residence or business of the creditor or any agent of the creditor.

(3) Written notice of cancellation may be given in electronic form, whether by means of an electronic communication or otherwise, if the creditor consents

to notices or other communications from the debtor being given in electronic form and by means of an electronic communication, if applicable.

(4) For the purposes of this section, a creditor may consent to notices or other communications from the debtor being given in electronic form subject to conditions regarding the form of the notice or communication or the means by which the notice or communication is produced, sent, received, processed, stored, or displayed.

(5) Written notice of cancellation may be given, property may be returned, and a cash price paid by an agent acting on behalf of a debtor.

Compare: 1981 No 27 s 22(3)

29 Right of cancellation does not apply in certain situations

(1) Section 27 does not apply if the credit is provided for a specified period of less than 2 months and no part of the credit is used, with the knowledge of the creditor, to pay amounts owing to the creditor or a related company under another credit contract.

(2) Section 27 does not entitle a debtor to cancel a consumer credit contract on the ground that disclosure has not been made to a guarantor.

(3) Section 27 does not apply to a layby sale agreement.

Compare: 1981 No 27 s 22(4), (5)

Section 29(3): inserted, on 1 October 2020, by section 21 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

30 Effect of cancellation

(1) If a consumer credit contract is cancelled under section 27(1)(b), the following rules apply:

(a) the rights and obligations of the parties under the contract cease; and

(b) the creditor must, as soon as is reasonably practicable,—

(i) return any property that the creditor has received under the contract to the party from whom it was received; and

(ii) release every security interest taken in connection with the contract, other than any part of a security interest that—

(A) relates to obligations of the debtor or guarantor that are not directly related to the contract; and

(B) is capable of being enforced despite paragraph (a); and

(c) the creditor must calculate—

(i) the amounts due to the creditor; and

(ii) the amounts due to the debtor; and

(d) the difference between the amounts calculated in accordance with paragraph (c) must be paid by the creditor to the debtor, or by the debtor to the creditor, as the case may be.

(2) The calculation under subsection (1)(c) must be made on the basis that—

(a) no debtor under the contract is liable to pay any part of the interest charges, fees, or charges provided for in the contract other than—

(i) interest charges on the unpaid balance for the period during which the credit was provided (at the same rate that would have been payable over that period if the contract had not been cancelled); and

(ii) any reasonable expenses necessarily incurred by the creditor in connection with the contract and the cancellation of the contract; and

(iii) if property is returned to a creditor that has been damaged while in the possession of a debtor, the cost of repairing the damage; and

(b) if the debtor has already paid any interest charges, fees, or charges provided for in the contract that the debtor is not liable to pay under paragraph (a), the amount paid is due to the debtor under subsection (1)(c)(ii).

(3) In addition, if a consumer credit contract is cancelled under section 27(1)(b),—

(a) no guarantor under the contract is liable to pay any part of the interest charges, fees, or charges provided for in the contract other than the interest charges, expenses, or costs referred to in subsection (2)(a)(i) to (iii) (if those amounts are payable under the guarantee); and

(b) the creditor must repay any interest charges, fees, or charges already received by the creditor from the guarantor that the guarantor is not liable to pay under paragraph (a).

Section 30: replaced, on 6 June 2015, by section 24 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

31 Effect of credit sale cancellation

If a consumer credit contract is cancelled under section 27(1)(a), section 30(1)(b) to (d) and (3) applies to the contract except that—

(a) the creditor need not return the cash price paid under section 27(1)(a) or any property forming part of the contract; and

(b) the creditor's obligation to provide the property or services to which the cash price relates continues.

Compare: 1981 No 27 s 23(2)

Section 31: amended, on 6 June 2015, by section 25 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 4—Disclosure standards and how disclosure is made

32 Disclosure standards

(1) Disclosure must—

(a) be in writing in a disclosure statement; and

(b) contain the information required by this Act; and

(ba) if required by the regulations, be made in the form prescribed by regulations for the purposes of this paragraph; and

(c) express the required information clearly, concisely, and in a manner likely to bring the information to the attention of a reasonable person; and

(d) not be likely to deceive or mislead a reasonable person with regard to any particular that is material to the consumer credit contract, guarantee, consumer lease, or buy-back transaction (as the case may be).

(1A) If subsection (1)(ba) applies and a person gives disclosure in the prescribed form in the manner required by the regulations, the person is to be treated as having complied with the requirements of subsection (1)(a), (c), and (d).

(2) A disclosure statement—

(a) may be in a single document or a series of related documents:

(b) may be included as part of 1 or more other documents.

(3) If a creditor provides 2 or more credit facilities to a debtor under 1 or more consumer credit contracts, disclosure may be made in 1 or more disclosure statements.

(4) The requirement to make disclosure in writing may be met by giving or making available the required information in electronic form, whether by means of an electronic communication or otherwise, if—

(a) the information is readily accessible so as to be usable for subsequent reference; and

(b) the person to whom the disclosure is required to be made consents to the disclosure being made in electronic form and by means of an electronic communication, if applicable.

(5) For the purposes of this section, a person may consent to the information being given in electronic form subject to conditions regarding the form of the information or the means by which the information is produced, sent, received, processed, stored, or displayed.

Section 32(1)(ba): inserted, on 6 June 2015, by section 26(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 32(1A): inserted, on 6 June 2015, by section 26(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 32(4): amended, on 20 December 2019, by section 22 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

33 Assumptions

(1) Information that is required to be disclosed under this Act may be disclosed by using or applying the assumptions that are prescribed for the purposes of this section in accordance with the terms and conditions (if any) that apply to those assumptions.

(2) Information that is required to be disclosed under this Act that is not otherwise ascertainable must be treated as ascertainable if it is ascertainable on the basis of the prescribed assumptions as at the date that the disclosure statement is prepared.

(3) Information disclosed in a disclosure statement must be treated as correctly disclosed if it is within the prescribed assumptions.

34 Creditor, etc, may voluntarily use model disclosure statement if not required to use mandatory form

(1) This section applies if a person is not required to use a form prescribed for the purposes of section 32(1)(ba).

(2) If the person uses a model disclosure statement prescribed by regulations for the purposes of this section in the manner required by those regulations, the person is to be treated as having complied with the requirements of section 32(1)(a), (c), and (d).

Section 34: replaced, on 6 June 2015, by section 27 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

35 How disclosure is made

(1) Disclosure must be made by—

(a) giving the disclosure statement to the person to whom disclosure is to be made; or

(b) sending the disclosure statement by post to that person's place of residence last known to the person making disclosure or to an address specified by the person for this purpose; or

(c) sending the disclosure statement to the information system specified by the person for that purpose; or

(d) sending an electronic communication to the information system specified by the person for that purpose that allows the disclosure statement to be accessed; or

(e) otherwise making the disclosure statement available in electronic form, and sending an electronic communication to the information system specified by the person notifying the person how to access the disclosure statement.

(1A) However, subsection (1)(d) and (e) is subject to the conditions that—

(a) the statement must be readily accessible at that time the electronic communication is sent, and at all reasonable times over the life of the contract, in accordance with the communication; and

(b) that statement can, at that time the electronic communication is sent, and at all reasonable times over the life of the contract, be stored in a permanent and legible form (for example, saved to an electronic file and printed).

(2) If the place of residence referred to in subsection (1)(b) is the same for 2 or more persons, or if 2 or more persons have specified the same address for the purpose of subsection (1)(b) or the same information system for the purposes of subsection (1)(c) to (e), the disclosure statement given or sent to any of those persons is to be treated as having been given or sent to all of those persons.

(3) For the purposes of sections 27 and 99 to 102, when disclosure is made by sending the disclosure statement to a person by post, the disclosure is to be treated as having been made on the fourth working day after the day on which the statement is posted.

(4) For the purposes of sections 27 and 99 to 102, when disclosure is made—

(a) by sending the disclosure statement to the information system specified by the person for that purpose under subsection (1)(c), the disclosure is to be treated as having been made on the second working day after the day on which the statement is sent:

(b) under subsection (1)(d) or (e), the disclosure is to be treated as having been made on the second working day after the day on which the electronic communication is sent.

(5) For all other purposes, the disclosure is to be treated as having been made to a person—

(a) on the day on which the statement is posted to the person; or

(b) on the day on which the disclosure statement is sent to the information system specified by the person; or

(c) if subsection (1)(d) or (e) applies, on the day on which the electronic communication referred to in that paragraph is sent to the person.

(6) *[Repealed]*

Compare: 1981 No 27 s 20

Section 35(1)(c): replaced, on 20 December 2019, by section 23(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 35(1)(d): inserted, on 20 December 2019, by section 23(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 35(1)(e): inserted, on 20 December 2019, by section 23(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 35(1A): inserted, on 20 December 2019, by section 23(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 35(2): replaced, on 20 December 2019, by section 23(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 35(2): amended, on 27 November 2025, by section 36 of the Statutes Amendment Act 2025 (2025 No 74).

Section 35(4): replaced, on 20 December 2019, by section 23(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 35(5): replaced, on 20 December 2019, by section 23(5) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 35(6): repealed, on 20 December 2019, by section 23(5) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Subpart 5—Interest charges

36 End of day

(1) A consumer credit contract may specify when a day ends for any purpose under the contract.

(2) Different times of the day may be specified as the end of the day for different purposes.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 25(2) (Qld)

37 Creditor to ensure that contract specifies annual interest rate or rates

(1) This section applies if interest charges are or may be payable under a consumer credit contract.

(2) Every creditor under a consumer credit contract must ensure that the contract specifies the interest rate or interest rates under the contract in terms of an annual interest rate or annual interest rates under the contract.

(3) An annual interest rate may be specified by describing how the annual interest rate is determined in accordance with the contract.

38 Early debit or payment of interest charges prohibited

(1) A creditor must not, at any time before the end of a day to which an interest charge applies, require payment of or debit the interest charge.

(2) A consumer credit contract may provide for an interest charge to become payable or to be debited at any time after the day to which it applies.

(3) Subsection (1) does not apply to the following:

(a) the first payment or debiting of interest charges under a consumer credit contract if the payment or debiting 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:

(b) the debit of an interest charge under a consumer credit contract before the end of the period to which the charge applies if—

(i) the charge is debited on the last day of the period; and

(ii) the amount debited is not treated by the creditor as part of the unpaid daily balance for that day for the purpose of calculating interest charges under the contract.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 27 (Qld)

39 Limit on interest charges

(1) The maximum amount of an interest charge that may be imposed or provided for under a consumer credit contract is,—

(a) in the case of 1 annual interest rate applying to the unpaid balances under the contract, the amount determined by applying the daily interest rate to the unpaid daily balances; or

(b) in any other case, the sum of each of the amounts determined by applying each daily interest rate to that part of the unpaid daily balances that it applies to under the contract.

(2) However, an interest charge under a consumer credit contract for a week, a fortnight, a month, a quarter of a year, or a half of a year may be determined by applying the annual interest rate or rates, divided by 52 (for a week), by 26 (for a fortnight), by 12 (for a month), by 4 (for a quarter of a year), or by 2 (for a half of a year), to the whole or that part of the average unpaid daily balances that it applies to.

(3) This section does not prevent the imposition, in accordance with the consumer credit contract and section 40, of default interest charges.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 26 (Qld)

40 Default interest charges

(1) A consumer credit contract must not provide that an annual interest rate applicable under the contract to any part of the unpaid balance will differ according to whether the debtor has breached the contract.

(2) However, a consumer credit contract may provide for a differential rate if the higher rate is imposed only—

(a) in the event of a default in payment, in respect of the amount of the default, and while the default continues; or

(b) in the event of the debtor causing the credit limit under the contract to be exceeded and while the credit limit is exceeded.

(2A) Subsection (2B) applies if—

(a) there has been a default in payment under a consumer credit contract; and

(b) the consumer credit contract provides that an amount payable under the contract becomes payable (or may be called up as becoming payable) earlier than would be the case if there had not been a default; and

(c) the consumer credit contract is not an on demand facility.

(2B) The higher rate referred to in subsection (2) may not be imposed on any amount that becomes payable earlier as referred to in subsection (2A).

(2C) In subsection (2A)(c), an **on demand facility** means a credit contract under which—

(a) the total unpaid balance is repayable at any time on demand by the creditor; and

(b) there is no agreement, arrangement, or understanding between the creditor and the debtor that repayment will only be demanded on the occurrence or non-occurrence of a particular event.

(3) This section does not limit Part 5 or any other rule of law that limits the amount of a default interest charge that may be imposed.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 28 (Qld)

Section 40(2)(a): amended, on 6 June 2015, by section 28(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 40(2A): inserted, on 6 June 2015, by section 28(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 40(2B): inserted, on 6 June 2015, by section 28(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 40(2C): inserted, on 6 June 2015, by section 28(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 6—Fees

Unreasonable fees

41 Unreasonable credit fee or default fee

A consumer credit contract must not provide for a credit fee or a default fee that is unreasonable.

Section 41: replaced, on 6 June 2015, by section 29 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

41A Records and reviews about how fees calculated

(1) The creditor under a consumer credit contract must keep records about how the creditor calculated each credit fee and default fee for the purposes of section 41.

(2) Those calculations must demonstrate that each credit fee and default fee is not unreasonable at the time at which the fee was calculated or reviewed.

(3) A creditor must—

(a) review a credit fee or a default fee if the creditor knows, or ought reasonably to know, that there has been a change that is likely to materially affect the reasonableness of the fee (for example, a change in the creditor's business or costs); and

(b) reduce the fee if the result of the review is that the fee is now unreasonable.

(4) The creditor must make the records required by this section available to the FMA, on request by the FMA.

(5) The creditor must make available to a dispute resolution scheme, on request by that scheme, the records that relate to a contract that is the subject of a dispute under that scheme.

(6) The creditor must provide the records within 20 working days of the date on which the request is received by the creditor or, in the case of records being provided to the FMA, within any longer period of time specified by the FMA.

(7) *[Repealed]*

(8) The creditor must keep the records for a period of at least 7 years after the date on which the fee is calculated or reviewed.

Section 41A: inserted, on 1 December 2021, by section 24 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 41A(4): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 41A(6): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 41A(7): repealed, on 1 July 2026, by section 21 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

42 Establishment fees

In determining whether an establishment fee is unreasonable, the court must have regard to—

(a) whether the amount of the fee is equal to or less than the creditor's reasonable costs in connection with the application for credit, processing and considering that application, documenting the consumer credit contract, and advancing the credit; or

(b) whether the amount of the fee is equal to or less than the creditor's average reasonable costs of the matters referred to in paragraph (a) for the appropriate class of consumer credit contract.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 72(3) (Qld)

43 Prepayment fees

(1) A prepayment fee payable—

(a) on a part prepayment is unreasonable if, and only if, the fee exceeds a reasonable estimate of the creditor's loss arising from the part prepayment:

(b) on a full prepayment is unreasonable if, and only if, it exceeds a reasonable estimate of the creditor's loss arising from the full prepayment as calculated in accordance with section 54.

(2) For the purposes of this section and section 44, a **prepayment fee** is a fee or charge that relates only to—

(a) a part prepayment or a full prepayment in respect of a fixed-rate contract; and

(b) the portion of the unpaid balance for which the interest rate is fixed for an agreed period; and

(c) the part of the creditor's loss—

(i) that arises from the part prepayment or full prepayment; and

(ii) that is a result of differences in interest rates.

(3) A creditor may also, in relation to a part prepayment or a full prepayment, impose a credit fee relating to administrative costs (and whether that fee is unreasonable must be determined in accordance with section 44(1)).

(4) In this section, **fixed-rate contract** means a credit contract under which an interest rate is fixed for an agreed period for the whole or a part of the unpaid balance.

Section 43: replaced, on 6 June 2015, by section 30 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

44 Credit fees other than establishment fees and prepayment fees

(1) In determining whether a credit fee is unreasonable, the court must have regard to, in relation to the matter giving rise to the fee, whether the fee reasonably compensates the creditor for any cost incurred by the creditor (including the cost of providing a service to the debtor if the fee relates to the provision of a service).

(2) In determining whether the fee reasonably compensates the creditor for any cost referred to in subsection (1), the court must have regard to reasonable standards of commercial practice.

(3) Subsection (1) does not apply if the credit fee is—

(a) an establishment fee (*see* section 42); or

(b) a prepayment fee (*see* section 43).

Section 44: replaced, on 6 June 2015, by section 31 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

44A Default fees

(1) In determining whether a default fee is unreasonable, the court must have regard to, in relation to the matter giving rise to the fee, whether the fee reasonably compensates the creditor for the following:

(a) any cost incurred by the creditor:

(b) a reasonable estimate of any loss incurred by the creditor as a result of the debtor's acts or omissions.

(2) In determining whether the fee reasonably compensates the creditor for any cost and loss referred to in subsection (1), the court must have regard to reasonable standards of commercial practice.

Section 44A: inserted, on 6 June 2015, by section 31 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

44B Compliance with Code is evidence that fees are not unreasonable

For the purposes of this subpart, evidence of a creditor's compliance with the provisions of the Responsible Lending Code referred to in section 9F(1)(b)(vii) is to be treated as evidence that a credit fee or a default fee is not unreasonable.

Section 44B: inserted, on 6 June 2015, by section 31 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Fees or charges passed on by creditor

45 Fees or charges passed on by creditor

(1) A fee or charge payable by a debtor for an amount payable or to reimburse an amount paid by the creditor to another person, body, or agency must not exceed the actual amount payable by the creditor if that amount is ascertainable when the fee or charge is paid by the debtor.

(2) The actual amount payable must be determined by taking into account any discount, rebate, or allowance received or receivable by the creditor or any related company.

(3) If the actual amount paid by the creditor to another person, body, or agency is not ascertainable when the debtor pays an amount to the creditor for the fee or charge and is less than the amount paid by the debtor, the creditor must refund or credit the difference to the debtor.

(4) Nothing in this section requires a rebate on tax payable by the creditor or a related company to be taken into account in determining the actual amount paid or payable by the creditor.

(5) Nothing in this section prevents a reasonable commission from being paid, or payable, to a creditor in connection with any credit-related insurance taken out by the debtor.

(6) However, despite subsection (5), a creditor must not charge a commission if—

- (a) the creditor requires the debtor to obtain the insurance from a particular insurer or particular insurers; or
- (b) the creditor has in place any arrangement that has the effect of requiring the debtor to obtain the insurance from a particular insurer or particular insurers; or
- (c) the insurance is financed under the credit contract and the creditor has, in relation to the credit-related insurance contract, breached section 9C(5) in any respect.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 30 (Qld)

Section 45(5): replaced, on 6 June 2015, by section 32 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 45(6): inserted, on 6 June 2015, by section 32 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 6A—Provisions relating to debtors under high-cost consumer credit contracts

Subpart 6A heading: inserted, on 1 May 2020, pursuant to section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Purpose, outline, and interpretation

Heading: inserted, on 1 May 2020, pursuant to section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45A Purpose of this subpart

The purpose of this subpart is—

(a) to protect consumers from the harm caused by accumulating excessive debts from default on high-interest loans or from rolling over or extending payment terms of high-interest loans; and

(b) to protect consumers from the harm caused by excessive interest and fees from repeat borrowing under high-interest loans.

Section 45A: inserted, on 1 May 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45B Outline of this subpart

(1) This subpart provides for rules about the following matters:

(a) the maximum costs of borrowing that are recoverable under certain high-cost consumer credit contracts and related consumer credit contracts:

(b) restrictions on entry into further high-cost consumer credit contracts:

(c) the maximum rate of charge that is recoverable under a high-cost consumer credit contract:

(d) no compound interest under high-cost consumer credit contracts.

(2) In relation to those matters, this Act provides for—

(a) compensation, other orders, or injunctions (*see* sections 93(a) and 96(1)(a)):

(b) statutory damages (*see* section 88):

(c) other court orders (*see* section 94):

(d) pecuniary penalties (*see* subpart 5A of Part 4).

(3) In addition,—

(a) section 48 applies in some cases:

(b) *see* section 124(1)(ea) (guidelines for reopening credit contracts).

Section 45B: inserted, on 1 June 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45C Meaning of high-cost consumer credit contract

In this Act, unless the context otherwise requires,—

high-cost consumer credit contract means a consumer credit contract of any of the following types:

(a) a contract that provides for an annual interest rate of 50% or greater:

(b) a contract under which the weighted average annual interest rate applied to the unpaid balance is, or is likely to be, 50% or greater on any day during the term of the contract:

(c) a contract under which the total rate of the interest charges (including default interest charges) that may be applied cumulatively to the same part of an unpaid balance in the event of a default in payment or the credit limit being exceeded is, or is likely to be, a rate of 50% or greater:

Example

A creditor's normal annual interest rate is 40% pa, and an additional default interest charge of 20% pa is applied to the part of the unpaid balance that is in default. The annual interest rate and any default interest charge rate are together 60% pa on the part of the unpaid balance in default. The contract is therefore a high-cost consumer credit contract.

(d) a contract of a class declared by the FMA under section 138A(1)(d)

interest rate that defines a high-cost consumer credit contract means the interest rate set out in paragraphs (a) to (c) of the definition of high-cost consumer credit contract.

Section 45C: inserted, on 1 May 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 45C **high-cost consumer credit contract** paragraph (d): amended, on 1 July 2026, by section 22 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

45D Power to increase interest rate that defines high-cost consumer credit contract

(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, increase the interest rate that defines a high-cost consumer credit contract (the **increase**).

(2) However, the Minister may make a recommendation only if he or she—

(a) is satisfied that the increase is no greater than is necessary to take account of a rise in market interest rates; and

(b) is satisfied that the increase is necessary or desirable in order to avoid harm or disruption to credit markets that would otherwise be caused by the rise in market interest rates (that is, because more credit contracts

would be within the bracket than would be the case if the rise in market rates had not occurred); and

(c) is satisfied that the increase is not inconsistent with the purpose of this subpart; and

(d) has consulted the Reserve Bank of New Zealand and the FMA.

(3) An order under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this section		
Publication	PCO must publish it on the legislation website and notify it in the *Gazette*	LA19 s 69(1)(c)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114, Sch 1 cl 32(1)(a)
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Section 45D: inserted, on 1 June 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 45D(2)(d): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 45D(3): inserted, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

Rules

Heading: inserted, on 1 May 2020, pursuant to section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45E Costs of borrowing must not exceed loan advance

(1) The maximum costs of borrowing that are recoverable under a high-cost consumer credit contract and all related consumer credit contracts is an amount equal to the first advance.

(2) A consumer credit contract must not provide for an amount to be recoverable that will result in that maximum amount being exceeded or that is capable of resulting in that maximum amount being exceeded.

(3) No person may be a creditor under a contract that contravenes this section or accept a payment, or debit a fee or charge to the debtor's account, that will result in that maximum amount being exceeded.

(4) Section 48 also applies if a payment results in that maximum amount being exceeded.

(5) In this section,—

costs of borrowing, in relation to a consumer credit contract, means any or all of the following costs:

(a) a credit fee:

(b) a default fee:

(c) interest charges:

(d) charges for an optional service:

(e) fees or charges passed on by the creditor (other than default fees)

fees or charges passed on by the creditor means fees and charges payable as referred to in section 45 regardless of whether the other person, body, or agency referred to in that section is an associated person of the creditor

first advance means,—

(a) in respect of a high-cost consumer credit contract that has no related consumer credit contracts, the first advance (excluding any credit fees, charges for optional services, and fees or charges passed on by the creditor) under that high-cost consumer credit contract:

(b) in respect of a high-cost consumer credit contract that has 1 or more related consumer credit contracts, the first advance (excluding any credit fees, charges for optional services, and fees or charges passed on by the creditor) under the earliest high-cost consumer credit contract in the series

related consumer credit contract, in respect of a high-cost consumer credit contract (**contract A**), means all other consumer credit contracts where—

(a) a debtor is the same person as a debtor under contract A; and

(b) a creditor is the same person as, or an associated person of, a creditor under contract A; and

(c) the consumer credit contracts (including contract A) are entered into during a period—

(i) that begins with a high-cost consumer credit contract being entered into; and

(ii) that ends with the expiry of 15 continuous days during which there was no unpaid balance on any of the consumer credit contracts entered into since the start of the period,—

and includes a contract of a class declared by the FMA under section 138A(1)(e).

Example

On 2 February, Ms D borrows $100 from a creditor (**C**) under a consumer credit contract that has an annual interest rate of 500% pa and a term of 6 weeks. The maximum costs of borrowing that Ms D will have to pay under that contract and any contract that replaces that contract is $100.

On 2 March, Ms D has paid $92, consisting of $32 in interest and fees and $60 of the principal. Her unpaid balance is $40.

Ms D refinances by entering into a further high-cost consumer credit contract with C to repay the remaining $40, and will receive a further advance of $50, ie, $90 in total. The first advance of $100 caps the maximum costs of borrowing. The maximum costs of borrowing that Ms D will have to pay under the new contract is

$100 - $32 = $68 (ie, the amount in interest and fees charged on the first contract ($32) is subtracted from the first advance of $100 to give a remaining cap of $68).

C is not entitled to receive more than $68. If Ms D does pay $120 (instead of $68), C must refund $52 to Ms D, or give Ms D a credit for $52 against other money owing (*see* section 48).

In addition, C is liable in other ways, for example, to a pecuniary penalty, statutory damages, and other court orders.

Section 45E: inserted, on 1 May 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 45E(5) **related consumer credit contract**: amended, on 1 July 2026, by section 23 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

45F Certain high-cost consumer credit contracts with other creditors prohibited

(1) No creditor (**C**) may enter into a high-cost consumer credit contract with—

(a) a debtor who has an unpaid balance on any high-cost consumer credit contract under which the creditor is a person other than C; or

(b) a person who has had, at any time within the preceding 15 days, an unpaid balance on any high-cost consumer credit contract under which the creditor is a person other than C.

Example

In the example above, Ms D would not be able to refinance on 2 March by entering into a further high-cost consumer credit contract with another creditor.

(2) A creditor (**C**) has a defence in connection with a breach of this section if C proves that, before entering into the contract,—

(a) C complied with section 9C in respect of the requirement to make reasonable inquiries; and

(b) C had reasonable grounds to believe that during the relevant period the person did not have an unpaid balance on any high-cost consumer credit contract under which the creditor is a person other than C.

Section 45F: inserted, on 1 June 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45G High-cost consumer credit contracts with certain repeat debtors prohibited

(1) No creditor (**C**) may enter into a high-cost consumer credit contract with a debtor who has entered into 2 or more high-cost consumer credit contracts at any time within the preceding 90 days.

(2) A creditor (**C**) has a defence in connection with a breach of this section if C proves that, before entering into the contract,—

(a) C complied with section 9C in respect of the requirement to make reasonable inquiries; and

(b) C had reasonable grounds to believe that the debtor had not entered into 2 or more high-cost consumer credit contracts during the relevant period.

Section 45G: inserted, on 1 June 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45H Rate cap

(1) The maximum rate of charge that is recoverable under a high-cost consumer credit contract is 0.8% per day, calculated in accordance with the regulations as a proportion of the amount of credit provided.

(2) A high-cost consumer credit contract must not provide for an amount to be recoverable that will result in that maximum rate being exceeded or that is capable of resulting in that maximum rate being exceeded.

(3) No person may be a creditor under a high-cost consumer credit contract that contravenes this section or accept a payment, or debit a fee or charge to the debtor's account, in a way that results in that maximum rate being exceeded.

(4) Section 48 also applies if a payment results in that maximum rate being exceeded.

(5) In this section,—

charge means the costs of borrowing within the meaning of section 45E, excluding default fees

credit provided means the unpaid balance excluding any amount that the regulations state must be excluded.

(6) A contract or creditor does not contravene this section if the maximum rate is exceeded only because of a part prepayment or full prepayment.

Section 45H: inserted, on 1 June 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45I Compound interest prohibited

(1) A high-cost consumer credit contract must not provide for compound interest.

(2) No person may be a creditor under a high-cost consumer credit contract that provides for compound interest or accept a payment, or debit a fee or charge to the debtor's account, in respect of compound interest.

(3) Section 48 also applies if a payment is in respect of compound interest.

(4) In this section, **compound interest**, to avoid doubt, includes interest on any amount of additional credit that has been provided to repay accrued interest.

Section 45I: inserted, on 1 May 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45J Default fees

(1) This section applies, for the purposes of sections 41, 41A, and 44A and this subpart, in respect of a high-cost consumer credit contract.

(2) Subsection (3) applies if—

(a) the contract provides for a default fee that is more than the prescribed amount; or

(b) the creditor accepts a payment, or debits a fee or charge to the debtor's account, in respect of a default fee that, taken together with any previous default fees charged under the contract or any related consumer credit contract (within the meaning of section 45E) is more than the prescribed amount.

(3) The fee must be presumed to be unreasonable, and to be in breach of this section and section 41, unless the creditor rebuts the presumption by proving, on the balance of probabilities, that the fee is reasonable.

(4) The requirement to rebut in subsection (3) includes proving the things in section 44A, including that it was reasonable to take the action that incurred the cost to which the fee relates (for example, sending the default to a debt collection agency).

(5) The Governor-General may, by Order in Council, make regulations prescribing the amount for the purpose of this section.

(6) The power in subsection (5) to make regulations may be used only on the recommendation of the Minister, and the Minister may make a recommendation only if the Minister—

(a) has had regard to the purpose of this subpart; and

(b) has consulted the FMA and the persons or representatives of the persons who the Minister considers will be substantially affected by the regulations.

(7) If no regulations have been made, the prescribed amount is $30.

(8) Regulations under this section are secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this section		
Publication	PCO must publish it on the legislation website and notify it in the *Gazette*	LA19 s 69(1)(c)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114, Sch 1 cl 32(1)(a)
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Section 45J: inserted, on 1 May 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 45J(6)(b): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 45J(8): inserted, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

45K Prohibition on avoidance

(1) A person must not enter into a scheme if it is reasonable to conclude that a purpose of the scheme is to defeat, evade, or circumvent the operation of a provision in this subpart.

(2) In this section, **scheme** means any contract, arrangement, or other act that has the effect of, or any contracts, arrangements, or other acts that together have the effect of, in any way, directly or indirectly,—

(a) resulting in a transaction that is in substance or economic effect a high-cost consumer credit contract or related contract being, instead, a transaction to which this subpart does not apply; or

(b) otherwise avoiding the application of a provision of this subpart.

Section 45K: inserted, on 1 May 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Review of subpart

Heading: inserted, on 1 June 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

45L Review of subpart

(1) The Minister must, as soon as practicable after the expiry of 3 years from the commencement of this section,—

(a) review the operation and effectiveness of this subpart; and

(b) prepare a report on that review.

(2) The review must consider, in particular, whether the interest rate that defines a high-cost consumer credit contract should be reduced to a rate between 30% and 50%.

(3) The Minister must present the report to the House of Representatives as soon as practicable after it has been completed.

Section 45L: inserted, on 1 June 2020, by section 25 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Subpart 7—Payments

46 Crediting of payments

(1) A creditor must credit each payment made under a consumer credit contract to the debtor's account as soon as practicable after receipt of the payment.

(2) In this section, **as soon as practicable** means the earliest time that, operating under the normal business conditions applying to the creditor, a reasonable creditor would have the payment available for reinvestment (whether or not on similar terms).

(3) Despite subsection (1), if the consumer credit contract specifies that payments are to be made in accordance with a specified schedule of payments, the creditor may credit a payment that is accepted in accordance with the schedule if the contract expressly permits the creditor to credit those payments in this manner.

(4) Subsection (3) applies whether or not—

(a) the specified schedule of payments is subject to adjustment in accordance with the contract to accommodate contingencies (for example, the possibility of changes to the interest rate); and

(b) the payment is of an amount that is not equal to the amount of the next scheduled payment.

(5) However, subsection (3) does not apply to a full prepayment.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 24 (Qld)

47 Dating and adjustments of debits and credits in accounts

(1) A debit or credit made by a creditor to a debtor's account is taken to have been made, and has effect, on the date assigned to the debit or credit and not on the date on which it is processed.

(2) A creditor may subsequently adjust debits or credits to a debtor's account and account balances so as to accurately reflect the legal obligations of the debtor and the creditor.

(3) Subsections (1) and (2) do not permit a debit or credit to be assigned a date other than the date on which it is processed, or the subsequent adjustment of a debit or credit or account balance, if—

(a) the assignment or adjustment is inconsistent with the consumer credit contract; or

(b) the assignment or adjustment results in an interest charge that is more than the maximum amount permitted under this Act, as calculated on the basis of debits and credits to a debtor's account consistent with the consumer credit contract; or

(c) the assignment or adjustment results in a breach of section 46; or

(d) the assignment of the date on which an interest charge is taken to be debited results in a breach of section 38.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 36A (Qld)

48 Recovery of payments

(1) If a debtor makes any payment to a creditor that, by virtue of this Act, the creditor is not entitled to receive, the creditor must, as soon as practicable,—

(a) refund the payment to the debtor; or

(b) credit the payment against any amount otherwise owing by the debtor to the creditor.

