Version
as at 1 July 2026

Credit Contracts and Consumer Finance Regulations 2004

(SR 2004/240)

Silvia Cartwright, Governor-General

Order in Council

At Wellington this 9th day of August 2004

Present:
Her Excellency the Governor-General in Council

Pursuant to section 138 of the Credit Contracts and Consumer Finance Act 2003, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following regulations.

Contents

		Page
1	Title	6
2	Commencement	6
2A	Transitional, savings, and related provisions	6
3	Interpretation	6
4	Status of examples	7

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.

These regulations are administered by the Ministry of Business, Innovation, and Employment.

Responsibility to ensure advertising complies with advertising standards

4AAAP Purpose of regulations 4AAAQ to 4AAB 7
4AAAQ Advertising of payment amounts 7
4AAAR Advertising of interest rates or charges 8
4AAAS Advertising of credit fees if advertisement states there is no interest 9
4AAAT Prohibited advertising practices 9
4AAAU Requirement for plain language in clear, concise, and intelligible manner 10

Advertisements for high-cost consumer credit contracts

4AAA Advertisements for high-cost consumer credit contracts: financial mentoring services 10
4AAB Advertisements for high-cost consumer credit contracts: risk statements 10

Publication of costs of borrowing information

4A Publication of costs of borrowing information 11
4B Information about interest rates 11
4C Information about charging interest 12
4D Information about credit fees and default fees 12

Minimum repayment warning

4E Minimum repayment warning 13

Disclosure

4F Disclosure of agreed changes 13
4G Disclosure of changes following exercise of power 15
4H Disclosure of changes to guarantors 15

Assessment whether likely that credit or finance will meet borrower's requirements and objectives

4AA Lender must collect and assess information 15
4AB Additional requirements for certain waivers, warranties, and insurance 17

Assessment of likelihood of substantial hardship

4AC Purposes *[Revoked]* 18
4AD Outline *[Revoked]* 18
4AE Interpretation *[Revoked]* 18
4AF General rule: full income and expense estimates required in certain cases *[Revoked]* 18
4AG Exception to general rule if obvious no hardship *[Revoked]* 18
4AH Exception to general rules for certain variations and replacements of existing contracts *[Revoked]* 18
4AI General rule in other cases *[Revoked]* 19

4AJ	Lenders must estimate borrower's likely income *[Revoked]*	19
4AK	Lenders must do initial estimate of borrower's likely relevant expenses *[Revoked]*	19
4AL	How to calculate certain relevant expenses *[Revoked]*	19
4AM	Lenders must adjust initial estimate of borrower's likely relevant expenses *[Revoked]*	19
4AN	Benchmarkable expenses *[Revoked]*	19
4AO	High-cost consumer credit contracts: presumption of substantial hardship	19
	Alternative publication requirements	
5	Alternative publication requirements	20
	Disclosure about dispute resolution and financial mentoring services	
5A	Disclosure about dispute resolution and financial mentoring services: hardship applications, arrears, credit declined, and complaints	21
	BNPL contracts are consumer credit contracts	
5B	BNPL contracts declared to be consumer credit contracts	22
	Assumptions	
6	Assumptions	23
	High-cost consumer credit contracts	
6A	High-cost consumer credit contracts for which costs of borrowing must not exceed loan advances	23
	Rate of charge	
6B	Rate of charge	24
	Rebate of premium paid under consumer credit insurance contract	
7	Rebate of consumer credit insurance contract premium	25
	Rebate of repayment waiver	
7A	Rebate of repayment waiver	25
	Rebate of extended warranty	
7B	Rebate of extended warranty	26
	Creditor's loss arising from full prepayment	
8	Application of regulation 9	26
9	Calculation of reasonable estimate of creditor's loss if interest rate fixed for whole term	27
10	Application of regulation 11	29
11	Calculation of reasonable estimate of creditor's loss if interest rate fixed for part of term	29

Model disclosure statements

12 Model disclosure statements 32
13 Terms and conditions for use of model disclosure statements 33
14 Format and layout may not be modified 33
15 Other information 34
16 Model disclosure statement may be divided into 2 parts 34

Other key information concerning consumer credit contract

17 Other key information 34

Exemptions

18 Exemption for credit contracts where local authority to provide credit 35
18A Exemption from enforcement prohibition *[Revoked]* 36
18B Exemptions from provisions relating to repossession of consumer goods in cases involving motor vehicles 36
18C Exemptions from disclosure requirements for peer-to-peer lenders 37
18D Exemptions for banks for COVID-19 from provisions relating to consumer credit contracts *[Revoked]* 38
18E Exemptions for non-bank lenders for COVID-19 from provisions relating to consumer credit contracts *[Revoked]* 38
18F Exemption for credit under residential earthquake-prone building financial assistance scheme 39
18G Exemption from disclosure about financial mentoring services 42
18H Exemptions for insurance premium funding agreements 43
18I Exemptions from affordability assessment requirements for emergency relief 43
18J Exemption from requirement for BNPL contracts to make reasonable inquiries that finance or credit will meet borrower's requirements and objectives 46
18K Exemption for certain BNPL contracts from affordability assessment criteria 46
18L Exemption for certain BNPL contracts from requirement under section 17 to give written notice of right to cancel contract under section 27 47
18M Exemption from requirement for BNPL contracts to not provide for unreasonable credit fee or default fee 48
18N Exemption from requirement for BNPL contracts for default fees to reasonably compensate the creditor for any cost or loss incurred 48

Other circumstances in which section 26A of Act (disclosure of transfer of rights of creditor) not to apply

19 Section 26A of Act not to apply if transfer made for purposes of securitisation or covered bond arrangements or similar arrangements 48

20 Contract manager appointed by new creditor 49
21 New creditor was contract manager before transfer 50

Other provisions about securitisation or covered bond arrangements or similar arrangements

[Revoked]

22 Application of section 59B of Act in certain circumstances *[Revoked]* 51

Disclosure before debt collection starts

23 Disclosure before debt collection starts 51

Declaring person to be creditor if licensing exemption for non-financial service business applies

23A Declaring person to be creditor if licensing exemption for non-financial service business applies 54

Matters in respect of Part 5A of Act (certification and fit and proper person requirements)

[Revoked]

24 Fee for applications for certification *[Revoked]* 54
25 Which changes in circumstances must be notified *[Revoked]* 54
26 Fee for notifying changes in circumstances *[Revoked]* 54
27 Exemption from certification if securitisation or covered bond arrangements or similar arrangements *[Revoked]* 54

Exemptions if credit provided, on interim basis, by non-financial service business

[Revoked]

28 Exemptions if credit provided, on interim basis, by non-financial service business *[Revoked]* 55

Annual returns

[Revoked]

29 Requirements in relation to annual returns *[Revoked]* 55

Schedule 1AA
Transitional, savings, and other related provisions 56

Schedule 1
Assumptions that may be used or applied when disclosing information under Act 59

Schedule 2
Model disclosure statements 60

Regulations

1 Title

These regulations are the Credit Contracts and Consumer Finance Regulations 2004.

2 Commencement

These regulations come into force on 1 April 2005.

2A Transitional, savings, and related provisions

The transitional, savings, and related provisions set out in Schedule 1AA have effect according to their terms.

Regulation 2A: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

3 Interpretation

(1) In these regulations, unless the context otherwise requires,—

Act means the Credit Contracts and Consumer Finance Act 2003

BNPL contract (buy now, pay later contract) means a credit contact—

(a) that provides credit to enable the debtor to purchase goods or services offered by a third party; and

(b) that would be a consumer credit contract in the absence of a declaration under the Act, but for the requirements of section 11(1)(c) of the Act; and

(c) in respect of which the creditor or any one of their associated persons—

(i) is paid fees by the third party or payment services provider; or

(ii) is required to pay an amount to the third party that is less than the amount to be repaid by the debtor

fixed interest period means a period of a fixed rate contract for which a fixed interest rate applies

fixed interest rate means the rate of interest that is fixed for the term or any part of the term

fixed rate contract means a consumer credit contract that has a fixed interest rate

new borrower means a person who on and after 2 September 2024 becomes a debtor, for the first time, with a lender under a BNPL contract between the creditor and that debtor

term, in relation to a fixed rate contract, means the period between the first advance made under the contract and the last payment anticipated by the contract.

(2) In these regulations, unless the context otherwise requires, variables contained in formulae are calculated as at the date of full prepayment.

Regulation 3(1) **BNPL contract**: inserted, on 2 September 2024, by regulation 4 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221).

Regulation 3(1) **BNPL contract** paragraph (b): amended, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Regulation 3(1) **new borrower**: inserted, on 2 September 2024, by regulation 4 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221).

4 Status of examples

(1) Every example used in these regulations is part of these regulations.

(2) An example used in these regulations is only illustrative of the provision to which it relates. It does not limit the provision.

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

Responsibility to ensure advertising complies with advertising standards

Heading: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4AAAP Purpose of regulations 4AAAQ to 4AAB

Regulations 4AAAQ to 4AAB apply for the purpose of section 9C(3)(b)(i) of the Act.

Regulation 4AAAP: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4AAAQ Advertising of payment amounts

(1) This regulation applies if an advertisement is being distributed to the public, or a section of the public, and it refers to an amount of a payment under consumer credit contracts.

(2) The advertisement must state,—

(a) if ascertainable, the total amount of the payments (but only if the contract would, on the assumptions set out in Schedule 1, be paid out within 7 years of the date on which credit is first provided under the contract); or

Example

An advertisement says “Buy this TV for $30 a week”. It is a 3-year credit contract. The advertisement must also state that the total amount of payments will be $4,680.

(b) in any other case, the annual interest rate or rates for the contracts covered by the advertisement (with the rate or rates being expressed in terms of a percentage).

(3) The advertisement must also state, in the case of a credit sale that requires the debtor to make 1 or more lump sum payments (in addition to any regular payments, deposit, or trade-in allowance), the amount of each lump sum payment if ascertainable or, if not ascertainable, the method of calculating the amount.

(4) Information referred to in subclauses (2) and (3) must be stated in a prominent manner.

Regulation 4AAAQ: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4AAAR Advertising of interest rates or charges

(1) This regulation applies if an advertisement is being distributed to the public, or a section of the public, and it refers to an interest rate or an interest charge.

(2) The advertisement must state—

(a) the annual interest rate or rates for the consumer credit contracts covered by the advertisement (with the rate or rates being expressed in terms of a percentage); and

(b) if the advertised rate or charge may vary from that advertised depending on the debtor's risk, the range of the rates or charges (for example, that the rates may range between 20% and 30% depending on the debtor's risk); and

(c) if the contract provides for interest rates in addition to those referred to paragraphs (a) and (b), that other interest rates apply in addition to those rates; and

(d) if an annual interest rate is fixed for part, but not all, of the term of the contract, the period during which the annual interest rate is fixed; and

(e) if an annual interest rate is not fixed for the term, a statement to that effect; and

(f) each mandatory credit fee; and

(g) the amount of those fees if ascertainable or, if that amount is not ascertainable, that other fees apply; and

(h) where information can be found on when other fees referred to in paragraph (g) apply and how they are calculated.

Example

A creditor that refers to an interest rate in an advertisement might include the following statement: "Interest 9.95%–24.95% per annum. Establishment fee $100."

(3) The annual interest rate or rates stated in the advertisement—

(a) must be the rate or rates that are ordinarily available to debtors who meet the creditor's borrowing requirements for the contracts covered by the advertisement; and

(b) must be the current annual interest rate or rates, if the rate is not fixed; and

(c) must be stated in a prominent manner.

(4) This regulation does not require the advertisement to state matters in relation to default interest charges.

(5) In this regulation and regulation 4AAAS, **mandatory credit fees** includes any establishment fees and regular account management fees, but does not include fees charged to a debtor for debtor-specific decisions or actions.

Regulation 4AAAR: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 4AAAR(2)(d): amended, on 1 December 2021, by regulation 5 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

4AAAS Advertising of credit fees if advertisement states there is no interest

(1) This regulation applies if—

(a) an advertisement states that there is no interest under a consumer credit contract; but

(b) there are mandatory credit fees under the contract.

(2) The advertisement must state the following:

(a) each mandatory credit fee; and

(b) the amount of those fees if ascertainable or, if that amount is not ascertainable, that other fees apply; and

(c) where information can be found on when other fees referred to in paragraph (b) apply and how they are calculated.

(3) The matters stated in subclause (2)(a) and (b) must be stated in a prominent manner.

Regulation 4AAAS: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4AAAT Prohibited advertising practices

(1) An advertisement must not make any of the following representations, explicitly or by implication:

(a) that the creditor will not inquire into the debtor's circumstances (for example, "no credit checks", "instant approval", or "guaranteed acceptance"):

(b) that the creditor will not take into account a debtor's circumstances in assessing whether or not to enter into a consumer credit contract (for example, "bankrupt—OK", "bad credit history—OK"):

(c) that a loan has already been approved or granted, if the inquiries required by section 9C(3)(a) of the Act have not been completed (for example, "$500 credit available in your account").

(2) If an advertisement includes a reference to a speed of approval in minutes or hours, it must also contain a prominent reference to responsible lending criteria or inquiries (for example, "subject to responsible lending inquiries", "affordability tests apply", or "after responsible lending checks").

Regulation 4AAAT: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4AAAU Requirement for plain language in clear, concise, and intelligible manner

The matters required to be stated in regulations 4AAAQ to 4AAB must be stated in plain language in a clear, concise, and intelligible manner.

Regulation 4AAAU: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Advertisements for high-cost consumer credit contracts

Heading: inserted, on 1 December 2021, by section 69(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

4AAA Advertisements for high-cost consumer credit contracts: financial mentoring services

(1) This regulation applies to the following types of advertisement for a high-cost consumer credit contract:

(a) the home page of the creditor's Internet site:

(b) any pages on an Internet site to which an advertisement links other than an advertisement on that Internet site:

(c) print advertisements (for example, in newspapers, magazines).

