

CREDIT-SALE AGREEMENTS BILL, 1957.

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*Schedule of Amendments referred to in Legislative Council's  
Message of 17 April, 1957.*

No. 1—Page 2, clause 2, lines 16 and 17. *Omit* “entered into after the commencement of this Act”.

No. 2—Page 3, clause 2. *After* line 23 *insert* the following new subclause to stand as subclause (2):—

**“(2) This Act, except where otherwise expressly provided, applies only to and in respect of credit-sale agreements entered into after the commencement of this Act.”**

No. 3—Page 5, clause 3, lines 2, 3 and 4. *Omit* “except insofar as the rights of the buyer thereunder or arising thereout are concerned”. *Insert* in lieu thereof—

**“Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.”**

No. 4—Page 8, clause 8, line 4. *Omit* “and (b)” *insert* “, (b) and (c)”.

No. 5—Page 12, clause 10, lines 10, 11 and 12. *Omit* “except insofar as the rights of the buyer thereunder or arising thereout are concerned”. *Insert* in lieu thereof—

**“Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.”**

No. 6—Page 13, clause 11, line 12. *Omit* “and (b)” *insert* “, (b) and (c)”.

No. 7—Page 13, clause 11, line 25. *After* “vehicle” *insert* “(other than a motor cycle)”.

No. 8—Page 13, clause 11, lines 27 to 36. *Omit*—

“(i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—seven per centum; or

(ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;”

*Insert* in lieu thereof “— seven per centum;”.

No. 9—Page 14, clause 11, line 5. *After* “vehicle” *insert* “(other than a motor cycle)”.



No. 10—Page 14, clause 11, lines 7 to 16. *Omit—*

“(i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—nine per centum; or

(ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;”

*Insert in lieu thereof “— nine per centum;”.*

No. 11—Page 14, clause 11. *After* line 16 *insert* the following new paragraph to stand as paragraph (c):—

**“(c) where the goods comprised in the agreement are a motor cycle—nine per centum;”.**

No. 12—Page 14, clause 11, line 22. *After* “(b)” *insert* “or (c)”.

No. 13—Page 14, clause 11, lines 24 to 33. *Omit—*

“(i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—ten per centum; or

(ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;”

*Insert in lieu thereof “— ten per centum;”.*

No. 14—Page 15, clause 11, line 1. *Omit* “both” *insert* “more”.

No. 15—Page 15, clause 11, lines 3 and 4. *Omit* “, at the time when the agreement is entered into, by or under” *insert* “by”.

No. 16—Page 16, clause 11, line 35. *Omit* “and (b)” *insert* “, (b) and (c)”.

No. 17—Page 17, clause 11, lines 3 and 4. *Omit* “except insofar as the rights of the buyer thereunder or arising thereout are concerned”. *Insert in lieu thereof—*

**“Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.”**

No. 18—Page 18, clause 12, lines 5, 6 and 7. *Omit* “except insofar as the rights of the buyer thereunder or arising thereout are concerned” and *insert in lieu thereof* the following:—

**“Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.”**



No. 19—Page 18. *After line 11 add the following new clause to stand as clause 13:—*

**13. (1) (a)** In this section “credit-sale agreement” includes a credit-sale agreement that has been varied for the purpose of including additional goods in the agreement. Special provisions for add-on agreements.

Nothing in this paragraph shall be construed as limiting the generality of the definition of “Credit-sale agreement” in subsection one of section two of this Act.

(b) This section applies to and in respect of credit-sale agreements entered into before the commencement of this Act as well as to credit-sale agreements entered into after that commencement.

(c) This section does not apply to or in respect of any credit-sale agreement where, either before or after any variation of the agreement, the goods the subject of the agreement comprise or include industrial machinery, farm equipment or a motor vehicle.

(2) Where a credit-sale agreement is varied or is proposed to be varied for the purpose of including additional goods in the agreement it shall only be necessary to comply with or observe the provisions of this Act (subject to the modifications set out in subsection three of this section) in respect of the variation or proposed variation as though the only goods comprised in the agreement which results from the variation or which will result from the proposed variation were the additional goods.

The foregoing provisions of this subsection apply only where—

- (a) the agreement proposed to be so varied or the agreement before it is so varied is not or was not unenforceable by the seller or void;
- (b) the agreement when so varied also specifies the balance payable under the agreement immediately before it was so varied;
- (c) the provisions of the agreement when so varied, so far as they relate to goods comprised in the agreement before it was so varied, are not less favourable to the buyer than the provisions of the agreement before it was so varied.