(2) Subsection (1) applies despite any agreement to the contrary.

Section 48(1): replaced, on 6 June 2015, by section 33 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Prepayments

49 Part prepayments

(1) A creditor must accept any part prepayment under a consumer credit contract from a debtor unless the contract expressly permits the creditor to decline to accept the part prepayment.

(2) If the consumer credit contract expressly permits the creditor to decline to accept the part prepayment, the creditor must decide whether or not to accept the part prepayment as soon as practicable after receipt of the payment.

(3) If the creditor does not accept any part prepayment, the part prepayment must be refunded to the debtor as soon as practicable.

(4) If the creditor does accept any part prepayment, the part prepayment must be credited in accordance with section 46.

50 Debtor's right to full prepayment

(1) A creditor must accept any full prepayment of a consumer credit contract from a debtor at any time.

(2) The full prepayment must be credited in accordance with section 46(1).

(3) A consumer credit contract must not prohibit the full prepayment of the contract.

(4) Nothing in sections 97 to 99 of the Property Law Act 2007 limits this section or section 51.

Section 50(4): amended, on 1 January 2008, by section 364(1) of the Property Law Act 2007 (2007 No 91).

51 Amount required for full prepayment

(1) The amount required for the full prepayment of the consumer credit contract must be no more than the sum of the following, less the amount or amounts referred to in 1 or more of sections 52, 52A, and 52B (as applicable):

(a) the unpaid balance at the time of the full prepayment; and

(b) a credit fee to reasonably compensate the creditor for any administrative cost incurred by the creditor in relation to the full prepayment (being a credit fee that is not unreasonable under section 41); and

(c) a fee or charge that does not exceed a reasonable estimate of the creditor's loss arising from the full prepayment, as calculated in accordance with section 54.

(2) In calculating the unpaid balance, the creditor must only include interest charges and other fees and charges that have accrued or would ordinarily be payable under the consumer credit contract up to the time of the full prepayment.

Section 51(1): replaced, on 6 June 2015, by section 34 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

52 Rebate of insurance

(1) In the case of a consumer credit insurance contract that is financed under the consumer credit contract, an amount to be deducted under section 51 is an amount equal to a proportionate rebate of the premium paid under the insurance contract.

(2) The rebate must be calculated using the procedure prescribed for the purposes of this section by regulations if regulations have prescribed a procedure.

(3) An amount is to be deducted under subsection (1) only if the creditor has arranged the insurance.

(4) If an amount is deducted under subsection (1), the creditor may recover the amount from the insurer as a debt due.

(5) In this section, insurance is arranged by the creditor if 1 or more of the following applies:

(a) the creditor or a related company of the creditor is the insurer:

(b) the creditor or a related company of the creditor acts as the agent of the insurer in relation to the insurance:

(c) the creditor or a related company of the creditor receives a commission in relation to the insurance:

(d) the creditor requires the debtor to obtain the insurance from a particular insurer or particular insurers.

Section 52(1): replaced, on 6 June 2015, by section 35(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 52(5)(d): amended, on 6 June 2015, by section 35(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

52A Rebate of repayment waiver

(1) In the case of a repayment waiver, an amount to be deducted under section 51 is an amount equal to a proportionate rebate of the additional consideration paid for that waiver.

(2) The rebate must be calculated using the procedure (if any) prescribed for the purposes of this section.

Section 52A: inserted, on 6 June 2015, by section 36 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

52B Rebate of extended warranty

(1) In the case of an extended warranty, an amount to be deducted under section 51 is an amount equal to a proportionate rebate of the additional consideration paid for that warranty.

(2) The rebate must be calculated using the procedure (if any) prescribed for the purposes of this section.

Section 52B: inserted, on 6 June 2015, by section 36 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

53 Termination of consumer credit insurance contract

A consumer credit insurance contract financed under a consumer credit contract is terminated on the full prepayment of the consumer credit contract unless the consumer credit insurance contract—

(a) provides insurance cover in connection with 1 or more other credit contracts; or

(b) otherwise provides a benefit to, or insurance cover for, the debtor.

54 Creditor's loss arising from full prepayment

(1) A creditor must calculate a reasonable estimate of its loss arising from a full prepayment using—

(a) a procedure prescribed for the purposes of this section by regulations; or

(b) an appropriate procedure set out in the consumer credit contract for calculating that loss.

(2) If a creditor uses a procedure prescribed for the purposes of this section by regulations, the amount calculated is to be treated in any court and in any proceedings under this Act as a reasonable estimate of the creditor's loss.

Subpart 8—Changes on grounds of unforeseen hardship

55 Changes on grounds of unforeseen hardship

(1) A debtor who is unable reasonably, because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, to meet the debtor's obligations under a consumer credit contract and who reasonably expects to be able to discharge the debtor's obligations if the terms of the contract were changed in a manner set out in section 56 may apply to the creditor to agree to that change.

(1A) An application under subsection (1) must—

(a) be in writing; and

(b) be given to the creditor; and

(c) specify the reasonable cause (for example, illness, injury, loss of employment, or the end of a relationship) for the debtor's inability to meet the debtor's obligations under the consumer credit contract.

(1B) A debtor who makes an application under this section is not entitled to make another application in relation to the same consumer credit contract unless—

(a) the application is made not less than 4 months after the previous application is made; or

(b) in the case of an application that is made less than 4 months after the previous application is made,—

(i) the creditor agrees to consider the application; or

(ii) the reasons for the debtor seeking the change under section 56 are materially different from the reasons given in the previous application.

(2) For the purposes of this section,—

de facto partner, **civil union partner**, and **spouse** have the same meanings as in the Property (Relationships) Act 1976

end of a relationship means—

(a) a situation described in section 25(2)(a) to (d) of the Property (Relationships) Act 1976; or

(b) the death of the spouse, civil union partner, or de facto partner of the debtor.

Section 55(1A): inserted, on 6 June 2015, by section 37 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 55(1B): inserted, on 6 June 2015, by section 37 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 55(2) **de facto partner**: repealed, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

Section 55(2) **de facto partner**, **civil union partner**, and **spouse**: inserted, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

Section 55(2) **end of a relationship** paragraph (b): amended, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

Section 55(2) **spouse**: repealed, on 26 April 2005, by section 7 of the Relationships (Statutory References) Act 2005 (2005 No 3).

56 Changes that can be made

(1) An application by a debtor under section 55 must seek to change the terms of the consumer credit contract in one of the following ways:

(a) extending the term of the contract and reducing the amount of each payment due under the contract accordingly (without a consequential change being made to the annual interest rate or annual interest rates):

(b) postponing, during a specified period, the dates on which payments are due under the contract (without a consequential change being made to the annual interest rate or annual interest rates):

(c) extending the term of the contract and postponing, during a specified period, the dates on which payments are due under the contract (without a consequential change being made to the annual interest rate or annual interest rates).

(2) The change that the debtor seeks—

(a) must not be more extensive than is necessary to enable the debtor to reasonably expect to be able to discharge the debtor's obligations; and

(b) must be fair and reasonable to both the debtor and the creditor in all the circumstances.

(3) A change is not unfair or unreasonable merely because it involves a change to the agreed terms of the consumer credit contract.

57 Application may not be made in certain circumstances

(1) A debtor may not make an application under section 55 if—

(a) the debtor is in default of his or her obligation to make payments and, in relation to that default, the debtor—

(i) has been in default for 2 weeks or more after receiving a repossession warning notice (*see* section 83G) or a notice under section 119 of the Property Law Act 2007; or

(ii) has failed to make 4 or more consecutive periodic payments by or on the due dates; or

(iii) has been in default for 2 months or more; or

(b) *[Repealed]*

(c) it was reasonably foreseeable to the debtor at the time the contract was made that the debtor would be unlikely to be able to meet his or her obligations under the consumer credit contract because of the illness, the injury, the loss of employment, the end of the relationship, or the other reasonable cause.

(2) However, subsection (1)(a) does not prevent an application being made after the debtor has remedied the default (to the extent that it can be remedied).

Section 57(1)(a): replaced, on 6 June 2015, by section 38(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 57(1)(b): repealed, on 6 June 2015, by section 38(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 57(2): replaced, on 6 June 2015, by section 38(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

57A Obligations of creditor in relation to application

(1) On receipt of an application by a debtor under section 55, the creditor must do the following:

(a) within 5 working days after receiving the application, acknowledge receipt of the application by giving a written notice to the debtor (*see* section 26B(1)(a) and (2)(b)):

(b) within 10 working days after receiving the application, request any further information from the debtor (but only if that further information is necessary to decide the application) by giving a written notice to the debtor:

(c) within 20 working days after receiving the application,—

(i) in compliance with the lender responsibility principles (*see* section 9C), decide whether to agree to change the consumer credit contract in accordance with the application; and

(ii) give written notice to the debtor of that decision; and

(iii) if the creditor does not agree to change the consumer credit contract in accordance with the application, give written notice to the debtor setting out—

(A) the creditor's reasons for that decision; and

(B) a clear summary of the debtor's rights under section 58.

(2) However, if the creditor has requested further information in accordance with subsection (1)(b), the time within which the creditor must comply with subsection (1)(c) is the later of—

(a) 10 working days after receiving the further information; and

(b) 20 working days after making the request under subsection (1)(b).

(3) A creditor—

(a) must not charge any credit fee in relation to an application (whatever the outcome of the application) if that fee would not, in the absence of the application, be otherwise payable:

(b) must, if Part 3A applies, comply with section 83J (which prevents enforcement action until the application is decided).

(4) However, if the application is successful, nothing in subsection (3)(a) prevents a creditor from charging a credit fee that reasonably compensates the creditor for the costs incurred by the creditor in documenting the changes to the credit contract.

Section 57A: inserted, on 6 June 2015, by section 39 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 57A(1)(a): amended, on 1 December 2021, by section 26 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

58 Changes by court

(1) A debtor who has made an application under section 55 may apply to the court to change the terms of a consumer credit contract if—

(a) the creditor fails, within the time specified in section 57A(1)(c) or (2), to notify the debtor of its decision on the application; or

(b) the creditor does not agree to change the consumer credit contract in accordance with the application.

(2) The court may, after allowing the applicant, the creditor, and any guarantor a reasonable opportunity to be heard,—

(a) by order, change the consumer credit contract in a manner set out in section 56; and

(b) make any other orders it thinks fit.

(3) The court may, if it thinks it appropriate in the circumstances, stay any enforcement proceedings under the consumer credit contract, and make any other orders it thinks fit, until the application has been determined.

(4) Subsection (3) does not apply to the Disputes Tribunal established under section 4 of the Disputes Tribunal Act 1988.

Section 58(1): replaced, on 6 June 2015, by section 40 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 58(4): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

59 Creditor may apply for variation of change

(1) A creditor under a consumer credit contract that has been changed by an order under section 58 may apply to the court for an order varying or revoking the order.

(2) A creditor subject to a stay of enforcement proceedings or other order under section 58 may apply to the court for an order varying or revoking the stay or order.

(3) On an application under this section, the court may vary or revoke the order or stay to which the application relates as it thinks fit.

59A How notices may be given

(1) Any notice or other document required or authorised by sections 55 to 57A to be given to any person must be in writing and is sufficiently given if—

(a) it is delivered to that person; or

(b) it is left at that person's usual or last known place of residence or business or at an address specified for that purpose in the consumer credit contract; or

(c) it is posted in a letter addressed to that person by name at that place of residence or business or address; or

(d) it is sent by way of an electronic communication to the address specified by that person for this purpose.

(2) If the person is absent from New Zealand, the notice or other document may be given to the person's agent in New Zealand.

(3) If the person is deceased, the notice or other document may be given to the person's personal representatives.

(4) If the person is not known, or is absent from New Zealand and has no known agent in New Zealand, or is deceased and has no personal representatives, the notice or other document must be given in such a manner as may be directed by an order of the court.

(5) If the notice or other document is sent to any person—

(a) by post, it is to be treated as having been received on the fourth working day after the day on which the letter is posted (and in proving the delivery it is sufficient to prove that the letter was properly addressed and posted):

(b) by electronic communication, it is to be treated as having been received on the second working day after the day on which the notice or document is sent.

(6) Despite anything in this section, the court may in any case make an order directing the manner in which any notice or other document is to be given, or make an order dispensing with the giving of the notice or document.

Section 59A: inserted, on 6 June 2015, by section 41 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 9—Duty of directors and senior managers of creditors under consumer credit contracts

[Repealed]

Subpart 9: repealed, on 1 July 2026, by section 24 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

59B Duty of directors and senior managers of creditors

[Repealed]

Section 59B: repealed, on 1 July 2026, by section 24 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Part 3
Consumer leases, credit-related insurance, and buy-back transactions of land

Subpart 1—Consumer leases

60 Consumer leases

(1) For the purposes of this Act, a lease is a **consumer lease** if—

(a) the lessee is a natural person; and

(b) the goods are hired, or intended to be hired, wholly or predominantly for personal, domestic, or household purposes; and

(c) when the lease is entered into, the lessor, or one of the lessors, carries on the business of leasing goods (whether or not the business is the lessor's only business or the lessor's principal business), or makes a practice of leasing goods in the course of a business carried on by the lessor; and

(d) when the lease is entered into, 1 or more of the following applies:

(i) the term of the lease is for 1 year or more:

(ii) the lessee has an option to purchase the goods.

(1A) For the purposes of subsection (1)(b), the predominant purpose for which the goods are hired is, if the goods are intended to be used for different purposes, the purpose for which the goods are intended to be most used.

(1B) The reference to intention in subsections (1)(b) and (1A) is a reference to the lessee's intention.

(2) However, a lease that is to be treated as a consumer credit contract under section 16 is not a consumer lease.

(3) If, because of any contract or contracts (none of which by itself constitutes a consumer lease) or any arrangement, there is a transaction that is in substance or effect a consumer lease, the contract, contracts, or arrangement must, for the purposes of this Act, be treated as a consumer lease made at the time when the contract, or the last of those contracts, or the arrangement, was made, as the case may be.

(4) This section is subject to section 62.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 148(1) (Qld)

Section 60(1)(b): replaced, on 6 June 2015, by section 42(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 60(1A): inserted, on 6 June 2015, by section 42(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 60(1B): inserted, on 6 June 2015, by section 42(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

61 Presumption relating to consumer lease

(1) In any proceedings in which a party claims that a lease is a consumer lease, it is presumed that the lease is a consumer lease unless the contrary is established.

(2) This section is subject to section 13.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 150(1) (Qld)

62 Declaration concerning consumer lease

(1) A lease is not a consumer lease if the lessee makes a declaration before entering into the lease that the goods are hired wholly or predominantly for business purposes.

(2) Subsection (1) does not apply if the lessor, or the person who obtains the declaration, knew, or had reason to believe, at the time the declaration was made that the goods were in fact hired wholly or predominantly for personal, domestic, or household purposes.

(3) A declaration is effective only if the declaration is in a separate written document and the lessee confirms that he or she has read and understood the declaration.

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 150(2), (3) (Qld)

Section 62(1): amended, on 6 June 2015, by section 43 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 62(2): amended, on 6 June 2015, by section 43 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Disclosure of consumer lease

63 Application of disclosure provisions

Sections 32 to 35 apply to disclosure under this subpart.

64 Initial disclosure of consumer lease

(1) Every lessor under a consumer lease must ensure that disclosure of as much of the information set out in Schedule 2 as is applicable to the lease is made to every lessee under the lease before the lease is made.

(2) Every lessor under a consumer lease must ensure that a copy of all of the terms of the lease not disclosed under subsection (1) (other than terms implied by law) is given or sent to every lessee under the lease—

(a) before the lease is made; or

(b) within 5 working days of the day on which the lease is made.

(3) For the purposes of subsection (2), the copy of the terms of the lease must be given or sent in the same manner that disclosure is made under section 35.

65 Variation disclosure of consumer leases

(1) Every lessor under a consumer lease must ensure that disclosure of the full particulars of a change to the lease is made to every lessee under the lease if the parties agree to change the lease.

(2) Disclosure under this section must be made before the change takes effect.

66 Variation disclosure not required

[Repealed]

Section 66: repealed, on 6 June 2015, by section 44 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

67 Request disclosure for consumer leases

(1) Every lessee under a consumer lease may request in writing that disclosure of any or all of the matters referred to in subsection (2) be made to the lessee by the lessor.

(2) The matters are as follows:

(a) the amount, timing, and number of payments to be made under the lease:

(b) full particulars concerning any changes made to the lease since the lease was made:

(c) a copy of any disclosure statement that was provided or that should have been provided before the date on which the request is made.

(3) The lessor must comply with the request for disclosure within 15 working days of the later of—

(a) the date that the request is received by the lessor; or

(b) the date on which the lessor receives payment of a reasonable fee for the disclosure as specified by the lessor.

(4) However, the lessor does not have to comply with the request for disclosure if—

(a) disclosure of the matter that is requested has been made to the person making the request during the 3 months before the receipt of the request by the lessor; or

(b) the request is received by the lessor more than 1 year after the lease has come to an end.

Amount payable on termination

68 Amount payable on termination

The amount payable by a lessee on the termination of a consumer lease before the end of its term is the lesser of—

(a) an amount payable under the lease that does not exceed a reasonable estimate of the lessor's loss relating to the termination; or

(b) the amount determined using a procedure prescribed by regulations for the purposes of this section (if any).

Compare: Consumer Credit Code (Appendix to Consumer Credit (Queensland) Act 1994) s 157(2) (Qld)

Subpart 2—Credit-related insurance, repayment waivers, and extended warranties

69 Restrictions on credit-related insurance, repayment waivers, and extended warranties

(1) A creditor or a lessor must not, in connection with a consumer credit contract or consumer lease, make any unreasonable requirement as to the terms on which the debtor or lessee is to take out or obtain credit-related insurance, a repayment waiver, or an extended warranty.

(2) A requirement is unreasonable if—

(a) it is not reasonably necessary for the protection of the legitimate interests of the creditor or lessor; or

(b) it is not reasonably justifiable in light of the risks undertaken by the parties to the arrangement.

(3) *[Repealed]*

Section 69(3): repealed, on 6 June 2015, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

70 Disclosure of credit-related insurance, repayment waiver, or extended warranty

(1) If a consumer credit contract or consumer lease involves credit-related insurance and that insurance was arranged by the creditor under the contract or by the lessor under the lease, the creditor or the lessor must ensure that every insured person is supplied with a copy of the terms of the credit-related insurance (other than terms implied by law) before the credit-related insurance is arranged.

(2) If a consumer credit contract or consumer lease involves a repayment waiver or an extended warranty, every creditor under the contract or lessor under the lease must ensure that every debtor under the contract or lessee under the lease is supplied with a copy of the terms of the repayment waiver or extended warranty (other than terms implied by law) before the repayment waiver or extended warranty is arranged.

(3) For the purposes of this section, insurance is arranged by the creditor or lessor if 1 or more of the following applies:

(a) the creditor or lessor or a related company of the creditor or lessor is the insurer:

(b) the creditor or lessor or a related company of the creditor or lessor acts as the agent of the insurer in relation to the insurance:

(c) the creditor or lessor or a related company of the creditor or lessor receives a commission in relation to the insurance:

(d) the creditor or lessor requires the debtor or lessee to obtain the insurance from a particular insurer or particular insurers.

Section 70(1): amended, on 6 June 2015, by section 46(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 70(2): amended, on 6 June 2015, by section 46(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 70(3)(d): amended, on 6 June 2015, by section 46(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 3—Buy-back transactions of land

71 Application of disclosure provisions

Sections 32 to 35 apply to disclosure under this subpart.

72 Initial disclosure of buy-back transaction

(1) Every transferee under a buy-back transaction must ensure that disclosure of as much of the information set out in Schedule 3 as is applicable to the transaction is made to every occupier under the transaction before the occupier enters into any contract or arrangement that forms part of the buy-back transaction.

(2) Every transferee under a buy-back transaction must ensure that a copy of all of the terms of the buy-back transaction not disclosed under subsection (1) (other than terms implied by law) is given or sent to every occupier under the transaction before the occupier enters into any contract or arrangement that forms part of the buy-back transaction.

(3) For the purposes of subsection (2), the copy of the transaction terms must be given or sent in the same manner that disclosure is made under section 35.

73 Independent legal advice must be given to occupier

(1) Every transferee under a buy-back transaction must ensure that every occupier under the transaction has received independent legal advice concerning the transaction from a lawyer before entering into any contract or arrangement that forms part of the buy-back transaction.

(2) The signature of each occupier on any contract or other document that forms part of the buy-back transaction must be witnessed by a lawyer.

(3) The lawyer who witnesses the signature of an occupier must certify that, before that occupier signed the contract or document, the lawyer explained to the occupier the effect and implications of the contract or document.

(4) The certificate must be in the form prescribed by regulations (if any).

(5) For the purposes of this section, **independent legal advice** means legal advice provided by a lawyer who has no relationship with, or interest in, the transferee or any buy-back promoter.

74 Buy-back transactions involving buy-back promoter

(1) This section applies if—

(a) a buy-back promoter introduced the transferee and the occupier to each other; and

(b) none of the following applies:

(i) the transferee carries on the business of providing credit (whether or not the business is the transferee's only business or the transferee's principal business):

(ii) the transferee carries on the business of entering into buy-back transactions (whether or not the business is the transferee's only business or the transferee's principal business):

(iii) the transferee makes a practice of providing credit in the course of a business carried on by the transferee:

(iv) the transferee makes a practice of entering into buy-back transactions in the course of a business carried on by the transferee.

(2) If this section applies,—

(a) the obligations of the transferee under sections 72 and 73 are to be treated as being imposed on the buy-back promoter (instead of on the transferee); and

(b) the references in sections 72 and 73 to the transferee are to be read as references to the buy-back promoter.

(3) The buy-back promoter must ensure that every transferee under the buy-back transaction has received independent legal advice concerning the transaction from a lawyer before entering into any contract or arrangement that forms part of the buy-back transaction.

(4) For the purposes of this section, **independent legal advice** means legal advice provided by a lawyer who has no relationship with, or interest in, the buy-back promoter.

75 Land cannot be dealt with without leave of court if initial disclosure not made or no independent legal advice given

(1) This section applies if the transferee knows, or has reason to believe, that any provision of section 72 or section 73 has not been complied with by any person in connection with the buy-back transaction.

(2) The transferee must not transfer the estate in the land to a person other than the occupier or otherwise deal with the land without obtaining the leave of the High Court.

(3) The High Court may grant leave only if it is satisfied that the non-compliance has not materially prejudiced the interests of the occupier.

(4) The High Court may grant leave subject to any terms and conditions that the court thinks fit.

(5) Subsection (2) does not affect the rights under sections 24, 44, 51, and 52 of the Land Transfer Act 2017 of a person who derives an estate or interest in the land from the transferee.

Section 75(5): amended, on 12 November 2018, by section 250 of the Land Transfer Act 2017 (2017 No 30).

76 Interest of occupier is caveatable interest

(1) The occupier under a buy-back transaction is to be treated as being entitled to, or to be beneficially interested in, the land for the purposes of section 138(1)(a) of the Land Transfer Act 2017.

(2) A term of a buy-back transaction is entirely of no effect if it—

(a) prohibits the occupier from lodging with the Registrar (within the meaning of the Land Transfer Act 2017) a caveat against dealings in the land; or

(b) otherwise restricts the ability of the occupier to lodge with the Registrar a caveat against dealings in the land.

Section 76(1): amended, on 12 November 2018, by section 250 of the Land Transfer Act 2017 (2017 No 30).

Section 76(2)(a): amended, on 12 November 2018, by section 250 of the Land Transfer Act 2017 (2017 No 30).

77 Variation disclosure of buy-back transactions

(1) Every transferee under a buy-back transaction must ensure that disclosure of the full particulars of a change to the transaction is made to every occupier under the transaction if the parties agree to change the transaction.

(2) Disclosure under this section must be made before the change takes effect.

78 Variation disclosure not required

[Repealed]

Section 78: repealed, on 6 June 2015, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

79 Request disclosure for buy-back transactions

(1) Every occupier under a buy-back transaction may request in writing that disclosure of any or all of the matters referred to in subsection (2) be made to the occupier by the transferee.

(2) The matters are as follows:

(a) the amount, timing, and number of payments to be made under the transaction:

(b) full particulars concerning any changes made to the transaction since the transaction was made:

(c) a copy of any disclosure statement that was provided or that should have been provided before the date on which the request is made.

(3) The transferee must comply with the request for disclosure within 15 working days of the later of—

(a) the date that the request is received by the transferee; or

(b) the date on which the transferee receives payment of a reasonable fee for the disclosure as specified by the transferee.

(4) However, the transferee does not have to comply with the request for disclosure if—

(a) disclosure of the matter that is requested has been made to the person making the request during the 3 months before the receipt of the request by the transferee; or

(b) the request is received by the transferee more than 1 year after the transaction has come to an end.

(5) *See* section 9J(4) (which allows any person to request a copy of the standard form contract terms used by a transferee).

Section 79(5): inserted, on 6 June 2015, by section 48 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

80 Unreasonable buy-back fees or buy-back default fees

(1) A buy-back transaction must not provide for a buy-back fee or a buy-back default fee that is unreasonable.

(2) *[Repealed]*

(3) *[Repealed]*

(4) *[Repealed]*

Section 80(2): repealed, on 6 June 2015, by section 49 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 80(3): repealed, on 6 June 2015, by section 49 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 80(4): repealed, on 6 June 2015, by section 49 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

81 Fees or charges passed on by transferee

(1) A fee or charge payable by an occupier for an amount payable or to reimburse an amount paid by the transferee to another person, body, or agency must not exceed the actual amount payable by the transferee if that amount is ascertainable when the fee or charge is paid by the occupier.

(2) The actual amount payable must be determined by taking into account any discount, rebate, or allowance received or receivable by the transferee or any related company.

(3) If the actual amount paid by the transferee to another person, body, or agency is not ascertainable when the occupier pays an amount to the transferee for the fee or charge and is less than the amount paid by the occupier, the transferee must refund or credit the difference to the occupier.

(4) Nothing in this section requires a rebate on tax payable by the transferee or a related company to be taken into account in determining the actual amount paid or payable by the transferee.

(5) For the avoidance of doubt, nothing in this section prevents a reasonable commission from being payable or paid to a transferee in connection with any insurance taken out by the occupier.

82 Unreasonable fees payable to buy-back promoter or associated person

(1) A buy-back promoter and an associated person of the buy-back promoter must not require the payment of an unreasonable fee in connection with a buy-back transaction.

(2) *[Repealed]*

(3) *[Repealed]*

(4) *[Repealed]*

Section 82(2): repealed, on 6 June 2015, by section 50 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 82(3): repealed, on 6 June 2015, by section 50 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 82(4): repealed, on 6 June 2015, by section 50 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83 No limit on Part 2

Nothing in this subpart limits any provision in Part 2.

Part 3A
Repossession of consumer goods under consumer credit contract

Part 3A: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Part 3A heading: amended, on 13 January 2020, by section 23 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Subpart 1—Preliminary provisions

Subpart 1: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83A Outline of Part

This Part sets out, in relation to a consumer credit contract,—

(a) the rules that apply—

(i) before a creditor or creditor's agent may repossess consumer goods (which includes repossessing keys or other access devices in relation to consumer goods); and

(ii) at the time of repossession; and

(iii) following the repossession; and

(b) the rights and responsibilities of debtors and creditors in relation to consumer goods that have been, or are liable to be, repossessed; and

(c) a prohibition against security interests over certain consumer goods.

Section 83A: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83A: amended, on 13 January 2020, by section 24 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

83B References to consumer credit contracts include security agreements

(1) This section applies, unless the context otherwise requires, for the purposes of—

(a) this Part; and

(b) Part 1A (to the extent that it relates to consumer credit contracts to which this Part applies); and

(c) any other provision of this Act that relates to—

(i) the enforcement, application, or effect of this Part (for example, the definition of repossession in section 5); or

(ii) the enforcement, application, or effect of Part 1A (to the extent referred to in paragraph (b)).

(2) If a security interest in consumer goods is or may be taken in connection with a consumer credit contract,—

(a) the contract or arrangement that creates or provides for the security interest is to be treated as forming part of the consumer credit contract; and

(b) references to a creditor must be treated as including the secured party within the meaning of section 16 of the Personal Property Securities Act 1999; and

(c) references to a debtor must be treated as including the debtor within the meaning of section 16 of the Personal Property Securities Act 1999.

(3) Subsection (2) applies even if a party to the contract or arrangement referred to in subsection (2)(a) is not a party to the consumer credit contract (for example, a guarantor who has given a security interest over consumer goods to secure the guarantor's obligations under a guarantee that was given in respect of the consumer credit contract).

(4) This Part applies whether or not a financing statement has been registered under the Personal Property Securities Act 1999 in respect of the security interest.

Section 83B: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83B heading: amended, on 13 January 2020, by section 25(1) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83B(1)(b): amended, on 13 January 2020, by section 25(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83B(2): amended, on 13 January 2020, by section 25(3) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83B(2)(a): amended, on 13 January 2020, by section 25(3) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83B(3): amended, on 13 January 2020, by section 25(3) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

83C Application of Part

(1) This Part applies where a consumer credit contract provides that a creditor has a right to do 1 or more of the following:

(a) repossess consumer goods over which there is a security interest:

(b) enter premises, or enter premises when an occupier is not present, for—

(i) the purpose of repossessing consumer goods over which there is a security interest; or

(ii) any other purpose in connection with consumer goods over which there is a security interest.

(2) If a consumer credit contract creates or provides for a security interest in both consumer goods and other goods, this Part applies only in relation to the consumer goods.

(3) Subsection (1) does not limit subparts 3 and 6.

Compare: 1997 No 85 ss 5, 6

Section 83C: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83C(1): amended, on 13 January 2020, by section 26 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83C(2): amended, on 13 January 2020, by section 26 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

83D Part does not create right to repossess, etc

(1) This Part does not confer a right to repossess consumer goods, or a right to enter premises, or a right to enter premises when an occupier is not present.

(2) This Part is to be read subject to this section.

Compare: 1997 No 85 s 6(2), (3)

Section 83D: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 2—Rules that apply before repossession

Subpart 2: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83E Circumstances in which creditor can repossess consumer goods

(1) Neither a creditor nor a creditor's agent may repossess consumer goods, unless—

(a) either—

(i) the debtor is in default under the credit contract; or

(ii) the goods are at risk; and

(b) the creditor has, before repossessing the goods, fully complied with requirements imposed on the creditor under this Part that must be complied with before the goods are repossessed; and

(c) the creditor complies, in relation to the repossession, with the lender responsibility principles set out in Part 1A that are relevant to the repossession.

(2) In this Part, consumer goods are **at risk** if the creditor believes, on reasonable grounds, that those goods have been, or will be, destroyed, damaged, endangered, disassembled, removed, concealed, sold, or otherwise disposed of contrary to the provisions of the relevant credit contract.

(3) However, consumer goods are not at risk merely because another creditor has, in relation to those consumer goods, given the debtor a repossession warning notice.

(4) In any case where it is necessary to decide whether the goods were, or are, at risk, the creditor has the onus of proving that the grounds relied on were, or are, reasonable.

Compare: 1997 No 85 s 7

Section 83E: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83F Duty to ensure goods are specifically identified

(1) A creditor must, before exercising a right referred to in section 83C in relation to consumer goods, ensure that—

(a) the goods are specifically identified in the credit contract (whether or not the goods are subject to a purchase money security interest); or

(b) if the goods were acquired by the debtor after the credit contract has been entered into,—

(i) the following requirements are satisfied:

(A) the parties to the contract have agreed to change the contract to specifically identify the goods in the credit contract; and

(B) in the case of a consumer credit contract, there has been disclosure of the full particulars of that change as required by section 22; or

(ii) the debtor has acquired the goods as a replacement for the goods that were specifically identified in that credit contract.

(2) For the purposes of determining whether consumer goods are **specifically identified**,—

(a) the goods are specifically identified if the credit contract contains an adequate description of the goods by item that enables the goods to be identified; and

(b) it is insufficient to merely describe the goods by kind.