(2) The advertisement must disclose in a prominent manner the information about financial mentoring services described in regulation 5A(6) (disclosure about dispute resolution and financial mentoring services).

Regulation 4AAA: inserted, on 1 December 2021, by section 69(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

4AAB Advertisements for high-cost consumer credit contracts: risk statements

Every advertisement for a high-cost consumer credit contract must include a prominent statement that a high-cost consumer credit contract should not be used for long-term or regular borrowing, and is only suitable to address temporary, short-term cash needs.

Regulation 4AAB: inserted, on 1 December 2021, by section 69(2) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Publication of costs of borrowing information

Heading: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

4A Publication of costs of borrowing information

(1) This regulation applies for the purpose of section 9K of the Act.

General rules

(2) The information required to be made publicly available (**costs of borrowing information**) must contain, for every class of credit contract offered by the creditor, the information prescribed by regulations 4B to 4D.

Rules about publication on Internet sites

(3) To meet the requirements under section 9K(3)(a) of the Act,—

(a) each part of the costs of borrowing information for a class of credit contracts must be presented with the other parts of the costs of borrowing information for that class of credit contracts in a form that enables a borrower to ascertain readily the total costs of borrowing (for example, interest rates and fees for a class of credit contracts may be presented together on the same webpage or with prominent links provided between them); and

(b) the costs of borrowing information must be accessible at all reasonable times.

Rule when information supplied on request

(4) Costs of borrowing information that is supplied to a requestor under section 9K(4) of the Act must include the date from which the information applies (for example, fees current as at [*date*]) or the date on which the information is supplied.

Regulation 4A: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

4B Information about interest rates

(1) The costs of borrowing information must include—

(a) the annual interest rate or rates (with the rate or rates being expressed in terms of a percentage); and

(b) if there is more than 1 rate, how or when each rate applies; and

(c) if an annual interest rate is fixed for a period, the period during which the annual interest rate is fixed; and

(d) if an annual interest rate is variable or adjustable, a statement to that effect.

(2) The rate or rates made publicly available in the costs of borrowing information—

(a) must be the rate or rates that are ordinarily available to borrowers who meet the lender's borrowing requirements for that class of credit contracts; and

(b) must be the current annual interest rate or rates, if the rate is variable or adjustable; and

(c) must, if expressed by reference to a range, be accompanied by a brief description of the factors that the lender may consider to determine the specific interest rate for particular classes of borrower.

(3) If a higher interest rate than the rate or rates made publicly available under subclauses (1) and (2) may apply to a specific borrower (or class of borrowers) or in specific situations, the costs of borrowing information must include—

(a) a statement to that effect; and

(b) a brief description of the factors that the lender may consider to determine the specific interest rate for that borrower or those borrowers or situations (if applicable); and

(c) the margin (or maximum margin) that may be added or the interest rate (or maximum interest rate) that may apply (if known).

(4) If a higher interest rate may be imposed under the contract in the event of a default in payment or the credit limit being exceeded, this regulation applies as follows:

(a) references to **annual interest rate** include the default interest charge rate; and

(b) the creditor must make the costs of borrowing information for the default interest charge rate publicly available in accordance with this regulation separately from the information on the annual interest rates.

Regulation 4B: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

4C Information about charging interest

(1) The costs of borrowing information must include a brief description of the frequency with which interest charges may be debited under the contract.

(2) However, the costs of borrowing information need not include that description if interest charges will always be debited as frequently as, or less frequently than, payments become due under the contract.

Regulation 4C: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

4D Information about credit fees and default fees

The costs of borrowing information must contain a description of the credit fees and default fees that are, or may become, payable, including—

(a) when each fee is, or will become, payable; and

(b) the amount (or maximum amount) of each fee if ascertainable, or, if not, the method of calculation of the fee.

Regulation 4D: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

Minimum repayment warning

Heading: inserted, on 6 June 2015, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

4E Minimum repayment warning

(1) For the purposes of section 19(i) of the Act, the prescribed minimum repayment warning required in the case of a credit card contract is as follows:

"If you make only the minimum payment each month*, you will pay more interest and it will take you longer to pay off your balance. Visit www.sorted.org.nz/creditcards to calculate how you can pay off your credit card balance faster and pay less in interest.

**Replace with other payment period, if applicable.*"

(2) The format, font, and font size of the minimum repayment warning must be easily readable.

(3) The minimum repayment warning must be presented reasonably close to the amount stated as the minimum payment for each payment period.

(4) No minimum repayment warning is required to be included in a continuing disclosure statement in the case of a credit card contract if—

(a) the closing unpaid balance is below $100; or

(b) a payment arrangement between the creditor and debtor replaces the minimum payment that would otherwise be required under the contract to be paid in each payment period; or

(c) an interest-free period applies to the closing unpaid balance.

Compare: National Consumer Credit Protection Regulations 2010 r 79B (Aust)

Regulation 4E: inserted, on 6 June 2015, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

Disclosure

Heading: inserted, on 1 December 2021, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4F Disclosure of agreed changes

(1) This regulation applies for the purposes of section 22(1)(b) of the Act.

(2) All of the following is information that must be disclosed, to the extent that it has changed, or will change, as a result of the variation:

Credit limit

(a) the credit limit:

Annual interest rate

(b) the annual interest rate or rates under the contract (with the rate or rates being expressed in terms of a percentage):

(c) if there is more than 1 rate, how each rate applies:

(d) 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:

(e) 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:

Total interest charges

(f) the total amount of interest charges that are payable in the future under the contract, if ascertainable (but only if the contract would, on the assumptions set out in Schedule 1, be paid out within 7 years of the date on which credit is first provided under the contract):

Credit fees and charges

(g) 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 of the Act and these regulations:

Payments required

(h) if more than 1 payment is to be made,—

(i) the amount of the future payments or the method of calculating the amount; and

(ii) if ascertainable, the number of future payments; and

(iii) if ascertainable, the total amount of future payments (but only if the contract would, on the assumptions set out in Schedule 1, be paid out within 7 years of the date on which credit is first provided under the contract); and

(iv) when the next payment is due, if ascertainable, and the frequency of future payments.

Regulation 4F: inserted, on 1 December 2021, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4G Disclosure of changes following exercise of power

(1) This regulation applies for the purposes of section 23(2)(b) of the Act.

(2) Other information that must be disclosed under section 23 of the Act is, 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 of the Act and these regulations.

Regulation 4G: inserted, on 1 December 2021, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

4H Disclosure of changes to guarantors

(1) This regulation applies for the purposes of section 26(2)(b) of the Act.

(2) Other information that must be disclosed under section 26 of the Act is, 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 of the Act and these regulations.

Regulation 4H: inserted, on 1 December 2021, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Assessment whether likely that credit or finance will meet borrower's requirements and objectives

Heading: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020 (LI 2020/296).

4AA Lender must collect and assess information

(1) This regulation applies for the purposes of section 9C(3)(a)(i) and (5A) of the Act.

Lender must collect information

(2) The lender must make reasonable inquiries to enable the lender to determine all of the following aspects of the borrower's requirements and objectives before a lender enters into an agreement or makes a material change to an agreement (to the extent that the following aspects are relevant to the material change):

(a) the amount, or credit limit, of credit or finance that the borrower seeks:

(b) the purposes for which the credit or finance is to be used or is intended to be used:

(c) the term of the credit or finance or, if the agreement is a revolving credit contract, whether the borrower requires credit on an ongoing basis:

(d) if the agreement will include any non-avoidable fees or charges for any additional goods or services that were not part of the borrower's stated purposes for which the credit or finance is to be used or is intended to be used (*see* subclause (4)), whether the borrower requires those goods or services and accepts their costs:

(e) if the agreement will provide for any fees or charges to be financed under the agreement, but those fees or charges could be paid for separately (for example, premiums for insurance related to the credit or payment for extended warranties or repayment waivers to be financed), whether the borrower wants that outcome and accepts the additional costs of the fees or charges being financed:

(f) if the agreement will require the borrower to make 1 or more lump sum payments (instead of, or in addition to, any regular payments), whether the borrower wants to make lump sum payments in preference to regular payments:

(g) if the agreement is a credit sale and the property that is the subject of the credit sale is not to be given or sent within 20 working days of the agreement being entered into, when the borrower wants possession of that property:

(h) if the borrower is entering into an agreement where money received under that agreement will be used to pay all or part of the unpaid balance on an existing agreement (**refinancing**), the borrower's objectives in refinancing and, to the extent that the lender is aware of additional costs that will be charged to the borrower as a result of refinancing, whether the borrower accepts those costs in order to achieve those objectives:

(i) if the agreement is a reverse mortgage,—

(i) the borrower's requirements and objectives in relation to meeting future possible needs, including aged care, whether the borrower wants to leave equity in the residential premises or other property to the borrower's estate, and the extent to which the value of the residential premises or other property enables those requirements and objectives to be met; and

(ii) the borrower's preferred form of payment of the advance or advances (for example, lump sum, regular payments, or both).

Lender must assess information

(3) The lender must then make the assessment required by section 9C(3)(a)(i) of the Act (which is to be satisfied that it is likely that the credit or finance provided under the agreement will meet the borrower's requirements and objectives), taking into account the results of complying with the obligations in this regulation and other reasonable inquiries required by section 9C(3)(a)(i) of the Act.

Interpretation

(4) In subclause (2)(d), **non-avoidable fee or charge**, in respect of any additional goods or services that were not part of the borrower's stated purposes for which the credit or finance is to be used or is intended to be used, means a fee or charge that applies whether or not the borrower uses those goods or services after the agreement has been entered into (for example, this may include a fee

or charge for matters such as airpoints or travel insurance, but does not include a fee or charge that can be avoided by not using the goods or services such as an ATM charge or a charge for foreign exchange transactions).

Regulation 4AA: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020 (LI 2020/296).

4AB Additional requirements for certain waivers, warranties, and insurance

Purposes and application

(1) This regulation applies, in addition to regulation 4AA,—

(a) for the purposes of section 9C(3)(a)(i) and (5A) of the Act, to the extent that a repayment waiver or an extended warranty is to be financed under an agreement or under a material change to an agreement, in order for a lender to assess whether it is likely that the credit or finance provided under the agreement will meet the borrower's requirements and objectives; and

(b) for the purposes of section 9C(5)(a)(i) and (5A) of the Act, in order for a lender to assess whether it is likely that a relevant insurance contract will meet the borrower's requirements and objectives.

Lender must collect information

(2) The lender must make reasonable inquiries to enable the lender to determine the following aspects of the borrower's requirements and objectives:

(a) whether the borrower requires the waiver, warranty, or insurance, which must include inquiries into all of the following:

(i) whether the borrower has existing cover, or existing rights under the Consumer Guarantees Act 1993, that may protect against some or all of the risks for which the borrower is seeking cover:

(ii) whether the borrower's employment status, residency, or age may make them ineligible to claim some or all of the benefits under the proposed waiver, warranty, or insurance:

(iii) the benefits and cover that the borrower requires; and

(b) whether the borrower accepts the costs of the waiver, warranty, or insurance.

Lender must assess information

(3) After taking into account the results of complying with the obligations in this regulation and other reasonable inquiries required by section 9C(3)(a)(i) and (5)(a)(i) of the Act, the lender must then make the assessment required by those provisions of the Act (which is to be satisfied,—

(a) to the extent that the amount of credit or finance relates to the repayment waiver or extended warranty, that it is likely that the credit or finance

provided under the agreement will meet the borrower's requirements and objectives; or

(b) that it is likely that the insurance provided under the relevant insurance contract will meet the borrower's requirements and objectives.)

Regulation 4AB: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020 (LI 2020/296).

Assessment of likelihood of substantial hardship

Heading: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020 (LI 2020/296).

4AC Purposes

[Revoked]

Regulation 4AC: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AD Outline

[Revoked]

Regulation 4AD: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AE Interpretation

[Revoked]

Regulation 4AE: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AF General rule: full income and expense estimates required in certain cases

[Revoked]

Regulation 4AF: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AG Exception to general rule if obvious no hardship

[Revoked]

Regulation 4AG: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AH Exception to general rules for certain variations and replacements of existing contracts

[Revoked]

Regulation 4AH: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AI General rule in other cases

[Revoked]

Regulation 4AI: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AJ Lenders must estimate borrower's likely income

[Revoked]

Regulation 4AJ: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AK Lenders must do initial estimate of borrower's likely relevant expenses

[Revoked]

Regulation 4AK: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AL How to calculate certain relevant expenses

[Revoked]

Regulation 4AL: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AM Lenders must adjust initial estimate of borrower's likely relevant expenses

[Revoked]

Regulation 4AM: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AN Benchmarkable expenses

[Revoked]

Regulation 4AN: revoked, on 31 July 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

4AO High-cost consumer credit contracts: presumption of substantial hardship

(1) This regulation applies in the case of a high-cost consumer credit contract if the lender has reasonable evidence that the borrower has been in default in any payment under 1 or more consumer credit contracts in the preceding 90 days.

(2) There is a presumption that a borrower will be unlikely to make payments under a high-cost consumer credit contract without suffering substantial hardship.

(3) However, the lender may rebut the presumption by proving, on the balance of probabilities, that—

(a) the borrower has remedied the default in payment; or

(b) the borrower will be able to immediately remedy the default in payment, in addition to meeting their other relevant expenses.