(3) For the purposes of subsection two of this section—

- (a) section three of this Act shall be deemed to be omitted from this Act if the total amount of the moneys paid and the value of any other consideration provided by the buyer under the agreement during the period of two years immediately preceding the date on which the agreement is so varied is not less than—
  - (i) where a percentage is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is so varied—twenty per centum of the cash-price of the additional goods; or
  - (ii) where a percentage is prescribed under this subparagraph at the time when the agreement is so varied—the percentage so prescribed of the cash-price of the additional goods;



(b) where no deposit is required pursuant to paragraph (a) of this subsection and no deposit is in fact provided by the buyer—

(i) subsection one of section ten of this Act shall have effect as though the words “the difference between the purchase-price and the deposit provided in connection with the agreement” were omitted therefrom and the words “the purchase-price” were inserted in lieu thereof;

(ii) subsection two of section eleven of this Act shall have effect as though the words “the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer” were omitted therefrom and the words “the amount for which the goods comprised in the agreement might be bought for cash” were inserted in lieu thereof.

(4) Notwithstanding anything contained in this Act where a credit-sale agreement has been varied pursuant to this section, it shall be a sufficient compliance with section ten of this Act so far as the balance payable under the agreement by the buyer immediately before the agreement is varied is concerned if that balance is made payable in equal or approximately equal amounts payable at the same regular intervals and by the same number of instalments or payments as are provided by the agreement as so varied in respect of the additional goods.



*This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.*

ALLAN PICKERING,  
*Clerk of the Legislative Assembly.*

*Legislative Assembly Chamber,  
Sydney, 17 April, 1957, A.M.*

*The LEGISLATIVE COUNCIL has this day agreed to this Bill with  
Amendments.*

J. R. STEVENSON,  
*Clerk of the Parliaments.*

*Legislative Council Chamber,  
Sydney, 17 April, 1957.*

## New South Wales



ANNO SEXTO

## ELIZABETHÆ II REGINÆ

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Act No. , 1957.

An Act to control and regulate certain agreements relating to the sale of goods on credit; and for purposes connected therewith.

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the "Credit-sale Agreements Act, 1957".

Short title  
and  
commence-  
ment.

(2) This Act shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

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222—A

2.

NOTE.—The words to be omitted are ruled through; those to be inserted are printed in black letter.



*Credit-sale Agreements.*

2. (1) In this Act, unless the context or subject matter otherwise indicates or requires— Interpreta-  
tion.

“Banker” means—

- (a) the Rural Bank of New South Wales;
- 5 (b) any body corporate authorised to carry on banking business under the Commonwealth Bank Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia; or
- 10 (c) any body corporate for the time being specified in the First Schedule to the Banking Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia.

15 “Credit-sale agreement” means an agreement entered into after the commencement of this Act for the sale of goods under which—

- (a) the purchase-price or any part thereof is payable by instalments or payments which are to be made over a period exceeding one year and are to be made nine times or more than nine times in any period of twelve months that forms part of the period firstmentioned in this paragraph; or
- 20 (b) the purchase-price or any part thereof is payable by instalments or payments which are to be made only over a period of one year or less than one year but more than nine months and are to be made nine times or more than nine times during that period,

but does not include any such agreement—

- 35 (i) under which the buyer is a person who is engaged in the trade or business of selling goods of the same nature or description as the goods referred to in the agreement;
- (ii)



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- (ii) that is a hire-purchase agreement as defined in section two of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts; or
- 5 (iii) under which the goods comprised therein are not to be delivered to or to the order of the buyer until the whole of the purchase-price is paid.

10 "Goods" includes all chattels personal other than money or things in action.

"Loan" includes advance, discount, money paid for or on account of or on behalf of or at the request of any person, and includes every contract (whatever its terms or form may be) which is in

15 substance or effect a loan of money, and "lend" and "lending" have corresponding interpretations.

"Prescribed" means prescribed by this Act or by any regulation made thereunder.

20 "Purchase-price" means the total amount of the moneys paid or payable and the value of any other consideration provided or to be provided by the buyer under a credit-sale agreement.

(2) This Act, except where otherwise expressly

25 provided, applies only to and in respect of credit-sale agreements entered into after the commencement of this Act.

~~(2)~~ (3) Where a deposit is provided in connection with a credit-sale agreement, the deposit shall not, for

30 the purposes of the definition of "Credit-sale agreement" in subsection one of this section, be reckoned as an instalment or payment.