Compare: 1999 No 126 s 36(1)(b)(i)

Section 83F: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83G Creditor must serve repossession warning notice on debtor and other persons before taking possession of consumer goods

(1) Every creditor intending to repossess consumer goods must, before repossessing those goods, serve a notice (a **repossession warning notice**) on—

(a) the debtor; and

(b) every guarantor of the debtor in respect of the relevant credit contract (other than a guarantor referred to in subsection (7)); and

(c) if section 83I(1) applies, each of the persons referred to in section 129(1) of the Personal Property Securities Act 1999; and

(d) every person who—

(i) is known by the creditor to have a security interest in the consumer goods; or

(ii) has registered a financing statement in the name of the debtor that refers to the consumer goods; or

(iii) has registered a financing statement containing the serial number of the consumer goods as required or authorised by regulations made under the Personal Property Securities Act 1999.

(2) However, subsection (1) does not apply if the goods are at risk (*see* section 83E(2)).

(3) The repossession warning notice must—

(a) be in writing; and

(b) contain as much of the key information set out in Schedule 3A as is applicable to the credit contract; and

(c) include any additional prescribed information; and

(d) be in the prescribed form (if any); and

(e) be served on the debtor at least 15 days before repossession occurs; and

(f) if the default is capable of being remedied, give the debtor at least 15 days before repossession occurs to remedy the default.

(4) A repossession warning notice expires 60 days after it has been served on the debtor and, after that time,—

(a) the notice is of no effect; and

(b) the creditor has no right to repossess the goods in reliance upon that notice.

(5) Any period during which the creditor is prevented from taking or continuing any enforcement action under section 83J must be excluded when determining whether a repossession warning notice has expired under subsection (4).

(6) Nothing in subsection (4) prevents a creditor from serving a further repossession warning notice that complies with this section.

(7) For the purposes of subsection (1)(b), this subsection refers to a guarantor who is—

(a) a trustee acting in their capacity as a trustee of an express trust; or

(b) a person acting in their capacity as a partner of a partnership under the Partnership Law Act 2019.

Compare: 1997 No 85 ss 8, 9

Section 83G: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83G(1)(b): amended, on 1 July 2026, by section 25(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 83G(7): inserted, on 1 July 2026, by section 25(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

83H Debtor may voluntarily deliver consumer goods

(1) A debtor may, following receipt of a repossession warning notice, voluntarily deliver the consumer goods identified in that notice to the creditor at the place specified in that notice under paragraph (h)(ii) of Schedule 3A.

(2) Subsection (1) is subject to section 83I(2).

(3) If consumer goods are voluntarily delivered in accordance with subsection (1), subpart 5 applies with all necessary modifications as if the voluntary delivery were a repossession under subpart 4.

Section 83H: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83I Rules relating to accessions (goods that are installed in, or affixed to, other goods)

(1) Every creditor intending to repossess an accession that is a consumer good (as provided for under section 109 of the Personal Property Securities Act 1999)

must, in addition to complying with this Part, comply with sections 125 to 131 of that Act.

(2) Despite section 83H, a debtor may not voluntarily deliver consumer goods that are, or include, accessions.

(3) In this section, **accessions** has the meaning given to it in section 16 of the Personal Property Securities Act 1999.

Section 83I: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83J Effect of debtor's complaint or application on grounds of unforeseen hardship on creditor's rights to enforce credit contract

(1) Neither a creditor nor a creditor's agent may take any enforcement action in relation to consumer goods (whether under this Part or in accordance with a credit contract) if the debtor has made—

(a) a written complaint to the creditor in relation to any enforcement action and that complaint has not been resolved; or

(b) an application to the creditor under section 55 and that application has not been decided.

(2) If the creditor or creditor's agent has already commenced any enforcement action before a written complaint in relation to that enforcement action or any other enforcement action is made, or an application under section 55 is made, to the creditor, no further action may be taken to continue or complete that enforcement action until the complaint has been resolved or the application has been decided.

(3) However, despite subsections (1) and (2), if the relevant consumer goods are at risk (*see* section 83E(2)), the creditor may repossess the goods but must not take any further enforcement action.

(4) If the creditor and debtor have not reached agreement and settled the complaint referred to in subsection (1)(a) or (2), the creditor may provide the debtor with a written notice that—

(a) specifies the creditor's position on the complaint; and

(b) states that the notice has been provided for the purposes of this subsection; and

(c) states that the debtor may refer the complaint to the creditor's dispute resolution scheme; and

(d) contains the name and contact details of that scheme; and

(e) states that the complaint will be treated as resolved for the purposes of this section if the debtor does not refer the complaint to that scheme within 14 days of the notice being provided (and, accordingly, the creditor may take or continue enforcement action in relation to the consumer goods).

(5) For the purposes of this section, a complaint is resolved when—

(a) the creditor and debtor have reached agreement and settled the complaint; or

(b) the complaint has been—

(i) referred to the dispute resolution scheme of which the creditor is a member; and

(ii) resolved or otherwise determined in accordance with the scheme's rules (including where the scheme ceases considering the complaint for any reason); or

(c) if the creditor has provided the debtor with the written notice referred to in subsection (4),—

(i) 14 days have elapsed since the debtor was provided with the notice; and

(ii) the debtor has not, within that period, referred the complaint to the dispute resolution scheme.

(6) In this Part, **enforcement action** means any of the following:

(a) giving a repossession warning notice:

(b) repossessing, or entering premises for the purpose of repossessing, consumer goods over which there is a security interest:

(c) selling, offering for sale, or disposing of the consumer goods that have been repossessed:

(d) any action to recover any amount owing by the debtor to the creditor under the credit contract after the consumer goods are sold under subpart 5 (*see* sections 83ZI(1)(d) and 83ZM).

(7) In this section, an application under section 55 is decided when the creditor gives written notice of the creditor's decision under section 57A(1)(c)(ii).

(8) To avoid doubt, the creditor or the creditor's agent may, subject to this Part, to any court order, and to any terms on which the complaint was resolved, take, or continue, the enforcement action referred to in subsection (1) or (2) from the time that the complaint has been resolved or (in the case of an unsuccessful application under section 55) the application has been decided.

(9) Despite subsections (1) and (2), the creditor may take an enforcement action referred to in subsection (6)(a) to (c) (but not an action referred to in subsection (6)(d)) if—

(a) the person responsible for the dispute resolution scheme to which a complaint has been referred under this section has given notice (which may include a preliminary view) to the effect that the enforcement action would be in the best interests of the debtor; and

(b) the debtor and the creditor have agreed in writing to the enforcement action.

Section 83J: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83J(9): inserted, on 20 December 2019, by section 28 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

83K Subsequent complaints

(1) This section applies if—

(a) the debtor makes a written complaint to the creditor in relation to an enforcement action (the **original complaint**); and

(b) the debtor subsequently makes another written complaint to the creditor in relation to an enforcement action (the **subsequent complaint**).

(2) The subsequent complaint does not, under section 83J, prevent the creditor or a creditor's agent from taking or continuing enforcement action in relation to consumer goods unless—

(a) the subsequent complaint is made not less than 4 months after the original complaint is made; or

(b) in the case of a subsequent complaint that is made less than 4 months after the original complaint is made,—

(i) the creditor agrees to consider the complaint; or

(ii) the basis or grounds of the subsequent complaint are materially different from the basis or grounds of the original complaint.

Section 83K: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 3—Disabling devices

Subpart 3: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83L Use of disabling device

(1) This section applies where a consumer credit contract provides that the creditor—

(a) has a security interest over consumer goods to which a disabling device is connected; and

(b) has a right to activate the disabling device.

(2) Neither a creditor nor a creditor's agent may activate a disabling device unless—

(a) there has been a breach of the consumer credit contract by the debtor that is sufficient, according to the terms of the contract, to give rise to the creditor's right to activate the disabling device; and

(b) the creditor or the creditor's agent has given the debtor reasonable notice, in advance of the activation,—

(i) that the disabling device is to be activated; and

(ii) about what action the debtor may take to prevent the disabling device being activated.

(3) In this section and section 83M,—

activated, in relation to a disabling device, means that the disabling function of the device has been switched on, with the result that—

(a) the debtor is prevented from using the consumer goods; or

(b) the debtor's use of the consumer goods is limited; or

(c) the creditor is able to locate the consumer goods; or

(d) the creditor is able to achieve any other similar outcome that is of a direct or indirect benefit to the creditor in relation to the relevant consumer credit contract

disabling device means a device that is attached to consumer goods, the functions of which, when activated, include 1 or more of the following:

(a) preventing the consumer goods from being used:

(b) limiting the debtor's use of the consumer goods:

(c) enabling the creditor to locate the consumer goods:

(d) achieving any other similar outcome that is of direct or indirect benefit to the creditor in relation to the relevant consumer credit contract.

Section 83L: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83L(1): amended, on 13 January 2020, by section 27 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83L(2)(a): amended, on 13 January 2020, by section 27 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83L(3) **activated** paragraph (d): amended, on 13 January 2020, by section 27 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83L(3) **disabling device** paragraph (d): amended, on 13 January 2020, by section 27 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

83M Connection or use of disabling device in connection with certain goods prohibited

(1) A consumer credit contract may not provide for the connection of a disabling device to, or the use of a disabling device in connection with, a consumer good described in section 83ZN(1)(a) or prescribed for the purposes of section 83ZN(1)(c).

(2) A provision of a consumer credit contract that contravenes subsection (1) is of no effect to the extent of the contravention.

(3) Every creditor under a consumer credit contract must ensure that the contract does not contravene this section.

Section 83M: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83M(1): amended, on 13 January 2020, by section 28 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83M(2): amended, on 13 January 2020, by section 28 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83M(3): amended, on 13 January 2020, by section 28 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Subpart 4—Rules that apply at time of repossession

Subpart 4: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83N Creditor must allow debtor time to remedy default or at least 15 days to elapse

(1) Neither a creditor nor a creditor's agent may repossess consumer goods in respect of which a repossession warning notice has been served unless—

(a) the period for remedying the default specified in the notice has expired and the debtor has failed to remedy the default complained of in so far as it is capable of being remedied; or

(b) in a case where the default is not capable of being remedied, at least 15 days have elapsed since the notice was served on the debtor.

(2) Neither a creditor nor a creditor's agent may hold keys or other devices that enable access to the consumer goods unless—

(a) the debtor has, after a repossession warning notice has been served, voluntarily made the keys or other device available to the creditor or agent; or

(b) the relevant consumer goods have been repossessed in accordance with this Act.

(3) Subsection (2) does not prevent a creditor's agent from holding the agent's tools of the trade that are customarily used by repossession agents or repossession employees.

(4) However, subsection (1) does not apply if the goods are at risk (*see* section 83E(2)).

Compare: 1997 No 85 s 10

Section 83N: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83O Documents to be produced on entry

(1) Every creditor or creditor's agent who exercises a right of entry of premises for the purpose of repossessing consumer goods must, on first entering the premises if anyone is present, and, if requested, at any subsequent time, produce the following documents:

(a) a copy of the repossession warning notice (unless one was not required under section 83G(2)); and

(b) a copy of the credit contract; and

(c) a copy of the creditor's or creditor's agent's licence or certificate of approval under the Private Security Personnel and Private Investigators Act 2010, as the case may be; and

(d) in the case of a creditor's agent, evidence reasonably capable of establishing the person's authority to repossess the consumer goods on behalf of the creditor; and

(e) if a repossession warning notice was not required under section 83G(2), a document setting out the debtor's name, the address from which the goods will be repossessed, the creditor's contact details, and the reason why the goods are being repossessed; and

(f) a written statement that specifies that the premises have been entered and the date of entry, and an inventory of consumer goods to be taken; and

(g) a written statement setting out the debtor's rights under this Part following the repossession of goods and the debtor's right to make a complaint about the creditor's or creditor's agent's conduct; and

(h) in the case of an entry outside the hours specified in section 83S or on a Sunday or a public holiday, the debtor's written consent to the exercise of the right of entry.

(2) If a document has been produced to a debtor under subsection (1) (whether on first entering the premises or at a subsequent time), the debtor is not entitled to make a subsequent request under subsection (1) for the same document to be produced again.

Compare: 1997 No 85 s 17

Section 83O: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83P Entry if occupier not present

(1) This section applies if a creditor or creditor's agent enters premises for the purpose of repossessing consumer goods, or for any other purpose in connection with consumer goods, when the occupier of the premises is not present (subject to subsection (3)).

(2) The creditor or creditor's agent must, before leaving the premises, leave a notice in writing in a prominent place—

(a) specifying that the premises have been entered and the date of entry; and

(b) containing an inventory of any consumer goods that have been repossessed; and

(c) accompanied by a copy of the documents referred to in section 83O(1) (other than paragraph (f)).

(3) Subsection (2)(b) and (c) applies only if the creditor or creditor's agent enters the premises for the purpose of repossessing consumer goods.

(4) The creditor or creditor's agent must take the steps that are reasonably practicable to ensure that the premises are not left obviously open.

Compare: 1997 No 85 s 18

Section 83P: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83Q Creditor must exercise right to enter premises in accordance with lender responsibility principles

(1) A creditor must, in exercising the right to enter premises, act in accordance with the lender responsibility principles (*see* section 9C).

(2) This section applies whether the right to enter premises is exercised—

(a) for the purpose of repossessing consumer goods; or

(b) for any other purpose in connection with consumer goods.

Compare: 1997 No 85 s 14

Section 83Q: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83R Creditor must not enter premises if complaint not resolved or unforeseen hardship application not decided

Nothing in this subpart limits section 83J (which provides that neither a creditor nor a creditor's agent may exercise a right to repossess consumer goods or enter premises if the debtor has made a written complaint to the creditor in relation to any enforcement action and that complaint has not been resolved or an application has been made to the creditor under section 55 and that application has not been decided).

Section 83R: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83S Creditor must not enter residential premises at certain times

(1) Neither a creditor nor a creditor's agent may exercise a right to enter residential premises other than between the hours of 6 am and 9 pm.

(2) A creditor or a creditor's agent who has exercised a right to enter residential premises between the hours of 6 am and 9 pm must not remain at those premises after 9 pm.

(3) A creditor or a creditor's agent must not exercise a right to enter residential premises—

(a) at any time on a Sunday; or

(b) at any time on a public holiday.

(4) However, subsection (1), (2), or (3) (as the case may be) does not apply if the debtor has consented, in writing, to permit the creditor or creditor's agent to

enter the premises outside the period between the hours of 6 am and 9 pm or at any time on a Sunday or a public holiday, provided that the consent is not sought or given—

(a) before the debtor is in default under the credit contract; or

(b) when the creditor or the creditor's agent is at the premises to repossess the consumer goods; or

(c) outside the period between the hours of 6 am and 9 pm; or

(d) at any time on a Sunday; or

(e) at any time on a public holiday.

(5) This section applies whether the right to enter premises is exercised—

(a) for the purpose of repossessing consumer goods; or

(b) for any other purpose in connection with consumer goods.

Compare: 1997 No 85 s 15

Section 83S: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83T Restrictions applying in relation to persons repossessing consumer goods

(1) No creditor who is required to be registered under Part 2 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008 may exercise any rights in relation to repossessing consumer goods (including entering residential premises) unless that creditor is registered.

(2) No creditor may authorise, allow, or permit a repossession agent or repossession employee to repossess consumer goods (including by entering residential premises) unless that person is licensed or holds a certificate of approval.

(3) No repossession agent or repossession employee may exercise any rights in relation to repossessing consumer goods (including entering residential premises) unless that person is—

(a) specifically authorised to do so by the creditor; and

(b) licensed or holds a certificate of approval.

(4) If a creditor is not licensed and does not hold a certificate of approval, the creditor may not personally enter residential premises for the purpose of repossessing consumer goods (and any such repossession must be carried out through a repossession agent or repossession employee who meets the requirements of subsection (3)(a) and (b)).

(5) In this section,—

certificate of approval means a certificate issued under section 54 of the Private Security Personnel and Private Investigators Act 2010

licensed means licensed in accordance with Part 2 of the Private Security Personnel and Private Investigators Act 2010

registered means registered in accordance with Part 2 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008

repossession agent has the same meaning as in section 8A of the Private Security Personnel and Private Investigators Act 2010

repossession employee has the same meaning as in section 16A of the Private Security Personnel and Private Investigators Act 2010 (but does not include the creditor).

Compare: 1997 No 85 s 16

Section 83T: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 5—Rules that apply after repossession of consumer goods

Subpart 5: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83U Interpretation

In this subpart, unless the context otherwise requires, **auction** means a process in which goods are offered for sale by auction or by any other bidding process in which the most recent bid made for the goods is disclosed to other participants and potential participants.

Section 83U: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83V Notice to be given to debtor, guarantor, and other creditors after repossession of consumer goods

(1) A creditor must serve a post-repossession notice on the debtor and every other person referred to in section 83G(1) within 14 days of the repossession.

(2) The post-repossession notice must—

(a) be in writing; and

(b) contain as much of the key information set out in Schedule 3B as is applicable to the relevant credit contract; and

(c) include any additional prescribed information; and

(d) be in the prescribed form (if any).

(3) If a post-repossession notice is not served as required by this subpart,—

(a) the costs of repossessing the consumer goods must be borne by the creditor; and

(b) the creditor is not entitled to recover those costs from the debtor or the guarantor.

Compare: 1997 No 85 ss 20, 21, 22

Section 83V: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83W Creditor must not sell consumer goods until 15 days after post-repossession notice

(1) If a creditor has repossessed any consumer goods, the creditor must not sell, offer for sale, or dispose of the consumer goods until after the expiry of 15 days from the date of service of the post-repossession notice on the debtor.

(2) However, subsection (1) does not apply if—

(a) the sale, offer, or disposal was with the written consent of the debtor, and that consent was given after the consumer goods had been repossessed; or

(b) after the consumer goods are repossessed, the debtor or the debtor's agent gives the creditor a written notice that requires the creditor to offer the goods for sale within the 15 days referred to in subsection (1); or

(c) the disposal was temporary and for the purposes of storage or repair of the goods.

(3) If subsection (2)(b) applies, the creditor must offer the goods for sale as soon as is reasonably practicable after being required to do so by the debtor.

Compare: 1997 No 85 s 23

Section 83W: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83X Consequences of selling within 15 days of post-repossession notice

(1) This section applies if the creditor contravenes section 83W(1).

(2) The liability of the debtor under the credit contract is limited to—

(a) the advance under the credit contract; and

(b) if the credit contract secures the performance of some obligation other than the payment of money, the performance of that obligation.

(3) The creditor must repay any money already paid to the creditor by any person on account of, or in satisfaction of, any liability of the debtor in respect of the credit contract not referred to in subsection (2).

(4) Except as provided for in subsection (2), the debtor's liability to the creditor under the credit contract is extinguished.

Compare: 1997 No 85 s 24

Section 83X: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83Y Creditor must offer consumer goods for sale

(1) The creditor must offer the consumer goods for sale as soon as is reasonably practicable after the expiration of 15 days from the date of service of the post-repossession notice on the debtor.

(2) This section does not apply if—

(a) the debtor has made a written complaint in relation to any enforcement action (in which case section 83J applies); or

(b) the debtor reinstates the credit contract under section 83ZB; or

(c) the debtor introduces a buyer under section 83ZD and the buyer completes the purchase of the consumer goods; or

(d) the debtor settles the credit contract under section 83ZE.

(3) Despite subsection (2)(a),—

(a) after the complaint referred to in that paragraph has been resolved (as referred to in section 83J(5)), the creditor is subject to the duty in subsection (1); but

(b) any period during which the creditor is prevented from taking or continuing any enforcement action under section 83J must be excluded when determining the number of days from the date of service of the post-repossession notice on the debtor.

Compare: 1997 No 85 s 25

Section 83Y: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83Z Rules relating to sale by creditor

(1) When selling repossessed consumer goods (which may be by any method that meets the requirements of this subsection), the creditor must—

(a) ensure that every aspect of the sale, including the manner, time, place, and terms, is commercially reasonable; and

(b) take reasonable care to obtain the best price reasonably obtainable for the goods as at the time of sale.

(2) The creditor must give the debtor and every other person referred to in section 83G(1) reasonable notice of the proposed sale (including the method of sale and the time, the place, and any reserve price placed on the goods, as applicable to the method of sale).

(3) If the sale is by auction or tender, the creditor, the debtor, and every other person referred to in section 83G(1) are each entitled to bid or to submit tenders, as the case may be, and if the creditor is the successful bidder or tenderer, the consumer goods, for the purposes of this subpart, are deemed to have been sold for the amount of the creditor's bid or tender.

(4) The onus of proving that the consumer goods have been sold in accordance with this section is on the creditor.

(5) Subsection (1) does not apply if—

(a) the debtor introduces a buyer under section 83ZD and the buyer completes the purchase of the consumer goods; or

(b) the debtor forces a sale under section 83ZF.

Compare: 1997 No 85 s 26

Section 83Z: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZA Debtor may obtain valuation of consumer goods before sale

(1) The debtor is entitled to obtain, at the debtor's expense, 1 valuation of the consumer goods as at the time of repossession.

(2) The rules relating to valuations are as follows:

(a) the valuation may take place at any time after the creditor repossesses the consumer goods, but before the creditor sells or agrees to sell the consumer goods in accordance with this subpart:

(b) the debtor must request access to the consumer goods by giving reasonable notice to the creditor:

(c) the creditor must permit the debtor's valuer such access to the consumer goods as is reasonably necessary to enable the valuation of the consumer goods to take place:

(d) the debtor's valuer must carry out the valuation at a reasonable time:

(e) the debtor's valuer has no right to remove the consumer goods unless the creditor gives consent to the removal:

(f) the debtor may accompany his or her valuer when the valuation takes place.

Compare: 1997 No 85 s 27

Section 83ZA: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZB Debtor's right to reinstate credit contract

(1) The debtor may, at any time after the creditor has repossessed the consumer goods and at any time before the creditor sells or agrees to sell the consumer goods in accordance with this subpart, reinstate the credit contract by—

(a) paying to the creditor the amount required to reinstate the contract; or

(b) if the contract secures the performance of an obligation other than the payment of money, performing any accrued obligations.

(2) In this section,—

accrued obligations means any obligations that have fallen due for performance under the credit contract and that have not been performed

amount required to reinstate the contract means the aggregate of—

(a) any amounts that have fallen due for payment under the credit contract and that have not been paid, including, without limitation, interest charges, credit fees, and default fees, but excluding, if the contract provides that, in the event of a default, any part of the unpaid balance

becomes payable (or may be called up as becoming payable) earlier than would be the case if there had not been a default, that part of the unpaid balance that would not have fallen due but for that provision; and

(b) the reasonable costs of the creditor of, and incidental to, repossessing, holding, storing, repairing, maintaining, valuing, and preparing for the sale of the consumer goods and of returning them to the order of the debtor; and

(c) the costs reasonably and actually incurred by the creditor in doing anything necessary to remedy any default by the debtor.

(3) The costs referred to in paragraphs (b) and (c) of the definition of amount required to reinstate the contract are subject to subpart 6 of Part 2 (which applies with all necessary modifications as if any cost that is imposed is a credit fee or a fee or charge to which section 45 applies (as the case may be)).

Compare: 1997 No 85 s 28

Section 83ZB: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZC Consequences of reinstating credit contract

If the right to reinstate the credit contract is exercised under section 83ZB,—

(a) upon receipt of the amount required to reinstate the contract (*see* section 83ZB(2)), or confirmation of the performance of the accrued obligations, the creditor must immediately return the consumer goods to the debtor; and

(b) the debtor is deemed to receive and hold the returned consumer goods under the terms of the credit contract as if the default had not occurred and the creditor had not repossessed the consumer goods.

Compare: 1997 No 85 s 29

Section 83ZC: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZD Debtor's right to introduce buyer

(1) The debtor may, at any time after the creditor has repossessed the consumer goods and at any time before the creditor sells or agrees to sell the consumer goods in accordance with this subpart, require the creditor to sell the consumer goods to any person, introduced by the debtor, who or that is prepared to purchase the consumer goods for cash at a price not less than the estimated value of the consumer goods set out in the post-repossession notice served on the debtor.

(2) This right may be exercised by giving to the creditor a notice in writing signed by the debtor or the debtor's agent.

Compare: 1997 No 85 s 30

Section 83ZD: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZE Debtor's right to settle credit contract

(1) The debtor may, at any time after the creditor has repossessed the consumer goods and at any time before the creditor sells or agrees to sell the consumer goods in accordance with this subpart, settle the debtor's obligations under the credit contract—

(a) by paying to the creditor the amount required to settle the contract; or

(b) if the contract secures the performance of an obligation other than the payment of money, by performing that obligation.

(2) In this section, the **amount required to settle the contract** means the balance of the advance outstanding, together with any interest charges, credit fees, and default fees payable under the credit contract, and includes—

(a) the reasonable costs of the creditor of, and incidental to, repossessing, holding, storing, repairing, maintaining, valuing, and preparing the sale of the consumer goods and of returning them to the order of the debtor; and

(b) the costs reasonably and actually incurred by the creditor in doing anything necessary to remedy any default by the debtor.

(3) The costs referred to in subsection (2)(a) and (b) are subject to subpart 6 of Part 2 (which applies with all necessary modifications as if any cost that is imposed is a credit fee or a fee or charge to which section 45 applies (as the case may be)).

(4) If the right to settle the credit contract is exercised,—

(a) upon receipt of that amount, or confirmation of the performance of that obligation, the creditor must immediately return the consumer goods to the debtor; and

(b) the contract terminates, with the rights and obligations of the parties to it satisfied.

Compare: 1997 No 85 s 31

Section 83ZE: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZF Debtor's right to force sale

(1) If the consumer goods have not been sold within 30 working days, the debtor may require the creditor to put the consumer goods up for sale by auction.

(2) The period of 30 working days commences with the date on which the creditor repossesses the consumer goods.

(3) The following rules apply to a sale required under subsection (1):

(a) the debtor must require the sale by notice in writing to the creditor, signed by the debtor or the debtor's agent; and

(b) the auction must be held within 2 months after the date that notice is given; and

(c) the creditor must give the debtor and every other person referred to in section 83G(1) reasonable notice of—

(i) the time and place of the auction; or

(ii) if the auction is via the Internet, the times at which the auction will begin and end (including the circumstances (if any) in which the auction may end before the end time given in the notice); and

(d) the creditor and the debtor are each entitled to bid at the auction; and

(e) there must be no reserve price.

(4) Nothing in section 83J limits the creditor's duty to comply with this section.

Compare: 1997 No 85 s 32

Section 83ZF: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZG Disposal of consumer goods to purchaser for value and in good faith

(1) A purchaser for value and in good faith who takes possession of consumer goods sold by a creditor takes the consumer goods free from the following interests:

(a) the interest of the debtor:

(b) any interest subordinate to that of the debtor:

(c) the interest of the creditor:

(d) any interest subordinate to that of the creditor.

(2) Subsection (1) applies whether or not registrations relating to any security interests referred to in subsection (1) have been removed from the register of personal property securities established under the Personal Property Securities Act 1999.

Compare: 1997 No 85 s 32A

Section 83ZG: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZH Extinguishment of creditor's security interest and subordinate security interests on sale

(1) If consumer goods have been sold under section 83Z or 83ZF, the following interests are extinguished on the sale of the consumer goods:

(a) the security interest in the consumer goods of the creditor who sold the consumer goods:

(b) all security interests in the consumer goods that are subordinate to the security interest of the creditor who sold the consumer goods.

(2) *See* the Personal Property Securities Act 1999 in respect of security interests in the proceeds of the consumer goods.

Section 83ZH: replaced, on 1 June 2020, by section 29 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

83ZI Creditor to give statement of account to debtor, guarantor, and other interested persons

(1) If consumer goods are sold pursuant to section 83Z or 83ZF, the creditor must, within 7 days after the sale of the consumer goods, give the debtor and every other person referred to in section 83G(1) a statement of account in writing, showing—

(a) the amount of the gross proceeds of sale:

(b) the amount of the costs of, and incidental to, the sale:

(c) the amount required to settle the contract under section 83ZE as at the date of the sale:

(d) the balance owing by the creditor to the debtor, or by the debtor to the creditor, as the case may be.

(2) If more than 1 item of consumer goods has been sold separately, the statement of account must, if practicable, show the amount of the gross proceeds of sale of each item (as well as a total amount).

Compare: 1997 No 85 s 33

Section 83ZI: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZJ Distribution of surplus

(1) If a creditor has sold consumer goods under section 83Z or 83ZF, the creditor must pay the following persons the amount of any surplus by satisfying the claims of those persons in the following order:

(a) any person who has registered a financing statement in the name of the debtor over the consumer goods that were sold where—

(i) the registration was effective immediately before the consumer goods were sold; and

(ii) the security interest relating to that registration was subordinate to the security interest of the creditor who sold the consumer goods:

(b) any other person who has given the creditor notice that that person claims an interest in the consumer goods that were sold and in respect of which the creditor is satisfied that that person has a legally enforceable interest in the consumer goods:

(c) the debtor.

(2) The security interests to which subsection (1)(a) applies must be paid in the order of their priority as determined by Part 7 or 8 of the Personal Property Securities Act 1999.

(3) Subsection (1) applies despite the extinguishment of a security interest under section 83ZH.

Compare: 1997 No 85 s 34

Section 83ZJ: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZK Surplus may be paid into court

(1) The creditor may pay the surplus into court if there is a question as to who is entitled to receive payment under section 83ZJ.

(2) The surplus may be paid out only on an application by a person claiming an entitlement to the surplus.

Compare: 1997 No 85 s 34A

Section 83ZK: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZL Debtor's, etc, right to recover surplus

The persons referred to in section 83ZJ are entitled to recover the amount of any surplus from the creditor.

Compare: 1997 No 85 s 34B

Section 83ZL: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZM Limit on creditor's right to recover from debtor

(1) This section applies if—

(a) consumer goods (or, where multiple goods are subject to the credit contract, any 1 or more of those goods) are sold under this subpart; and

(b) the net proceeds of sale are less than the amount required to settle the contract under section 83ZE as at the date of the sale.

(2) If this section applies, the debtor's liability to the creditor under the credit contract is limited to the difference between the amount required to settle the contract as at the date of the sale and the net proceeds of the sale.

(3) To avoid doubt,—

(a) after the sale, the creditor is not entitled to, and must not claim, any amounts in addition to the amount specified in subsection (2), including—

(i) any further interest payments that would, had the sale not taken place, have been payable in respect of the credit contract; or

(ii) any interest under the Judicature Act 1908; or

(iii) any other payments that are in addition to the amount required to settle the contract under section 83ZE; and

(b) if the sale is of 1 or more goods (but not all the goods) that are subject to the same credit contract, the debtor's liability to the creditor under the contract is the amount referred to in subsection (2); and

(c) no interest payments or other payments accrue in respect of any unsold goods (whether or not they have been offered for sale and whether or not they are retained by the debtor) after the date of the sale of the first item under paragraph (b).

Compare: 1997 No 85 s 35

Section 83ZM: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 6—Prohibitions relating to security interest over certain consumer goods

Subpart 6: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZN Consumer credit contract may not provide for security interest over certain consumer goods

(1) A consumer credit contract may not provide for a security interest over—

(a) consumer goods of the following kind:

(i) beds and bedding:

(ii) cooking equipment, including cooking stoves:

(iii) medical equipment:

(iv) portable heaters:

(v) washing machines:

(vi) refrigerators:

(b) documents of the following kind:

(i) travel documents:

(ii) identification documents:

(iii) bank cards:

(c) any other consumer goods, or documents, prescribed by regulations made under this Act.

(2) Subsection (1)(a) and (c) do not prevent the consumer goods referred to in those paragraphs from being subject to a purchase money security interest.

(3) Every creditor under a consumer credit contract must ensure that the contract does not contravene this section.

(4) Nothing in this section prevents a security interest over a good specified in subsection (1)(a)(i) to (vi) that is not a consumer good (for example, a bed that is part of the inventory of a retailer).

Section 83ZN: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83ZN heading: amended, on 13 January 2020, by section 29(1) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83ZN(1): amended, on 13 January 2020, by section 29(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 83ZN(3): amended, on 13 January 2020, by section 29(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

83ZO Contravening provision of no effect

A provision of a consumer credit contract that contravenes section 83ZN is of no effect to the extent of the contravention.

Section 83ZO: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 83ZO: amended, on 13 January 2020, by section 30 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

83ZP Exclusion for fixtures

Nothing in this subpart applies to a thing that has been affixed to any building or land in such a manner that it becomes part of the structure of the building or otherwise becomes integral to the land.

Section 83ZP: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 7—Miscellaneous provisions

Subpart 7: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZQ Service of notices

(1) Any notice or other document required or authorised by this Part to be served on or given to any person must be in writing and is sufficiently served or given if—

- (a) it is delivered to that person; or
- (b) it is left at that person's usual or last known place of residence or business or at an address specified for that purpose in an agreement; or
- (c) it is posted in a letter addressed to that person by name at that place of residence or business or address; or
- (d) it is sent by way of an electronic communication to the address specified by that person for this purpose.