(4) In this regulation, unless the context otherwise requires,—

listed outgoings means any of the following:

(a) fixed financial commitments, including accommodation costs, insurance, rates, body corporate fees, school fees, and child support that is payable under the Child Support Act 1991:

(b) payments of any debts (whether existing debts or payments under the agreement being entered into or materially changed):

(c) essential living expenses, including necessary expenses for utilities, food and groceries, personal expenses (such as clothing and personal care), other costs associated with dependants if applicable (such as child care), medical expenses, and transport expenses:

(d) any non-discretionary regular or frequently recurring outgoings that are material to the estimate of relevant expenses (excluding savings and investments)

relevant expenses means any listed outgoings that are in respect of the relevant period (whether or not they fall due to be paid in or after the relevant period)

relevant period means the period starting with the date on which the agreement is likely to be entered into or materially changed and ending with the earlier of 1 year after that date and the date on which the agreement is likely to terminate.

Regulation 4AO: inserted, on 1 December 2021, by regulation 4 of the Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020 (LI 2020/296).

Regulation 4AO(4): inserted, on 31 July 2024, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

Alternative publication requirements

5 Alternative publication requirements

For the purposes of sections 23(4) and 26(4) of the Act, a creditor may make disclosure in relation to a change to the amount of an interest rate, or to the amount of any fee or charge payable, by—

(a) displaying the information at all of the creditor's places of business that are accessed by the public so that the information is reasonably visible (at all reasonable times) to persons entering those places of business; and

(b) advertising the information at least once in the daily newspapers published in all of the following areas in which the creditor carries on business: Whangarei, Auckland, Hamilton, Rotorua, Hawkes Bay, New Plymouth, Palmerston North, Wellington, Nelson, Christchurch, Dunedin, and Invercargill; and

(c) if the creditor has a website, posting the information on the creditor's website in a form that is publicly accessible (at all reasonable times).

Disclosure about dispute resolution and financial mentoring services

Heading: inserted, on 1 December 2021, by section 69(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

5A Disclosure about dispute resolution and financial mentoring services: hardship applications, arrears, credit declined, and complaints

(1) This regulation is for the purposes of section 26B of the Act.

When information needs to be provided

(2) The other types of complaints to which section 26B(1)(c) of the Act applies are expressions of dissatisfaction that are received by a creditor from a debtor under a consumer credit contract—

(a) in respect of which the debtor explicitly or implicitly expects a response or a resolution; and

(b) that relate to the financial service of being a creditor under a credit contract in respect of which the creditor must be a member of an approved dispute resolution scheme under section 48 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

(2A) The disclosure required by section 26B(1)(c) of the Act must be made no later than 2 working days after a complaint is received or, if it is not practicable to do so, as soon as practicable after that time.

(2B) However, the information need not be given if the complaint is earlier resolved to the complainant's satisfaction.

(3) The information required under section 26B(2)(a) of the Act must be disclosed at the time when a payment reminder is provided by a creditor under a consumer credit contract—

(a) in respect of a payment that is overdue for more than 10 working days; or

(b) if the credit limit under the contract has been exceeded for more than 10 working days.

(4) The information required under section 26B(2)(c) must be disclosed at the time when the creditor advises the person that their application for a high-cost consumer credit contract has been declined.

What information must be provided

(5) The following information must be disclosed about dispute resolution schemes (unless the Financial Service Providers (Registration and Dispute Resolution) Act 2008 does not require the creditor to be a member of such a scheme):

(a) the name of the dispute resolution scheme of which the creditor is a member; and

(b) a statement to the effect that the complainant has access to a free, independent dispute resolution service, and that service may help to

investigate or resolve the complaint (if it is not resolved to the complainant's satisfaction using the creditor's internal complaints process); and

(c) the scheme's contact details to make a complaint.

(6) The following information must be disclosed about financial mentoring services:

(a) a statement to the effect that, if the person has concerns about their finances, they can get free and confidential advice from an independent service; and

(b) the name of a building financial capability service funded by the Ministry of Social Development that provides such a service; and

(c) the contact details of that service.

(7) A creditor that is required to disclose information under section 26B of the Act must ensure that any information that they disclose under that section—

(a) is disclosed in a clear, concise, and intelligible manner; and

(b) is disclosed free of charge.

Regulation 5A: inserted, on 1 December 2021, by section 69(3) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Regulation 5A(2): replaced, on 1 December 2021, by regulation 6(1) of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 5A(2A): inserted, on 1 December 2021, by regulation 6(1) of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 5A(2B): inserted, on 1 December 2021, by regulation 6(1) of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 5A(3): replaced, on 1 December 2021, by regulation 6(1) of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 5A(5): replaced, on 1 December 2021, by regulation 6(2) of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 5A(6): replaced, on 1 December 2021, by regulation 6(2) of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 5A(7): replaced, on 1 December 2021, by regulation 6(2) of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

BNPL contracts are consumer credit contracts

Heading: inserted, on 2 September 2024, by regulation 5 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221).

5B BNPL contracts declared to be consumer credit contracts

It is declared for the purposes of the Act that a BNPL contract is a consumer credit contract.

Regulation 5B: inserted, on 2 September 2024, by regulation 5 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221).

Regulation 5B: amended, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Assumptions

6 Assumptions

For the purposes of section 33 of the Act, the assumptions that may be used or applied when disclosing information that is required to be disclosed under the Act (and the terms and conditions of those assumptions) are set out in Schedule 1.

Regulation 6: amended, on 1 April 2005, by regulation 3 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

High-cost consumer credit contracts

Heading: inserted, on 1 May 2020, by section 69(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

6A High-cost consumer credit contracts for which costs of borrowing must not exceed loan advances

For the purposes of the definition of high-cost consumer credit contract, the weighted average annual interest rate must be calculated as follows:

$$\text{weighted average annual interest rate} = {}^{R}\sum_{n=1} [(r_n \times U_n) \div U]$$

where—

R is the number of annual interest rates applying on a day

r_n is each annual interest rate

U_n is the unpaid balance to which r_n applies

U is the total unpaid balance.

Example 1

Ms C has a credit card that says that the first $1,000 was charged at an interest rate of 20%, and the rest of the unpaid balance (say, the next $2,000) was charged at an annual interest rate of 30%.

$$R = 2$$

$$r_1 = 20\%; r_2 = 30\%$$

$$U_1 = \$1{,}000; U_2 = \$2{,}000$$

$$U = \$3{,}000$$

This gives a weighted average annual interest rate that day of 26.7%. The contract is not a high-cost consumer credit contract.

Example 2

An interest rate of 40% applies to the first $1,000 of the unpaid balance, and another 45% applies to the entire unpaid balance of $3,000.

$$R = 2$$

$$r_1 = 40\%; r_2 = 45\%$$

$$U_1 = \$1{,}000; U_2 = \$3{,}000$$

$$U = \$3{,}000$$

This gives a weighted average annual interest rate that day of 58.3%—so it will be a high-cost consumer credit contract, even though each individual annual interest rate is below 50%.

Regulation 6A: inserted, on 1 May 2020, by section 69(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Rate of charge

Heading: inserted, on 1 June 2020, by section 69(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

6B Rate of charge

(1) For the purposes of section 45H of the Act, the rate of charge must be calculated as follows:

$$r = \left(c \div \sum_{t=0}^{T} U_t \right) \times 100$$

where—

- c is the total amount of charges (as defined in section 45H(5) of the Act) that is payable under the contract
- r is the rate of charge (percent)
- T is the number of days between the first advance under the contract and the final payment made, or anticipated to be made, under the contract
- t is day t
- U_t is the unpaid daily balance on that day excluding the amount of the costs of borrowing within the meaning of section 45E of the Act that have accrued under the contract.

Example

A contract provides for a $500 loan with 200% interest pa and a $20 establishment fee with 4 weekly repayments. The contract provides for total interest and fees of $70.80 to be charged under the contract. The rate of charge calculation requires that amount to be divided by the sum of the daily balances of credit provided. In this case, that sum is $9,131.19. So the rate of charge is 0.775%.

(2) For purposes of the definition of **credit provided** in section 45H(5) of the Act, the amount that must be excluded from the unpaid balance is the amount of the costs of borrowing within the meaning of section 45E of the Act that have accrued under the contract.

Regulation 6B: inserted, on 1 June 2020, by section 69(4) of the Credit Contracts Legislation Amendment Act 2019 (2019 No 81).

Rebate of premium paid under consumer credit insurance contract

7 Rebate of consumer credit insurance contract premium

For the purposes of section 52 of the Act, the proportionate rebate of the premium paid under a consumer credit insurance contract financed under the consumer credit contract must be determined in accordance with the following formula:

$$y = \frac{p \times s \times (s + 1)}{t \times (t + 1)}$$

where—

y is the amount of the rebate of the premium

p is the amount of premium paid

s is the number of whole months in the unexpired portion of the period for which insurance was agreed to be provided

t is the number of whole months for which insurance was agreed to be provided.

Example

A consumer credit insurance contract is financed under a consumer credit contract. The period for which insurance was agreed to be provided under the consumer credit insurance contract is 36 months and a premium of $500 is paid. Full prepayment of the consumer credit contract is made 18 months and 24 days after the commencement of the period for which insurance was agreed to be provided. Applying the above formula, the amount of the rebate of the consumer credit insurance contract premium is calculated as follows:

p = $500

s = 17 (36 months − 18 months and 24 days = 17 months and 6 days, which is 17 whole months)

t = 36

$$y = \frac{500 \times 17 \times (17 + 1)}{36 \times (36 + 1)} = \$114.86$$

The amount of the rebate of the premium is $114.86.

Rebate of repayment waiver

Heading: inserted, on 6 June 2015, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

7A Rebate of repayment waiver

For the purposes of section 52A of the Act, the rebate for the repayment waiver must be calculated in accordance with the following formula:

$$y = (p \times s \times (s + 1)) \div (t \times (t + 1))$$

where—

y is the amount of the rebate of the consideration paid for the repayment waiver

p is the amount of the consideration paid for the repayment waiver

s is the number of whole months in the unexpired portion of the period for which the repayment waiver applied

t is the number of whole months for which the repayment waiver applied.

Regulation 7A: inserted, on 6 June 2015, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

Rebate of extended warranty

Heading: inserted, on 6 June 2015, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

7B Rebate of extended warranty

For the purposes of section 52B of the Act, the rebate for the extended warranty must be calculated in accordance with the following formula:

$$y = p \times s \div t$$

where—

y is the amount of the rebate of the consideration paid for the extended warranty

p is the amount of the consideration paid for the extended warranty

s is the number of whole months in the unexpired portion of the period for which the extended warranty applied

t is the number of whole months for which the extended warranty applied.

Regulation 7B: inserted, on 6 June 2015, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

Creditor's loss arising from full prepayment

8 Application of regulation 9

Regulation 9 applies to a fixed rate contract if—

(a) the contract has one fixed interest rate that is fixed for the whole term (whether or not the contract provides for default interest charges); and

(b) the contract requires payments of equal amounts to be made at equal intervals; and

(c) all the variables contained in the formula set out in regulation 9 can be determined with reasonable accuracy.

9 Calculation of reasonable estimate of creditor's loss if interest rate fixed for whole term

(1) For the purposes of section 54(1)(a) of the Act, a reasonable estimate of a creditor's loss arising from a full prepayment of a fixed rate contract may be determined in accordance with the following formula:

$$LRE = VFP - u$$

where—

LRE is the reasonable estimate of the creditor's loss arising from the full prepayment

VFP is the value of forgone payments calculated in accordance with subclause (2)

u is the unpaid balance at the time of the full prepayment.

(2) The value of forgone payments is calculated in accordance with the following formula:

$$VFP = p \times \left(\frac{1 - v^{n}}{\frac{i}{f}} \right) \times (1 + i)^{\frac{d}{365}}$$

where—

VFP is the value of forgone payments

p is the amount of each payment payable under the fixed rate contract

v is calculated in accordance with subclause (3)

n is the number of payments yet to be made under the fixed rate contract

f is the number of payments to be made per year under the fixed rate contract

i is the annual fixed interest rate determined in accordance with subclauses (4) and (5) and expressed as a decimal fraction

d is the number of days between the payment due date that immediately precedes the date of full prepayment and the date of full prepayment.

(3) The variable *v* is calculated in accordance with the following formula:

$$v = \frac{1}{1 + \frac{i}{f}}$$

where—

i is the annual fixed interest rate determined in accordance with subclauses (4) and (5) and expressed as a decimal fraction

f is the number of payments to be made per year under the fixed rate contract.

(4) The annual fixed interest rate *i* is the annual fixed interest rate that at the date of full prepayment of the fixed rate contract the creditor usually offers on a fixed rate contract that—

(a) is of the same or a similar type as the fixed rate contract that is to be fully prepaid; and

(b) has a term that is—

(i) equal to the unexpired portion of the term of the fixed rate contract that is to be fully prepaid; or

(ii) closest to the unexpired portion of the term of the fixed rate contract that is to be fully prepaid, whether shorter or longer (if the creditor does not offer a fixed rate contract with a term equal to the unexpired portion of the term of the fixed rate contract that is to be fully prepaid).

(5) If more than 1 annual fixed interest rate applies under subclause (4)(b)(ii), the annual fixed interest rate *i* is the higher or highest of those annual fixed interest rates.

(6) If a reasonable estimate of a creditor's loss arising from a full prepayment determined in accordance with the formula in subclause (1) is less than zero, then the reasonable estimate of that creditor's loss arising from the full prepayment is zero.