(2) Subsection (1)(d) does not apply to a repossession warning notice or a post-repossession notice.

(3) This section does not apply in relation to section 83O.

(4) If the person is absent from New Zealand, the notice or other document may be served on or given to the person's agent in New Zealand.

(5) If the person is deceased, the notice or other document may be served on or given to the person's personal representatives.

(6) If the person is not known, or is absent from New Zealand and has no known agent in New Zealand, or is deceased and has no personal representatives, the notice or other document must be served or given in such manner as may be directed by an order of the court.

(7) If the notice or other document is sent to any person—

(a) by post, it is to be treated as having been received on the fourth working day after the day on which the letter is posted (and in proving the delivery it is sufficient to prove that the letter was properly addressed and posted):

(b) by electronic communication, it is to be treated as having been received on the second working day after the day on which the notice or document is sent.

(8) Despite anything in this section, the court may in any case make an order directing the manner in which any notice or other document is to be served or given, or make an order dispensing with the service or giving of the notice or document.

(9) This section does not apply to notices or other documents served or given in any proceedings in any court.

Compare: 1997 No 85 s 38

Section 83ZQ: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

83ZR Part does not limit application of rules relating to conduct of servants or agents

Nothing in this Part limits section 113(b) (which applies section 90 of the Commerce Act 1986 (conduct by servants or agents) for the purposes of this Act).

Section 83ZR: inserted, on 6 June 2015, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Part 4
Enforcement and remedies

Subpart 1—Preliminary provisions

84 Compliance programmes

For the purposes of this Part, a creditor or lessor has a **compliance programme** if the creditor or lessor—

(a) requires its employees and agents to follow procedures, or has implemented automated procedures, that are designed to ensure compliance with this Act and the regulations; and

(b) ensures that there are in place methods for systematically identifying deficiencies in the effectiveness of the programme; and

(c) promptly remedies any deficiencies discovered.

Jurisdiction

85 Jurisdiction of High Court

The High Court may hear and determine the following matters:

(a) appeals from any proceedings in the District Court under this Act:

(aa) appeals under section 92K:

(b) applications for injunctions under section 96:

(c) applications for orders under any of the provisions of this Act (except sections 108 and 115).

Compare: 1986 No 121 s 37

Section 85(a): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 85(aa): inserted, on 1 July 2026, by section 26 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

86 Jurisdiction of District Court

(1) The District Court may hear and determine proceedings for offences against any of the provisions of this Act.

(2) The District Court may hear and determine applications for orders under any of the provisions of this Act if—

(a) the occasion for the exercise of the power arises in the course of civil proceedings properly before the court; or

(b) in the case of—

(i) a revolving credit contract that has a credit limit, the credit limit does not exceed $350,000; or

(ii) any other credit contract, the total of all advances made and agreed to be made under the credit contract does not exceed $350,000; or

(iii) a consumer lease, the cash price of the goods hired does not exceed $350,000; or

(iv) a buy-back transaction, the amount of the consideration paid by the transferee under the transaction does not exceed $350,000; or

(c) in the case of an application for an order under any of the provisions of this Act, the relief claimed does not exceed $350,000; or

(d) the parties agree, in accordance with section 81 of the District Court Act 2016, that the District Court has jurisdiction to hear and determine the application.

(3) Subsection (2)(b) does not limit subsection (2)(a), (c), or (d).

(4) The District Court does not have jurisdiction to hear and determine applications for injunctions under section 96.

(5) For the purposes of sections 86 to 88 of the District Court Act 2016, an application made to the District Court for an order under this Act is to be treated as a proceeding.

Section 86: replaced, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

87 Jurisdiction of Disputes Tribunal

(1) The Disputes Tribunal established under section 4 of the Disputes Tribunal Act 1988 has jurisdiction to hear and determine applications for orders under sections 90, 93, 94A, 120, and 122 if the total amount in respect of which an order of the Tribunal is sought is not more than $60,000.

(2) The Disputes Tribunal established under section 4 of the Disputes Tribunal Act 1988 has jurisdiction to hear and determine applications for orders under sections 58 and 59 if, at the date that the claim is lodged with the Tribunal, the unpaid balance under the consumer credit contract does not exceed $60,000.

(3) An order of the Disputes Tribunal under this Act must not—

(a) require a person to pay an amount exceeding $60,000:

(b) declare a person not liable to another person for an amount exceeding $60,000:

(c) vest any property exceeding $60,000 in value in any person:

(d) direct the transfer or assignment or delivery of possession of any property exceeding $60,000 in value.

(4) An order of the Tribunal that exceeds any restriction specified in subsection (3) is entirely of no effect.

(5) *[Repealed]*

Compare: 1981 No 27 s 45A

Section 87 heading: amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 87(1): amended, on 24 January 2026, by section 10 of the Disputes Tribunal Amendment Act 2025 (2025 No 60).

Section 87(1): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 87(1): amended, on 6 June 2015, by section 53 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 87(2): amended, on 24 January 2026, by section 10 of the Disputes Tribunal Amendment Act 2025 (2025 No 60).

Section 87(2): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 87(3): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 87(3)(a): amended, on 24 January 2026, by section 10 of the Disputes Tribunal Amendment Act 2025 (2025 No 60).

Section 87(3)(b): amended, on 24 January 2026, by section 10 of the Disputes Tribunal Amendment Act 2025 (2025 No 60).

Section 87(3)(c): amended, on 24 January 2026, by section 10 of the Disputes Tribunal Amendment Act 2025 (2025 No 60).

Section 87(3)(d): amended, on 24 January 2026, by section 10 of the Disputes Tribunal Amendment Act 2025 (2025 No 60).

Section 87(4): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 87(5): repealed, on 29 October 2019, by section 340(2) of the Tribunals Powers and Procedures Legislation Act 2018 (2018 No 51).

87A Jurisdiction of dispute resolution schemes

This subpart does not limit the jurisdiction of a dispute resolution scheme in respect of any statutory obligation under this Act (*see* section 63(1)(g) of the Financial Service Providers (Registration and Dispute Resolution) Act 2008).

Section 87A: inserted, on 6 June 2015, by section 54 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Subpart 2—Statutory damages

88 Creditors, creditors' agents, lessors, transferees, and buy-back promoters liable for statutory damages

(1) The debtor under a consumer credit contract is entitled to recover from the creditor under the contract the amount of the statutory damages set out in section 89 if the creditor breaches, in connection with the contract, any of the following provisions:

(a) section 9C(1) with respect to the lender responsibilities in section 9C(3)(a) to (e) or (5):

(b) sections 17 to 24, 32 to 40, and 70:

(c) subpart 6A of Part 2 (provisions relating to debtors under high-cost consumer credit contracts):

(d) *[Repealed]*

(e) section 132A (disclosure about debt collection).

(1AA) *[Repealed]*

(1A) The debtor under a credit contract is entitled to recover from—

(a) the creditor under the contract the amount of the statutory damages set out in section 89 if the creditor or the creditor's agent breaches, in connection with the contract, any of the provisions of Part 3A; and

(b) the creditor's agent the amount of the statutory damages set out in section 89 if the creditor's agent breaches, in connection with the contract, any of the provisions of Part 3A.

(1B) However, if a creditor's agent breaches, in connection with a contract, any of the provisions of Part 3A, the debtor is not entitled, under subsection (1A), to recover the amount of statutory damages from—

(a) the creditor's agent if the debtor has already recovered that amount from the creditor:

(b) the creditor if the debtor has already recovered that amount from the creditor's agent.

(2) The guarantor under a guarantee is entitled to recover from the creditor under a consumer credit contract to which the guarantee applies the amount of the statutory damages set out in section 89 if the creditor breaches, in connection with the guarantee, any of the provisions of sections 9C(4)(a) to (d), 24 to 26, and 32 to 35.

(3) The lessee under a consumer lease is entitled to recover from the lessor under the lease the amount of the statutory damages set out in section 89 if the lessor breaches, in connection with the lease, any of the provisions of sections 32 to 35, 64 to 67, and 70.

(4) The occupier under a buy-back transaction is entitled to recover from the transferee under the transaction the amount of the statutory damages set out in section 89 if the transferee breaches, in connection with the transaction, any of the provisions of sections 32 to 35, 72, and 77 to 79.

(5) If section 74 applies, the occupier under a buy-back transaction is entitled to recover from the buy-back promoter the amount of the statutory damages set out in section 89 if the buy-back promoter breaches, in connection with the transaction, any of the provisions of sections 32 to 35, and 72.

(6) The statutory damages that are to be paid in relation to a consumer credit contract, other credit contract, guarantee, consumer lease, or buy-back transaction must be divided equally between all of the debtors under the contract, the guarantors under the guarantee, the lessees under the lease, or the occupiers under the buy-back transaction, as the case may be.

Section 88 heading: amended, on 6 June 2015, by section 55(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 88(1): replaced, on 20 December 2019, by section 30(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 88(1)(d): repealed, on 1 July 2026, by section 27 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 88(1AA): repealed, on 1 July 2026, by section 27 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 88(1A): inserted, on 6 June 2015, by section 55(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 88(1B): inserted, on 6 June 2015, by section 55(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 88(2): amended, on 20 December 2019, by section 30(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 88(6): amended, on 6 June 2015, by section 55(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

89 Amount of statutory damages

(1) The amount of the statutory damages is,—

(aaa) in the case of a breach of section 9C(3)(a) (failure to make reasonable inquiries before entering into an agreement), an amount equal to the interest charges, credit fees, and default fees that have become payable under the agreement or, in the case of a breach of section 9C(3)(a) that relates to a material change, an amount equal to the interest charges, credit fees, and default fees that have become payable as a result of the change; and

(aab) in the case of a breach of section 9C(4)(a) (failure to make reasonable inquiries before a guarantee is given), the amount paid by the guarantor in order to comply with the guarantee; and

(aac) in the case of a breach of section 9C(5)(a) (failure to make reasonable inquiries before entering into a relevant insurance contract), the amount paid by the borrower under the contract; and

(aad) in the case of a breach of section 45F or 45G, an amount equal to the interest charges, credit fees, and default fees that have become payable under the contract that was entered into in breach of the relevant section; and

(a) in the case of a breach of section 18, an amount equal to the interest charges, credit fees, and default fees payable under the consumer credit contract during the period to which the breach relates; and

(b) in the case of a breach of section 24, an amount equal to the interest charges, credit fees, and default fees payable under the consumer credit contract during the period commencing on the date that the request for disclosure was received and ending on the earlier of the following:

(i) the day on which disclosure was made in accordance with section 24:

(ii) the date on which the contract comes to an end; and

(c) in the case of a breach of section 25(1)(a), the lesser of $6,000 or 5% of the total of all advances made and agreed to be made under the consumer credit contracts to which the guarantee applies at the time the guarantee is given; and

(d) in the case of any other breach, the lesser of $6,000 or 5% of,—

(i) in the case of a revolving credit contract, the credit limit at the time of the breach; or

(ii) in the case of a consumer lease, the cash price of the goods; or

(iii) in the case of any other consumer credit contract or other credit contract, the total of all advances made and agreed to be made under the contract; or

(iv) in the case of a buy-back transaction, the rateable value of the land at the time the transaction was made.

(2) Subject to subsection (1)(a) and (b), if a revolving credit contract does not have a credit limit, the amount of the statutory damages is $6,000.

(3) If the amount of the statutory damages under subsection (1)(d) is less than $200, the amount of the statutory damages must be rounded up to $200.

(4) If a person has breached 2 or more provisions referred to in section 88 in connection with the same consumer credit contract, other credit contract, consumer lease, or buy-back transaction and the breaches occur at or about the same time, the total statutory damages payable for those breaches is equal to the highest statutory damages payable for 1 of those breaches.

Section 89(1)(aaa): inserted, on 20 December 2019, by section 31 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 89(1)(aab): inserted, on 20 December 2019, by section 31 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 89(1)(aac): inserted, on 20 December 2019, by section 31 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 89(1)(aad): inserted, on 20 December 2019, by section 31 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 89(1)(a): amended, on 6 June 2015, by section 56(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 89(1)(b): amended, on 6 June 2015, by section 56(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 89(1)(c): amended, on 6 June 2015, by section 56(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 89(1)(d): amended, on 6 June 2015, by section 56(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 89(1)(d)(iii): amended, on 6 June 2015, by section 56(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 89(2): amended, on 6 June 2015, by section 56(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 89(3): amended, on 6 June 2015, by section 56(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 89(4): amended, on 6 June 2015, by section 56(5) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

90 Enforcement of statutory damages

(1) The court may, on the application of the FMA or any party to a consumer credit contract or other credit contract, guarantee, consumer lease, or buy-back transaction, make an order directing a creditor, a creditor's agent, a lessor, a transferee, or a buy-back promoter to pay any statutory damages that are payable under section 88.

(2) An order under subsection (1) may be made whether or not any person has suffered, or is likely to suffer, any loss or damage as a result of the breach referred to in section 88.

(3) An application under this section may be made at any time within 3 years after the matter giving rise to the breach was discovered or ought reasonably to have been discovered.

(4) An application by the FMA under this section may be made by the FMA on behalf of a person or a class of persons.

Section 90(1): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 90(1): amended, on 6 June 2015, by section 57(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 90(1): amended, on 6 June 2015, by section 57(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 90(3): replaced, on 6 June 2015, by section 57(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 90(4): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

91 Court may reduce statutory damages

(1) The court may, on the application of a creditor under a class of consumer credit contract or other credit contract, a lessor under a class of consumer lease, or a transferee or buy-back promoter under a class of buy-back transaction, order that the statutory damages payable in connection with a breach or breaches that affect that class be extinguished or reduced to an amount specified by the court if the court considers that it is just and equitable that an order be made.

(2) Any order under this section may be made on the terms and conditions that the court thinks fit.

Section 91(1): amended, on 6 June 2015, by section 58 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

92 Guidelines for reducing statutory damages

In deciding whether to make an order under section 91 and the terms and conditions applying to an order under that section, the court must have regard to the following matters:

(a) the role that statutory damages have in providing incentives for compliance with this Act:

(b) whether the creditor or lessor had an appropriate compliance programme:

(c) the extent of, and the reasons for, the breach or breaches:

(d) the extent to which any person has been prejudiced by the breach or breaches:

(e) the extent to which the creditor, lessor, transferee, or buy-back promoter has compensated, or agreed to compensate, the persons who are affected by the breach or breaches:

(f) any other matters that the court thinks fit.

Section 92(b): amended, on 20 December 2019, by section 32 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Subpart 2A—FMA's enforcement powers

Subpart 2A: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92A Interpretation in this subpart

In this subpart,—

disclosure statement means—

(a) a disclosure statement under Part 2 or 3; or

(b) a disclosure statement under section 132A; or

(c) a repossession warning notice or a post-repossession notice; or

(d) a notice under section 83L(2)(b)

distribute has the meaning set out in section 9B(1)

provider means a provider of a relevant CCCFA service

relevant CCCFA service means any of the following:

(a) acting as a creditor under a consumer credit contract or other credit contract:

(b) acting as a creditor's agent:

(c) acting as a lessor under a consumer lease:

(d) acting as a transferee under a buy-back transaction or as a buy-back promoter:

(e) acting as a debt collector (as defined in section 132A(4)):

(f) acting as a mobile trader

restricted communication—

(a) means a form of communication—

(i) that—

(A) directly or indirectly refers to the supply, or possible supply, of a relevant CCCFA service; or

(B) is reasonably likely to induce persons to request the supply of a relevant CCCFA service; and

(ii) that is authorised or instigated by, or on behalf of, the provider, or an associated person of the provider, or that is prepared with the co-operation of, or by arrangement with, any of those persons; and

(iii) that is to be, or has been, distributed to a person; and

(b) includes any advertising within the meaning of section 9B(1).

Section 92A: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Stop orders

Heading: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92B When FMA may make stop orders

(1) The FMA may make a stop order if it is satisfied that—

(a) any of the provisions of section 9C, 9CA, 9J, or 9K or of Part 2, 3, or 3A have been, or are likely to be, breached in relation to a relevant CCCFA service; or

(b) a restricted communication relating to the supply, or possible supply, of a relevant CCCFA service,—

(i) is false or misleading, or is likely to mislead or confuse, in a material particular; or

(ii) is materially inconsistent with any disclosure statement referred to in it; or

(iii) contains any material misdescription, material error, or material matter that is not clearly legible; or

(iv) does not comply with this Act or the regulations; or

(c) a disclosure statement given by a provider of a relevant CCCFA service—

(i) is false or misleading, or is likely to mislead or confuse, in a material particular; or

(ii) contains any material misdescription, material error, or material matter that is not clearly legible; or

(iii) does not comply with this Act or the regulations.

(2) If the FMA is satisfied that a provision is likely to be breached by a person (**A**) in the future, the FMA may make a stop order—

(a) whether or not A has previously breached the provision; and

(b) whether or not there is an imminent danger of substantial damage to any person if the provision is breached.

Compare: 2013 No 69 s 462

Section 92B: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92C Terms of stop order

A stop order may, in relation to the relevant CCCFA service referred to in section 92B(1), do 1 or more of the following:

(a) prohibit the supply of relevant CCCFA services specified in the order from being made while the order is in force:

(b) prohibit the distribution of 1 or more of the following while the order is in force:

(i) a disclosure statement:

(ii) a restricted communication referred to in section 92B(1)(b):

(iii) any restricted communication that relates to the supply of relevant CCCFA services specified in the order.

Compare: 2013 No 69 s 463

Section 92C: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92D FMA may make interim stop order pending exercise of powers

(1) The FMA may make an interim order (an **interim stop order**) of the kind referred to in section 92C that is in force for the period referred to in subsection (2) if—

(a) the FMA is considering, at any time, whether it may exercise a power under section 92B; and

(b) the FMA considers that making an interim stop order is desirable in the public interest.

(2) An interim stop order is in force from the time at which it is made until the close of—

(a) the date that is 15 working days after the day on which it is made; or

(b) a later date specified by the FMA by notice to the provider to which the order relates.

(3) For the purposes of subsection (2)(b),—

(a) the FMA may specify a later date if the FMA is of the opinion that it is not reasonably practicable for it to complete its consideration as referred to in subsection (1)(a) within the 15-working-day period referred to in subsection (2)(a); and

(b) the later date must be a date that is no more than 30 working days after the day on which the interim stop order is made.

(4) The FMA—

(a) may act under subsection (1) or (2)(b) without giving the provider to which the order relates an opportunity to make submissions to, or be heard before, the FMA in respect of the matter (and, accordingly, section 475 of the Financial Markets Conduct Act 2013 (as applied by section 92I) does not apply); but

(b) must, after acting under subsection (1) or (2)(b), give that provider or that person's representative an opportunity to make written submissions and to be heard on the matter.

Compare: 2013 No 69 s 465

Section 92D: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92E Persons to whom stop orders and interim stop orders may apply

(1) A stop order or an interim stop order of the kind referred to in—

(a) section 92C(a) may apply to any person specified in the order:

(b) section 92C(b) may apply to 1 or more providers or any associated persons of a provider.

(2) If a stop order or an interim stop order of the kind referred to in section 92C(b) extends to associated persons of the provider, the order may require—

(a) all, or any specified class or classes, of the associated persons to comply with the order (including associated persons that may be incorporated or formed after the date of the order); and

(b) the provider to provide a copy of the order to all or any of those associated persons.

(3) For the purposes of subsection (2), the order is not required to refer to the associated persons by name.

Compare: 2013 No 69 s 466

Section 92E: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92F Extended application of subpart

(1) The FMA may make a stop order or an interim stop order in respect of a restricted communication that is distributed or to be distributed to a person outside New Zealand by a person resident, incorporated, registered, or carrying on business in New Zealand.

(2) In this section, **registered** means registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

Compare: 2013 No 69 s 467

Section 92F: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Direction orders

Heading: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92G When FMA may make direction orders

(1) The FMA may make a direction order if it is satisfied that, by engaging in any conduct, a person (the **relevant person**) has breached, or is likely to breach,—

(a) any of the provisions of section 9C, 9CA, 9J, or 9K or of Part 2, 3, or 3A; or

(b) a term or condition of an exemption or a declaration prescribed, granted, or made under Part 6.

(2) If the FMA is satisfied that, by engaging in any conduct, the relevant person is likely to breach a provision referred to in subsection (1) in the future, the FMA may make a direction order—

(a) whether or not the relevant person has previously breached the provision; and

(b) whether or not there is an imminent danger of substantial damage to any person if the provision is breached.

Compare: 2013 No 69 s 468

Section 92G: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92H Terms of direction orders

A direction order may—

(a) direct the relevant person to comply with the relevant provision referred to in section 92G (the **provision**):

(b) set out any reasonable steps that the relevant person must take in order to comply with the provision or to avoid or mitigate any actual or potential adverse effects of a breach, including (without limitation)—

(i) disclosing, in accordance with the order, information for the purpose of securing compliance with the provision:

(ii) publishing, at the relevant person's own expense and in the manner and at the times specified in the order, corrective statements that are specified in, or are to be determined in accordance with, the order:

(iii) complying in accordance with the order with a prohibition or restriction on the making of any statement or the distribution of any document by, or on behalf of, the relevant person for the purpose of preventing a breach or further breach of the provision:

(c) in the case of section 92G(1)(b), prohibit the relevant person from relying on an exemption:

(d) require the relevant person to report to the FMA within the time specified in the order stating how and when the order has been or will be implemented.

Compare: 2013 No 69 s 469

Section 92H: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

General provisions

Heading: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92I Process for FMA's orders

Sections 475 to 478 of the Financial Markets Conduct Act 2013 apply with all necessary modifications to an order under this subpart, including treating a reference to a stop order under section 463(c) as a reference to a stop order under section 92C(b) of this Act.

Section 92I: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92J Consequences of failing to comply with FMA's orders

(1) If an order made by the FMA under this subpart applies to a person, the person must comply with the order (*see* sections 93 and 107A, which provide for the court to make an order in relation to a breach of this provision).

(2) A person who refuses or fails, without reasonable excuse, to comply with an order made by the FMA under this subpart commits an offence and is liable on conviction to a fine not exceeding $300,000.

Compare: 2013 No 69 s 479

Section 92J: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Appeal

Heading: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

92K Appeals against other decisions of FMA on questions of law only

An aggrieved person that considers that a decision of the FMA under this subpart is wrong in law may appeal to the High Court against the decision on a question of law only.

Section 92K: inserted, on 1 July 2026, by section 28 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Subpart 3—Orders, injunctions, and prohibited enforcement

Court's general power to make orders

93 Court's general power to make orders

The court may make all or any of the orders referred to in section 94 if the court finds that a person (whether or not that person is a party to any proceedings) has suffered loss or damage by conduct of any creditor, creditor's agent, lessor, transferee, buy-back promoter, paid adviser, broker, or mobile trader that constitutes, or would constitute,—

(aa) a breach of any of the provisions of section 9C (lender responsibility principles) or of sections 9J and 9K:

(a) a breach of any of the provisions of Part 2, 3, or 3A or of section 92J:

(b) aiding, abetting, counselling, or procuring any other person to breach any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A:

(c) inducing, or attempting to induce, any other person, whether by threats, promises or otherwise, to breach any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A:

(d) being in any way, directly or indirectly, knowingly concerned in, or party to, the breach by any other person of any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A:

(e) conspiring with any other person to breach any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A.

Compare: 1986 No 121 s 43(1)

Section 93: amended, on 1 July 2026, by section 29(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 93: amended, on 6 June 2015, by section 59(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 93(aa): inserted, on 6 June 2015, by section 59(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 93(a): replaced, on 6 June 2015, by section 59(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 93(a): amended, on 1 July 2026, by section 29(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 93(b): amended, on 1 July 2026, by section 29(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 93(b): amended, on 6 June 2015, by section 59(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 93(c): amended, on 1 July 2026, by section 29(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 93(c): amended, on 6 June 2015, by section 59(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 93(d): amended, on 1 July 2026, by section 29(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 93(d): amended, on 6 June 2015, by section 59(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 93(e): amended, on 1 July 2026, by section 29(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 93(e): amended, on 6 June 2015, by section 59(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

94 Court orders

(1) The types of orders that the court may make against the person who engaged in the conduct referred to in section 93 are as follows:

(a) an order directing the person to refund or credit a payment in accordance with section 48:

(b) an order directing the person to pay to any person who has suffered loss or damage by that conduct an amount not exceeding the amount of the loss or damage (to the extent that any statutory damages that are to be paid do not adequately compensate the person for the loss or damage):

(c) an order directing the person to pay exemplary damages to any person who has suffered loss or damage by that conduct:

(caa) in the case of a breach of section 9C(3)(a) to (e) or (5) (lender responsibility principles) or subpart 6A of Part 2 (provisions relating to debtors under high-cost consumer credit contracts),—

(i) an order that allows for the affordable repayment of any unpaid debt, including the amount and timing of payments:

(ii) an order that prohibits the creditor from charging further interest, fees, or other charges under the contract:

(iii) any other order that the court thinks necessary to remedy the breach (which may include any of the orders referred to in section 127(2) as if the court were reopening the consumer credit contract):

(ca) an order that—

(i) a fee imposed in contravention of section 41, 80, or 82, and any interest paid or payable in relation to that fee, must be reduced by a specified amount, in which case—

(A) only the reduced fee or interest is payable to the creditor, transferee, buy-back promoter, or associated person (as the case may be); or

(B) if the fee or interest has been paid or debited under the consumer credit contract or buy-back transaction, the creditor, transferee, buy-back promoter, or associated person (as the case may be) must refund the amount by which the fee or interest was reduced; or

(ii) no credit fee, default fee, buy-back fee, buy-back default fee, or other fee may be imposed or debited (in which case no fee, and no interest on that fee, is payable to the creditor, transferee, buy-back promoter, or associated person (as the case may be)); or

(iii) if the court makes an order under subparagraph (ii) and the fee or interest has already been paid or debited, the creditor, transferee, buy-back promoter, or associated person must,—

(A) if the fee or interest has been paid, refund the amount of that fee and any interest paid in relation to that fee:

(B) if the fee or interest has been debited, reverse that transaction:

(cb) in the case of a breach of section 69(1), an order that—

(i) the insurance, repayment waiver, or extended warranty be annulled on any terms and conditions that the court thinks fit:

(ii) all or part of the premium or any other amount payable in relation to the insurance, repayment waiver, or extended warranty be reimbursed to the debtor or lessee by the creditor or lessor:

(cc) any other order that the court thinks fit for the purpose of giving effect to an order under paragraph (ca) or (cb):

(cd) in the case of a breach of a provision referred to in section 94AA(1), an order of the kind referred to in section 94AA(3):

(d) an order for any consequential relief that the court thinks fit.

(2) The court must not make an order under subsection (1)(c) if a penalty has been imposed against the person in relation to the same conduct under section 103.

(3) In determining an order under subsection (1)(c), the court must have regard to whether a penalty has been imposed against the person in relation to the same conduct under section 107A.

Compare: 1986 No 121 s 43(2)

Section 94(1)(caa): inserted, on 1 May 2020, by section 34(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 94(1)(ca): inserted, on 6 June 2015, by section 60 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 94(1)(cb): inserted, on 6 June 2015, by section 60 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 94(1)(cc): inserted, on 6 June 2015, by section 60 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 94(1)(cd): inserted, on 1 July 2026, by section 30 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 94(3): inserted, on 20 December 2019, by section 34(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

94AA Court orders in relation to costs of borrowing, costs of lease, and costs of buy-back transaction

(1) This section applies if the court finds, in a proceeding under section 93, that—

(a) a creditor has breached section 17 or 22; or

(b) a lessor has breached section 64 or 65; or

(c) a transferee has breached section 72 or 77.

(2) The court may, in a proceeding under section 93, make an order referred to in subsection (3) if the court is satisfied, after having regard to the matters set out in section 94AC, that it is just and equitable to make the order.

(3) The kinds of orders that the court may make against the person who engaged in the conduct referred to in subsection (1) are as follows:

(a) in the case of subsection (1)(a), an order that the debtor and any other person are not liable for any or all of the costs of borrowing in relation to the consumer credit contract and the period that—

(i) starts on the date of the breach of section 17 or 22; and

(ii) ends at the close of the day (if any) on which the disclosure under section 17 or 22 is made:

(b) in the case of subsection (1)(b), an order that the lessee and any other person are not liable for any or all of the costs of the lease in relation to the consumer lease and the period that—

(i) starts on the date of the breach of section 64 or 65; and

(ii) ends at the close of the day (if any) on which the disclosure under section 64 or 65 is made:

(c) in the case of subsection (1)(c), an order that the occupier and any other person are not liable for any or all of the costs of the buy-back transaction in relation to the buy-back transaction and the period that—

(i) starts on the date of the breach of section 72 or 77; and

(ii) ends at the close of the day (if any) on which the disclosure under section 72 or 77 is made:

(d) any other order that the court thinks fit for the purpose of giving effect to an order under paragraph (a), (b), or (c).

Section 94AA: inserted, on 1 July 2026, by section 31 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

94AB Costs of borrowing, lease, or buy-back transaction do not include fees or charges that are passed on

(1) In section 94AA(3)(a), the costs of borrowing do not include fees or charges payable to another person, body, or agency as referred to in section 45 unless the other person, body, or agency is an associated person of the creditor.

(2) In section 94AA(3)(b), the costs of the lease do not include fees or charges payable by a lessee for an amount payable, or to reimburse an amount paid, by the lessor to another person, body, or agency unless the person, body, or agency is an associated person of the lessor.

(3) In section 94AA(3)(c), the costs of the buy-back transaction do not include fees or charges payable to another person, body, or agency as referred to in section 81 unless that person, body, or agency is an associated person of the transferee.

Section 94AB: inserted, on 1 July 2026, by section 31 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

94AC Court must have regard to certain matters under section 94AA

The matters the court must have regard to under section 94AA(2) are as follows:

(a) the role that section 94AA has in providing incentives for compliance with this Act:

(b) whether the person referred to in section 94AA(1) had an appropriate compliance programme:

(c) the extent to which any person has been prejudiced by the breach or breaches:

(d) any other matters as the court thinks fit.

Section 94AC: inserted, on 1 July 2026, by section 31 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

94A Court orders in relation to repossessions

(1) The court may make all or any of the orders referred to in this section if the court finds that a person (whether or not that person is a party to any proceedings) has suffered loss or damage by the conduct of any creditor, or creditor's agent, that constitutes, or would constitute, a breach of any of the provisions of Part 3A.

(2) In any proceedings relating to a breach of Part 3A, the court must have regard to the following matters:

(a) the conduct of the parties:

(b) the nature of the default:

(c) any other matters the court considers appropriate.

(3) The court may make an order granting any relief that is reasonable, and for that purpose—

(a) relief may be granted on such terms, if any, as to costs, expenses, damages, compensation, penalty, or otherwise as the court, in the circumstances of each case, thinks fit; and

(b) in the case of an application relating to a repossession, relief may include compensation for non-financial loss, stress, humiliation, and inconvenience; and

(c) relief may include a variation in the terms of the credit contract.

(4) In any legal proceedings in relation to a credit contract after the creditor has repossessed the consumer goods, the court before which such proceedings are brought may, subject to the jurisdiction of the particular court, vary or discharge any judgment or order of any other court against the debtor for recovery of money so far as is necessary to give effect to a set-off against any amount owing to the debtor under the provisions of sections 83ZJ and 83ZM.

Compare: 1997 No 85 ss 12, 13, 36

Section 94A: inserted, on 6 June 2015, by section 61 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

95 Miscellaneous provisions concerning court's general power to make orders

(1) An order under section 93 or 94A may be made on the application of the FMA or any party to a consumer credit contract, other credit contract, guarantee, consumer lease, or buy-back transaction, as the case may be.

(2) An application for an order under section 93 or 94A may be made at any time within 3 years after the date on which the loss or damage was discovered or ought reasonably to have been discovered.

(3) An application made by the FMA for an order under section 93 or 94A may be made on behalf of a person or a class of persons.

(4) Nothing in section 93 or 94A or this section limits or affects subpart 5 of Part 2 of the Contract and Commercial Law Act 2017.

Section 95(1): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 95(1): amended, on 6 June 2015, by section 62(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 95(1): amended, on 6 June 2015, by section 62(1)(b) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 95(1): amended, on 6 June 2015, by section 62(1)(c) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 95(2): replaced, on 6 June 2015, by section 62(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 95(3): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 95(3): amended, on 6 June 2015, by section 62(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 95(4): amended, on 1 September 2017, by section 347 of the Contract and Commercial Law Act 2017 (2017 No 5).