Example

A debtor is advanced $5,000 under a fixed rate contract. The contract is for a term of 2 years. The annual interest rate for the whole term is 12%. Each of the 24 monthly payments is $235.37. Full prepayment of the contract is made after 6 months and 5 days (5 days since the last payment due date) when the unpaid balance is $3,865.66. At the date of full prepayment, the annual interest rate that the creditor usually charges on a fixed rate contract of the same or a similar type as the fixed rate contract that is to be fully prepaid with a term of 12 months is 10% (a 12-month fixed rate contract having an interest rate of 10% being closest in term to the 18-month unexpired portion of the term of the fixed rate contract that is to be fully prepaid). Applying the above formula, a reasonable estimate of the creditor's loss arising from the full prepayment is calculated as follows:

p = $235.37

n = 18

f = 12

i = 0.1

d = 5

u = $3,865.66

$$v = \frac{1}{1 + \frac{0.1}{12}} = 0.991735538$$

$$VFP = \$235.37 \times \left(\frac{1 - (0.991735538)^{18}}{\frac{0.1}{12}} \right) \times (1 + 0.1)^{\frac{5}{365}} = \$3,924.23$$

LRE = $3,924.23 − $3,865.66 = $58.57

A reasonable estimate of the creditor's loss is $58.57.

If, however, in the above example the interest rate for fixed term contracts offered by the creditor for a term of 12 months was 15%, then variables *v* and *VFP* would be:

$$v = \frac{1}{1 + \frac{0.15}{12}} = 0.987654321$$

$$VFP = \$235.37 \times \left(\frac{1 - (0.987654321)^{18}}{\frac{0.15}{12}} \right) \times (1 + 0.15)^{\frac{5}{365}} = \$3,780.11$$

LRE would then be calculated as follows:

LRE = $3,780.11 − $3,865.66 = − $85.55.

A reasonable estimate of the creditor's loss in this case would be zero.

Note: For the purpose of this example only, calculations have been rounded to 9 decimal places.

10 Application of regulation 11

Regulation 11 applies to a fixed rate contract if—

(a) the contract has a fixed interest period for part, but not the whole, of the term (whether or not the contract provides for default interest charges); and

(b) the contract is fully prepaid during that fixed interest period; and

(c) the contract requires payments of equal amounts to be made at equal intervals during that fixed interest period; and

(d) all the variables contained in the formula set out in regulation 11 can be determined with reasonable accuracy.

11 Calculation of reasonable estimate of creditor's loss if interest rate fixed for part of term

(1) For the purposes of section 54(1)(a) of the Act, a reasonable estimate of a creditor's loss arising from a full prepayment of a fixed rate contract may be determined in accordance with the following formula:

$$LRE = VFP - u$$

where—

LRE is the reasonable estimate of the creditor's loss arising from the full prepayment

VFP is the value of forgone payments calculated in accordance with subclause (2)

u is the unpaid balance at the time of the full prepayment.

(2) The value of forgone payments is calculated in accordance with the following formula:

$$VFP = p \times \left(\frac{1 - v^{n}}{\frac{i}{f}} \right) \times (1 + i)^{\frac{d}{365}}$$

$$+ v^{n} \times (1 + i)^{\frac{d}{365}} \times EB$$

where—

VFP is the value of forgone payments

p is the amount of each payment payable under the fixed rate contract during the fixed interest period in which the contract is fully prepaid

v is calculated in accordance with subclause (3)

n is the number of payments yet to be made under the fixed rate contract during the fixed interest period in which the contract is fully prepaid

f is the number of payments to be made per year under the fixed rate contract during the fixed interest period in which the contract is fully prepaid

i is the annual fixed interest rate determined in accordance with subclauses (4) and (5) and expressed as a decimal fraction

d is the number of days between the payment due date that immediately precedes the date of full prepayment and the date of full prepayment

EB is the expected unpaid balance at the end of the fixed interest period in which the fixed rate contract is fully prepaid calculated in accordance with subclause (6).

(3) The variable *v* is calculated in accordance with the following formula:

$$v = \frac{1}{1 + \frac{i}{f}}$$

where—

i is the annual fixed interest rate determined in accordance with subclauses (4) and (5) and expressed as a decimal fraction

f is the number of payments to be made per year under the fixed rate contract during the fixed interest period in which the contract is fully prepaid.

(4) The annual fixed interest rate *i* is the annual fixed interest rate that at the date of full prepayment of the fixed rate contract the creditor usually offers on a fixed rate contract that—

(a) is of the same or a similar type as the fixed rate contract that is to be fully prepaid; and

(b) has a fixed interest period that is—

(i) equal to the unexpired portion of the fixed interest period of the fixed rate contract that is to be fully prepaid; or

(ii) closest to the unexpired portion of the fixed interest period of the fixed rate contract that is to be fully prepaid, whether shorter or longer (if the creditor does not offer a contract with a fixed interest period equal to the unexpired portion of the fixed interest period of the fixed rate contract that is to be fully prepaid).

(5) If more than 1 annual fixed interest rate applies under subclause (4)(b)(ii), the annual fixed interest rate *i* is the higher or highest of those annual fixed interest rates.

(6) The expected unpaid balance at the end of the fixed interest period is calculated in accordance with the following formula:

$$EB = u + IC - TP$$

where—

EB is the expected unpaid balance at the end of the fixed interest period in which the fixed rate contract is fully prepaid

u is the unpaid balance at the time of the full prepayment

IC is the total amount of the interest charges that would have been paid in accordance with the contract during the unexpired portion of the fixed interest period in which the fixed rate contract is fully prepaid

TP is the total of all payments that would have been paid in accordance with the contract during the unexpired portion of the fixed interest period in which the fixed rate contract is fully prepaid.

(7) If a reasonable estimate of a creditor's loss arising from a full prepayment determined in accordance with the formula in subclause (1) is less than zero, then the reasonable estimate of that creditor's loss arising from the full prepayment is zero.

Example

A debtor is advanced $5,000 under a fixed rate contract. The contract is for a term of 2 years. For the first year the interest rate is fixed at 12% and the 12 monthly payments are $235.37. For the remainder of the term a floating interest

rate applies. Full prepayment of the contract is made after 6 months and 5 days (5 days since the last payment due date) when the unpaid balance is $3,865.66. At the date of full prepayment, the annual fixed interest rate that the creditor usually charges on a fixed rate contract of the same or a similar type as the fixed rate contract that is to be fully prepaid with a term of 6 months (6 months being the nearest term to the unexpired portion of the fixed interest period of the fixed rate contract that is to be fully prepaid) is 10%. During the unexpired portion of the fixed interest period of the fixed rate contract that is to be fully prepaid, total payments of $1,412.22 would have been payable ($235.37 x 6 months), including total interest charges of $195.67. Applying the above formula, a reasonable estimate of the creditor's loss arising from the full prepayment is calculated as follows:

$$
\begin{aligned}
p &= \$235.37 \\
n &= 6 \\
i &= 0.1 \\
f &= 12 \\
v &= \frac{1}{1 + \frac{0.1}{12}} = 0.991735538 \\
d &= 5 \\
u &= \$3{,}865.66 \\
IC &= \$195.67 \\
TP &= \$1{,}412.22 \\
EB &= \$3{,}865.66 + \$195.67 - \$1{,}412.22 \\
&= \$2{,}649.11
\end{aligned}
$$

$$
\begin{aligned}
VFP &= \$235.37 \times \left(\frac{1 - (0.991735538)^6}{\frac{0.1}{12}} \right) \times (1 + 0.1)^{\frac{5}{365}} \\
&\quad + (0.991735538)^6 \times (1 + 0.1)^{\frac{5}{365}} \times \$2.649.11 \\
&= \$3{,}897.45 \\
LRE &= \$3{,}897.45 - \$3{,}865.66 = \$31.79
\end{aligned}
$$

A reasonable estimate of the creditor's loss is $31.79.

Note: For the purpose of this example only, calculations have been rounded to 9 decimal places.

Regulation 11: substituted, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

Model disclosure statements

Heading: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

12 Model disclosure statements

For the purposes of section 34 of the Act—

(a) the model disclosure statement that may be used for the disclosure of information under section 17(1) of the Act for a consumer credit contract other than a revolving credit contract is set out in form 1 of Schedule 2:

(b) the model disclosure statement that may be used for the disclosure of information under section 17(1) of the Act for a revolving credit contract is set out in form 2 of Schedule 2:

(c) the model disclosure statements in Schedule 2 must be used in accordance with regulations 13 to 16.

Regulation 12: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

13 Terms and conditions for use of model disclosure statements

(1) A model disclosure statement may be—

(a) printed in any font and font size that is easily readable by a reasonable person:

(b) printed in any colour or colours:

(c) formatted with or without the use of borders or boxes around the text:

(d) extended to provide sufficient space or lines in each area of the statement to enable completion of the required information in accordance with subclause (2).

(2) A model disclosure statement must be completed by—

(a) inserting in legible type or writing all of the information required by section 17(1) of the Act to be disclosed that is applicable to a particular consumer credit contract:

(b) omitting any information (including any alternative information requirement) that is not applicable to the particular consumer credit contract, either by deleting that information from the model disclosure statement or by clearly striking through the space on the model disclosure statement for the disclosure of that information:

(c) omitting the square brackets and the words in those square brackets that provide guidance for completion of the forms.

(3) A model disclosure statement may not be completed by inserting the words "not applicable" to indicate that a requirement to disclose information is not applicable to a particular consumer credit contract.

Regulation 13: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

Regulation 13(1)(d): amended, on 1 July 2026, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2026 (SL 2026/180).

14 Format and layout may not be modified

(1) Except as provided in these regulations, the format and layout of a model disclosure statement may not be modified.

(2) However, minor changes to the format and layout may be made as long as the disclosure statement still has the same effect and is not misleading.

Regulation 14: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

Regulation 14(2): inserted, on 1 July 2026, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2026 (SL 2026/180).

15 Other information

(1) The following information may be included in a model disclosure statement in addition to the information that must otherwise be disclosed in accordance with the Act and these regulations:

(a) the name and address of the debtor:

(b) any name, logo, mark, design, or other information relating to the creditor if that information is included in a manner that is not likely to deceive or mislead a reasonable person or detract from the information that is required to be disclosed by the Act.

(2) Except as provided in subclause (1), no other information may be included in a model disclosure statement.

Regulation 15: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

16 Model disclosure statement may be divided into 2 parts

If a model disclosure statement is included as part of 1 or more documents, the model disclosure statement may be divided into no more than 2 parts with 1 part comprising only the statement relating to the debtor's right to cancel under section 27 of the Act.

Regulation 16: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

Other key information concerning consumer credit contract

Heading: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

17 Other key information

(1) For the purposes of paragraph (v) of Schedule 1 of the Act the information set out in subclause (2) is information that is key information concerning a consumer credit contract.

(2) The information referred to in subclause (1) is a description of the credit fees that are, or may become, payable by the debtor to, or for the benefit of, the creditor in connection with the credit contract (unless the credit fee is disclosed under paragraph (c) or paragraph (n) of Schedule 1 of the Act), including—

(a) when each of those credit fees is payable, if ascertainable; and

(b) the amount of each of those credit fees if ascertainable, but, if not, the method of calculation of the fee.

Regulation 17: added, on 1 April 2005, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

Exemptions

Heading: inserted, on 6 June 2015, by regulation 7 of the Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57).

18 Exemption for credit contracts where local authority to provide credit

(1) A credit contract is exempt from being a consumer credit contract if—

(a) the contract provides for a local authority to provide credit in connection with the funding of an activity on a rating unit; and

(b) the contract provides that the creditor is to collect the amounts payable under the contract to the creditor by means of a targeted rate on the rating unit.

(2) The exemption in subclause (1) applies only if—

(a) the local authority that sets (or is to set) the targeted rate has a rates remission policy or a rates postponement policy adopted under section 102(3)(a) or (b) of the Local Government Act 2002 that applies to the targeted rate; and

(b) the objectives stated in the adopted policy in accordance with section 109(1)(a) or 110(1)(a) of the Local Government Act 2002 include—

(i) an objective of assisting ratepayers whose ability to pay their rates is impaired because they are in financial difficulty; or

(ii) an objective that is substantially the same as the objective referred to in subparagraph (i).

(3) The exemption in subclause (1) does not apply if—

(a) a person other than a local authority is a creditor under the contract; or

(b) credit is provided under the contract otherwise than in connection with the funding of the activity on the rating unit; or

(c) the contract is a revolving credit contract.

(4) In this regulation,—

local authority has the meaning given by section 5 of the Local Government (Rating) Act 2002

rate has the meaning given by section 5 of the Local Government (Rating) Act 2002

ratepayers is to be read in accordance with section 10 of the Local Government (Rating) Act 2002

rating unit means a rating unit for the purposes of the Rating Valuations Act 1998

targeted rate means a rate set under section 16 of the Local Government (Rating) Act 2002.

Regulation 18: replaced, on 25 April 2024, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2024 (SL 2024/30).

18A Exemption from enforcement prohibition

[Revoked]

Regulation 18A: revoked, on 13 January 2020, by section 35 of the Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62).

18B Exemptions from provisions relating to repossession of consumer goods in cases involving motor vehicles

(1) This regulation applies to a credit contract if, in connection with the contract, there is a security interest in consumer goods that are or include a motor vehicle.

(2) The credit contract is exempt from the application of section 83O(1)(c) of the Act in relation to the exercise of a right of entry of premises by a creditor or creditor's agent for the purpose of repossessing the motor vehicle (and no other consumer goods), but only if the creditor or creditor's agent holds a vehicle recovery authorisation.

(3) The credit contract is exempt from the application of section 83P(2)(c) of the Act in relation to the entry onto any premises by a creditor or creditor's agent for the purpose of repossessing the motor vehicle (and no other consumer goods), but—

(a) only in relation to the document referred to in section 83O(1)(c) of the Act; and

(b) only if the creditor or creditor's agent holds a vehicle recovery authorisation and leaves a copy of that authorisation with the notice referred to in section 83P(2) of the Act.

(4) The credit contract is exempt from the application of section 83T(2) of the Act in relation to a creditor authorising, allowing, or permitting a repossession agent or repossession employee to repossess (including by entering residential premises) the motor vehicle (and no other consumer goods), but only if the repossession agent or repossession employee holds a vehicle recovery authorisation.

(5) The credit contract is exempt from the application of section 83T(3)(b) of the Act (including the application of the reference to section 83T(3)(b) in section 83T(4)) in relation to a repossession agent or repossession employee exercising any rights (including entering residential premises) in relation to repossessing the motor vehicle (and no other consumer goods), but only if the repossession agent or repossession employee holds a vehicle recovery authorisation.

(6) The credit contract is exempt from the application of section 83T(4) of the Act in relation to a creditor personally entering residential premises for the purpose

of repossessing the motor vehicle (and no other consumer goods), but only if the creditor holds a vehicle recovery authorisation.

(7) In this regulation,—

motor vehicle—

(a) means a motor vehicle as defined in section 2(1) of the Land Transport Act 1998; but

(b) does not include a moped, or a motorcycle, as defined in section 2(1) of that Act

vehicle recovery authorisation means—

(a) a vehicle recovery service licence as defined in section 2(1) of the Land Transport Act 1998; or

(b) a vehicle recovery endorsement under rule 33 of the Land Transport (Driver Licensing) Rule 1999.

(8) Subclauses (2) to (6) are to be read in accordance with section 83B of the Act.

Regulation 18B: inserted, on 19 February 2016, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2016 (LI 2016/21).

Regulation 18B(3)(b): amended, on 19 August 2016, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2016 (LI 2016/21).

18C Exemptions from disclosure requirements for peer-to-peer lenders

(1) Subclause (2) applies to a consumer credit contract if—

(a) the contract is to be entered into by means of a licensed peer-to-peer lending service; and

(b) a representative creditor under the contract complies with the creditor identification requirement in respect of that creditor (or more than 1 representative creditor does).

(2) The contract is exempt from any other application of section 17 of the Act in relation to the creditor identification requirement (and, accordingly, no other creditor need comply with the requirement).

(3) Subclause (4) applies to a consumer credit contract if—

(a) the contract is, or is to be, entered into by means of a licensed peer-to-peer lending service; and

(b) creditors under the contract take, or are to take, a guarantee of the contract; and

(c) a representative creditor taking the guarantee complies with the creditor identification requirement in respect of that creditor (or more than 1 such representative creditor does).

(4) The contract is exempt from any other application of section 25 of the Act in relation to the creditor identification requirement for the guarantee (and,

accordingly, no creditor other than the representative creditor mentioned in subclause (3)(c) need comply with the requirement).

(5) Subclause (6) applies to a consumer credit contract if—

(a) the contract is entered into by means of a licensed peer-to-peer lending service; and

(b) a creditor transfers rights under the contract to another creditor; and

(c) neither of those creditors is a representative creditor.

(6) The contract is exempt from the application of section 26A of the Act in respect of the transfer.

(7) In this regulation,—

creditor identification requirement means the requirement under section 17 or 25 of the Act for a creditor to ensure the disclosure of information set out in paragraphs (a), (aa), (ua), (ub), and (uc) of Schedule 1 of the Act (creditor's name, address, dispute resolution scheme details, and registration details)

licensed means licensed under section 390 of the Financial Markets Conduct Act 2013

peer-to-peer lending service has the same meaning as in regulation 185 of the Financial Markets Conduct Regulations 2014

representative creditor, in relation to a consumer credit contract entered into by means of a licensed peer-to-peer lending service, means a creditor under the contract—

(a) who provides the service; or

(b) who—

(i) is introduced (directly or indirectly) by a provider of the service to each other creditor under the contract; and

(ii) holds property or exercises rights under the contract for the benefit, or on behalf, of each other creditor.

Regulation 18C: inserted, on 15 March 2019, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations 2019 (LI 2019/53).

18D Exemptions for banks for COVID-19 from provisions relating to consumer credit contracts

[Revoked]

Regulation 18D: revoked, on 7 June 2024, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

18E Exemptions for non-bank lenders for COVID-19 from provisions relating to consumer credit contracts

[Revoked]

Regulation 18E: revoked, on 7 June 2024, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120).

18F Exemption for credit under residential earthquake-prone building financial assistance scheme

(1) A credit contract is exempt from being a consumer credit contract if the credit is provided by Kāinga Ora (as creditor) under the REPB scheme.

(2) However, the contract is exempt only if Kāinga Ora complies with the following conditions:

(a) the terms of the credit contract must be expressed in plain language in a clear, concise, and intelligible manner:

(b) Kāinga Ora must ensure that, before the contract is entered into,—

(i) disclosure of the initial disclosure information (set out in subclause (3)) is made to every debtor; and

(ii) a copy of all of the terms of the contract not disclosed under subparagraph (i) (other than terms implied by law) is given or sent to every debtor:

(c) Kāinga Ora must ensure that disclosure of the continuing disclosure information (set out in subclause (4)) is made in a continuous disclosure statement given to the debtor at least once every 6 months (unless subclause (6) applies):

(d) the disclosures required by paragraphs (b) and (c) must be made in accordance with sections 32 to 35 of the Act (except section 32(1)(b)) (which apply as if the contract were a consumer credit contract).

(3) The **initial disclosure information** is as much of the following as is applicable to the contract:

Full name and address of creditor

(a) the full name and full address of the creditor:

(b) the trading name of the creditor (if different from its full name specified under paragraph (a)):

Total advances

(c) the total of all advances made or to be made in connection with the contract, if ascertainable:

Annual interest rate

(d) the annual interest rate or rates under the contract (with the rate or rates being expressed in terms of a percentage):

(e) if there is more than 1 rate, how each rate applies:

(f) 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:

(g) 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

(h) the method of calculating interest charges payable under the contract and the frequency with which interest charges are debited under the contract:

Interest free period

(i) 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

(j) a description of the credit fees and charges (other than interest charges) that are, or may become, payable under the contract, 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:

Full prepayment

(k) 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

(l) 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:

Default interest charges and default fees

(m) 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:

Continuing disclosure statements

(n) the frequency with which continuing disclosure statements will be provided (unless subclause (6) applies):

Consent to electronic communications

(o) 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.

(4) The **continuing disclosure information** is as much of the following as is applicable to the contract:

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

(b) the opening and closing unpaid balances:

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

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

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

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

(g) the annual interest rate or rates during the statement period (expressed as a percentage or percentages).

(5) The opening unpaid balance (referred to in subclause (4)(b)) for a statement period must not exceed the closing unpaid balance shown in the previous statement.

(6) Disclosure to a debtor under subclause (2)(c)—

(a) is not required if—

(i) Kāinga Ora maintains (at all reasonable times) a website that allows the debtor to access the continuing disclosure information for any reasonable statement period specified by the debtor; and

(ii) the debtor consents to the information being disclosed in that way; and

(b) is not required in relation to a particular period if,—

(i) Kāinga Ora cannot reasonably locate the debtor; or

(ii) during that period,—

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

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

(C) the debtor has breached the contract and Kāinga Ora has commenced enforcement proceedings; or

(D) 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.

(7) If, in accordance with subclause (6), disclosure has not been made in relation to a particular period, the next disclosure that is made under subclause (2)(c) must cover every immediately preceding period for which disclosure was not made.

(8) In this regulation,—

Kāinga Ora means Kāinga Ora–Homes and Communities established by section 8 of the Kāinga Ora–Homes and Communities Act 2019 (or, if that body is replaced as the creditor under the REPB scheme, the replacement creditor)

REPB scheme means the residential earthquake-prone building financial assistance scheme established by the Government (as announced in the 2019/20 Budget and as varied from time to time) to provide financial assistance to certain persons—

(a) who own and occupy earthquake-prone household units in areas of high seismic risk (as defined in section 133AD of the Building Act 2004); and

(b) who are required under subpart 6A of Part 2 of that Act to carry out seismic work; and

(c) for whom doing so would cause significant financial hardship.

Regulation 18F: inserted, on 3 September 2020, by regulation 4 of the Credit Contracts and Consumer Finance (Residential Earthquake-prone Building Financial Assistance Scheme) Amendment Regulations 2020 (LI 2020/183).

Regulation 18F(2)(d): amended, on 3 September 2020, by regulation 7 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

18G Exemption from disclosure about financial mentoring services

A consumer credit contract is exempt from the application of section 26B(2)(a) of the Act if the debtor rectifies the default in payment, or the exceeding of the credit limit under the contract, within 10 working days.

Regulation 18G: inserted, on 1 December 2021, by regulation 8 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

18H Exemptions for insurance premium funding agreements

(1) A consumer credit contract is exempt from the application of section 9C(3)(a) of the Act to the extent that—

(a) the contract is a premium funding agreement; and

(b) the consumer is not required to pay default interest charges, default fees, or credit fees (except for establishment fees) in respect of the contract.

(2) For the purposes of this regulation,—

insurance contract means a contract of insurance within the meaning of the Insurance (Prudential Supervision) Act 2010

premium funding agreement means an agreement under which—

(a) a creditor agrees to make an advance to the consumer that must be applied only to either or both of the following purposes:

(i) to pay an amount payable for premiums under an insurance contract:

(ii) to pay other amounts in connection with an insurance contract (including fees for advice or services provided in connection with the insurance contract and taxes payable in connection with the insurance contract); and

(b) if the consumer is required to provide a security interest, the property that is subject to the security interest is limited to the consumer's rights and interests in the insurance contract; and

(c) the consumer has the right to cancel at any time, while incurring no further liability for payment.

Regulation 18H: inserted, on 1 October 2021, by regulation 6 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

18I Exemptions from affordability assessment requirements for emergency relief

(1) This regulation applies to a contract if—

Emergency

(a) the borrower has experienced, is experiencing, or reasonably expects to experience negative effects from the flooding or other weather-related damage that occurred or occurs in specified areas of the North Island in January and February 2023; and

Relief

(b) the borrower is an existing customer of the lender and the purpose of the credit to be provided under the contract is to address those negative effects; and

(c) the contract is an overdraft or home loan—

(i) that is entered into before the close of 31 March 2023 with a total credit limit of no more than $10,000; or

(ii) in respect of which a material change is made before the close of 31 March 2023 to increase a credit limit by no more than $10,000; and

Period over which credit is provided

(d) the maximum term of the contract, or the period specified in the contract within which the additional credit provided under the contract in reliance on this exemption must be repaid, is—

(i) 12 months in the case of a revolving credit contract; or

(ii) a period that is reasonable in any other case; and

Miscellaneous

(e) the lender has not previously relied on the exemption in this regulation in respect of the borrower for the purpose of addressing the negative effects of the emergency referred to in this subclause; and

(f) the lender has made reasonable inquiries and is satisfied that no other lender has previously relied on the exemption in this regulation in respect of the borrower for that purpose.

Exemption

(2) A lender is exempt from the application of section 9C(3)(a)(ii) and (4)(a) of the Act in respect of a consumer credit contract to which this regulation applies.

Conditions of exemption

(3) The exemption in subclause (2) is subject to the conditions that—

(a) the lender must at all times comply with the provisions of the Responsible Lending Code that relate to the lender responsibilities in section 9C(2)(a)(iii), (3)(c), (3)(d), and (4)(c) of the Act, as if that Code were binding; and

(b) before, or as soon as reasonably practicable after, the contract is entered into or materially changed, the lender must provide information to the borrower that hardship assistance is available if the borrower is experiencing, or reasonably expects to experience, any repayment difficulties or is at risk of hardship; and

(c) if, after the contract is entered into or materially changed, the lender becomes aware that the borrower is experiencing, or reasonably expects to experience, any repayment difficulties or is at risk of hardship, the lender must provide information, as soon as practicable, to the borrower that hardship assistance is available; and

(d) if the borrower at any time requests hardship assistance in respect of the obligations that arise under the contract,—

(i) the lender must make reasonable inquiries into whether it is likely that the borrower is able to comply with their obligations under the contract at the time the assistance is requested without suffering substantial hardship; and

(ii) if it is not, the lender must provide relief that is sufficient to avoid the borrower suffering substantial hardship as a result of making the payments under the contract, for example, by refinancing the credit contract on affordable terms, granting interest relief, or reducing the debt owing; and

(iii) the lender must provide that relief in compliance with the lender responsibility principles (*see* section 9C of the Act); and

(iv) the lender must provide that relief irrespective of whether the borrower's request is, or may be treated as, also an application for relief under section 55 of the Act; and

(e) the information required by paragraphs (b) and (c) must summarise the effects of all of the conditions required by this subclause in a clear, concise, and intelligible manner.

(4) In this regulation,—

borrower has the meaning in section 9B of the Act and includes any debtor as that term is defined in the Act

existing customer means a person that is already a party to, or guarantor of, a consumer credit contract with the lender, or a person that has a transactional account with the lender, before the lender relies on this exemption for the purpose of addressing the negative effects of the emergency referred to in subclause (1)

material change has the same meaning as in section 9C(8) of the Act

specified areas of the North Island means a place, or places, in all or any of the following regions or districts:

(a) Auckland:

(b) Bay of Plenty:

(c) Gisborne:

(d) Hawke's Bay:

(e) Northland:

(f) Tararua:

(g) Waikato region.

Regulation 18I: inserted, on 13 February 2023, by regulation 4 of the Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations 2023 (SL 2023/7).

Regulation 18I(1)(a): amended, on 20 February 2023, by regulation 4(1) of the Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023 (SL 2023/9).

Regulation 18I(4) **specified areas of the North Island**: inserted, on 20 February 2023, by regulation 4(3) of the Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023 (SL 2023/9).

Regulation 18I(4) **upper North Island**: revoked, on 20 February 2023, by regulation 4(2) of the Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023 (SL 2023/9).

18J Exemption from requirement for BNPL contracts to make reasonable inquiries that finance or credit will meet borrower's requirements and objectives

A lender is exempt from the application of section 9C(3)(a)(i) of the Act in respect of a BNPL contract.

Regulation 18J: inserted, on 2 September 2024, by regulation 6 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221).