Section 95(4): amended, on 6 June 2015, by section 62(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

95A Court may reduce effect of failure to make disclosure

(1AA) This section and section 95B apply for the purposes of section 48 and for the purposes of sections 99(1A), 101(2), and 102(2) as in force before their repeal by the Credit Contracts and Consumer Finance Amendment Act 2026 (and a reference to those provisions is a reference to those provisions as in force before their repeal).

Guidance note

See clauses 14 and 15 of Schedule 1AA. Those transitional provisions provide for—

- sections 99(1A), 101(2), and 102(2), as in force before their repeal, to continue to apply to existing agreements; and
- sections 95A and 95B to retrospectively apply to certain agreements entered into on or after 6 June 2015.

(1) The court may, on the application of a creditor under a class of consumer credit contracts, order that the effect under section 48 or 99(1A) of a failure to make initial disclosure under section 17, or variation disclosure under section 22, be extinguished or reduced to an amount specified by the court if the court considers that it is just and equitable that an order be made.

(2) The court may, on the application of a lessor under a class of consumer leases, order that the effect under section 101(2) of a failure to make disclosure under section 64 or 65 be extinguished or reduced to an amount specified by the court if the court considers that it is just and equitable that an order be made.

(3) The court may, on the application of a transferee under a class of buy-back transactions, order that the effect under section 102(2) of a failure to make disclosure under section 72 or 77 be extinguished or reduced to an amount specified by the court if the court considers that it is just and equitable that an order be made.

(4) The order may be made on the terms and conditions that the court thinks fit.

Section 95A: inserted, on 20 December 2019, by section 35 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 95(1AA): inserted, on 1 July 2026, by section 32 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

95B Guidelines for reducing effect of failure to make disclosure

In deciding whether to make an order under section 95A and the terms and conditions applying to the order, the court must have regard to the following matters:

(a) the role that sections 99(1A), 101(2), and 102(2) have in providing incentives for compliance with this Act:

(b) whether the person applying for the order had an appropriate compliance programme:

(c) the extent of, and the reasons for, the breach or breaches:

(d) the extent to which any person has been prejudiced by the breach or breaches:

(e) whether the breach was due to a reasonable mistake or due to events outside the control of the person applying for the order:

(f) whether the breach was remedied (to the extent that it could be remedied) as soon as practicable after the breach was discovered by the person or brought to the notice of the person applying for the order:

(g) the extent to which the person applying for the order has compensated or offered to compensate any person who has suffered loss or damage by that breach:

(h) any other matters as the court thinks fit.

Section 95B: inserted, on 20 December 2019, by section 35 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Injunctions

96 Injunctions

(1) The court may, on the application of the FMA or any other person, grant an injunction restraining a person from engaging in conduct that constitutes, or would constitute, any of the following:

(aa) a breach of any of the provisions of section 9C (lender responsibility principles) or of sections 9J and 9K:

(a) a breach of any of the provisions of Parts 2, 3, and 3A or of section 92J:

(b) any attempt to breach any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A:

(c) aiding, abetting, counselling, or procuring any other person to breach any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A:

(d) inducing, or attempting to induce, any other person, whether by threats, promises or otherwise, to breach any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A:

(e) being in any way, directly or indirectly, knowingly concerned in, or party to, the breach by any other person of any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A:

(f) conspiring with any other person to breach any of the provisions of section 9C, 9J, 9K, or 92J or of Part 2, 3, or 3A.

(2) The court may rescind or vary an injunction granted under this section.

(3) An application made by the FMA for the grant of an injunction may be made on behalf of a person or a class of persons.

Compare: 1986 No 121 s 41(1), (2)

Section 96(1): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(aa): inserted, on 6 June 2015, by section 63(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 96(1)(a): replaced, on 6 June 2015, by section 63(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 96(1)(a): amended, on 1 July 2026, by section 33(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(b): amended, on 1 July 2026, by section 33(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(b): amended, on 1 July 2026, by section 33(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(b): amended, on 1 June 2021, by section 36(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 96(1)(b): amended, on 6 June 2015, by section 63(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 96(1)(c): amended, on 1 July 2026, by section 33(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(c): amended, on 6 June 2015, by section 63(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 96(1)(d): amended, on 1 July 2026, by section 33(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(d): amended, on 6 June 2015, by section 63(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 96(1)(e): amended, on 1 July 2026, by section 33(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(e): amended, on 6 June 2015, by section 63(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 96(1)(f): amended, on 1 July 2026, by section 33(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 96(1)(f): amended, on 6 June 2015, by section 63(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 96(3): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

97 Injunctions restraining conduct of particular kind

(1) This section applies if an application is made to the court for the grant of an injunction under section 96 restraining a person from engaging in conduct of a particular kind.

(2) The court may grant the injunction—

(a) if it is satisfied that the person has engaged in conduct of that kind (whether or not it appears to the court that the person intends to engage again, or to continue to engage, in conduct of that kind); or

(b) if it is satisfied that it is likely that the person will engage in conduct of that kind in the event that an injunction is not granted,—

(i) whether or not the person has previously engaged in conduct of that kind; and

(ii) whether or not there is an imminent danger of substantial damage to any person if that person engages in conduct of that kind.

Compare: 1986 No 121 s 41(3), (4)

98 Interim injunction

(1) This section applies if an application is made to the court for the grant of an interim injunction under section 96 restraining a person from engaging in conduct of a particular kind.

(2) The court may grant an interim injunction if the court is satisfied that it is desirable to do so,—

(a) whether or not the person has previously engaged in conduct of that kind; and

(b) whether or not there is an imminent danger of substantial damage to any person if that person engages in conduct of that kind.

(3) If the FMA applies to the court for the grant of an interim injunction, the court must not, as a condition of granting an interim injunction, require the FMA to give an undertaking as to damages.

(4) However, in determining the FMA's application for the grant of an interim injunction, the court must not take into account that the FMA is not required to give an undertaking as to damages.

Compare: 1986 No 121 s 41(3), (4); 1986 No 5 s 88A

Section 98(3): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 98(4): amended, on 1 July 2026, by section 34 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 98(4): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Compliance and similar orders

[Repealed]

Heading: repealed, on 1 July 2026, by section 35 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

98A Compliance orders

[Repealed]

Section 98A: repealed, on 1 July 2026, by section 35 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

98B Order to disclose information or publish advertisement

[Repealed]

Section 98B: repealed, on 1 July 2026, by section 35 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Prohibited enforcement

99 Enforcement of consumer credit contract prohibited

(1) If disclosure is required under section 17 or section 22, no person (other than a debtor under the consumer credit contract) may, before that disclosure is made,—

(a) enforce the contract; or

(b) enforce any right to recover property to which the contract relates; or

(ba) enforce any right in relation to the costs of borrowing; or

(bb) require the debtor or any other person to make a full prepayment or a part prepayment on the basis of a failure by the debtor or other person to pay the costs of borrowing; or

(c) enforce any security interest taken in connection with the contract.

(1A) *[Repealed]*

(1B) *[Repealed]*

(1C) *[Repealed]*

(2) This section does not limit any rights that a person has in connection with a bill of exchange.

Compare: 1981 No 27 s 24

Section 99(1)(ba): inserted, on 6 June 2015, by section 64(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 99(1)(bb): inserted, on 6 June 2015, by section 64(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 99(1A): repealed, on 1 July 2026, by section 36 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 99(1B): repealed, on 1 July 2026, by section 36 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 99(1C): repealed, on 1 July 2026, by section 36 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

99A Enforcement of rights of repossession, etc, prohibited

If the notice requirements under section 83G or 83V, as the case may be, have not been complied with, no creditor that fails to so comply may, before a notice is given, enforce any rights that the creditor otherwise has under Part 3A.

Section 99A: inserted, on 6 June 2015, by section 65 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

99B Enforcement prohibited if creditor unregistered

(1) If a creditor who is required to be registered under Part 2 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008 is not registered under that Act,—

(a) neither the creditor nor any other person may, in relation to a consumer credit contract to which the creditor is a party,—

(i) enforce any right in relation to the costs of borrowing; or

(ii) require the debtor or any other person to make a full prepayment or a part prepayment on the basis of a failure by the debtor or other person to pay the costs of borrowing; and

(b) neither the debtor nor any other person is liable for the costs of borrowing under such a contract in relation to any period during which the creditor is unregistered.

(2) However, subsection (1)(b) does not apply in relation to fees or charges payable to another person, body, or agency as referred to in section 45 unless that person, body, or agency is an associated person of the creditor.

(3) On becoming registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008, the creditor may enforce the creditor's rights in relation to the costs of borrowing, but only—

(a) if the creditor has given written notice to the debtor, containing the information specified in subsection (5); and

(b) in relation to the costs of borrowing directly attributable to periods after such notice has been given to the debtor.

(4) Subsection (3) is subject to any other provision of this Act that prohibits enforcement of the consumer credit contract.

(5) The notice required under subsection (3)(a) must clearly inform the debtor—

(a) that the creditor is now registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008; and

(b) of the date on which the creditor became registered; and

(c) of the name and contact details of the dispute resolution scheme of which the creditor is a member; and

(d) that the debtor is, from the date on which the notice was given, liable for the costs of borrowing; and

(e) that the debtor has no liability for the costs of borrowing that would otherwise have accrued before the date on which the notice was given.

Section 99B: inserted, on 6 June 2015, by section 65 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 99B(1)(a): amended, on 13 January 2020, by section 31(1) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 99B(4): amended, on 13 January 2020, by section 31(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

100 Enforcement of guarantee prohibited

(1AAA) No person may enforce a guarantee after the court finds a breach of section 9C(4)(a) in respect of the guarantee, unless the court grants relief to the creditor under subsection (1AAB).

(1AAB) The court may, on the application of a creditor under the consumer credit contract, grant relief from the effect of subsection (1AAA) if the court considers it fair and reasonable in the circumstances after having had regard to all relevant matters, including—

(a) the nature and seriousness of the breach:

(b) the ability of the guarantor to comply with the guarantee without suffering substantial hardship:

(c) any statutory damages that have been paid or are payable and the extent to which statutory damages have been, or are to be, extinguished or reduced under section 91.

(1) If disclosure is required to be made under section 25 or section 26, no person may enforce the guarantee before disclosure is made.

(2) Failure to comply with section 9C(4)(a) or section 25 or section 26 does not affect the ability of a person to enforce a consumer credit contract against the debtor.

(3) Failure to make disclosure to a debtor in accordance with this Act does not affect the ability of a person to enforce a guarantee.

Compare: 1981 No 27 s 24A

Section 100(1AAA): inserted, on 20 December 2019, by section 38(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 100(1AAB): inserted, on 20 December 2019, by section 38(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 100(2): amended, on 20 December 2019, by section 38(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

101 Enforcement of consumer lease prohibited

(1) If disclosure is required under section 64 or section 65, no person (other than a lessee under the consumer lease) may, before that disclosure is made,—

(a) enforce the lease; or

(b) enforce any right to recover property to which the lease relates; or

(ba) enforce any right in relation to the costs of the lease; or

(bb) require the lessee or any other person to make a payment of an amount before that amount is payable under the lease on the basis of a failure by the lessee or other person to pay the costs of the lease; or

(c) enforce any security interest taken in connection with the lease.

(2) *[Repealed]*

(3) *[Repealed]*

(4) *[Repealed]*

Section 101(1)(ba): inserted, on 6 June 2015, by section 66(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 101(1)(bb): inserted, on 6 June 2015, by section 66(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 101(2): repealed, on 1 July 2026, by section 37 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 101(3): repealed, on 1 July 2026, by section 37 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 101(4): repealed, on 1 July 2026, by section 37 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

102 Enforcement of buy-back transaction prohibited

(1) If disclosure is required under section 72 or section 77, no person (other than an occupier under the buy-back transaction) may, before that disclosure is made,—

(a) enforce the buy-back transaction; or

(b) enforce any right to recover property to which the buy-back transaction relates; or

(ba) enforce any right in relation to the costs of the buy-back transaction; or

(bb) require the occupier or any other person to make a payment of an amount before that amount is payable under the buy-back transaction on the basis of a failure by the occupier or other person to pay the costs of the buy-back transaction; or

(c) enforce any security interest taken in connection with the buy-back transaction.

(2) *[Repealed]*

(3) *[Repealed]*

(4) *[Repealed]*

Section 102(1)(ba): inserted, on 6 June 2015, by section 67(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 102(1)(bb): inserted, on 6 June 2015, by section 67(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 102(2): repealed, on 1 July 2026, by section 38 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 102(3): repealed, on 1 July 2026, by section 38 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 102(4): repealed, on 1 July 2026, by section 38 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Subpart 4—Offences

102A Infringement offences

(1) Every creditor, lessor, or transferee who is subject to a disclosure section commits an offence if—

(a) both of the following apply:

(i) a paragraph in Schedule 1, 2, or 3 or section 19(1) requires, or regulations prescribing information that must be disclosed under section 132A require, information to be contained in the disclosure statement that is to be given or sent for the purposes of the disclosure section; and

(ii) the creditor, lessor, or transferee breaches the disclosure section by failing to include any information in the disclosure statement for the purposes of that paragraph; or

(b) the creditor, lessor, or transferee breaches the disclosure section by failing to give or send to the debtor, guarantor, lessee, or occupier a copy of the relevant terms within the time for giving or sending the copy of those terms that is specified in that section.

(2) Subsection (1) does not apply to a complete failure to give or send a disclosure statement to a debtor, guarantor, lessee, or occupier in accordance with a disclosure section (but such a breach is an offence under section 103).

(3) Every creditor, lessor, or transferee who is subject to section 24, 67, or 79 commits an offence if the creditor, lessor, or transferee breaches that section.

(4) Every lender who is subject to section 9J commits an offence if the lender breaches section 9J(4).

(4A) Every creditor who is subject to section 9K commits an offence if the creditor breaches section 9K(4).

(4B) Every creditor who is subject to section 9K commits an offence if both of the following apply:

(a) a paragraph in regulations prescribed under this Act requires particular information to be contained in the information made publicly available:

(b) the creditor breaches section 9K(6)(a) by failing to make any information publicly available for the purposes of that paragraph.

(4C) Every person commits an offence if the person is subject to a disclosure requirement under section 26B and the person breaches the requirement.

(5) Every creditor who is subject to Part 3A commits an offence if both of the following apply:

(a) a paragraph in Schedule 3A requires information to be contained in the repossession warning notice that is to be served for the purposes of section 83G; and

(b) the creditor breaches section 83G by failing to include any information in the repossession warning notice for the purposes of that paragraph.

(6) Every creditor or creditor's agent who is subject to Part 3A commits an offence if the creditor or creditor's agent breaches section 83O(1) by failing to produce a document or information referred to in a paragraph of that subsection.

(7) Subsections (5) and (6) do not apply to a complete failure to serve a repossession warning notice on a debtor in accordance with section 83G or a complete failure to comply with section 83O(1) (but such a breach is an offence under section 103).

(7A) *[Repealed]*

(8) A person who commits an offence under this section is liable on conviction,—

(a) in the case of an individual, to a fine not exceeding $10,000; and

(b) in the case of a body corporate, to a fine not exceeding $30,000.

(9) In this Act, **infringement offence** means an offence under this section.

(10) *See* sections 105A to 105F (which relate to infringement offences).

(11) In this section,—

disclosure section means any of sections 17, 18, 25, 64, 70, 72, and 132A

relevant terms means, in relation to—

(a) section 17, the terms of the contract referred to in section 17(2):

(b) section 25, the terms of the guarantee referred to in section 25(1)(a):

(c) section 64, the terms of the lease referred to in section 64(2):

(d) section 70, the terms of the credit-related insurance, repayment waiver, or extended warranty referred to in section 70(1) or (2) (as the case may be):

(e) section 72, the terms of the buy-back transaction referred to in section 72(2).

Section 102A: inserted, on 6 June 2015, by section 68 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 102A(1)(a)(i): amended, on 1 December 2021, by section 39(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 102A(4A): inserted, on 13 January 2020, by section 32 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 102A(4B): inserted, on 13 January 2020, by section 32 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 102A(4C): inserted, on 1 December 2021, by section 39(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 102A(7A): repealed, on 6 June 2026, by section 39 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 102A(11) **disclosure section**: replaced, on 1 December 2021, by section 39(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

103 Other offences

(1) Every creditor, lender, creditor's agent, lessor, transferee, or buy-back promoter who breaches any of the provisions of sections 9J, 9K, 17 to 74 (except sections 41 and 41A and subpart 6A of Part 2), 76 to 82, 83E, 83F, 83G, 83O, 83P, 83S, 83T, 83ZN, and 132A commits an offence and is liable on conviction,—

(a) in the case of an individual, to a fine not exceeding $200,000; and

(b) in the case of a body corporate, to a fine not exceeding $600,000.

(2) However, a breach of section 83E(1)(c) is not an offence under subsection (1).

(3) Every transferee who breaches section 75 commits an offence and is liable on conviction,—

(a) in the case of an individual, to imprisonment for a term not exceeding 1 year or to a fine not exceeding $200,000, or both; and

(b) in the case of a body corporate, to a fine not exceeding $600,000.

(4) Every person who acts in breach of an order made under section 108 commits an offence and is liable on conviction,—

(a) in the case of an individual, to imprisonment for a term not exceeding 3 months or to a fine not exceeding $200,000, or both; and

(b) in the case of a body corporate, to a fine not exceeding $600,000.

(5) Conduct that constitutes an offence under section 102A does not constitute an offence under this section.

(6) *[Repealed]*

Section 103: replaced, on 6 June 2015, by section 68 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 103(1): amended, on 1 July 2026, by section 40(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 103(1): amended, on 1 December 2021, by section 40(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 103(1): amended, on 1 May 2020, by section 40(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 103(1): amended, on 13 January 2020, by section 33(1) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 103(1): amended, on 13 January 2020, by section 33(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Section 103(6): repealed, on 1 July 2026, by section 40(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

104 Conviction for 2 or more offences

If a person is convicted, whether in the same or separate proceedings, of 2 or more offences in respect of breaches of the same provisions of this Act and those breaches are of the same or a substantially similar nature and occurred at or about the same time, the total amount of any fines imposed on that person

for those convictions must not exceed the amount of the maximum fine that may be imposed in respect of a conviction for a single offence.

Compare: 1986 No 121 s 40(2)

105 When proceedings may be commenced

Despite anything to the contrary in section 25 of the Criminal Procedure Act 2011, the limitation period in respect of an offence against section 102A or 103 ends on the date that is 3 years after the date on which the matter giving rise to the breach was discovered or ought reasonably to have been discovered.

Compare: 1986 No 121 s 40(3)

Section 105: replaced, on 6 June 2015, by section 69 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

105A Infringement fee, etc, defined

(1) In this Act, unless the context otherwise requires,—

infringement fee means the amount, not exceeding $2,000, that is prescribed by regulations made under section 105F as the amount payable in respect of an infringement offence for which an infringement notice has been issued

infringement notice means a notice, in the form prescribed by regulations made under section 105F and issued under section 105C, in respect of an infringement offence.

(2) *See* section 102A (which relates to infringement offences).

Section 105A: inserted, on 6 June 2015, by section 70 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

105B Infringement offence alleged

(1) If a person is alleged to have committed an infringement offence, the person may either—

(a) be proceeded against by filing a charging document under section 14 of the Criminal Procedure Act 2011; or

(b) be served with an infringement notice.

(2) Proceedings commenced in the way described in subsection (1)(a) do not require leave of a District Court Judge or Registrar under section 21(1)(a) of the Summary Proceedings Act 1957.

Compare: 1992 No 122 s 165A

Section 105B: inserted, on 6 June 2015, by section 70 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

105C Issue of infringement notice

(1) The FMA may issue an infringement notice to a person if the FMA believes on reasonable grounds that the person is committing, or has committed, an infringement offence.

(2) The FMA may revoke an infringement notice before the infringement fee is paid, or before an order for payment of a fine is made or deemed to be made by a court under section 21 of the Summary Proceedings Act 1957.

(3) An infringement notice is revoked by giving written notice to the person to whom it was issued that the notice is revoked.

Compare: 1992 No 122 s 165B

Section 105C: inserted, on 6 June 2015, by section 70 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 105C(1): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 105C(2): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

105D Procedural requirements for infringement notices

(1) An infringement notice may be served on a person (a **recipient**) who is alleged to have committed an infringement offence—

(a) by delivering it, or a copy of it, personally to the recipient; or

(b) by sending it, or a copy of it, by post, addressed to the recipient at the recipient's last known place of residence or business.

(2) For the purposes of the Summary Proceedings Act 1957, an infringement notice sent under subsection (1)(b) must be treated as having been served on the recipient on the date it was posted.

(3) An infringement notice must be in the form prescribed by regulations made under section 105F and must contain—

(a) details of the alleged infringement offence that are sufficient to fully and fairly inform the recipient of the time, place, and nature of the alleged infringement offence; and

(b) the amount of the infringement fee; and

(c) an address at which the infringement fee may be paid; and

(d) the time within which the infringement fee must be paid; and

(e) a summary of the provisions of section 21(10) of the Summary Proceedings Act 1957; and

(f) a statement that the recipient has a right to request a hearing; and

(g) a statement of what will happen if the recipient does not pay the fee and does not request a hearing; and

(h) any other prescribed matters.

(4) If an infringement notice has been issued, proceedings in respect of the infringement offence to which the notice relates may be commenced in accordance with section 21 of the Summary Proceedings Act 1957; and in that case, section 21 of the Summary Proceedings Act 1957 applies, with all necessary modifications.

(5) Reminder notices must be prescribed by regulations made under section 105F and must contain the information referred to in subsection (3).

Compare: 1992 No 122 s 165C

Section 105D: inserted, on 6 June 2015, by section 70 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

105E What FMA does with infringement fees

The FMA must pay all infringement fees received into a Crown Bank Account.

Compare: 1992 No 122 s 165D

Section 105E: inserted, on 6 June 2015, by section 70 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 105E heading: amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 105E: amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

105F Regulations relating to infringement offences

(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations for the following purposes:

(a) prescribing the form of infringement notices and reminder notices:

(b) prescribing any matters that must be included in those notices:

(c) prescribing the amount of the infringement fee.

(2) Regulations under this section are secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this section		
Publication	PCO must publish it on the legislation website and notify it in the *Gazette*	LA19 s 69(1)(c)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114, Sch 1 cl 32(1)(a)
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Section 105F: inserted, on 6 June 2015, by section 70 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 105F(2): inserted, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

Subpart 5—Defence

106 Reasonable mistake defence

(1) Every person has a defence to a claim for statutory damages under section 88, a prosecution under section 103(1), or proceedings for pecuniary penalties under subpart 5A, in connection with a breach of this Act, if the person proves that—

(a) the breach was due to a reasonable mistake or due to events outside of the person's control; and

(b) the breach was remedied (to the extent that it could be remedied) as soon as practicable after the breach was discovered by the person or brought to the person's notice; and

(c) the person has compensated or offered to compensate any person who has suffered loss or damage by that breach.

(2) For the avoidance of doubt, a **mistake** does not include a mistake of law or a mistake in the interpretation of any enactment or of any document.

Section 106(1): amended, on 20 December 2019, by section 41 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

107 Relevance of compliance programme

The court must, in determining whether the breach is due to a reasonable mistake, take into account whether the person had in place an appropriate compliance programme.

Section 107: amended, on 20 December 2019, by section 42 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Subpart 5A—Pecuniary penalties

Subpart 5A: inserted, on 20 December 2019, by section 43 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

107A Pecuniary penalties

(1) The court may, on the application of the FMA, order a person to pay to the Crown the pecuniary penalty that the court determines to be appropriate if the court is satisfied that the person—

(a) has contravened any of the following provisions:

(i) section 9C(1) (lender responsibility principles), except to the extent that that provision relates to section 9C(3)(f):

(ii) section 9CA (failure to keep records about reasonable inquiries and provide records on request):

(iii) section 41 (unreasonable credit fee or default fee):

(iv) section 41A (duties in respect of records and reviews about how fees calculated):

(v) subpart 6A of Part 2 (provisions relating to debtors under high-cost consumer credit contracts):

(vi) section 92J (duty to comply with stop order or direction order); or

(vii) *[Repealed]*

(viii) *[Repealed]*

(ix) *[Repealed]*

(x) *[Repealed]*

(b) has attempted to contravene such a provision; or

(c) has aided, abetted, counselled, or procured any other person to contravene such a provision; or

(d) has induced, or attempted to induce, any other person, whether by threats or promises or otherwise, to contravene such a provision; or

(e) has been in any way, directly or indirectly, knowingly concerned in, or party to, the contravention by any other person of such a provision; or

(f) has conspired with any other person to contravene such a provision.

(2) In determining an appropriate pecuniary penalty that a person (**A**) must pay under this section, the court must have regard to all relevant matters, in particular,—

(a) the purposes set out in section 3 and any other purpose set out in this Act that applies to the provision to which the proceeding relates; and

(b) any exemplary damages awarded under section 94(1)(c); and

(c) the nature and extent of A's conduct; and

(d) the nature and extent of any loss or damage suffered by any person because of A's conduct; and

(e) any gains made or losses avoided by A; and

(f) the circumstances in which A's conduct took place (including whether any contravention was intentional, inadvertent, or caused by negligence); and

(g) whether A has previously been found by the court in proceedings under this Act, or any other legislation, to have engaged in any similar conduct; and

(h) the relationship of the parties to the transaction constituting the contravention.

(2A) In this section, A's **conduct** means the conduct of A for which A is liable to the pecuniary penalty.

(3) The amount of any pecuniary penalty must not, in respect of each act or omission, exceed,—

(a) in the case of an individual, $200,000; or

(b) in any other case, $600,000.

(4) Proceedings under this section may be commenced within 3 years after the matter giving rise to the contravention was discovered or ought reasonably to have been discovered.

(5) Where conduct by any person constitutes a contravention of 2 or more provisions referred to in subsection (1)(a), proceedings may be instituted under this Act against that person in relation to the contravention of any 1 or more of the provisions; but no person is liable to more than 1 pecuniary penalty under this section in respect of the same conduct.

(6) If the court orders that a person pay a pecuniary penalty, the court must also order that the penalty must be applied first to pay the FMA's actual costs in bringing the proceedings.

Compare: 1986 No 5 s 80

Section 107A: inserted, on 20 December 2019, by section 43 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 107A(1): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(1)(a)(vi): replaced, on 1 July 2026, by section 41(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(1)(a)(vii): repealed, on 1 July 2026, by section 41(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(1)(a)(viii): repealed, on 1 July 2026, by section 41(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(1)(a)(ix): repealed, on 1 July 2026, by section 41(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(1)(a)(x): repealed, on 1 July 2026, by section 41(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(2): replaced, on 1 July 2026, by section 41(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(2A): inserted, on 1 July 2026, by section 41(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 107A(6): inserted, on 1 July 2026, by section 41(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

107B Proceedings for pecuniary penalties

In any proceedings under this subpart for a pecuniary penalty,—

(a) the standard of proof is the standard of proof that applies in civil proceedings; and

(b) the FMA may, by order of the court, obtain discovery and administer interrogatories.

Compare: 1986 No 5 s 79A

Section 107B: inserted, on 20 December 2019, by section 43 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 107B(b): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

107C Relationship between pecuniary penalties and criminal liability

(1) Once criminal proceedings against a person for an offence under this or any other Act are determined, the High Court may not order the person to pay a pecuniary penalty under this subpart in respect of the conduct, events, transactions, or other matters that were the subject of the criminal proceedings.

(2) Once civil proceedings against a person for a pecuniary penalty under this subpart are determined, the person may not be convicted of an offence under

this or any other Act in respect of the conduct, events, transactions, or other matters that were the subject of the civil proceedings.

(3) Any uncompleted proceedings for an order under this Act that a person pay a pecuniary penalty must be stayed if criminal proceedings are started or have already been started against the person for the same act or omission, or substantially the same act or omission, in respect of which the pecuniary penalty order is sought.

Compare: 1986 No 5 s 79B

Section 107C: inserted, on 20 December 2019, by section 43 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

107D Restriction on indemnities

(1) A body corporate must not indemnify any director, employee, or agent, or former director, employee, or agent, of the body corporate or of any related body corporate (**person A**) in respect of—

(a) any pecuniary penalty imposed on person A under this Act; or

(b) any costs incurred by person A in defending any civil proceedings in which the pecuniary penalty referred to in paragraph (a) is imposed.

(2) An indemnity given in contravention of subsection (1) is void.

(3) In this section and section 107E, **indemnify** includes relieve or excuse from liability, whether before or after the liability arises, and **indemnity** has a corresponding meaning.

Compare: 1986 No 5 s 80A

Section 107D: inserted, on 20 December 2019, by section 43 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

107E Restriction on insurance

(1) No person may enter into a contract of insurance that indemnifies or purports to indemnify a person (**person A**) in respect of—

(a) any pecuniary penalty imposed on person A under this Act; or

(b) any costs incurred by person A in defending any civil proceedings in which the pecuniary penalty referred to in paragraph (a) is imposed.

(2) Any contract that does so is void.

Section 107E: inserted, on 20 December 2019, by section 43 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Subpart 5B—Declarations of breach

Subpart 5B: inserted, on 1 July 2026, by section 42 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

107F When court may make declarations of breach

(1) The court may, on the application of the FMA or any other person, make a declaration of breach if it is satisfied that a person—

(a) has breached any of the provisions referred to in section 107A(1)(a); or

(b) has attempted to breach such a provision; or

(c) has aided, abetted, counselled, or procured any other person to breach such a provision; or

(d) has induced, or attempted to induce, any other person, whether by threats or promises or otherwise, to breach such a provision; or

(e) has been in any way, directly or indirectly, knowingly concerned in, or party to, the breach by any other person of such a provision; or

(f) has conspired with any other person to breach such a provision.

(2) In this subpart, a person has an **involvement in the breach** if the person has acted as referred to in subsection (1)(b) to (f).

Section 107F: inserted, on 1 July 2026, by section 42 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

107G Purpose and effect of declarations

(1) The purpose of a declaration of breach is to enable an applicant for an order under subpart 3 to rely on the declaration in the proceedings for that order, and not be required to prove the breach or involvement in the breach.

(2) Accordingly, a declaration of breach is conclusive evidence of the matters that must be stated in it under section 107H.

Section 107G: inserted, on 1 July 2026, by section 42 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

107H What declarations must state

A declaration of breach must state the following:

(a) the provision to which the breach or involvement in the breach relates; and

(b) the person who engaged in the breach or involvement in the breach; and

(c) the conduct that constituted the breach or the involvement in the breach and, if a transaction constituted the breach, the transaction.

Section 107H: inserted, on 1 July 2026, by section 42 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Subpart 6—Prohibition on certain creditors, lessors, transferees, and buy-back promoters

108 Power to order certain persons not to act as creditors, lessors, transferees, or buy-back promoters

(1) The District Court may make an order prohibiting or restricting a person from doing all or any of the matters set out in subsection (2) if—

(a) the person—

(i) has been convicted of an offence against this Act, or of a crime involving dishonesty (as defined in section 2(1) of the Crimes Act 1961); or

(ii) is, or has been, a creditor under a credit contract that has been reopened under the Credit Contracts Act 1981; or

(iii) is, or has been, a creditor under a credit contract, a lessor under a consumer lease, or a transferee under a buy-back transaction that has been reopened under section 120; or

(iv) is, or has been, a buy-back promoter in connection with a buy-back transaction that has been reopened under section 120; or

(v) has failed to comply with any of the provisions of this Act (including, to avoid doubt, the lender responsibility principles (*see* section 9C(2)); or

(va) has failed to comply with any of the provisions of any of the following Acts or of any equivalent overseas legislation:

(A) the Fair Trading Act 1986:

(B) the Financial Service Providers (Registration and Dispute Resolution) Act 2008:

(C) the Secondhand Dealers and Pawnbrokers Act 2004:

(D) the Financial Markets Conduct Act 2013; or

(vi) was a director or principal officer of a body corporate at the time the body corporate acted in the manner referred to in subparagraphs (i) to (va); and

(b) in the opinion of the District Court, the person is not a fit and proper person to—

(i) enter into consumer credit contracts as a creditor; or

(ii) enter into consumer leases as a lessor; or

(iii) enter into buy-back transactions as a transferee; or

(iv) act as a buy-back promoter in connection with a buy-back transaction.

(1A) *[Repealed]*

(2) The matters are—

(a) providing credit under consumer credit contracts, leasing goods under consumer leases, purchasing land under buy-back transactions, or acting as a buy-back promoter in connection with a buy-back transaction either alone or in partnership with any person and whether or not through agents:

(b) acting as a director or taking part directly or indirectly in the management or control of any company or business that provides credit under

consumer credit contracts, leases goods under consumer leases, purchases land under buy-back transactions, or acts as a buy-back promoter in connection with a buy-back transaction:

(c) being in the employ, or acting as an agent, of a creditor, a lessor, a transferee, or a buy-back promoter in any capacity that allows the person to take any part in the negotiation of—

(i) consumer credit contracts involving the provision of credit by the creditor; or

(ii) consumer leases involving the leasing of goods by the lessor; or

(iii) buy-back transactions.

Compare: 1981 No 27 s 39(1)

Section 108(1): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 108(1)(a)(v): replaced, on 6 June 2015, by section 71(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 108(1)(a)(v): amended, on 1 June 2020, by section 44(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 108(1)(a)(va): inserted, on 1 June 2020, by section 44(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 108(1)(a)(va)(D): inserted, on 1 July 2026, by section 43 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 108(1)(a)(vi): amended, on 1 June 2020, by section 44(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 108(1A): repealed, on 1 June 2020, by section 44(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

109 Who may apply and nature of order

(1) Any person (including the FMA) may apply to the District Court for an order under section 108.

(2) An order under section 108—

(a) may be for a specified period of time or without any time limit, and may be made on any other terms and conditions that the District Court thinks fit; and

(b) may be cancelled or varied at any time by the District Court.

Compare: 1981 No 27 s 39(2), (3)

Section 109(1): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 109(1): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

110 Costs

(1) In any proceedings under section 108, the District Court may make an order for the payment by any party to the proceedings of the whole or any part of the

full costs incurred in connection with the proceedings by any other party to the proceedings.

(2) The costs so awarded are recoverable as a debt due by the party against whom they have been awarded to the party in whose favour they have been awarded.

Compare: 1981 No 27 s 39(4)

Subpart 7—Application of Commerce Act 1986 and provisions relating to Commerce Commission

[Repealed]

Subpart 7: repealed, on 1 July 2026, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

111 Role and functions of Commission under this Act

[Repealed]

Section 111: repealed, on 1 July 2026, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

112 Commission's rights to appear and adduce evidence

[Repealed]

Section 112: repealed, on 1 July 2026, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

113 Application of Commerce Act 1986

[Repealed]

Section 113: repealed, on 1 July 2026, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

114 Additional proceedings

[Repealed]

Section 114: repealed, on 1 July 2026, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

115 Disposal of things seized

[Repealed]

Section 115: repealed, on 1 July 2026, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

116 Court order for disposal of things seized to be suspended on conviction

[Repealed]

Section 116: repealed, on 1 July 2026, by section 45 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

116AAA Requirement for annual return

[Repealed]

Section 116AAA: repealed, on 6 June 2026, by section 44 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Subpart 8—Miscellaneous

Subpart 8: replaced, on 1 July 2026, by section 46 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

116A Directors and senior managers may also be liable for statutory damages or compensation

[Repealed]

Section 116A: repealed, on 1 July 2026, by section 46 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

111 State of mind of directors, employees, or agents attributed to body corporate or other principal

(1) If, in a proceeding under this Act in respect of any conduct engaged in by a body corporate, being conduct in relation to which any provision of this Act applies, it is necessary to establish the state of mind of the body corporate, it is sufficient to show that a director, an employee, or an agent of the body corporate, acting within the scope of their actual or apparent authority, had that state of mind.

(2) If, in a proceeding (other than a proceeding for an offence) under this Act in respect of any conduct engaged in by a person other than a body corporate, being conduct in relation to which any provision of this Act applies, it is necessary to establish the state of mind of the person, it is sufficient to show that an employee or agent of the person, acting within the scope of their actual or apparent authority, had that state of mind.

(3) In this Act, **state of mind**, in relation to a person, includes the knowledge, intention, opinion, belief, or purpose of the person and the person's reasons for that intention, opinion, belief, or purpose.

Compare: 1986 No 5 s 90(1), (3), (5); 2013 No 69 s 535

Section 111: inserted, on 1 July 2026, by section 46 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

112 Conduct of directors, employees, or agents attributed to body corporate or other principal

(1) Conduct engaged in on behalf of a body corporate by any of the following must be treated, for the purposes of this Act, as having been engaged in also by the body corporate:

(a) a director, an employee, or an agent of the body corporate, acting within the scope of their actual or apparent authority:

(b) any other person at the direction or with the consent or agreement (whether express or implied) of a director, an employee, or an agent of the body corporate, given within the scope of the actual or apparent authority of the director, employee, or agent.

(2) Conduct engaged in on behalf of a person other than a body corporate (**A**) by any of the following must be treated, for the purposes of this Act, as having been engaged in also by A:

(a) an employee or agent of A acting within the scope of their actual or apparent authority:

(b) any other person at the direction or with the consent or agreement (whether express or implied) either of A or of an employee or agent of A, given within the scope of the actual or apparent authority of the employee or agent.

Compare: 1986 No 5 s 90(2), (4); 2013 No 69 s 536

Section 112: inserted, on 1 July 2026, by section 46 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

113 Disposal of things seized

(1) In any proceedings relating to any thing seized under a warrant, the court may order, either at the trial or hearing or on an application, that the thing be delivered to the person appearing to the court to be entitled to it, or that it be otherwise disposed of in any manner that the court thinks fit.

(2) The FMA may, at any time, unless an order has been made under subsection (1), return the thing to the person from whom it was seized, or apply to a District Court Judge for an order for its disposal.

(3) On any application under subsection (2), the District Court Judge may make any order that a court may make under subsection (1).

(4) If proceedings relating to the thing are not brought within a period of 3 months of its seizure, any person claiming to be entitled to the thing may, after the expiry of that period, apply to a District Court Judge for an order that it be delivered to the person.

(5) On any application under subsection (4), the District Court Judge may—

(a) adjourn the application, on any terms that the Judge thinks fit, for proceedings to be brought; or

(b) make any order that a court may make under subsection (1).

Section 113: inserted, on 1 July 2026, by section 46 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

114 Court order for disposal of things seized to be suspended on conviction

(1) If any person is convicted in any proceedings for an offence relating to anything for which a warrant has been issued, and any order is made under section 113, the operation of the order is suspended,—

(a) in any case, until the expiration of the time prescribed by the Criminal Procedure Act 2011 for the filing of a notice of appeal or an application for leave to appeal; and

(b) if a notice of appeal is filed within the time so prescribed, until the determination of the appeal; and

(c) if application for leave to appeal is filed within the time so prescribed, until the application is determined and, if leave to appeal is granted, until the determination of the appeal.

(2) If the operation of any order is suspended until the determination of the appeal, the court determining the appeal may, by order, cancel or vary the order.

Section 114: inserted, on 1 July 2026, by section 46 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Part 5
Reopening of oppressive credit contracts, consumer leases, and buy-back transactions

117 Application of Part

This Part applies to—

(a) every credit contract (whether or not it is a consumer credit contract); and

(b) every consumer lease; and

(c) every buy-back transaction.

118 Meaning of oppressive

In this Act, **oppressive** means oppressive, harsh, unjustly burdensome, unconscionable, or in breach of reasonable standards of commercial practice.

Compare: 1981 No 27 s 9

119 Collateral contracts and linked transactions

(1) If a security interest or guarantee is or may be taken in connection with a credit contract, consumer lease, or buy-back transaction, the contract or arrangement that creates or provides for the security interest or guarantee is to be treated as forming part of the credit contract, lease, or transaction for the purposes of this Part.

(2) If it is a term of a credit contract that another contract or arrangement be entered into, any part of that other contract or arrangement that relates to the provision of credit to, or the payment of money by, a debtor under the credit contract is to be treated as forming part of the credit contract for the purposes of this Part.

(3) If it is a term of a consumer lease or buy-back transaction that another contract or arrangement be entered into, any part of that other contract or arrangement that relates to the payment of money by a lessee under the consumer lease or by an occupier under a buy-back transaction is to be treated as forming part of the consumer lease or transaction for the purposes of this Part.

Section 119(1): amended, on 6 June 2015, by section 73 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

120 Reopening of credit contracts, consumer leases, and buy-back transactions

The court may reopen a credit contract, a consumer lease, or a buy-back transaction if, in any proceedings (whether or not brought under this Act), it considers that—

(a) the contract, lease, or transaction is oppressive; or

(b) a party has exercised, or intends to exercise, a right or power conferred by the contract, lease, or transaction in an oppressive manner; or

(c) a party has induced another party to enter into the contract, lease, or transaction by oppressive means.

Compare: 1981 No 27 s 10(1)

121 Refusal to agree to early termination, variation, or waiver

If a party refuses to agree to the early termination of a credit contract, consumer lease, or buy-back transaction, or to vary or waive any term of a credit contract, consumer lease, or buy-back transaction, or imposes conditions on that agreement, the party is deemed, for the purposes of this Act, to be exercising a right or power under the contract, lease, or transaction.

Compare: 1981 No 27 s 10(2)

122 Reopening credit contracts involved in arrangement

(1) The court may reopen all or any of the credit contracts involved in an arrangement if,—

(a) with the knowledge of the creditor under a reopened credit contract,—

(i) credit provided under the reopened credit contract is used (in whole or in part) to pay amounts owing under another credit contract or other credit contracts; or

(ii) amounts owing under the reopened credit contract were paid from credit provided under another credit contract or other credit contracts; and

(b) the creditors under the credit contracts are either the same person or related companies.

(2) Subsection (1) applies whether or not the court considers that section 120(a) to (c) applies.

Compare: 1981 No 27 s 10(3)

123 Time and circumstances relevant to reopening credit contracts, consumer leases, or buy-back transactions

A credit contract, a consumer lease, a buy-back transaction, a term of a credit contract, a consumer lease, or a buy-back transaction, or an act performed under, or in connection with, a credit contract, a consumer lease, or a buy-back transaction is not oppressive if the contract, lease, transaction, term, or act would not have been considered oppressive at the time, and in the circumstances, that it was made or performed.

Compare: 1981 No 27 s 11(1)

124 Guidelines for reopening credit contracts, consumer leases, and buy-back transactions

(1) In deciding whether section 120 applies and whether to reopen a credit contract, consumer lease, or buy-back transaction (an **arrangement**), the court must, to the extent that the following matters are applicable in the particular circumstances, have regard to:

(a) all the circumstances relating to the making of the arrangement, or the exercise of any right or power conferred by the arrangement, or the inducement to enter into the arrangement; and

(b) whether the creditor or transferee has, in relation to any aspect of the arrangement (including the creditor's or transferee's conduct in entering into the arrangement), complied with the lender responsibility principles (*see* section 9C(2)); and

(c) the relative bargaining power of the parties; and

(d) whether, taking account of the particular characteristics of the debtor, lessee, or occupier (for example, his or her age or physical or mental condition), that person, or the person's representative, was reasonably able to protect that person's interests; and

(e) in the case of a credit contract, whether the contract is a consumer credit contract; and

(ea) in the case of a contract to which subpart 6A of Part 2 applies, the need to protect consumers in accordance with the purpose of that subpart; and

(f) whether, before entering into the arrangement, the debtor, lessee, or occupier obtained independent legal or other professional advice in relation to that arrangement; and

(g) whether the creditor, lessor, or transferee, or any person acting in the interests of that person, subjected the debtor, lessee, or occupier to unfair pressure or tactics or otherwise unfairly influenced the debtor, lessee, or occupier to enter into the arrangement and, if so, the nature and extent of that unfair conduct; and

(h) the terms of other arrangements under which the debtor, lessee, or occupier could have obtained the same or substantially similar credit, hired goods, or finance from a person other than the creditor, lessor, or transferee, including—

(i) the costs of borrowing, costs of the lease, or costs of the buy-back transaction (as the case may be) under those other arrangements; and

(ii) whether the arrangement under consideration imposes significantly more onerous terms on the debtor, lessee, or occupier than would be imposed under those other arrangements; and

(i) the amount payable by the debtor, lessee, or occupier under the arrangement; and

(j) the amount of any payment required as a condition of the full prepayment under the arrangement, including the creditor's expenses and the likelihood that the amount repaid could be reinvested on similar terms; and

(k) the form of the arrangement, including whether it is expressed in plain language in a clear, concise, and intelligible manner; and

(l) whether the terms of the arrangement—

(i) allow the debtor, lessee, or transferee to be reasonably able to comply with his or her obligations under the arrangement; and

(ii) are reasonably necessary to protect the interests of the creditor, lessor, or transferee; and

(m) the length of time the debtor, lessee, or occupier has had to remedy any default; and

(n) if the creditor, lessor, or transferee has refused to release, or has agreed to release subject to conditions, a security interest relating to the arrangement, the obligations secured by the security interest and the extent of security that remains after the release or conditional release; and

(o) whether action by the creditor, lessor, or transferee in relation to the enforcement of, or recovery under, the arrangement was lawful in the circumstances; and

(p) any other matters that the court thinks fit.

(2) If a guarantee is treated as forming part of the credit contract under section 119(1), the references to the debtor in subsection (1)(d), (f), (g), (i), and (l) must, in relation to the guarantee, be treated as including the guarantor.

Section 124: replaced, on 6 June 2015, by section 74 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 124(1)(ea): inserted, on 1 May 2020, by section 49 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

125 When reopening proceedings may be commenced

(1) Proceedings seeking the reopening of a credit contract, consumer lease, or buy-back transaction may be commenced in the court by the FMA, any party to the contract, lease, or transaction, or any guarantor under a guarantee relating to the credit contract, at any time earlier than,—

(a) in the case of a buy-back transaction, 3 years after the due date for the performance of the last obligation required to be performed under the transaction; or

(b) in the case of a contract or lease that is terminated by either party, 1 year after the date on which the contract or lease is terminated; or

(c) in any other case, 1 year after the due date for the performance of the last obligation required to be performed under the contract or lease.

(2) However, subsection (3) applies if,—

(a) with the knowledge of the creditor under a credit contract,—

(i) the credit provided under the contract is used (in whole or in part) to pay amounts owing under another credit contract or other credit contracts; or

(ii) amounts owing under the contract were paid from credit provided under another credit contract or other credit contracts; and

(b) the creditors under the credit contracts are either the same person or related companies.

(3) Proceedings seeking the reopening of all or any of the credit contracts referred to in subsection (2) may be commenced at any time earlier than 1 year after the due date for the performance of the last obligation required to be performed under any of those contracts.

(4) Proceedings seeking the reopening of a credit contract, consumer lease, or buy-back transaction may not be commenced at any other time.

(5) The FMA may commence proceedings on behalf of a person or a class of persons.

(6) This section applies despite any other enactment or rule of law.

Compare: 1981 No 27 s 12

Section 125(1): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 125(5): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

126 Evidence

(1) If the court considers reopening a credit contract, consumer lease, or buy-back transaction under section 120(a), evidence regarding the terms on which credit was available from other persons, goods could be hired from other persons, or

land could be sold to other persons at the time the contract, lease, or transaction was made is admissible in evidence.

(2) If the court considers reopening a credit contract, consumer lease, or buy-back transaction under section 120(b), evidence regarding the exercise of the rights or powers by other persons at the time the right or power was exercised is admissible in evidence.

(3) If the court considers reopening a credit contract, consumer lease, or buy-back transaction under section 120(c), evidence regarding the inducements offered by other persons at the time the inducement was offered is admissible in evidence.

Compare: 1981 No 27 s 13

127 Power of court on reopening credit contract, consumer lease, or buy-back transaction

(1) If the court reopens a credit contract, consumer lease, or buy-back transaction, it may make any orders that it thinks necessary to remedy the matters that caused the court to reopen the contract, lease, or transaction.

(2) The court may—

(a) order that an account be taken, and reopen any account already taken, for any transaction between the parties; or

(b) vest in any party, or direct any party to transfer or assign to any other party or to deliver to any other party the possession of, the whole or any part of any property that is the subject of the credit contract, consumer lease, or buy-back transaction or that is the whole or part of the consideration for it; or

(c) direct any party to pay to any other party any sum that the court thinks fit; or

(d) order that any obligation outstanding under the credit contract, consumer lease, or buy-back transaction be extinguished, revised, altered, complied with, or performed; or

(e) order that the credit contract, consumer lease, or buy-back transaction, or any term of the contract, lease, or transaction, or any security interest in connection with the contract, lease, or transaction, be set aside (in whole or in part) or revised or altered; or

(f) if a party has parted with any property that is the subject of a security interest in connection with the credit contract, consumer lease, or buy-back transaction, order him or her to indemnify the other party or parties; or

(g) direct any party to do or refrain from doing any act or thing in relation to any other party.

(3) Subsection (2) does not limit subsection (1).

(4) Any order may be made on any terms and conditions that the court thinks fit.

Compare: 1981 No 27 s 14(1), (3)

128 Costs in consumer cases

(1) In any proceedings under this Part, the court may, if it has reopened a consumer credit contract, consumer lease, or buy-back transaction, make an order for the payment by any party to the proceedings of the whole or any part of the full costs incurred in connection with the proceedings by any other party to the proceedings.

(2) The costs so awarded are recoverable as a debt due by the party against whom they have been awarded to the party in whose favour they have been awarded.

(3) This section is subject to section 87.

129 Persons who share in profits or have beneficial interest in reopened credit contract, consumer lease, or buy-back transaction

(1) If it appears to the court that any person has shared in the profits of, or has any beneficial interest in (whether prospective or otherwise), a reopened credit contract, consumer lease, or buy-back transaction (whether or not the person is a party to the contract, lease, or transaction), the court may make any orders concerning that person that it thinks fit.

(2) This section does not limit section 127.

Compare: 1981 No 27 s 14(2)

130 Time of exercise of court's powers

The powers of the court may be exercised whether or not—

(a) the time for performance of any term of the credit contract, consumer lease, or buy-back transaction has arrived:

(b) any statement or settlement of account relating to the credit contract, consumer lease, or buy-back transaction has been given:

(c) any agreement purporting to end the credit contract, consumer lease, or buy-back transaction has been made:

(d) any party has assigned any of the party's rights under the credit contract, consumer lease, or buy-back transaction.

Compare: 1981 No 27 s 14(4)

131 No limit on sections 41, 80, and 82

Nothing in this Part limits section 41 or section 80 or section 82.

Part 5A
Certification and fit and proper person requirements

[Repealed]

Part 5A: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131A Interpretation for this Part

[Repealed]

Section 131A: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Requirement for certification

[Repealed]

Heading: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131B When person needs to be certified

[Repealed]

Section 131B: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131C Exemptions from need for certification

[Repealed]

Section 131C: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131D Prohibitions on holding out that person is certified

[Repealed]

Section 131D: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Issue of certifications

[Repealed]

Heading: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131E Commission may issue certification

[Repealed]

Section 131E: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131F Application for certification

[Repealed]

Section 131F: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131G When certification must be issued

[Repealed]

Section 131G: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131H Procedural requirements

[Repealed]

Section 131H: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131I Notice of decision

[Repealed]

Section 131I: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131J Commission must send certification details to Registrar

[Repealed]

Section 131J: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Conditions of certification

[Repealed]

Heading: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131K Conditions of certification

[Repealed]

Section 131K: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131L When Commission may impose conditions

[Repealed]

Section 131L: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131M Certified person may apply for variation of conditions

[Repealed]

Section 131M: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131N Procedure for variation of conditions

[Repealed]

Section 131N: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Expiry, suspension, or cancellation of certifications

[Repealed]

Heading: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131O Duration of certification

[Repealed]

Section 131O: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131P When Commission may suspend or cancel certification

[Repealed]

Section 131P: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131Q Procedural requirements on suspension or cancellation of certification

[Repealed]

Section 131Q: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Changes relating to certified persons

[Repealed]

Heading: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131R Duty to notify changes

[Repealed]

Section 131R: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Other provisions about certifications

[Repealed]

Heading: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131S Appeals against certification decisions

[Repealed]

Section 131S: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

131T Fees, charges, and costs in connection with this subpart

[Repealed]

Section 131T: repealed, on 1 July 2026, by section 47 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Part 6
Miscellaneous provisions

132 Provisions relating to assignment of credit contracts, consumer leases, or buy-back transactions

(1) An assignee of a credit contract, a consumer lease, or a buy-back transaction from a creditor, a lessor, or a transferee takes the contract, lease, or transaction subject to all equities and to all rights and remedies under this Act that the debtor, the lessee, or the occupier has or would have against the original creditor, the original lessor, the original transferee, or any subsequent creditor, lessor, or transferee.

(2) This section is subject to the Bills of Exchange Act 1908.

Compare: 1981 No 27 s 42

132A Disclosure about debt collection

Application

(1) This section applies to any credit contract under which—

(a) the debtor is a natural person; and

(b) when the contract was entered into, the credit was to be used, or was intended to be used, wholly or predominantly for personal, domestic, or household purposes; and

(c) debt collection is, or is to be, carried out in the course of a business.

Duty to make disclosure

(2) Before debt collection starts, the debt collector must ensure that disclosure of all the information set out in the regulations that applies to the contract is made to every debtor under the contract.

(3) A person who becomes a debt collector after debt collection has started must also make the disclosure required by subsection (2) within 10 working days of the day on which the person becomes a debt collector.

(4) In this section, unless the context otherwise requires,—

debt collection—

(a) means an act to recover (or attempt to recover) any money that is owing by a debtor under a credit contract as a result of the debtor's breach of the contract; but

(b) does not include—

(i) making an application, or doing any other act, under the Insolvency Act 2006; or

(ii) any other act of a kind prescribed by the regulations

debt collector, in respect of a contract,—

(a) means a creditor or any other person engaging in debt collection in respect of the contract; but

(b) does not include any of the following:

(i) a guarantor:

(ii) a person who provides a budgeting or financial advice service to the debtor:

(iii) a person acting on behalf of the debtor:

(iv) a person of the kind prescribed by the regulations.

Exceptions

(5) However, this section does not apply—

(a) if the act to recover (or attempt to recover) money is 1 or more of the following:

(i) a payment reminder, or a credit limit notice, provided by the creditor who made the advance under the credit contract:

(ii) a payment reminder, or a credit limit notice, provided by a person to whom the rights of a creditor have been transferred by assignment or operation of law (the **assignee**), if the assignment did not occur for the purpose of the assignee undertaking debt collection:

(b) if the creditor has complied with section 119 of the Property Law Act 2007 (notice must be given to current mortgagor of mortgaged land of exercise of powers, etc):

(c) if the creditor has served a repossession warning notice in accordance with section 83G:

(d) if the action is in respect of a repossession of goods that are at risk (*see* section 83E(2)).

(6) In this section, unless the context otherwise requires,—

credit limit notice—

(a) means a communication that—

(i) is made within 6 months of a debtor causing a credit limit under the contract to be exceeded; and

(ii) does only either or both of the following (subject to subsection (6A)):

(A) notifies the debtor that the credit limit has been exceeded:

(B) requests a payment so that the credit limit is no longer exceeded; but

(b) excludes in-person visits to the debtor, the debtor's residence, or the debtor's place of work

payment reminder—

(a) means a communication that—

(i) is made within 6 months of a default in payment; and

(ii) only requests a payment that is overdue (subject to subsection (6A)); but

(b) excludes—

(i) a notice demanding payment of any amount in addition to the overdue payments (for example, a notice demanding that the unpaid balance be repaid in full):

(ii) in-person visits to the debtor, the debtor's residence, or the debtor's place of work:

(iii) communications with any person other than the debtor (other than incidental communications in the course of attempting to contact the debtor):

(iv) requesting the debtor to consent to deductions from wages (under section 5 of the Wages Protection Act 1983), from a benefit (as defined in Schedule 2 of the Social Security Act 2018), or from a student allowance established by regulations made under section 303 of the Education Act 1989:

(v) filing enforcement proceedings or lodging a claim with the Disputes Tribunal

payment that is overdue—

(a) includes default fees and default interest charges in respect of an overdue amount:

(b) does not include an amount payable under an acceleration clause (being an express or implied term in a credit contract which provides that, if there is a default, any amounts become payable (or may be called up as becoming payable) earlier than would be the case if there had not been a default).

(6A) A payment reminder and a credit limit notice may be included in the same communication (in which case the communication may include any information that is permitted in either of those notices).

How it works

(7) Subpart 4 of Part 2 applies with necessary modifications.

(8) The rules in sections 11(1A) and (1B), 12 to 14, 15(1)(ca), and 16 apply with necessary modifications for the purposes of subsection (1).

Section 132A: inserted, on 1 December 2021, by section 51 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 132A(4): replaced, on 1 July 2026, by section 48(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 132A(5)(a): amended, on 1 July 2026, by section 48(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 132A(5)(a)(i): amended, on 1 July 2026, by section 48(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 132A(5)(a)(ii): amended, on 1 July 2026, by section 48(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 132A(6) **credit limit notice**: inserted, on 1 July 2026, by section 48(4) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 132A(6) **payment reminder** paragraph (a)(ii): amended, on 1 July 2026, by section 48(5) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 132A(6A): inserted, on 1 July 2026, by section 48(6) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

133 Changes, deferrals, or postponements under credit contracts and consumer leases

(1) The provision of credit as a result of a change to an existing credit contract, or a deferral of an amount payable under an existing credit contract, or a postponement relating to an existing credit contract, is not to be treated as creating a new credit contract for the purposes of this Act if the change, deferral, or postponement is made in accordance with this Act or the existing credit contract.

(2) The provision of further goods under an existing consumer lease, or a change in a consumer lease as a result of a deferral of an amount payable under an existing consumer lease, or a postponement relating to an existing consumer lease, is not to be treated as creating a new consumer lease for the purposes of this Act or as creating a credit contract for the purposes of this Act if the provision of the further goods, change, deferral, or postponement is made in accordance with this Act or the existing consumer lease.

134 Right to set-off

(1) A creditor, lessor, or transferee may set-off any entitlement of a debtor, guarantor, lessee, or occupier to statutory damages or to an amount that must be paid to a debtor, guarantor, lessee, or occupier under an order made under section 93 or 94A against any amount otherwise owing by the debtor, guarantor, lessee, or occupier to the creditor, lessor, or transferee.

(2) Subsection (1) is subject to any order of the court.

Section 134(1): amended, on 6 June 2015, by section 75 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

135 No contracting out

(1) This Act has effect despite any provision to the contrary in any credit contract, guarantee, consumer lease, or buy-back transaction.

(1A) Section 197 of the Contract and Commercial Law Act 2017 must be read as subject to this section.

(2) Every creditor, lessor, or transferee commits an offence against section 13(i) of the Fair Trading Act 1986 who purports to contract out of any provision of this Act.

(3) Subsection (1) does not limit or affect any term in a credit contract, guarantee, consumer lease, or buy-back transaction between a creditor, a lessor, or a transferee and a debtor, a guarantor, a lessee, or an occupier to the extent that the term—

(a) imposes a stricter duty on the creditor, the lessor, or the transferee than that imposed by this Act; or

(b) provides a remedy more advantageous to the debtor, guarantor, lessee, or occupier than the remedies provided by this Act.

(4) Subsection (1) does not prevent a debtor, guarantor, lessee, or occupier who has a claim under this Act from agreeing to settle or compromise that claim.

Compare: 1993 No 91 s 43

Section 135(1A): inserted, on 6 June 2015, by section 76 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 135(1A): amended, on 1 September 2017, by section 347 of the Contract and Commercial Law Act 2017 (2017 No 5).

136 Application of law relating to illegal contracts

The fact that a credit contract, a consumer lease, or a buy-back transaction has been entered into in breach of this Act, or that an act that breaches this Act has been committed in the course of the performance of any contract, lease, or transaction, does not—

(a) make that contract, lease, or transaction illegal; or

(b) make that contract, lease, or transaction or any provision of that contract, lease, or transaction unenforceable or of no effect, except as expressly provided in this Act.

Compare: 1981 No 27 s 44

137 Conflict of laws

This Act applies to a credit contract, guarantee, lease, or buy-back transaction if the contract, guarantee, lease, or transaction—

(a) is governed by the law of New Zealand; or

(b) would be governed by the law of New Zealand but for a choice of law provision in the contract, guarantee, lease, or transaction.

Declarations about credit contracts and consumer credit contracts

[Repealed]

Heading: repealed, on 1 July 2026, by section 49 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

137A Class declarations about credit contracts and consumer credit contracts

[Repealed]

Section 137A: repealed, on 1 July 2026, by section 49 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

137B Declarations about particular arrangements or facilities

[Repealed]

Section 137B: repealed, on 1 July 2026, by section 49 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

137C General provisions about all declarations

[Repealed]

Section 137C: repealed, on 1 July 2026, by section 49 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Regulations

138 Regulations

(1) The Governor-General may, by Order in Council, on the recommendation of the Minister, make regulations for all or any of the following purposes:

(a) prescribing any class of credit contract that is exempted from being a consumer credit contract and the terms and conditions (if any) applying to the exemption:

(ab) exempting any of the following from the application of any provision or provisions of this Act, and prescribing the terms and conditions (if any) of the exemption:

(i) any credit contract, consumer lease, buy-back transaction, or other agreement; or

(ii) any class of credit contracts, consumer leases, buy-back transactions, or other agreements:

(aba) exempting any person or class of persons from compliance with any provision or provisions of this Act, and prescribing the terms and conditions (if any) of the exemption:

(abb) declaring any person or class of persons to be creditors under a consumer credit contract or class of consumer credit contracts:

(abc) setting advertising standards for the purposes of section 9C(3)(b)(i) (lender responsibility principles), which may include—

(i) what advertisements must or must not contain:

(ii) the manner in which advertising must or may be done:

(iii) circumstances in which advertising must not be distributed to a person (including prohibitions on advertising):

(abd) prescribing, for the purposes of section 9C,—

(i) inquiries that must be made before entering into, or making a material change to, an agreement, a guarantee, or an insurance contract:

(ii) processes, practices, and procedures that a lender should follow when making reasonable inquiries:

(iii) the way in which the results of the inquiries must be taken into account:

(iv) circumstances that would prevent a lender from being satisfied as to a matter:

(ac) prescribing matters for the purposes of section 19(1)(i), including what warning and other information must be contained, how the warning and information must be presented, how amounts or other matters are calculated or determined, and the circumstances (if any) in which the warning or information is not required:

(b) prescribing any other information that must be disclosed under section 22 or section 23 or section 26:

(c) prescribing, for the purposes of section 23 or section 26, any alternative publication requirements in relation to disclosing a change to the amount of an interest rate or a change to the amount of any fee or charge payable:

(d) prescribing any class of change to a matter to which section 23(5) applies:

(da) in the case of circumstances that relate to securitisation or covered bond arrangements or similar arrangements,—

(i) prescribing circumstances for the purposes of section 26A(3) and how Part 3A applies in those circumstances (which may include treating a contract manager as if they were a creditor for all or any purposes of Part 3A):

(ii) *[Repealed]*

(iii) prescribing modifications to other provisions that relate to the application, effect, or enforcement of those provisions:

(db) prescribing matters for the purposes of section 32(1)(ba), including prescribing—

(i) 1 or more forms:

(ii) when a form must be used:

(iii) information or warnings that must be included in the form that are in addition to the key information set out in Schedule 1 or other information required by this Act:

(dba) prescribing for the purposes of section 26B (disclosure about dispute resolution scheme and financial mentoring services),—

(i) when information needs to be provided:

(ii) what information needs to be provided:

(iii) the manner in which that information needs to be provided:

(dc) prescribing the particular matters required to meet all or any of the requirements under this Act for publication, disclosure, notice, or other provision of information:

(dd) prescribing the form of statements that must be used to meet all or any of the requirements under this Act for publication, disclosure, notice, or other provision of information:

(de) prescribing how the information to be disclosed must be presented, including, but not limited to, requirements as to the precise manner of disclosure:

(e) prescribing model disclosure statements for the purposes of section 34 that comply with section 32, and the terms and conditions on which the model disclosure statements may be used:

(f) prescribing, for the purposes of section 33, the assumptions that may be made when disclosing information that is required to be disclosed under this Act and the terms and conditions (if any) that apply to those assumptions:

(fa) providing for the calculation of matters in paragraph (b) or (c) of the definition of **high-cost consumer credit contract**:

(fb) prescribing a procedure or procedures for calculating the maximum rate of charge for the purposes of section 45H (rate cap):

(fc) prescribing, for the purposes of section 45H, the assumptions that may be made when calculating the maximum rate of charge and the terms and conditions (if any) that apply to those assumptions:

(g) prescribing a procedure or procedures for calculating a reasonable estimate of a creditor's loss arising from full prepayment:

(h) prescribing, for the purposes of section 52, the procedure for calculating a proportionate rebate of any premium paid for any consumer credit insurance product financed under a consumer credit contract:

(ha) prescribing, for the purposes of section 52A or 52B, the procedure for calculating a proportionate rebate of any additional consideration paid for a repayment waiver or extended warranty:

(hb) *[Repealed]*

(i) persons who, or services that, are exempt for the purposes of section 131C:

(ii) matters that the Commission must have regard to for the purposes of section 131H(2):

(iii) conditions that certifications are subject to, the kinds of conditions that the Commission may impose on those certifications, or matters to which conditions imposed by the Commission may relate, for the purposes of sections 131K and 131L:

(iv) persons for the purposes of section 131I (notice of decisions):

(v) information for the purposes of section 131J(2)(c) (Commission must send certification details to Registrar):

(vi) changes in circumstances for the purposes of section 131R(1):

(vii) requiring the payment to the Commission of fees and charges in connection with applications and notices under Part 5A and the amounts of those fees and charges or the manner in which those fees and charges are to be calculated:

(viii) authorising the Commission to require payment of any costs incurred by the Commission in connection with an application or a notice referred to in subparagraph (vii):

(ix) authorising the Commission, in its discretion or on any grounds that are prescribed, to refund or waive all or any part of a prescribed fee, charge, or cost payable in connection with an application or a notice referred to in subparagraph (vii):

(i) prescribing the procedure for determining the maximum amount payable by a lessee on the termination of a consumer lease before the end of its term:

(j) prescribing the form of the certificate that must be given under section 73:

(ja) prescribing consumer goods or documents for the purposes of section 83ZN(1)(c):

(jb) *[Repealed]*

(jc) prescribing information that must be disclosed under section 132A (disclosure about debt collection):

(jd) prescribing, for the purposes of any provision of this Act that requires a thing to be done in a prescribed manner (or for the purposes of any other regulations empowered to prescribe the manner in which something must be done), the manner in which the thing must be done, including prescribing—

(i) by whom, when, where, and how the thing must be done:

(ii) the form that must be used in connection with doing the thing:

(iii) what information or other evidence or documents must be provided in connection with the thing:

(iv) requirements with which information, evidence, or documents that are provided in connection with the thing must comply:

(v) that fees or charges must be paid in connection with doing the thing:

(vi) that the FMA may determine or prescribe any of the matters under subparagraphs (i) to (iv):

(k) prescribing, for the purposes of Schedule 1, any other information or warnings as key information concerning a consumer credit contract:

(l) prescribing, for the purposes of Schedule 2, any other information or warnings as information concerning a consumer lease:

(m) prescribing, for the purposes of Schedule 3, any other information or warnings as information concerning a buy-back transaction:

(n) providing for any other matters contemplated by this Act, necessary for its administration, or necessary for giving it full effect.