18K Exemption for certain BNPL contracts from affordability assessment criteria

(1) A lender is exempt from the application of section 9C(3)(a)(ii) of the Act in respect of a BNPL contract if the lender complies with subclauses (3) and (4) and, if applicable, (5) of this regulation.

(2) In this regulation, unless the context otherwise requires, **total credit limit**, in relation to a BNPL contract, is the total of the maximum unpaid balances permitted under all BNPL contracts between the borrower and the lender.

(3) The exemption provided by subclause (1) applies in relation to a new borrower only if—

(a) the lender first obtains information from a credit report (as defined in the Credit Reporting Privacy Code 2020 (the **2020 Code**)) on the borrower in a manner permitted by that code, and that report includes, where available, all information set out in paragraph (e) of the definition of credit information in the 2020 Code, namely,—

(i) the type of credit account of the borrower; and

(ii) the amount of credit extended to the borrower; and

(iii) the capacity of the borrower (for example, account holder, joint account holder, or guarantor); and

(iv) the status of the account as open or closed; and

(v) the date the account was opened; and

(vi) if the account is closed, the date it was closed; and

(vii) details of the credit provider; and

(viii) the credit provider's client reference number; and

(ix) the repayment history information (as defined in the 2020 Code) in relation to the account; and

(b) the lender provides to the credit reporter (as defined in the 2020 Code) all the information referred to in paragraph (a).

(4) The exemption provided by subclause (1) applies only if, while a BNPL contract is in force,—

(a) the lender discloses to the borrower, in a manner that is clear, concise, and likely to bring the information to the attention of a reasonable person, at the time of each purchase made by the borrower using a BNPL contract between the lender and the borrower,—

(i) the dates and amount of payments required for the purchase; and

(ii) details of any default fees that may be payable under the contract, including how and when those fees would become payable; and

(b) the lender has in place at all times a credit policy that—

(i) explains how credit report information will be used by the lender when assessing whether or not to provide credit to a borrower; and

(ii) is complied with by the lender; and

(iii) is available to the FMA on request.

(5) If a lender proposes to increase an existing borrower's total credit limit, the exemption provided by subclause (1) applies only if—

(a) the lender obtains information from another credit report on the consumer in a manner provided by the 2020 Code; and

(b) that report contains the information set out in subclause (3)(a).

(6) To avoid doubt, a lender is not required to obtain a second or subsequent credit report in respect of the same borrower unless subclause (5) applies.

Regulation 18K: inserted, on 2 September 2024, by regulation 6 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221).

Regulation 18K(4)(b)(iii): amended, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

18L Exemption for certain BNPL contracts from requirement under section 17 to give written notice of right to cancel contract under section 27

(1) A lender is exempt from the requirement of section 17 and paragraph (s) of Schedule 1 of the Act to give written notice of the right to cancel the contract under section 27 of the Act, if the contract is a BNPL contract.

(2) However, the exemption applies only if the lender discloses details of its cancellation policy to the borrower.

Regulation 18L: inserted, on 2 September 2024, by regulation 6 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221).

18M Exemption from requirement for BNPL contracts to not provide for unreasonable credit fee or default fee

A consumer credit contract is exempt from the application of section 41 of the Act in respect of a BNPL contract.

Regulation 18M: inserted, on 1 November 2024, by regulation 4 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later Exemptions) Amendment Regulations 2024 (SL 2024/225).

18N Exemption from requirement for BNPL contracts for default fees to reasonably compensate the creditor for any cost or loss incurred

A default fee provided for in a consumer credit contract is exempt from the application of section 44A of the Act in respect of a BNPL contract.

Regulation 18N: inserted, on 1 November 2024, by regulation 4 of the Credit Contracts and Consumer Finance (Buy Now, Pay Later Exemptions) Amendment Regulations 2024 (SL 2024/225).

Other circumstances in which section 26A of Act (disclosure of transfer of rights of creditor) not to apply

Heading: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2015 (LI 2015/82).

Heading: amended, on 15 March 2019, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2019 (LI 2019/53).

19 Section 26A of Act not to apply if transfer made for purposes of securitisation or covered bond arrangements or similar arrangements

(1) For the purposes of section 26A(3) of the Act, section 26A of the Act does not apply in the case of a transfer of the kind referred to in section 26A(1) of the Act if—

(a) the transfer is made for the purposes of securitisation or covered bond arrangements or similar arrangements; and

(b) regulation 20 or 21 applies.

(2) In this regulation and regulations 20 and 21,—

debtor means a debtor under the relevant contract

disclosure deadline means the end of the period of 10 working days referred to in section 26A(2) of the Act

guarantee means a guarantee in relation to the relevant contract

guarantor means a guarantor in relation to the relevant contract

new creditor means the person to whom the transfer is made

payment means a payment—

(a) under the relevant contract by a debtor; or

(b) under a guarantee by a guarantor

relevant contract means the consumer credit contract to which the transfer relates.

Regulation 19: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2015 (LI 2015/82).

20 Contract manager appointed by new creditor

(1) This regulation applies if—

(a) conditions A to D are met; and

(b) condition E is met, subject to subclause (7).

(2) Condition A is that, at the disclosure deadline, there is a contract (the **management contract**) between the new creditor and another person (the **contract manager**) that provides for the contract manager, during the period after the disclosure deadline until the end of the term of the management contract or until that contract ends in some other way,—

(a) to collect all payments from every debtor and guarantor; and

(b) otherwise to manage the relevant contract and every guarantee; and

(c) to deal with every debtor and guarantor for those purposes accordingly.

(2A) Condition AA is that that management contract, if it is entered into or varied after commencement of this subclause, requires the contract manager to comply with the Act as if the contract manager were also a creditor.

(3) Condition B is that, no later than the disclosure deadline, the contract manager's name, address, and other contact details are disclosed to every debtor and guarantor.

(4) Condition C is that,—

(a) immediately before the transfer takes effect, the contract manager is already performing the role referred to in subclause (2)(a) to (c) (as a creditor under the relevant contract or under a contract with such a creditor); or

(b) no later than the disclosure deadline, every debtor and guarantor is advised of the contract manager's role as referred to in subclause (2)(a) to (c).

(5) Condition D is that,—

(a) at the disclosure deadline, the contract manager—

(i) is registered under the register of financial service providers; and

(ii) is a member of a dispute resolution scheme; and

(b) at the disclosure deadline,—

(i) the contract manager is a creditor under the relevant contract; or

(ii) the rules of the scheme referred to in paragraph (a)(ii) relating to complaints about its members apply in relation to the contract manager (whether by virtue of a provision of the rules themselves or by virtue of other arrangements)—

(A) as if the contract manager were the creditor under the relevant contract; and

(B) so that the scheme must accept for resolution, and the contract manager is bound by the resolution of, complaints on that basis accordingly.

(6) Condition E is that, no later than the disclosure deadline, the following information is disclosed to every debtor and guarantor:

(a) the contract manager's registration number under the register of financial service providers and the name under which the contract manager is registered under that register:

(b) the name and contact details of the dispute resolution scheme of which the contract manager is a member.

(7) Condition E does not have to be met if—

(a) the relevant contract is entered into before 6 June 2015; and

(b) subclause (4)(a) applies.

Regulation 20: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2015 (LI 2015/82).

Regulation 20(2A): inserted, on 1 December 2021, by regulation 9 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

21 New creditor was contract manager before transfer

(1) This regulation applies if—

(a) conditions A and B are met; and

(b) condition C is met, subject to subclause (5).

(2) Condition A is that, immediately before the transfer takes effect, the new creditor (under a contract with a person who is a creditor under the relevant contract)—

(a) is collecting all payments from every debtor and guarantor; and

(b) is otherwise managing the relevant contract and every guarantee; and

(c) is dealing with every debtor and guarantor for those purposes accordingly.

(3) Condition B is that, no later than the disclosure deadline, the new creditor's name, address, and other contact details are disclosed to every debtor and guarantor.

(4) Condition C is that, no later than the disclosure deadline, the following information is disclosed to every debtor and guarantor:

(a) 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:

(b) the name and contact details of the dispute resolution scheme of which the new creditor is a member.

(5) Condition C does not have to be met if the relevant contract is entered into before 6 June 2015.

Regulation 21: inserted, on 6 June 2015, by regulation 4 of the Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2015 (LI 2015/82).

Other provisions about securitisation or covered bond arrangements or similar arrangements

[Revoked]

Heading: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

22 Application of section 59B of Act in certain circumstances

[Revoked]

Regulation 22: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Disclosure before debt collection starts

Heading: inserted, on 1 December 2021, by regulation 11 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

23 Disclosure before debt collection starts

(1) All of the following information is the information that must be disclosed under section 132A of the Act concerning the contract as is applicable:

Information about credit contract

(a) the full name and contact details of the creditor at the date of the credit contract:

(b) the date of the credit contract:

(c) information that will help the debtor identify the credit contract (for example, the debtor's purpose of the credit when the credit contract was entered into or the product type or name):

Statement about debt to be collected

(d) a statement as required by subclause (3) or (4):

Information about debt collection

(e) the full name and contact details of the debt collector:

(f) information about ways in which the debtor can make a complaint about the debt collector, including—

(i) unless the Financial Service Providers (Registration and Dispute Resolution) Act 2008 does not require the creditor to be a member of a dispute resolution scheme, a statement to the effect that—

(A) the debtor has access to a free, independent dispute resolution service; and

(B) that service may help to investigate or resolve the complaint (if it is not resolved to the debtor's satisfaction using the creditor's internal complaints process); and

(C) the name and contact details of the dispute resolution scheme of which the creditor is a member:

(ii) the contact details of the FMA:

Other information

(g) a statement of the debtor's right under section 55 of the Act, and advice as to how an application under that section may be made:

(h) a statement to the effect that, if the person has concerns about their finances, they can get free and confidential advice from an independent service:

(i) the name and contact details of a building financial capability service funded by the Ministry of Social Development that provides such a service.

(2) The contact details referred to in subclause (1)(i) must be provided on the first page of the disclosure statement (or near the front if the statement has no pages).

Statement about debt to be collected

(3) If the contract is a consumer credit contract in connection with which continuing disclosure under section 18 of the Act is required, the statement required by subclause (1)(d) must disclose—

Matters disclosed under section 19

(a) the following information for the period (the **statement period**) starting with the closing date of the period covered by the last continuing disclosure statement under section 19 of the Act and ending with the date on which the disclosure under section 132A of the Act is made:

(i) the opening and closing dates of the statement period; and

(ii) the opening and closing unpaid balances; and

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

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

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

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

Extra information

(b) to the extent that the amounts referred to in paragraph (a) do not include any default fees yet to be debited, the total amount of those fees, and the total amount to be collected (as increased by those further fees), to the extent that those amounts are ascertainable at the time of disclosure; and

(c) the rates of any ongoing interest charges, credit fees, and default fees that will be charged under the contract, to the extent that they are ascertainable at the time of disclosure.

Example

Debt collection is about to start in June under a consumer credit contract. The last continuing disclosure statement was on 1 May.

Section 132A disclosure is made on 1 June. The unpaid balance is now $100 (which must be disclosed under paragraph (a)(ii)). The unpaid balance includes default fees of $10 that the creditor debited on 25 May (which must be disclosed under paragraph (a)(vi)).

The contract provides that, if debt collection starts, further default fees totalling $15 can be debited. Those fees are ascertainable. Those total default fees of $15 must be disclosed under paragraph (b), along with the total amount to be collected, which is $115 ($100 as increased by $15).

The contract also provides that, if debt collection starts, charges of $1 per phone call, and default interest charges of y% of the unpaid balance, may be debited. It is not ascertainable how many telephone calls may be needed. The rate of $1 per telephone call and the rate of y% must be disclosed under paragraph (c).

(4) If the contract is not a consumer credit contract in connection with which continuing disclosure under section 18 of the Act is required, the statement required by subclause (1)(d) must disclose—

(a) the unpaid balance before any default fees relating to the debt collection are debited to the debtor under the contract; and

(b) the total amount of any default fees to be debited to the debtor under the contract, and the total amount to be collected (as increased by those further fees), to the extent that those amounts are ascertainable at the time of disclosure; and

(c) the rates of any ongoing interest charges, credit fees, and default fees that will be charged under the contract, to the extent that they are ascertainable at the time of disclosure; and

(d) if section 21(1)(b) of the Act applies, information about the website at which the debtor can access information under that section.

Regulation 23: inserted, on 1 December 2021, by regulation 11 of the Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205).

Regulation 23(1)(f)(ii): amended, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Declaring person to be creditor if licensing exemption for non-financial service business applies

Heading: inserted, on 1 July 2026, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations 2026 (SL 2026/180).

23A Declaring person to be creditor if licensing exemption for non-financial service business applies

(1) This regulation applies to a consumer credit contract to which regulation 183C of the Financial Markets Conduct Regulations 2014 applies (licensing exemption if credit provided, on interim basis, by non-financial service business).

(2) The person P referred to in regulation 183C of the Financial Markets Conduct Regulations 2014 is a creditor under the consumer credit contract from the time when the contract is entered into.

Regulation 23A: inserted, on 1 July 2026, by regulation 6 of the Credit Contracts and Consumer Finance Amendment Regulations 2026 (SL 2026/180).

Matters in respect of Part 5A of Act (certification and fit and proper person requirements)

[Revoked]

Heading: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

24 Fee for applications for certification

[Revoked]

Regulation 24: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

25 Which changes in circumstances must be notified

[Revoked]

Regulation 25: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

26 Fee for notifying changes in circumstances

[Revoked]

Regulation 26: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

27 Exemption from certification if securitisation or covered bond arrangements or similar arrangements

[Revoked]

Regulation 27: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Exemptions if credit provided, on interim basis, by non-financial service business

[Revoked]

Heading: revoked, on 1 July 2026, pursuant to section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

28 Exemptions if credit provided, on interim basis, by non-financial service business

[Revoked]

Regulation 28: revoked, on 1 July 2026, by section 78(2) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Annual returns

[Revoked]

Heading: revoked, on 6 June 2026, by section 78(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

29 Requirements in relation to annual returns

[Revoked]

Regulation 29: revoked, on 6 June 2026, by section 78(3) of the Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29).

Schedule 1AA
Transitional, savings, and other related provisions

r 2A

Schedule 1AA: inserted, on 1 December 2021, by regulation 10 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

Part 1
Provisions relating to Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020

Schedule 1AA Part 1: inserted, on 1 December 2021, by regulation 10 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

1 Certain agreements where inquiries substantially completed before 1 December 2021

(1) This clause applies if,—

(a) before 1 December 2021, a lender substantially completes reasonable inquiries into the matters referred to in section 9C(3)(a) or (5)(a) of the Act (as the case may be) in relation to an agreement or insurance contract and is satisfied that it is likely that the test in those provisions is met (for example, that it is likely that the credit or finance provided under the agreement will meet the borrower's requirement and objectives and that the borrower will make the payments under the agreement without suffering substantial hardship); and

(b) before 1 June 2022,—

(i) the lender enters into the agreement or insurance contract, or makes the material change to the agreement, in relation to which the inquiries were made; or

(ii) the lender offers, for the purpose of enabling the acquisition of identified land or residential premises or the construction or alteration of a building or structure on identified land, to enter into the agreement, or to make the material change to the agreement, in relation to which the inquiries were made; and

(c) if paragraph (b)(ii) applies, the lender eventually enters into that agreement, or makes that material change, for the same purpose (namely, in respect of the same identified land or residential premises).

(2) Regulations 4AA, 4AB, 4AF, and 4AI do not apply to the lender unless the lender ceases to be satisfied (for example, because of a change in the borrower's financial circumstances) that it is likely that the test in section 9C(3)(a) or (5)(a) of the Act is met.

(3) This clause does not limit the interpretation of the requirement in section 9C(3) that reasonable inquiries must be made before entering into the agreement.

Schedule 1AA clause 1: inserted, on 1 December 2021, by regulation 10 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

Part 2
Provisions relating to Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021

Schedule 1AA Part 2: inserted, on 1 December 2021, by regulation 10 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

2 First annual return due 30 June 2024

(1) This clause prescribes requirements in relation to annual returns for the purposes of section 116AAA of the Act.

(2) The date by which the first annual return must be provided is 30 June 2024.

(3) The 12-month period to which that first annual return must relate is 1 April 2023 to 31 March 2024.

(4) Despite regulation 29, there are no requirements for annual returns for periods ending 31 March 2021 or 31 March 2022 or 31 March 2023.

Schedule 1AA clause 2: inserted, on 1 December 2021, by regulation 10 of the Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279).

Part 3
Provisions relating to Credit Contracts and Consumer Finance Amendment Regulations 2024

Schedule 1AA Part 3: inserted, on 25 April 2024, by regulation 7(a) of the Credit Contracts and Consumer Finance Amendment Regulations 2024 (SL 2024/30).

3 Application of exemption under regulation 18

Regulation 18 (as replaced by the Credit Contracts and Consumer Finance Amendment Regulations 2024) applies only to credit contracts entered into on or after 25 April 2024.

Schedule 1AA clause 3: inserted, on 25 April 2024, by regulation 7(a) of the Credit Contracts and Consumer Finance Amendment Regulations 2024 (SL 2024/30).

4 Application of exemption under regulation 28(2)(c)

The exemption in regulation 28(2)(c) applies to—

(a) the first annual return due on 30 June 2024; and

(b) subsequent annual returns.

Schedule 1AA clause 4: inserted, on 25 April 2024, by regulation 7(a) of the Credit Contracts and Consumer Finance Amendment Regulations 2024 (SL 2024/30).

Schedule 1
Assumptions that may be used or applied when disclosing information under Act

r 6

Schedule 1 number: added, on 1 April 2005, by regulation 5 of the Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359).

1 Interest charges and payments

In disclosing the information referred to in paragraphs (k), (l), and (o) of Schedule 1 of the Act, the creditor may assume—

(a) that, in the case of an annual interest rate, the rate disclosed will not vary over the term of the credit contract or any shorter period for which it applies; and

(b) that, in the case of a variable interest rate, the variable interest rate applicable over the period for which it applies is the same as the equivalent variable interest rate as at the date that the disclosure statement is prepared; and

(c) that the debtor will make payments required by the credit contract at the times required by the credit contract and of the amounts required under the contract.

2 Business day

Disclosure relating to payments, charges, or fees may be made on the assumption that every day is a business day.

3 Charges and fees

Disclosures relating to charges (other than interest charges) and fees may be made on the following assumptions:

(a) that there will be no change in the charges and fees as disclosed and no new fees or charges imposed; and

(b) that the charges and fees will be paid by the debtor at the times required by the credit contract and of the amounts required under the contract.

4 Date of advance being made

If disclosure involves an advance being made under the credit contract on a certain date and that date is not ascertainable at the time the disclosure statement is prepared, disclosure may be made on the assumption that the advance is made on a date specified in the disclosure statement as being the date on which the advance is most likely to be made.

Schedule 2
Model disclosure statements

r 12

Schedule 2: replaced, on 1 July 2026, by regulation 7 of the Credit Contracts and Consumer Finance Amendment Regulations 2026 (SL 2026/180).

Form 1
Disclosure statement for consumer credit contracts (other than revolving credit contracts)

Initial disclosure statement under section 17 of the Credit Contracts and Consumer Finance Act 2003 for consumer credit contracts other than revolving credit contracts

Statement date:

Important

This document sets out key information about your consumer credit contract. You should read it thoroughly. If you do not understand anything in this document, you should seek independent advice. You should keep this disclosure statement and a copy of your consumer credit contract in a safe place.

The law gives you a limited right to cancel the consumer credit contract (*see* below for further details). Note that strict time limits apply.

Full name and address of creditor

This is the person providing you the credit.

Name:

Trading name (if different):

Physical address:

Postal address:

Fax:

Email:

Other means of electronic communication:

You may send notices to the creditor by—

- writing to the creditor at the creditor's postal address; or
- sending a fax to the number specified (if any); or
- sending an email to the address specified (if any); or
- [*specify other means of giving notices by way of an electronic communication (if any)*].

Credit details

Initial unpaid balance

This is the amount you owe as at the date of this statement (including any fees charged by the creditor).

$[*amount*]	Made up of:	
	$[*amount*]	[*Describe any advance, charge, fee, optional service, etc*]
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	
	Less:	
	$[*amount*]	[*Describe, eg, payment received, deposit, trade-in allowance, etc*]
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	

**Subsequent advance(s)*

*This amount/these amounts† will be provided to you by the creditor on the date(s) specified.

*$[*amount*]	[*Description, timing*]
*$[*amount*]	[*Description, timing*]

*Delete if not ascertainable.

†Select one.

**Total advances*

*This is the total amount of all advances made or to be made to you.

*$[*amount*]

*Delete if not ascertainable.

Payments

You are required to make each payment of the amount specified and by the time specified.

Frequency of payments: [*specify*]

*First payment: [*date*]

*Last payment: [*date*]

*Number of payments: [*specify*]

Amount of each payment or the method of calculating the amount: [*specify*]

*Total amount of payments: $[*amount*]

*Delete if not ascertainable.

Interest

Annual interest rate(s)

*[*Percentage*]% fixed for the whole term of the contract, being [*specify term of the contract*].

or

*[*Percentage*]% fixed for part of the term of the contract, being [*specify period during which the annual interest rate is fixed*].

or

*The base rate [*name and description of base rate; when and where published or how ascertained; current annual interest rate or rates*].

or

*[*Percentage*]% above/below† base rate [*name and description of base rate; when and where published or how ascertained; current annual interest rate or rates*].

*Select whichever applies.

†Select one.

**Total interest charges*

*This is the total amount of the interest charges payable under the contract.

*$[*amount*]

*Delete if not ascertainable.

Interest-free period

Period: [*number of days, weeks, months, or years*]

When interest will begin to accrue: [*specify*]

Method of charging interest

*Interest charges are calculated by multiplying the unpaid balance at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the annual interest rate by 365.

*Interest is charged to your account [*specify frequency, eg, monthly, fortnightly*].

or

*Interest charges are calculated and charged at the end of each [*specify period, eg, month, fortnight*] by multiplying the average unpaid daily balance for the preceding [*specify period, eg, month, fortnight*] by a [*specify frequency, eg, monthly, fortnightly*] interest rate. The [*specify frequency, eg, monthly, fortnightly*] interest rate is calcula-

ted by dividing the annual interest rate by [*specify number of periods in a year, eg, 12, 26*].

or

*Interest charges are calculated by [*specify other method of charging interest and frequency with which interest charges are debited*].

*Select whichever applies.

*High-cost consumer credit contract

*This contract is [*specify either a high-cost consumer credit contract or related to a high-cost consumer credit contract*].

*The maximum costs of borrowing that you can be charged under this contract and all related consumer credit contracts is $[*amount*]. No other costs of borrowing may be charged or debited to your account.

*The maximum amount is calculated as follows: [*specify how the maximum costs are calculated in accordance with section 45E of the Act*].

*The total amount that you can be required to pay under this contract is $[*amount*].

*The rate of charge under the contract is [*percentage*]% per day [*specify as required to be calculated in accordance with section 45H of the Act and regulation 6B*].

*Delete if the contract is neither a high-cost consumer credit contract nor a related consumer credit contract.

Credit fees and charges

The following credit fees and charges (which are not included in the initial unpaid balance) are, or may become, payable under, or in connection with, the contract.

Your credit contract may allow the creditor to vary those fees and charges.

[*Specify amount or, if not ascertainable, method of calculation*]	[*Description, timing*]
[*Specify amount or, if not ascertainable, method of calculation*]	[*Description, timing*]

Administration costs and fees payable on full prepayment are disclosed under the full prepayment heading.

Continuing disclosure

The creditor may be required to provide you with regular statements. The statements will give you information about your account.

Statements will be provided [*specify frequency, eg, monthly*].

What could happen if you fail to meet your commitments

**Security interest(s)*

*This is secured credit. If you fail to meet your commitments under the contract, the creditor may be entitled to repossess and sell this property.

**Description of security interest(s)*

*Property that is (or will be) subject to a security interest: [*clearly describe the property*].

*Nature of the security interest: [*clearly explain the nature of the security interest*].

*Extent of the security interest: [*clearly explain 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*].

*Consequences of giving security interest to another person: [*clearly explain what the consequences would be if the debtor were to give to a person other than the creditor a security over the property and if, as a result, the debtor were to be in breach of the contract, including whether the property would be liable to repossession*].

*Delete if no security interest is or may be taken in connection with the contract.

**Disabling device*

*A disabling device is to be attached to: [*specify*].

*Use of disabling device: [*clearly explain how the device functions; when the device might be activated; and how, if the consumer goods are required in an emergency situation, the debtor may obtain the use of the goods*].

*Delete if no disabling device is to be attached to consumer goods that are subject to a security interest.

Default interest charges and default fees

In the event of a default in payment, and while the default continues, you must pay the default interest charges. In the event of a breach of the contract or on the enforcement of the contract, the default fees specified below are payable. Your credit contract may allow the creditor to vary these fees and charges.

Default interest: [*describe the amount and how and when default interest charges become payable*].

Default fees: [*describe the amount and how and when default fees become payable*].

Full prepayment

If you pay the unpaid balance in full before the final payment is due (**full prepayment**), you may be required to pay a fee or charge to compensate the creditor for any loss resulting from the full prepayment. The creditor may have suffered a loss if the creditor's current interest rate is lower than the interest rate applying to your original consumer credit contract. You may also have to pay the creditor's administrative costs relating to the full prepayment.

The amount you may have to pay to compensate the creditor for the loss is calculated using the formula prescribed in regulation 9 or 11 of the Credit Contracts and Consumer Finance Regulations 2004.

or

The amount you may have to pay to compensate the creditor for the loss is calculated [*describe alternative procedure*].

Administrative costs and fees: [*specify amount and describe the costs and fees*].

*Right to cancel credit contract

*If the contract is a layby sale agreement, delete this **Right to cancel credit contract** part of the form and use instead the **Right to cancel layby sale agreement** part of the form (*see* below).

You are entitled to cancel the consumer credit contract by giving notice to the creditor.

Time limits for cancellation

*You must give notice that you intend to cancel the contract within 5 working days of the statement date on the front of this document.

*Delete if the disclosure is not made in person and on the statement date.

*You must give notice that you intend to cancel the contract within [*specify 5, 7, or 9*] working days of [*date document is given, emailed or otherwise made available in electronic form, or posted to the debtor*].

*Delete if the disclosure is made in person and on the statement date.

Saturdays, Sundays, and national public holidays are not counted as working days.

How to cancel

To cancel, you must give the creditor written notice that you intend to cancel the contract by—

- giving notice to the creditor or an employee or agent of the creditor; or
- posting the notice to the creditor or an agent of the creditor; or
- emailing the notice to the creditor's email address (if specified on the front of this disclosure statement); or
- sending the notice to the creditor's fax number (if specified on the front of this disclosure statement); or
- [*specify other means of giving notice by way of an electronic communication (if any)*].

*You must also—

- return to the creditor any advance and any other property received by you under the contract (but you cannot do this if you have taken possession of any goods or if you have bought any property at an auction or if the contract is for the sale of services that have been performed); or
- pay the cash price of the property or services within 15 working days of the day you give notice.

*Delete if the credit contract does not involve a credit sale.

*You must also return to the creditor any advance and any other property received by you under the contract.

*Delete if the credit contract involves a credit sale.