(1AA) The Minister must consult the FMA before making a recommendation under this section.

(1A) The Minister must not recommend regulations under subsection (1)(a) to (aba) unless the Minister—

(a) has had regard to the purposes of this Act set out in section 3; and

(b) is satisfied that the exemption would not cause significant detriment to debtors under credit contracts, lessees under consumer leases, or occupiers under buy-back transactions; and

(c) is satisfied that the exemption is necessary or desirable to promote 1 or more of the purposes of this Act, including by doing either or both of the following:

(i) avoiding unnecessary compliance costs:

(ii) promoting innovation and flexibility in the markets for credit.

(1B) If the Minister makes a recommendation relating to an exemption in regulations made under subsection (1)(a) to (aba), the Minister's reasons for making the recommendation (including why the exemption is appropriate) must be published together with the regulations.

(1BAA) The breach of a term or condition of an exemption under subsection (1)(ab) and (aba) is a breach of the provision to which the exemption relates (unless the terms of the exemption otherwise provide).

(1BA) The Minister must not recommend regulations under subsection (1)(abb), (abc), or (abd) unless the Minister has consulted the persons or representatives

of the persons who the Minister considers will be substantially affected by the regulations.

(1BB) *[Repealed]*

(1BC) A failure to consult as required by this section does not affect the validity of any regulation.

(1C) The Minister must not recommend regulations under subsection (1)(da) unless the Minister is satisfied that the circumstances that are prescribed relate to a securitisation or covered bond arrangement or any similar arrangement.

(1D) For the purposes of subsection (1)(db) to (de), regulations may prescribe different requirements for different types or classes of disclosure, persons who are required to make disclosure, contracts, leases, transactions, or other circumstances.

(2) For the purposes of subsection (1)(e), regulations may—

(a) prescribe model disclosure statements in any language; and

(b) authorise the translation of a prescribed model disclosure statement into 1 or more languages and the terms and conditions that apply to the translation.

(3) Without limiting subsection (1)(f), regulations may prescribe assumptions for the purposes of section 33 that relate to—

(a) the amount of any advance, interest rate, fee, charge, or payment; and

(b) whether or not at any time there will be a change to the amount of any advance, interest rate, fee, charge, or payment; and

(c) when any advance or payment will be made or will become payable; and

(d) when any interest charge, fee, or other charge will be paid or become payable; and

(e) the actions or behaviour of any person.

(4) Regulations may also contain different provisions in relation to different—

(a) classes of lenders or creditors:

(b) classes of borrowers or debtors:

(c) classes of guarantors:

(d) classes of agreements or contracts.

(5) Regulations under this section are secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this section		
Publication	PCO must publish it on the legislation website and notify it in the *Gazette*	LA19 s 69(1)(c)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114, Sch 1 cl 32(1)(a)
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Section 138(1): amended, on 1 July 2026, by section 50(1) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1)(ab): replaced, on 1 July 2026, by section 50(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1)(aba): replaced, on 1 July 2026, by section 50(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1)(abb): inserted, on 20 December 2019, by section 53(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(abc): inserted, on 20 December 2019, by section 53(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(abd): inserted, on 20 December 2019, by section 53(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(ac): inserted, on 7 June 2014, by section 77(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(d): replaced, on 7 June 2014, by section 77(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(da): replaced, on 20 December 2019, by section 53(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(da)(ii): repealed, on 1 July 2026, by section 50(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1)(db): inserted, on 7 June 2014, by section 77(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(dba): inserted, on 20 December 2019, by section 53(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(dc): inserted, on 7 June 2014, by section 77(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(dd): inserted, on 7 June 2014, by section 77(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(de): inserted, on 7 June 2014, by section 77(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(e): amended, on 7 June 2014, by section 77(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(fa): inserted, on 20 December 2019, by section 53(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(fb): inserted, on 20 December 2019, by section 53(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(fc): inserted, on 20 December 2019, by section 53(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(ha): inserted, on 7 June 2014, by section 77(5) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(hb): repealed, on 1 July 2026, by section 50(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1)(ja): inserted, on 7 June 2014, by section 77(6) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1)(jb): repealed, on 1 July 2026, by section 50(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1)(jc): inserted, on 20 December 2019, by section 53(6) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(jd): inserted, on 20 December 2019, by section 53(6) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1)(jd)(vi): amended, on 1 July 2026, by section 55 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1AA): inserted, on 1 July 2028, by section 50(4) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1A): inserted, on 7 June 2014, by section 77(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1A): amended, on 1 July 2026, by section 50(5) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1A)(c): replaced, on 1 July 2026, by section 50(6) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1B): inserted, on 7 June 2014, by section 77(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1B): amended, on 1 July 2026, by section 50(7) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1B): amended, on 20 December 2019, by section 53(9) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1BAA): inserted, on 1 July 2026, by section 50(8) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1BA): replaced, on 1 July 2026, by section 50(9) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1BB): repealed, on 1 July 2026, by section 50(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1BC): inserted, on 20 December 2019, by section 53(10) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(1C): inserted, on 7 June 2014, by section 77(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(1C): amended, on 1 July 2026, by section 50(10) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Section 138(1D): inserted, on 7 June 2014, by section 77(7) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Section 138(4): inserted, on 20 December 2019, by section 53(11) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Section 138(5): inserted, on 28 October 2021, by section 3 of the Secondary Legislation Act 2021 (2021 No 7).

Declarations

Heading: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138A FMA's declaration power

(1) The FMA may—

(a) declare that the following are not credit contracts:

(i) a particular arrangement or facility:

(ii) a class of arrangements or facilities:

(b) declare any class of arrangements or facilities to be consumer credit contracts:

(c) if a declaration is made under paragraph (b), declare that any person or class of persons is, or is to become, the creditor under the relevant consumer credit contracts:

(d) declare any class of consumer credit contracts to be high-cost consumer credit contracts for the purposes of subpart 6A of Part 2 (provisions relating to debtors under high-cost consumer credit contracts):

(e) declare any class of consumer credit contracts to be related consumer credit contracts for the purposes of subpart 6A of Part 2 (provisions relating to debtors under high-cost consumer credit contracts).

(2) The FMA's reasons for making a declaration (including why the declaration is appropriate) must be published together with the declaration.

(3) If a declaration is made under this section, this Act applies with any modifications specified in the declaration and with all other necessary modifications.

(4) A declaration made under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this section		
Publication	The maker must publish it in accordance with the Legislation (Publication) Regulations 2021	LA19 s 74(1)(aa)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Section 138A: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138B Procedural requirements for declarations

(1) The FMA must not make a declaration under section 138A unless the FMA—

(a) is satisfied, in the case of section 138A(1)(a), that the declaration—

(i) is necessary or desirable to promote certainty about whether this Act applies; and

(ii) is not inconsistent with the purposes of this Act set out in section 3; and

(b) is satisfied, in the case of section 138A(1)(b) or (c), that—

(i) the declaration is necessary or desirable in order to promote any of the purposes of this Act set out in section 3; and

(ii) an arrangement or a facility of the class to which the declaration relates has, or is intended to have, the effect of a person receiving a loan or goods or services with deferred payment; and

(c) is satisfied, in the case of section 138A(1)(d) or (e), that the declaration—

(i) is necessary or desirable to promote certainty about whether subpart 6A of Part 2 applies; and

(ii) is not inconsistent with the purposes of that subpart; and

(d) has had regard to the economic substance of the arrangements or facilities to which the declaration relates; and

(e) has consulted the persons or representatives of the persons who the FMA considers will be substantially affected by the declaration.

(2) A failure to comply with subsection (1)(e) does not affect the validity of the declaration.

Section 138B: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138C General provisions about declarations

(1) A declaration made under section 138A may be made subject to terms and conditions, including (without limitation) terms and conditions relating to—

(a) the circumstances in which the declaration applies, whether by reference to any persons, arrangements, or facilities, or any other circumstances:

(b) transitional matters.

(2) Nothing in section 138A, 138B, or this section prevents the granting of an exemption under section 138 or 138F that applies to a matter that is the subject of a declaration.

(3) A declaration made under section 138A that something is a consumer credit contract prevails over a statement to the contrary in section 15.

Section 138C: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138D FMA may make interim orders pending exercise of powers

(1) The FMA may make an interim order that no goods or services specified in the order may be supplied, while the interim order is in force, if—

(a) the supply of the goods or services involves an arrangement or a facility; and

(b) the FMA is considering, at any time, whether it may exercise a power under section 138A in respect of the arrangement or facility; and

(c) the FMA considers that making an interim order is desirable in the public interest; and

(d) the FMA considers that the extent of the interim order is not broader than is reasonably necessary to address the matters that gave rise to the order.

(2) An interim order—

(a) must specify the supplier or suppliers of the goods or services to which the order applies; and

(b) may require—

(i) all, or any specified class or classes, of the associated persons of the supplier or suppliers to comply with the order (including associated persons that may be incorporated or formed after the date of the order); and

(ii) a supplier to provide a copy of the order to all or any of those associated persons.

(3) For the purposes of subsection (2), the order is not required to refer to the associated persons by name.

(4) The FMA—

(a) may act under subsection (1) or section 138E(1)(b) without giving the supplier to which the order relates an opportunity to make submissions to, or be heard before, the FMA in respect of the matter; but

(b) must, after acting under subsection (1) or section 138E(1)(b), give that supplier or that person's representative an opportunity to make written submissions and be heard on the matter.

(5) The FMA must, immediately after making the order, notify each supplier to which the order relates that the order has been made and the reasons for the order.

(6) Section 478 of the Financial Markets Conduct Act 2013 applies with all necessary modifications to an order under this section.

(7) A person who refuses or fails, without reasonable excuse, to comply with an order made by the FMA under this section commits an offence and is liable on conviction to a fine not exceeding $300,000.

Section 138D: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138E Period in which interim order is in force

(1) An interim order under section 138D is in force from the time at which it is made until the close of—

(a) the date that is 15 working days after the day on which it is made; or

(b) a later date specified by the FMA by notice to the supplier to which the order relates.

(2) For the purposes of subsection (1)(b),—

(a) the FMA may specify a later date if the FMA is of the opinion that it is not reasonably practicable for it to complete its consideration as referred to in section 138D(1)(b) within the 15-working-day period referred to in subsection (1)(a):

(b) the later date must be a date that is no more than 30 working days after the day on which the interim order is made.

Section 138E: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Exemptions

Heading: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138F FMA's exemption power

(1) The FMA may, on the terms and conditions (if any) that it thinks fit,—

(a) exempt from the application of any provision or provisions of this Act—

(i) any credit contract, consumer lease, buy-back transaction, or other agreement; or

(ii) any class of credit contracts, consumer leases, buy-back transactions, or other agreements:

(b) exempt any person or class of persons from compliance with any provision or provisions of this Act.

(2) The FMA's reasons for granting an exemption (including why the exemption is appropriate) must be published together with the exemption.

(3) An exemption granted under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this section		
Publication	The maker must publish it in accordance with the Legislation (Publication) Regulations 2021	LA19 s 74(1)(aa)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Section 138F: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138G Procedural requirements for exemptions

The FMA must not grant an exemption under section 138F unless the FMA—

(a) has had regard to the purposes of this Act set out in section 3; and

(b) is satisfied that the exemption would not cause significant detriment to debtors under credit contracts, lessees under consumer leases, or occupiers under buy-back transactions; and

(c) is satisfied that the exemption is necessary or desirable to promote 1 or more of the purposes of this Act, including by doing either or both of the following:

(i) avoiding unnecessary compliance costs:

(ii) promoting innovation and flexibility in the markets for credit; and

(d) is satisfied that the extent of the exemption is not broader than is reasonably necessary to address the matters that gave rise to the exemption; and

(e) has had regard to whether the matter to which the exemption relates would be more appropriately dealt with by way of regulations made under section 138(1)(a) to (aba).

Section 138G: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

138H General provisions about exemptions

(1) An exemption granted under section 138F may continue in force for not more than 5 years (and at the close of the date that is 5 years after the exemption first comes into force, the exemption must be treated as having been revoked unless it is sooner revoked or expires).

(2) The breach of a term or condition of an exemption granted under section 138F is a breach of the provision to which the exemption relates (unless the terms of the exemption otherwise provide).

Section 138H: inserted, on 1 July 2026, by section 51 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Acts amended and repealed

139 Acts amended

The Acts specified in Schedule 4 are amended in the manner indicated in that schedule.

140 Repeal of Credit Contracts Act 1981 and Hire Purchase Act 1971

The following enactments are repealed:

(a) Credit Contracts Act 1981 (1981 No 27):

(b) Hire Purchase Act 1971 (1971 No 147).

Transitional provisions

141 Transitional provision

(1) This Act applies to every credit contract, consumer lease, and guarantee that is made after the commencement of this subsection.

(2) This Act applies to every buy-back transaction, whether made before or after the commencement of this subsection.

(3) However, subpart 3 of Part 3 does not apply to a buy-back transaction made before the commencement of this subsection.

141A Application, savings, and transitional provisions relating to amendments to Act

The application, savings, and transitional provisions set out in Schedule 1AA, which relate to amendments made to this Act after 1 January 2014, have effect for the purposes of this Act.

Section 141A: inserted, on 7 June 2014, by section 78 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

142 Election for Act to apply

(1) A creditor under a credit contract made before the commencement of this section may, after the commencement of this section, elect that this Act apply to the credit contract and any guarantee made in connection with the credit contract from a particular date (the **effective date**).

(2) A creditor must not make an election under subsection (1) if that election increases any obligation that the debtor has in connection with the credit contract.

(3) The effective date must be a date after the date that the election is made.

(4) If a creditor makes an election under subsection (1),—

(a) the Credit Contracts Act 1981 and the Hire Purchase Act 1971 do not apply to the credit contract or the guarantee from the effective date; and

(b) the creditor must, within 5 working days of the day that the election is made, notify the debtor or guarantor in writing—

(i) that the creditor has made an election under this section; and

(ii) that this Act applies to the credit contract or guarantee from the effective date; and

(c) the election does not affect the completion of a matter or thing, or the bringing or completion of proceedings that relate to a right, interest, title, immunity, or duty that existed immediately before the election takes effect; and

(d) the Credit Contracts Act 1981 and the Hire Purchase Act 1971 continue to have effect as if the election had not been made for the purpose of

completing the matter or thing or the bringing or completion of proceedings that relate to a right, interest, title, immunity, or duty that existed immediately before the election takes effect.

143 Continuing application of Credit Contracts Act 1981 and Hire Purchase Act 1971

(1) If this Act does not apply to a credit contract, hire purchase agreement, or guarantee made before the commencement of this section, or to any act, omission, right, interest, title, immunity, or duty in connection with that contract, agreement, or guarantee, then the Credit Contracts Act 1981 and the Hire Purchase Act 1971 continue to apply to the contract, agreement, or guarantee or to the act, omission, right, interest, title, immunity, or duty as if they were still in force.

(2) For the purposes of subsection (1), Part 2 of Schedule 1 of the Disputes Tribunal Act 1988 is to be read as if it includes references to the Credit Contracts Act 1981 and the Hire Purchase Act 1971.

(2A) The references in subsection (1) to the Credit Contracts Act 1981 and the Hire Purchase Act 1971 are references to those Acts as in force immediately before the commencement of this section, except that references in section 45A of the Credit Contracts Act 1981 and section 47A of the Hire Purchase Act 1971 to $7,500 and $12,000 must be treated as references to $15,000 and $20,000 respectively.

(3) In this section,—

credit contract has the same meaning as in the Credit Contracts Act 1981 (as in force immediately before the commencement of this section)

hire purchase agreement has the same meaning as in the Hire Purchase Act 1971 (as in force immediately before the commencement of this section).

Section 143(1): amended, on 1 August 2009, by section 8 of the Disputes Tribunals Amendment Act 2009 (2009 No 22).

Section 143(2): amended, on 1 March 2017, by section 261 of the District Court Act 2016 (2016 No 49).

Section 143(2A): inserted, on 1 August 2009, by section 8 of the Disputes Tribunals Amendment Act 2009 (2009 No 22).

Schedule 1AA
Application, savings, and transitional provisions relating to amendments made to this Act after 1 January 2014

ss 8B, 141A

Schedule 1AA: inserted, on 7 June 2014, by section 79 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

1 Interpretation

In this schedule,—

2014 Act means the Credit Contracts and Consumer Finance Amendment Act 2014

principal Act means the Credit Contracts and Consumer Finance Act 2003

Regulatory Systems Act 2019 means the Regulatory Systems (Economic Development) Amendment Act 2019.

Schedule 1AA clause 1: inserted, on 7 June 2014, by section 79 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1AA clause 1 **Regulatory Systems Act 2019**: inserted, on 13 January 2020, by section 34(1) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Credit Contracts and Consumer Finance Amendment Act 2014

2 Minister may prepare Responsible Lending Code before commencement of Part 1A

(1) The Minister may exercise or perform a power or duty under sections 9G to 9I (as inserted by the 2014 Act) before section 9 of the 2014 Act comes into force.

(2) Any consultation undertaken before section 9 of the 2014 Act comes into force that is of the kind referred to in section 9G(2)(b) or (e) must be treated as the consultation required for the purposes of that section (even if the consultation occurs before the enactment of the 2014 Act).

(3) The Minister must ensure that the Responsible Lending Code first comes into force no later than 12 months after the date on which the 2014 Act receives the Royal assent.

Schedule 1AA clause 2: inserted, on 7 June 2014, by section 79 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

3 Application of amendments to existing agreements

(1) Except as provided for in subclauses (2) and (3) and in clause 4,—

(a) the amendments to the principal Act in the 2014 Act do not apply to existing agreements; and

(b) the principal Act and the Credit (Repossession) Act 1997, as in force immediately before the commencement of this clause, continue to apply for the purposes of those agreements.

(2) The amendments referred to in subclause (1) apply in relation to existing agreements as follows:

(a) the amendments made by section 20 of the 2014 Act (request disclosure) apply only in relation to requests made on or after the commencement of that section:

(b) the amendments made by sections 18, 19, 44, and 47 of the 2014 Act (variation disclosure) apply only to variations that take effect on or after the commencement of those sections:

(c) the amendments made by section 16 of the 2014 Act (continuing disclosure statements) apply only to continuing disclosure statements that are, or required to be, given or sent on or after the commencement of that section:

(d) the amendments made by section 22 of the 2014 Act (disclosure of transfers) apply only to transfers that take effect on or after the commencement of that section:

(e) the amendments made by sections 37 to 41 of the 2014 Act (hardship applications) apply only to applications made on or after the commencement of those sections:

(f) the lender responsibility principles (*see* section 9C(2) of the principal Act, as inserted by section 9 of the 2014 Act) apply only to the following:

(i) a variation of a contract where the variation takes effect on or after the commencement of section 9 of the 2014 Act:

(ii) an application under section 55 of the principal Act made on or after the commencement of section 9 of the 2014 Act.

(3) If a provision of the principal Act as amended or inserted by the 2014 Act applies in relation to an existing agreement under subclause (2), sections 93 and 96 of the principal Act (as amended by sections 59 and 63 of the 2014 Act) apply to a breach of that provision in relation to the existing agreement if the breach occurs on or after the commencement of this clause.

(4) In this clause and in clause 4, **existing agreement** means any credit contract, security agreement, lease, buy-back transaction, or other contract or arrangement—

(a) to which the principal Act or the Credit (Repossession) Act 1997 (as in force before this clause came into force) applies; and

(b) that was entered into before this clause came into force.

Schedule 1AA clause 3: brought into force, on 6 June 2015, by section 79 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1AA clause 3: inserted, on 7 June 2014, by section 79 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1AA clause 3(1): amended, on 13 January 2020, by section 34(2) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Schedule 1AA clause 3(4): amended, on 13 January 2020, by section 34(3) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Regulatory Systems (Economic Development) Amendment Act 2019

Heading: inserted, on 13 January 2020, by section 34(4) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

4 Creditor may, by notice to debtors, apply Part 3A to existing agreements

(1) Part 3A applies to the existing agreements described in this clause.

(2) The existing agreements are those agreements—

(a) to which Part 3A (as in force immediately before the commencement of the Regulatory Systems Act 2019) would have applied if the agreements had been entered into on or after the date on which Part 3A came into force; and

(b) in respect of which neither a creditor nor a debtor has taken any action (such as issuing a pre-possession notice) under the principal Act or the Credit (Repossession) Act 1997, as in force immediately before the commencement of Part 3A; and

(c) in respect of which any creditor under the agreement has given notice to every debtor under the agreement—

(i) stating that Part 3A will apply to the agreement; and

(ii) specifying the date on which Part 3A begins to apply to the agreement (which must be at least 5 working days after the last notice is given); and

(iii) summarising the rights and obligations of the creditors and the debtors under Part 3A.

(3) Part 3A applies to an existing agreement on and from the date referred to in subclause (2)(c)(ii) as if that agreement were a consumer credit contract.

(4) On and from the date on which Part 3A begins to apply to an existing agreement, the Credit (Repossession) Act 1997 (as in force immediately before the commencement of Part 3A) ceases to apply for the purposes of the agreement.

(5) Section 83ZQ applies to the giving and receiving of a notice under subclause (2).

Schedule 1AA clause 4: inserted, on 13 January 2020, by section 34(4) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

5 Application of Part 3A and related provisions to existing credit contracts

(1) This clause applies to a credit contract if,—

(a) immediately before the Regulatory Systems Act 2019 came into force, Part 3A applied to the contract; but

(b) the contract is not a consumer credit contract.

(2) The following provisions continue to apply to the contract as if that contract were a consumer credit contract:

(a) section 5, definition of costs of borrowing:

(b) section 9B, definitions of agreement, lender, and relevant guarantee:

(c) section 9K:

(d) Part 3A.

Schedule 1AA clause 5: inserted, on 13 January 2020, by section 34(4) of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

Credit Contracts Legislation Amendment Act 2019

Heading: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

6 Interpretation

In clauses 7 to 11, unless the context otherwise requires,—

2019 Act means the Credit Contracts Legislation Amendment Act 2019

agreement means any credit contract, security agreement, lease, buy-back transaction, or other contract or arrangement to which the principal Act applies

commencement, in relation to any provision of the 2019 Act, or any provision inserted into this Act by the 2019 Act, means the commencement of the relevant provision, as the case may be

existing agreement means an agreement entered into before the commencement of the relevant provision

new agreement means an agreement entered into after the commencement of the relevant provision

principal Act means the Credit Contracts and Consumer Finance Act 2003 as it read before the relevant provision of the 2019 Act commenced.

Schedule 1AA clause 6: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1AA clause 6 **commencement**: replaced, on 30 April 2020, by section 35(2) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Application to existing agreements

Heading: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

7 General rule: existing agreements

Except as provided for in clauses 8 to 10 and 15,—

(a) an amendment to the principal Act in the 2019 Act does not apply to existing agreements:

(b) the principal Act continues to apply for the purpose of existing agreements, and for the completion of a matter or thing or the bringing or completion of proceedings that relate to existing agreements, as if the relevant provision of the 2019 Act had not commenced.

Schedule 1AA clause 7: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1AA clause 7: amended, on 1 July 2026, by section 53(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

8 Application to existing agreements: Royal assent commencement

Disclosure

(1) The amendment made by section 16(1) (decreases) of the 2019 Act applies to variation disclosure that is required to be made after commencement.

(2) The amendments made by sections 17(1), 18(1), and 19 (disclosure if creditor cannot locate) of the 2019 Act apply to disclosure that is required to be made after commencement.

(3) The amendments made by the following sections of the 2019 Act apply to existing agreements in respect of disclosure that is required to be made after commencement:

(a) section 22 (amendment to section 32(4)):

(b) section 23 (amendments to section 35).

Statutory damages and other remedies and enforcement

(4) The amendments made by section 28 (amendments to section 83J) of the 2019 Act apply in respect of enforcement action that occurs after commencement.

(5) The amendments made by sections 30, 31, 32, and 34(2) of the 2019 Act apply in respect of existing agreements for breaches that occur after commencement.

(6) The amendments made by section 35 of the 2019 Act apply to existing agreements in accordance with clauses 14 and 15.

(6A) *See* clause 15(4), which provides for subclause (6) (as in force immediately before the commencement of clause 15) to continue to apply to the proceeding referred to in clause 15(3)(c).

(7) The amendments made by section 43 (pecuniary penalties) of the 2019 Act apply in respect of existing agreements for breaches or possible breaches that occur after commencement.

(8) The amendments made by section 46 (enforceable undertakings) of the 2019 Act apply to breaches in respect of existing agreements, whether those breaches occurred or occur before, on, or after commencement.

Schedule 1AA clause 8: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1AA clause 8(6): replaced, on 1 July 2026, by section 53(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Schedule 1AA clause 8(6A): inserted, on 1 July 2026, by section 53(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

9 Application to existing high-cost consumer credit contracts

(1) The amendments made by section 25 (new subpart 6A of Part 2) of the 2019 Act apply to an existing agreement as set out in this clause.

Costs cap

(2) Section 45E (costs of borrowing must not exceed loan advance) applies to an existing agreement as follows:

(a) section 45E restricts maximum costs of borrowing under an existing agreement only if the parties to the agreement agree to change the agreement with effect after commencement; and

(b) the rules in that section for calculating the first advance and whether a contract is a related consumer credit contract apply equally to all agreements (including those entered into before commencement).

Example

Before commencement, Ms D borrows $100 from a creditor (**C**) under a consumer credit contract that has an annual interest rate of 500% pa and a term of 6 weeks. Section 45E does not limit the amount that can be recovered under that contract.

As at commencement, Ms D has repaid $92, consisting of $32 in interest and fees and $60 of the principal. Her unpaid balance is $40.

After commencement, Ms D refinances by entering into a further high-cost consumer credit contract with C to repay the remaining $40, and will receive a further advance of $50, ie, $90 in total.

The first advance of $100 in the pre-commencement contract caps the maximum costs of borrowing under the new contract. The maximum costs of borrowing that Ms D will have to pay under the new contract is $100 - $32 = $68 (ie, the amount in interest and fees charged on the first contract ($32) is subtracted from the first advance of $100 to give a remaining cap of $68).

Sections 45F and 45G

(3) In section 45F (certain high-cost consumer credit contracts with other creditors prohibited), an existing agreement counts in the same way as a new agreement for the purpose of determining whether a person has had an unpaid balance on any high-cost consumer credit contract at any time within the preceding 15 days.

(4) In section 45G (high-cost consumer credit contracts with certain repeat debtors prohibited), an existing agreement counts in the same way as a new agreement for the purpose of determining whether a person has entered into a high-cost consumer credit contract at any time within the preceding 90 days.

Schedule 1AA clause 9: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1AA clause 9 heading: amended, on 30 April 2020, by section 35(3) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

10 Other application to existing agreements

(1) The amendments to the principal Act made by section 10(1) and (8) of the 2019 Act apply to existing agreements in respect of material changes after commencement.

Example

A creditor (**C**) increases the credit limit under an existing consumer credit agreement after commencement.

C must make reasonable inquiries about suitability and affordability before making the change. If C fails to comply, the debtor may seek statutory damages and C may be liable for civil pecuniary penalties as provided in Part 5A.

(2) The amendments made by section 20 of the 2019 Act (disclosure about dispute resolution schemes and financial mentoring services) apply to existing agreements in the same way as they apply to new agreements (for example, disclosure is required if a complaint is made after commencement regardless of whether the agreement is an existing or a new agreement).

(3) The amendments made by section 27 of the 2019 Act (duty of directors and senior managers of creditors) apply to duties and obligations of the creditor in respect of existing agreements that arise for performance after commencement or that continue to require performance after commencement.

(4) The amendment made by section 33 of the 2019 Act applies in respect of existing agreements for breaches that occur after commencement.

(5) The amendments made by sections 36 to 42 of the 2019 Act apply in respect of existing agreements for breaches that occur after commencement.

(6) The amendments made by section 48 of the 2019 Act (directors and senior managers may also be liable for statutory damages or compensation) apply, in respect of existing agreements, for breaches that occur after commencement of duties or obligations of the creditor that arise for performance after commencement or that continue to require performance after commencement.

(7) Section 131B (when person needs to be certified) of the principal Act (as inserted by section 50 of the 2019 Act) applies in respect of creditors or mobile traders who enter into a new credit contract, or agree a variation to an existing credit contract, after commencement.

(8) The amendments made by section 51 of the 2019 Act (disclosure about debt collection) apply to all existing agreements to the extent that debt collection starts after commencement or a new person becomes a debt collector after commencement.

Example

A creditor (**C**) and Ms S enter into a consumer credit agreement on 1 July 2019.

C starts debt collection on or after commencement. Section 132A will apply to the debt collector.

Schedule 1AA clause 10: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1AA clause 10(1) example: amended, on 30 April 2020, by section 35(4) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Schedule 1AA clause 10(8) example: amended, on 30 April 2020, by section 35(5) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Application to new agreements

Heading: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

11 New agreements

(1) The amendments to the principal Act in the 2019 Act apply to new agreements.

(2) Section 41A(3) of the principal Act (as inserted by section 24 of the 2019 Act) applies to new agreements regardless of whether the change occurred before, on, or after commencement.

Schedule 1AA clause 11: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Other application

Heading: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

12 Creditors registered as financial service providers before commencement and mobile traders

(1) Subclause (2) applies to every creditor that is registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008 as at the close of the day before commencement of section 131B and that is required to be certified under Part 5A of this Act.

(2) Section 131B does not apply until the first due date on or after commencement of section 131B on which the person must supply to the Registrar its annual confirmation of details under section 28 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

(3) Subclause (5) applies to every creditor—

(a) that has made an application to the Commerce Commission in accordance with section 131F no less than 2 months before the first due date referred to in subclause (2); and

(b) that is registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008 as at the close of the day before commencement of section 131B.

(4) Subclause (5) also applies to every mobile trader that has made an application to the Commerce Commission in accordance with section 131F before 2 months before commencement of section 131B.

(5) Section 131B does not apply to that person before the earlier of the following:

(a) the close of the 20th working day after the person has failed to provide to the Commission any information that the Commission has required under section 131F(3) to assist it in determining the application:

(b) the date on which the Commission gives a written notice of decision to the person under section 131I.

Schedule 1AA clause 12: inserted, on 20 December 2019, by section 54 of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1AA clause 12 heading: amended, on 30 April 2020, by section 35(6) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Schedule 1AA clause 12(1): amended, on 30 April 2020, by section 35(7) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Schedule 1AA clause 12(2): amended, on 30 April 2020, by section 35(8) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Schedule 1AA clause 12(3)(b): amended, on 30 April 2020, by section 35(7) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Schedule 1AA clause 12(4): amended, on 30 April 2020, by section 35(9) of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10).