What you may have to pay if you cancel

If you cancel the credit contract, the creditor can charge you—

- the amount of any reasonable expenses the creditor had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc); and
- *interest for the period from the day you received the property or services until the day you either pay the cash price for the property or services or return the property to the creditor; and
- †interest for the period from the day you received the advance until the day you repay the advance; and
- ‡the costs of repairing any property you return if the property was damaged while it was in your possession.

*Delete if the credit contract does not involve a credit sale.

†Delete if the credit contract involves a credit sale.

‡Delete if not applicable.

*Right to cancel layby sale agreement

*If the contract is not a layby sale agreement, delete this **Right to cancel layby sale agreement** part of the form and use instead the **Right to cancel credit contract** part of the form (*see* above).

The consumer credit contract is also a layby sale agreement.

You are entitled to cancel the agreement by giving notice to the creditor (ie, the supplier of the goods under the agreement).

Time limits for cancellation

You must give notice that you intend to cancel or withdraw from the agreement at any time before you take possession of the goods to which the agreement relates.

How to cancel

To cancel, you must give the creditor oral or written notice that you intend to cancel or withdraw from the agreement by [*specify how the consumer must communicate with the supplier under section 36F(2) of the Fair Trading Act 1986*].

What you may have to pay if you cancel

A cancellation charge will/will not* be imposed.

*Select one.

*The cancellation charge will be [*specify amount of charge (if a fixed charge will be imposed) or a clear description of how the charge will be calculated*].

*Delete if no cancellation charge will be imposed.

What to do if you suffer unforeseen hardship

If you are unable reasonably to keep up your payments or other obligations because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, you may be able to apply to the creditor for a hardship variation.

To apply for a hardship variation, you need to—

- make an application in writing; and
- specify the reasonable cause (for example, illness, injury, loss of employment, or the end of a relationship) for your inability to keep up your payments or other obligations; and
- request to change the terms of the contract in one of the following ways:
    - an extension of the term of the contract (which will reduce the amount of each payment due under the contract):
    - a postponement of the dates on which payments are due under the contract (specify the period for which you want the postponement to apply):
    - both an extension of the term of the contract and a postponement of the dates on which payments are due under the contract (specify the period for which you want the postponement to apply); and
- give the application to the creditor.

Do this as soon as possible. If you leave it for too long, the creditor may not have to consider your application.

*Dispute resolution

*Name of dispute resolution scheme:

*It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreements you have with the creditor.

*Phone number of dispute resolution scheme:

*Internet site of dispute resolution scheme:

*Business address of dispute resolution scheme:

*Delete if not required by the Financial Service Providers (Registration and Dispute Resolution) Act 2008 to be a member of a dispute resolution scheme.

*Registration on register of financial service providers

*Creditor registration name:

*Registration number:

*Delete if not required by the Financial Service Providers (Registration and Dispute Resolution) Act 2008 to register on the register of financial service providers.

Schedule 2 form 1: replaced, on 1 July 2026, by regulation 7 of the Credit Contracts and Consumer Finance Amendment Regulations 2026 (SL 2026/180).

Form 2

Disclosure statement for revolving credit contracts

Initial disclosure statement under section 17 of the Credit Contracts and Consumer Finance Act 2003 for revolving credit contracts

Statement date:

Important

This document sets out key information about your consumer credit contract. You should read it thoroughly. If you do not understand anything in this document, you should seek independent advice. You should keep this disclosure statement and a copy of your consumer credit contract in a safe place.

The law gives you a limited right to cancel the revolving credit contract (*see* below for further details). Note that strict time limits apply.

Full name and address of creditor

This is the person providing you the credit.

Name:

Trading name (if different):

Physical address:

Postal address:

Fax:

Email:

Other means of electronic communication:

You may send notices to the creditor by—

- writing to the creditor at the creditor's postal address; or
- sending a fax to the number specified (if any); or
- sending an email to the address specified (if any); or
- [*specify other means of giving notices by way of an electronic communication (if any)*].

Continuing disclosure

The creditor is required to provide you with regular statements. The statements will give you information about your account (eg, any interest or fees charged during the statement period) and the amount and timing of your next payment.

Statements will be provided [*specify frequency, eg, monthly, fortnightly*].

Initial unpaid balance

This is the amount you owe as at the date of this statement (including any fees charged by the creditor).

$[*amount*]	Made up of:	
	$[*amount*]	[*Describe any advance, charge, fee, optional service, etc*]
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	
	Less:	
	$[*amount*]	[*Describe, eg, payment received, etc*]
	$[*amount*]	
	$[*amount*]	
	$[*amount*]	

Payments

Minimum payment

You may choose to pay more than the minimum payment,

$[*amount*]; or

[*percentage*]% of the unpaid balance as at the end of each statement period; or

The minimum payment is calculated by [*describe other method of calculating minimum payment*].

When payments are due

Payments must be made [*specify frequency, eg, monthly, fortnightly*].

The date that payments are due will be specified in your continuing disclosure statements.

Credit details

Annual interest rate(s)

*Current annual interest rate (this rate may vary): [*percentage*]%.

or

*[*Percentage*]% fixed for [*specify period*].

or

*The base rate [*name and description of base rate, when and where published or how ascertained, current annual interest rate or rates*].

or

*[*Percentage*]% above/below† base rate [*name and description of base rate, when and where published or how ascertained, current annual interest rate or rates*].

*Select whichever applies.

†Select one.

Credit limit

$[*amount*]

Method of charging interest

*Interest charges are calculated by multiplying the unpaid balance at the end of the day by a daily interest rate. The daily interest rate is calculated by dividing the annual interest rate by 365.

*Interest is charged to your account [*specify frequency, eg, monthly, fortnightly*].

or

*Interest charges are calculated by [*specify other method of charging interest and frequency with which interest charges are debited*].

*Select whichever applies.

Interest-free period

Period: [*number of days, weeks, months, or years*]

When interest will begin to accrue: [*specify*]

*High-cost consumer credit contract

*This contract is [*specify either a high-cost consumer credit contract or related to a high-cost consumer credit contract*].

*The maximum costs of borrowing that you can be charged under this contract and all related consumer credit contracts is $[*amount*]. No other costs of borrowing may be charged or debited to your account.

*The maximum amount is calculated as follows: [*specify how the maximum costs are calculated in accordance with section 45E of the Act*].

*The total amount that you can be required to pay under this contract is $[*amount*].

*The rate of charge under the contract is [*percentage*]% per day [*specify as required to be calculated in accordance with section 45H of the Act and regulation 6B*].

*Delete if the contract is neither a high-cost consumer credit contract nor a related consumer credit contract.

Credit fees and charges

The following credit fees and charges (which are not included in the initial unpaid balance) are, or may become, payable under, or in connection with, the contract.

Your credit contract may allow the creditor to vary those fees and charges.

[*Describe amount or, if not ascertainable, method of calculation*]	[*Description, timing*]
[*Describe amount or, if not ascertainable, method of calculation*]	[*Description, timing*]

What could happen if you fail to meet your commitments

**Security interest(s)*

*This is secured credit. If you fail to meet your commitments under the contract, the creditor may be entitled to repossess and sell this property.

**Description of security interest(s)*

*Property that is (or will be) subject to a security interest: [*clearly describe the property*].

*Nature of the security interest: [*clearly explain the nature of the security interest*].

*Extent of the security interest: [*clearly explain 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*].

*Consequences of giving security interest to another person: [*clearly explain what the consequences would be if the debtor were to give to a person other than the creditor a security over the property and if, as a result, the debtor were to be in breach of the contract, including whether the property would be liable to repossession*].

*Delete if no security interest is or may be taken in connection with the contract.

**Disabling device*

*A disabling device is to be attached to: [*specify*].

*Use of disabling device: [*clearly explain how the device functions, when the device might be activated, and how, if the consumer goods are required in an emergency situation, the debtor may obtain the use of the goods*].

*Delete if no disabling device is to be attached to consumer goods that are subject to a security interest.

Default interest charges and default fees

You must pay the default interest charges in the event of a default in payment and while the default continues, or in the event of you causing the credit limit under the contract to be exceeded and while the credit limit is exceeded. In the event of a breach of the contract or on the enforcement of the contract, the default fees specified below are payable. Your credit contract may allow the creditor to vary these fees and charges.

Default interest: [*describe the amount and how and when default interest charges become payable*].

Default fees: [*describe the amount(s) and how and when default fees become payable*].

Right to cancel credit contract

You are entitled to cancel the revolving credit contract by giving notice to the creditor.

Time limits for cancellation

*You must give notice that you intend to cancel the contract within 5 working days of the statement date on the front of this document.

*Delete if the disclosure is not made in person and on the statement date.

*You must give notice that you intend to cancel the contract within [*specify 5, 7, or 9*] working days of [*date document is given, emailed or otherwise made available in electronic form, or posted to the debtor*].

*Delete if the disclosure is made in person and on the statement date.

Saturdays, Sundays, and national public holidays are not counted as working days.

How to cancel

To cancel, you must give the creditor written notice that you intend to cancel the contract by—

- giving notice to the creditor or an employee or agent of the creditor; or
- posting the notice to the creditor or an agent of the creditor; or
- emailing the notice to the creditor's email address (if specified on the front of this disclosure statement); or
- sending the notice to the creditor's fax number (if specified on the front of this disclosure statement); or
- [*specify other means of giving notice by way of an electronic communication (if any)*].

*You must also—

- return to the creditor any advance and any other property received by you under the contract (but you cannot do this if you have taken possession of any goods or if you have bought any property at an auction or if the contract is for the sale of services that have been performed); or
- pay the cash price of the property or services within 15 working days of the day you give notice.

*Delete if the credit contract does not involve a credit sale.

*You must also return to the creditor any advance and any other property received by you under the contract.

*Delete if the credit contract involves a credit sale.

What you may have to pay if you cancel

If you cancel the credit contract, the creditor can charge you—

- the amount of any reasonable expenses the creditor had to pay in connection with the contract and its cancellation (including legal fees and fees for credit reports, etc); and

- *interest for the period from the day you received the property or services until the day you either pay the cash price for the property or services or return the property to the creditor; and
- †interest for the period from the day you received the advance until the day you repay the advance; and
- ‡the costs of repairing any property you return if the property was damaged while it was in your possession.

*Delete if the credit contract does not involve a credit sale.

†Delete if the credit contract involves a credit sale.

‡Delete if not applicable.

What to do if you suffer unforeseen hardship

If you are unable reasonably to keep up your payments or other obligations because of illness, injury, loss of employment, the end of a relationship, or other reasonable cause, you may be able to apply to the creditor for a hardship variation.

To apply for a hardship variation, you need to—

- make an application in writing; and
- specify the reasonable cause (for example, illness, injury, loss of employment, or the end of a relationship) for your inability to keep up your payments or other obligations; and
- request a postponement of the dates on which payments are due under the contract (specify the period for which you want the postponement to apply); and
- give the application to the creditor.

Do this as soon as possible. If you leave it for too long, the creditor may not have to consider your application.

*Dispute resolution

*Name of dispute resolution scheme:

*It is free to make a complaint to this independent dispute resolution scheme. This scheme can help you to resolve any disagreements you have with the creditor.

*Phone number of dispute resolution scheme:

*Internet site of dispute resolution scheme:

*Business address of dispute resolution scheme:

*Delete if not required by the Financial Service Providers (Registration and Dispute Resolution) Act 2008 to be a member of a dispute resolution scheme.

***Registration on register of financial service providers**

*Creditor registration name:

*Registration number:

*Delete if not required by the Financial Service Providers (Registration and Dispute Resolution) Act 2008 to register on the register of financial service providers.

Schedule 2 form 2: replaced, on 1 July 2026, by regulation 7 of the Credit Contracts and Consumer Finance Amendment Regulations 2026 (SL 2026/180).

Diane Morcom,
Clerk of the Executive Council.

Issued under the authority of the Legislation Act 2019.
Date of notification in *Gazette*: 12 August 2004.

Notes

1 General

This is a consolidation of the Credit Contracts and Consumer Finance Regulations 2004 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 Regulations 2026 (SL 2026/180)

Credit Contracts and Consumer Finance Amendment Act 2026 (2026 No 29): section 78(2), (3)

Credit Contracts and Consumer Finance (Buy Now, Pay Later Exemptions) Amendment Regulations 2024 (SL 2024/225)

Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2024 (SL 2024/120)

Credit Contracts and Consumer Finance Amendment Regulations 2024 (SL 2024/30)

Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 (SL 2023/221)

Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations (No 2) 2023 (SL 2023/9)

Credit Contracts and Consumer Finance (Exemption for Emergency Relief) Amendment Regulations 2023 (SL 2023/7)

Credit Contracts and Consumer Finance (Exemptions, Annual Returns, and Other Matters) Amendment Regulations 2021 (LI 2021/279)

Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020 (LI 2020/296)

Credit Contracts and Consumer Finance Amendment Regulations 2020 (LI 2020/205)

Credit Contracts and Consumer Finance (Residential Earthquake-prone Building Financial Assistance Scheme) Amendment Regulations 2020 (LI 2020/183)

Credit Contracts Legislation Amendment Act 2019 (2019 No 81): section 69

Regulatory Systems (Economic Development) Amendment Act 2019 (2019 No 62): section 35

Credit Contracts and Consumer Finance Amendment Regulations 2019 (LI 2019/53)

Credit Contracts and Consumer Finance Amendment Regulations 2016 (LI 2016/21)

Credit Contracts and Consumer Finance Amendment Regulations (No 2) 2015 (LI 2015/82)

Credit Contracts and Consumer Finance Amendment Regulations 2015 (LI 2015/57)

Credit Contracts and Consumer Finance Amendment Regulations 2004 (SR 2004/359)

Wellington, New Zealand:
Published under the authority of the New Zealand Government—2026