Annual return requirement ceases to apply

Heading: inserted, on 6 June 2026, by section 52 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

12A Annual return requirement does not apply to periods starting on or after 1 April 2025

The requirement in section 116AAA ceases to apply to 12-month periods starting on or after 1 April 2025.

Schedule 1AA clause 12A: inserted, on 6 June 2026, by section 52 of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Credit Contracts and Consumer Finance Amendment Act 2026

Heading: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

13 Interpretation

In clauses 14 to 21, unless the context otherwise requires,—

2026 Act means the Credit Contracts and Consumer Finance Amendment Act 2026

agreement means any credit contract, security agreement, lease, buy-back transaction, or other contract or arrangement to which the principal Act applies.

Schedule 1AA clause 13: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

14 Application of amendments to existing agreements

(1) Except as provided for in subclauses (2) and (3) and clause 15,—

(a) an amendment to the principal Act in a provision of the 2026 Act does not apply to an agreement entered into before the commencement of the provision; and

(b) the principal Act, as in force immediately before the commencement of that provision, continues to apply for the purposes of those agreements.

Example

Section 99(1A) to (1C) is repealed by section 36 of the 2026 Act. Section 99(1A) provided that a debtor was not liable for the costs of borrowing in relation to a period during which the creditor failed to comply with its disclosure obligations.

The repeal of section 99(1A) does not apply to existing agreements. Instead, section 99(1A), as in force before its repeal, continues to apply to those agreements.

See, however, clause 15. Clause 15 provides for sections 95A and 95B to apply to certain agreements. Sections 95A and 95B allow the court to reduce the effect of section 99(1A).

(2) The amendments referred to in subclause (1) apply in relation to existing agreements as follows:

(a) the amendments made by section 10(3) of the 2026 Act (lender responsibility principles) apply only to material changes made on or after the commencement of that provision:

(b) the amendments made by section 14 of the 2026 Act (continuing disclosure statements) apply only to continuing disclosure statements that are, or are required to be, given or sent on or after the commencement of that provision:

(c) the amendments made by section 15 of the 2026 Act (disclosure of agreed changes) apply only to disclosure statements that are, or are required to be, given or sent on or after the commencement of that provision:

(d) the amendments made by the 2026 Act in connection with transferring any function of the Commission in relation to this Act to the FMA apply in relation to all existing agreements.

(3) Nothing in this clause limits the FMA's functions, powers, or duties under this Act or any other legislation in relation to any existing agreement.

(4) In this clause, **existing agreement** means an agreement entered into before the commencement of the relevant provision.

Schedule 1AA clause 14: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

15 Application of court powers in sections 95A and 95B

(1) Sections 95A and 95B apply to—

(a) any agreement entered into on or after 6 June 2015 (and to which any provision of sections 99(1A), 101(2), or 102(2) applies); and

(b) any costs of borrowing, costs of a lease, or costs of a buy-back transaction under that agreement (as the case may be) in relation to any period on or after 6 June 2015.

(2) Subclause (1) applies—

(a) despite any provision in this Act or any other legislation or other rule of law to the contrary (and, in particular, subclause (1) applies with retrospective effect despite section 12 of the Legislation Act 2019); and

(b) in relation to all existing proceedings; and

(c) regardless of whether a failure to comply with any of sections 17, 22, 64, 65, 72, and 77 occurred before or after the commencement of this clause or the commencement of sections 95A and 95B; and

(d) regardless of any right, interest, title, immunity, duty, status, or capacity that exists before the commencement of this clause or the commencement of sections 95A and 95B.

(3) Despite subclauses (1) and (2), subclause (1) does not affect any of the following:

(a) any settlement agreement entered into between 2 or more persons (including between the Commission and 1 or more other persons) in relation to a failure to comply or allegations of a failure to comply with any of sections 17, 22, 64, 65, 72, and 77 (and that settlement agreement continues to be binding on all of the parties to that settlement agreement):

(b) any enforceable undertaking in relation to a failure or allegations of a failure of a kind referred to in paragraph (a) that is accepted by the Commission under section 74A of the Commerce Act 1986 (as applied by section 113(aa) of this Act (as in force before its repeal by section 45 of the 2026 Act)):

(c) the proceeding *Simons & Ors v ANZ Bank New Zealand Limited and ASB Bank Limited* CIV 2021-404-1190 (including any settlement of the proceeding in relation to any respondent).

(4) Nothing in the 2026 Act limits the application of section 33 of the Legislation Act 2019 to the proceeding referred to in subclause (3)(c). In particular, clause 8(6) (as in force immediately before the commencement of this clause) continues to apply to the proceeding as if the 2026 Act had not been enacted.

Guidance note

Subclause (4) confirms that section 33 of the Legislation Act 2019 applies to the proceeding *Simons & Ors v ANZ Bank New Zealand Limited and ASB Bank Limited*.

This means that the amendments made by the 2026 Act do not affect the completion of the proceeding. The principal Act continues to have effect for that purpose as if it had not been amended.

In particular, the original 2019 transitional provision relating to sections 95A and 95B that was in force before the main commencement of the 2026 Act (clause 8(6)) continues to apply to the proceeding.

(5) In this clause, **existing proceeding**—

(a) means a proceeding that has not been settled, discontinued, or finally disposed of by the court of first instance before this clause comes into force that involves a failure to comply or allegations of a failure to comply with any of sections 17, 22, 64, 65, 72, and 77; but

(b) does not include *Simons & Ors v ANZ Bank New Zealand Limited and ASB Bank Limited* CIV 2021-404-1190 (or any settlement of the proceeding in relation to any respondent).

Schedule 1AA clause 15: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

16 Consequences of transfers of functions under Act

(1) This clause applies to a function of the Commission in relation to the principal Act that is transferred to the FMA as a consequence of the amendments made by the 2026 Act.

(2) On and after the commencement of section 70 of the 2026 Act (which provides for this Act to be financial markets legislation),—

(a) all information that relates solely or principally to the function and that is transferred by the Commission to the FMA is held by the FMA; and

(b) all rights, liabilities, entitlements, and engagements of the Commission in relation to the function become the rights, liabilities, entitlements, and engagements of the FMA; and

(c) all directions to the Commission that relate to the function and that are in force immediately before the commencement of section 70 of the 2026 Act become directions to the FMA; and

(d) anything done, or omitted to be done, or that is to be done, in relation to the function by, or in relation to, the Commission is to be treated as having been done, or having been omitted to be done, or to be done, by, or in relation to, the FMA; and

(e) the commencement, continuation, or enforcement of a proceeding relating to the function by or against the Commission may instead be carried out by or against the FMA without amendment to the proceeding if the Commission and the FMA agree; and

(f) a matter or thing relating to the function that would, but for this clause, have been completed by the Commission may be completed by the FMA.

(3) On and after the commencement of section 70 of the 2026 Act, property identified by the Commission as being owned by the Commission solely or

principally for the purposes of the function and that should be transferred to the FMA is vested in the FMA.

(4) The transfer of information from the Commission to the FMA under subclause (2)(a) does not constitute an action that is an interference with the privacy of an individual under section 69 of the Privacy Act 2020.

Schedule 1AA clause 16: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

17 Restriction on compensation for technical redundancy

(1) An employee of the Commission is not entitled to receive any payment or other benefit on the ground that the position held by the employee in the Commission has ceased to exist if—

(a) the position ceases to exist as a result of a transfer of a function from the Commission to the FMA as referred to in clause 16; and

(b) in connection with that transfer of a function,—

(i) the employee is offered equivalent employment in the FMA (whether or not the employee accepts the offer); or

(ii) the employee is offered, and accepts, other employment in the FMA.

(2) In subclause (1), **equivalent employment**, in relation to the employee's employment in the Commission, is employment in the FMA that is—

(a) in substantially the same position; and

(b) in the same general locality; and

(c) on terms and conditions of employment that are no less favourable than those that applied to the employee immediately before the transfer of the function (including any service-related, redundancy, and superannuation conditions).

(3) This clause overrides Part 6A of the Employment Relations Act 2000.

Schedule 1AA clause 17: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

18 Employment of transferred employee to be treated as continuous employment

(1) The employment of a transferred employee by the FMA is to be treated as continuous employment for the purposes of any legislation.

(2) In this clause, **transferred employee** means a person referred to in clause 17 who has been offered and has accepted employment in the FMA.

Schedule 1AA clause 18: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

19 Declaration of buy now, pay later contracts as consumer credit contracts continues in force

(1) Regulation 5B of the Credit Contracts and Consumer Finance Regulations 2004 continues in force as if the 2026 Act had not been enacted.

(2) Regulations under section 137A of this Act (as in force immediately before the commencement of section 49 of the 2026 Act) may be made under section 138 for the purpose of amending or revoking regulation 5B.

Schedule 1AA clause 19: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

20 Credit Contracts and Consumer Finance (Crown Infrastructure Partners Limited Milldale Development) Declaration 2020 continues in force

(1) The Credit Contracts and Consumer Finance (Crown Infrastructure Partners Limited Milldale Development) Declaration 2020 (the **2020 declaration**) continues in force as if the 2026 Act had not been enacted.

(2) The Minister may make a declaration under section 137B of this Act (as in force immediately before the commencement of section 49 of the 2026 Act) for the purpose of amending or revoking the 2020 declaration.

(3) A declaration made under this clause is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

Legislation Act 2019 requirements for secondary legislation made under this clause		
Publication	The maker must publish it in accordance with the Legislation (Publication) Regulations 2021	LA19 s 74(1)(aa)
Presentation	The Minister must present it to the House of Representatives	LA19 s 114
Disallowance	It may be disallowed by the House of Representatives	LA19 ss 115, 116

This note is not part of the Act.

Schedule 1AA clause 20: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

21 Pending application for certification

(1) This clause applies if,—

(a) before the commencement of section 47 of the 2026 Act, a person has applied for certification under section 131F; but

(b) on the commencement of section 47 of the 2026 Act, the Commission has not yet made a decision referred to in section 131H.

(2) The application must be treated as withdrawn (and, accordingly, the Commission is not required to consider the application further).

(3) The Commission need not refund any fee paid under this Act in relation to the application.

Schedule 1AA clause 21: inserted, on 1 July 2026, by section 53(1)(a) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Schedule 1
Key information concerning consumer credit contract

s 17

The following information is the key information concerning a consumer credit contract as is applicable:

Full name and address of creditor

(a) the full name and full address of the creditor:

(aa) the trading name of the creditor (if different from its full name specified under paragraph (a)):

Initial unpaid balance

(b) the unpaid balance as at the date that is specified in the disclosure statement as the effective date of the statement, accounting for every payment made by the debtor on or before that date:

(c) the amount and a description of each advance, charge, or payment accounted for in the unpaid balance disclosed under paragraph (b):

Subsequent advance

(d) the amount, a description, and timing of each advance to be made after the effective date of the disclosure statement, if ascertainable:

Total advances

(e) the total of all advances made or to be made in connection with the contract, if ascertainable:

Credit limit

(f) the credit limit:

Annual interest rate

(g) the annual interest rate or rates under the contract (with the rate or rates being expressed in terms of a percentage):

(h) if there is more than 1 rate, how each rate applies:

(i) if an annual interest rate is fixed for the term or any part of the term of the contract, the period during which the annual interest rate is fixed:

(j) if an annual interest rate is determined by referring to a base rate, particulars that describe how the annual interest rate is determined, including—

(i) the name of the base rate or a description of it; and

(ii) the margin or margins (if any) above or below the base rate to be applied to determine the annual interest rate; and

(iii) where and when the base rate is published or, if it is not published, how the debtor may ascertain the rate; and

(iv) the current annual interest rate or rates:

Method of charging interest

(k) the method of calculating interest charges payable under the contract and the frequency with which interest charges are debited under the contract:

Total interest charges

(l) the total amount of interest charges payable under the contract, if ascertainable (but only if the contract would, on the assumptions prescribed by regulations, be paid out within 7 years of the date on which credit is first provided under the contract):

Interest free period

(m) if the contract involves an interest free period, the following particulars:

(i) the length of the interest free period:

(ii) when interest will begin to accrue:

Credit fees and charges

(n) a description of the credit fees and charges (other than interest charges) that are, or may become, payable under the contract (unless the fee or charge is disclosed under paragraph (c)), including—

(i) when each fee or charge is payable, if ascertainable; and

(ii) the amount of each fee or charge if ascertainable, but, if not, the method of calculation of the fee or charge:

(na) if the contract is a high-cost consumer credit contract, a statement to that effect:

(nb) if the contract is a high-cost consumer credit contract or a related consumer credit contract, a statement of the effect of section 45E, which must include the maximum costs of borrowing, how the costs are calculated, and the total amount that is recoverable:

Example

On 1 February 2023, Ms D borrows $100 from a creditor (**C**). By 1 March 2023, Ms D has paid $32 in interest and fees and $60 of the principal. Ms D refinances by entering into a further high-cost consumer credit contract with C to repay the remaining $40, and will receive a further advance of $160, ie, $200 in total. C includes the following in the initial disclosure statement:

"The maximum costs of borrowing that you can be charged under this contract is $68. No other costs of borrowing may be charged or debited to your account.

"The maximum amount is calculated as follows:

your first advance under this contract or a related contract − previous interest and fees charged on related contracts

"Your first advance was $100 under the contract dated 1 February 2023.

"Your previous interest and fees were $32, paid under that contract.

"The total amount that you can be required to pay under this contract is $268. This is the $200 advanced to you plus the $68 maximum amount."

(nc) if the contract is a high-cost consumer credit contract, a statement of the rate of charge under the contract, as required to be calculated in accordance with section 45H and the regulations:

Payments required

(o) if more than 1 payment is to be made—

(i) the amount of the payments or the method of calculating the amount; and

(ii) if ascertainable, the number of the payments; and

(iii) if ascertainable, the total amount of the payments (but only if the contract would, on the assumptions prescribed by regulations, be paid out within 7 years of the date on which credit is first provided under the contract); and

(iv) when the first payment is due, if ascertainable, and the frequency of payments:

Full prepayment

(p) how the reasonable estimate of the creditor's loss on full prepayment is calculated and whether a statutory procedure prescribed in regulations is used:

Security interest

(q) a description of any security interest that is or may be taken in connection with the contract, including a clear explanation of—

(i) the nature of the security interest; and

(ii) the property that is, or is proposed to be, subject to the security interest; and

(iii) the extent to which the debtor's obligations to the creditor are secured by the security interest, including whether, if the creditor's rights under the security were to be exercised, the debtor would, or may, remain indebted to the creditor (if there is a shortfall in the proceeds of the sale of the property that is subject to the security interest); and

(iv) what the consequences would be if the debtor were to give a security interest over the property referred to in subparagraph (ii) to a person other than the creditor and, as a result, the debtor were to be in breach of the contract, including whether the property that would be subject to the security interest would be liable to repossession:

Disabling devices

(qa) whether a disabling device is to be attached to consumer goods that are subject to a security interest referred to in paragraph (q) and, if so, a clear description of—

(i) how the device functions; and

(ii) when the device might be activated; and

(iii) how, if the consumer goods are required in an emergency situation, the debtor may obtain the use of the goods:

Default interest charges and default fees

(r) particulars that describe any default interest charges and default fees that may be payable under the contract including how and when default interest charges and default fees would become payable:

Debtor's right to cancel

(s) a statement of the debtor's cancellation rights under section 27:

(saa) if the consumer credit contract is also a layby sale agreement,—

(i) a statement of the debtor's cancellation rights under section 36F(1) of the Fair Trading Act 1986; and

(ii) whether or not a cancellation charge under section 36F(3) of that Act will be imposed; and

(iii) if a cancellation charge will be imposed, the amount of the charge (if a fixed charge will be imposed) or a clear description of how the charge will be calculated:

Debtor's right to apply for relief on grounds of unforeseen hardship

(sa) a statement of the debtor's right under section 55, and advice as to how an application under that section may be made:

Continuing disclosure statements

(t) the frequency with which continuing disclosure statements will be provided (assuming that section 21 does not apply):

Consent to electronic communications

(u) if the creditor consents to receive notices or other communications from the debtor in electronic form, whether by means of an electronic communication or otherwise, a statement to that effect:

Dispute resolution

(ua) the name and contact details of the dispute resolution scheme of which the creditor is a member (unless the Financial Service Providers (Registration and Dispute Resolution) Act 2008 does not require the creditor to be a member of such a scheme):

(uaa) a statement that the scheme will not charge a fee to any complainant to investigate or resolve a complaint, if the consumer credit contract is a high-cost consumer credit contract or a related consumer credit contract:

Registration under Financial Service Providers (Registration and Dispute Resolution) Act 2008

(ub) the creditor's registration number under the register of financial service providers:

(uc) the name under which the creditor is registered on that register:

Other items

(v) any other information or warnings prescribed by the regulations to be information that is key information concerning a credit contract.

Schedule 1 paragraph (aa): inserted, on 6 June 2015, by section 80(1) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (na): inserted, on 1 May 2020, by section 55(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1 paragraph (nb): inserted, on 1 May 2020, by section 55(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1 paragraph (nc): inserted, on 1 June 2020, by section 55(1) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1 paragraph (q): replaced, on 6 June 2015, by section 80(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (qa) heading: inserted, on 6 June 2015, by section 80(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (qa): inserted, on 6 June 2015, by section 80(2) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (s): replaced, on 6 June 2015, by section 80(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (saa): inserted, on 1 June 2020, by section 55(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1 paragraph (sa) heading: inserted, on 6 June 2015, by section 80(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (sa): inserted, on 6 June 2015, by section 80(3) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (ua) heading: inserted, on 6 June 2015, by section 80(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (ua): inserted, on 6 June 2015, by section 80(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (uaa): inserted, on 1 May 2020, by section 55(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Schedule 1 paragraph (ub) heading: inserted, on 6 June 2015, by section 80(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (ub): inserted, on 6 June 2015, by section 80(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 1 paragraph (uc): inserted, on 6 June 2015, by section 80(4) of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

Schedule 2
Information concerning consumer lease

s 64

The following is information concerning a consumer lease as is applicable:

Full name and address of lessor

(a) the full name and full address of the lessor:

Nature of lease

(b) the fact that the lease is a consumer lease under this Act:

Term of lease

(c) the term of the lease:

Cash price

(d) the cash price of the goods leased:

Option to purchase goods

(e) whether the lessee has an option to purchase the goods and if so, the amount payable to exercise the option or the method of calculating that amount:

Payments required

(f) the amount, timing, and number of payments to be made under the lease:

Amount paid at commencement

(g) any amount or consideration that must be paid or provided before or at the commencement of the term of the lease or before the lessee takes possession of the goods:

Total amount payable

(h) the total amount payable by the lessee under the lease, if ascertainable:

Conditions of termination

(i) a statement of the conditions on which the lessee may terminate the lease, including how any amount payable on the termination of the lease is calculated:

Services financed under lease

(j) particulars of any services that in substance are financed under the lease:

Default fees or charges

(k) the fees or charges that are payable on a breach of the lease by the lessee or on the enforcement of the lease by the lessor:

Other items

(l) any other information or warnings prescribed by the regulations to be information concerning a consumer lease.

Schedule 3
Information concerning buy-back transactions of land

s 72

The following is information concerning a buy-back transaction as is applicable:

Full name and address of transferee

(a) the full name and full address of the transferee:

Amounts paid or provided to, or for benefit of, occupier

(b) the amount, a description, and timing of each of the following, if ascertainable:

- (i) the money provided to the occupier or to another person to the order of the occupier in connection with the buy-back transaction:
- (ii) the payment, discharge, or consolidation of a pre-existing monetary obligation of the occupier in connection with the buy-back transaction:

Total of amounts paid or provided to, or for benefit of, occupier

(c) the total of all of the amounts described in paragraph (b), if ascertainable:

Right to occupy

(d) particulars of the right to occupy the whole or any part of the land, including—

- (i) the date of the agreement that confers the right to occupy the land; and
- (ii) the date of commencement of the right to occupy the land (if that is different from the date of the agreement that confers the right); and
- (iii) the transferee's address for service; and
- (iv) the amount of any bond; and
- (v) the rent (if any) that is payable; and
- (vi) the frequency and amount of any rent payments; and
- (vii) the place or bank account number where any rent is to be paid; and
- (viii) a statement (if applicable) that the occupier must pay any fee or other charge for services rendered by any solicitor or real estate agent relating to the right to occupy; and
- (ix) a statement (if applicable) that the occupier must pay for any metered water provided to the land; and
- (x) a list of any goods provided by the transferee; and
- (xi) if the right to occupy is for a fixed term, the date on which the right to occupy will terminate:

Right or understanding to repurchase land

(e) the terms of the right or understanding to repurchase the land (other than terms implied by law), including the purchase price or the method of calculating that amount:

Fees and charges

(f) a description of the fees and charges that are, or may become, payable under the transaction, including—

(i) when each fee or charge is payable, if ascertainable; and

(ii) the amount of each fee or charge if ascertainable, but, if not, the method of calculation of the fee or charge:

Payments required

(g) if more than 1 payment is to be made under the transaction by the occupier,—

(i) the amount of the payments or the method of calculating the amount; and

(ii) if ascertainable, the number of the payments; and

(iii) if ascertainable, the total amount of the payments; and

(iv) when the first payment is due, if ascertainable, and the frequency of payments:

Buy-back default fees

(h) particulars that describe any buy-back default fees that may be payable under the transaction, including how and when buy-back default fees would become payable:

Consent to electronic communications

(i) if the transferee consents to receive notices or other communications from the occupier in electronic form, whether by means of an electronic communication or otherwise, a statement to that effect:

Other items

(j) any other information or warnings prescribed by the regulations to be information that is information concerning a buy-back transaction.

Schedule 3A
Key information concerning repossession warning notice

s 83G(3)(b)

Schedule 3A: inserted, on 6 June 2015, by section 81 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

The following information is the key information concerning a credit contract as is applicable:

(a) the full name and address of the debtor and address from which goods will be repossessed:

(b) the full name and contact details of the creditor:

(c) the date of the credit contract:

(d) the nature and amount of default under the credit contract:

(e) if the default is capable of being remedied, a statement—

  (i) that the debtor must, within a time specified in the statement (being at least 15 days after the notice is served on the debtor), remedy the default; and

  (ii) about how the default must be remedied; and

  (iii) that if the debtor does not comply with requirements relating to remedying the default, the creditor intends to repossess the goods specified in the notice:

(f) if the default is not capable of being remedied, a statement that the creditor intends to repossess the goods specified in the notice on or after a specified date (being a date not less than 15 days after the notice is served on the debtor):

(g) sufficient information to enable the identification of the goods to be repossessed:

(h) a statement—

  (i) informing the debtor that the debtor has the right to voluntarily deliver the goods specified in the repossession warning notice to the creditor, and that the process and rules after the delivery of those goods will be in accordance with the process and rules that apply after a repossession; and

  (ii) specifying a reasonable place to which the debtor may voluntarily deliver the goods for the purposes of exercising that right:

(i) a checklist of the conditions that must be met before a creditor has the right to repossess goods, or has the authority to enter premises to repossess those goods, including,—

  (i) in relation to a right to repossess goods,—

    (A) that there is a credit contract that provides that the creditor has a security interest in the goods to be repossessed; and

(B) that credit contract—

- specifically identifies those goods; and
- gives the creditor the right to enter the debtor's premises and to repossess those goods; and

(C) that the debtor is in default; and

(D) that a repossession warning notice must have been served on the debtor at least 15 days before the repossession occurs:

(ii) in relation to an authority to enter premises to repossess goods,—

(A) that the person carrying out the repossession is licensed or holds a certificate of approval and, if a creditor's agent is undertaking the repossession, that that person has the authority to repossess the goods on behalf of the creditor; and

(B) if the person carrying out the repossession is entering premises outside the hours between 6 am and 9 pm or on a Sunday or a public holiday, the creditor has the prior written consent of the debtor to do so:

(j) the expiry date of the notice (*see* section 83G(4)) and a statement that the notice is of no effect after that date:

(k) details about the debtor's right to seek relief in circumstances of unforeseen hardship:

(l) details about what the debtor needs to do if he or she disputes some aspect of the proposed repossession, including—

(i) details about the dispute resolution process; and

(ii) that, if a written complaint has been made, repossession may not proceed until that complaint has been resolved; and

(iii) the contact details of the dispute resolution scheme of which the creditor is a member:

(m) where a repossession warning notice is sent to a guarantor, advice to the guarantor that—

(i) the notice is being sent to the guarantor in his or her capacity as guarantor of the named debtor; and

(ii) the guarantor has rights in relation to the proposed repossession, details of those rights, and what the guarantor may do to protect his or her position.

Schedule 3B
Key information concerning post-repossession notice

s 83V(2)(b)

Schedule 3B: inserted, on 6 June 2015, by section 81 of the Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33).

The following information is the key information concerning a credit contract as is applicable:

(a) the full name and address of the debtor:

(b) the full name and contact details of the creditor:

(c) the date of the credit contract:

(d) the date of the repossession:

(e) a list of the goods repossessed:

(f) the creditor's estimate of the value of the goods repossessed:

(g) a statement of what it means to reinstate the credit contract or to settle the credit contract (including a brief description of the consequences of reinstating or settling the credit contract):

(h) a statement informing the debtor that the debtor may reinstate or settle the contract, and what the debtor must do to reinstate or settle the contract, including,—

  (i) in relation to the reinstatement of the contract,—

    (A) the creditor's estimate of the total amount required to be paid to reinstate the contract; and

    (B) details of how that total is reached, including the amount of arrears in payments of the instalments due (including interest charges, credit fees, and default fees), and a breakdown of the costs referred to in section 83ZB(2):

  (ii) in relation to the settlement of the contract,—

    (A) the creditor's estimate of the total amount required to be paid to settle that contract and the amounts that may comprise that total; and

    (B) details of how that total amount is reached, including the balance of the advance outstanding (together with interest charges, credit fees, and default fees payable under the contract), and a breakdown of the costs referred to in section 83ZE(2); and

    (C) the obligations that the debtor must fulfil to settle the contract:

(i) a statement setting out that, if the contract is not reinstated or settled,—

  (i) the repossessed goods will be sold; and

  (ii) in that case, the debtor will be—

(A) liable for the difference between the debtor's liability and the net proceeds of the sale of the goods; or

(B) if the net proceeds of the sale of the goods are more than enough to cover the liability, entitled to a refund:

(j) a statement that the repossessed goods may not be sold until after the expiry of 15 days from the date of service of the notice on the debtor (unless the debtor consents to an earlier sale or requires the creditor to offer the goods for sale within the 15 days):

(k) details about the debtor's right to seek relief in circumstances of unforeseen hardship:

(l) a statement that—

(i) the debtor is entitled, at any time after the creditor repossesses the goods but before the creditor sells or agrees to sell the goods, to obtain a valuation of the goods at the debtor's expense; and

(ii) the creditor must give the debtor or the debtor's valuer access to the goods to enable the valuation to be completed:

(m) a statement that—

(i) the debtor has a right at any time before the creditor sells or agrees to sell the consumer goods, to require the creditor to sell the goods to a person introduced by the debtor, being a person who is prepared to purchase the goods for cash at a price not less than the estimated value of the goods specified under paragraph (f); and

(ii) if the debtor exercises that right, the debtor must give to the creditor a written notice of the exercise of the right that is signed by the debtor or the debtor's agent:

(n) a statement that—

(i) if the goods have not been sold within 30 working days after the date of the repossession, the debtor is entitled to require the creditor to put the goods up for sale by auction; and

(ii) if the debtor exercises that right, the debtor must require the sale by a written notice to the creditor that is signed by the debtor or the debtor's agent:

(o) where a post-repossession notice is sent to a guarantor, advice to the guarantor that—

(i) the notice is being sent to the guarantor in his or her capacity as guarantor of the named debtor; and

(ii) the guarantor has rights in relation to the repossession, details of those rights, and what the guarantor may do to protect his or her position.

Schedule 4
Acts amended

s 139

Administration Act 1969 (1969 No 52)
Amendment(s) incorporated in the Act(s).

Bills of Exchange Act 1908 (1908 No 15)
Amendment(s) incorporated in the Act(s).

Consumer Guarantees Act 1993 (1993 No 91)
Amendment(s) incorporated in the Act(s).

Contractual Remedies Act 1979 (1979 No 11)
Amendment(s) incorporated in the Act(s).

Credit (Repossession) Act 1997 (1997 No 85)
Amendment(s) incorporated in the Act(s).

Department of Justice (Restructuring) Act 1995 (1995 No 39)
Amendment(s) incorporated in the Act(s).

Disputes Tribunals Act 1988 (1988 No 110)
Amendment(s) incorporated in the Act(s).

Disputes Tribunals Amendment Act 1998 (1998 No 84)
Amendment(s) incorporated in the Act(s).

District Courts Amendment Act 1979 (1979 No 125)
Amendment(s) incorporated in the Act(s).

District Courts Amendment Act 1991 (1991 No 61)
Amendment(s) incorporated in the Act(s).

Door to Door Sales Act 1967 (1967 No 126)
Amendment(s) incorporated in the Act(s).

Fencing of Swimming Pools Act 1987 (1987 No 178)
Amendment(s) incorporated in the Act(s).

Finance Act 1941 (1941 No 4)
Amendment(s) incorporated in the Act(s).

Finance Act 1986 (1986 No 134)

Amendment(s) incorporated in the Act(s).

Goods and Services Tax Act 1985 (1985 No 141)

Amendment(s) incorporated in the Act(s).

Income Tax Act 1994 (1994 No 164)

Amendment(s) incorporated in the Act(s).

Insolvency Act 1967 (1967 No 54)

Amendment(s) incorporated in the Act(s).

Layby Sales Act 1971 (1971 No 80)

Amendment(s) incorporated in the Act(s).

Motor Vehicle Dealers Act 1975 (1975 No 127)

Amendment(s) incorporated in the Act(s).

Motor Vehicle Sales Act 2003 (2003 No 12)

Amendment(s) incorporated in the Act(s).

Sentencing Act 2002 (2002 No 9)

Amendment(s) incorporated in the Act(s).

Social Security Act 1964 (1964 No 136)

Amendment(s) incorporated in the Act(s).

Superannuation Schemes Act 1989 (1989 No 10)

Amendment(s) incorporated in the Act(s).

Notes

1 General

This is a consolidation of the Credit Contracts and Consumer Finance Act 2003 that incorporates the amendments made to the legislation so that it shows the law as at its stated date.

2 Legal status

A consolidation is taken to correctly state, as at its stated date, the law enacted or made by the legislation consolidated and by the amendments. This presumption applies unless the contrary is shown.

Section 78 of the Legislation Act 2019 provides that this consolidation, published as an electronic version, is an official version. A printed version of legislation that is produced directly from this official electronic version is also an official version.

3 Editorial and format changes

The Parliamentary Counsel Office makes editorial and format changes to consolidations using the powers under subpart 2 of Part 3 of the Legislation Act 2019. See also PCO editorial conventions for consolidations.

4 Amendments incorporated in this consolidation

Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29): Part 1

Statutes Amendment Act 2025 (2025 No 74): Part 10

Disputes Tribunal Amendment Act 2025 (2025 No 60): section 10

Te Ture mō te Hararei Tūmatanui o te Kāhui o Matariki 2022/Te Kāhui o Matariki Public Holiday Act 2022 (2022 No 14): wehenga 7/section 7

Secondary Legislation Act 2021 (2021 No 7): section 3

COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 (2020 No 10): section 35

Credit Contracts Legislation Amendment Act 2019 (2019 No 81): Part 1

Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62): Part 4

Financial Services Legislation Amendment Act 2019 (2019 No 8): section 98

Tribunals Powers and Procedures Legislation Act 2018 (2018 No 51): section 340(2)

Statutes Amendment Act 2018 (2018 No 27): Part 8

Land Transfer Act 2017 (2017 No 30): section 250

Contract and Commercial Law Act 2017 (2017 No 5): section 347

District Court Act 2016 (2016 No 49): section 261

Credit Contracts and Consumer Finance Amendment Act 2014 (2014 No 33)

Holidays (Full Recognition of Waitangi Day and ANZAC Day) Amendment Act 2013 (2013 No 19): section 8

Student Loan Scheme Act 2011 (2011 No 62): sections 222, 223

Disputes Tribunals Amendment Act 2009 (2009 No 22): section 8

Property Law Act 2007 (2007 No 91): section 364(1)

Lawyers and Conveyancers Act 2006 (2006 No 1): section 348

Overseas Investment Act 2005 (2005 No 82): section 75

Relationships (Statutory References) Act 2005 (2005 No 3): section 7

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