~~(3)~~ (4) Where by virtue of two or more agreements, none of which by itself constitutes a credit-sale agree-

35 ment, there is a transaction which is in substance or effect a credit-sale agreement as hereinbefore defined, the agreements shall be treated for the purposes of this Act as a single agreement entered into when the last of those agreements was entered into.



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3. (1) A seller who enters into a credit-sale agree-  
ment without having first obtained from the buyer or  
proposed buyer thereunder in current coin or bank notes  
or by cheque drawn by a banker or by the buyer or pro-  
posed buyer or the spouse of the buyer or proposed buyer  
on a banker a deposit of—

Minimum  
deposits.  
cf. Act  
No. 56,  
1941,  
s. 31.

- (a) where the minimum amount of the deposit is not  
prescribed under paragraph (b) of this subsec-  
tion, not less than one-tenth of the cash-price of  
the goods the subject of the agreement; or
- (b) where the minimum amount of the deposit is  
prescribed under this paragraph, not less than  
such amount as may for the time being be  
prescribed,

shall be guilty of an offence against this Act.

A regulation may prescribe—

- (i) that the amount referred to in paragraph (b)  
of this subsection shall be at such rate or rates  
or shall be calculated on such basis or bases  
(whether by reference to the cash-price of the  
goods the subject of the agreement or otherwise)  
as may be specified in the regulation;
- (ii) rates or bases varying in accordance with  
different amounts of cash-price, different dura-  
tions of credit-sale agreements or otherwise.

In this subsection, "cash-price" means the price at  
which the goods the subject of the agreement might be  
bought for cash.

(2) Notwithstanding anything contained in sub-  
section one of this section, the deposit required by or  
under that subsection may include the value of any goods  
(not being goods acquired by the buyer or proposed buyer  
for the purpose of enabling the value of the goods so  
acquired to be included in that deposit) provided or  
required to be provided by the buyer or proposed buyer  
to buy the goods under the credit-sale agreement.

(3)



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(3) A credit-sale agreement entered into in contravention of this section shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

**5** Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

**10** **4.** Any person, other than a banker, who (whether or not he carries on any other business) carries on the business of lending or making loans to other persons for the purpose of enabling those other persons to pay the deposits required by or under subsection one of section three of this Act upon the purchase of goods under credit-sale agreements shall be guilty of an offence against this Act. Offence to carry on business of lending deposits. cf. Act No. 56, 1941, s. 32.

**20** **5.** Any person who accepts as a deposit upon the purchase of goods under a credit-sale agreement any money or other consideration that he has reasonable cause to believe or suspect was lent to the buyer by any person, other than a banker, shall be guilty of an offence against this Act. Deposits not to be by way of loan. cf. Act No. 56, 1941, s. 33.

**25** **6.** Any person who— Contracts to evade section three, four or five. cf. Act No. 56, 1941, s. 36

**30** (a) enters into any transaction, or makes any contract or arrangement purporting to do whether presently or at some future time or upon the happening of any event or contingency anything that contravenes or will contravene any of the provisions of section three, four or five of this Act; or

**35** (b) enters into any transaction, or makes any contract or arrangement, whether orally or in writing, for the purpose of or which has the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding or preventing the operation of any of the provisions of section three, four or five of this Act in any respect,

shall be guilty of an offence against this Act.



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**7.** Any person guilty under any of the foregoing provisions of this Act of an offence against this Act shall be liable on summary conviction—

- 5** (a) if a company—to a penalty not exceeding two hundred pounds;
- (b) if any other person—to a penalty not exceeding one hundred pounds or to imprisonment not exceeding three months or to both such penalty and imprisonment.

**10** **8.** (1) Before any credit-sale agreement is entered into in respect of any goods, the seller shall give or cause to be given to the prospective buyer a written statement, otherwise than in the note or memorandum, of the purchase-price of the goods:

Require-  
ments  
relating to  
credit-sale  
agreements.  
cf. 1 & 2  
Geo. VI,  
c. 53, s. 3.

**15** Provided that where the agreement is entered into by way of acceptance by the seller of a written offer (not being a mail order) signed by or on behalf of the buyer, the foregoing provisions of this subsection shall be deemed not to have been complied with unless the written  
**20** statement was given to the prospective buyer before the written offer was so signed.

(2) A seller shall not be entitled to enforce a credit-sale agreement or any contract of guarantee relating thereto, and no security given by the buyer in respect of  
**25** money payable under the credit-sale agreement or given by a guarantor in respect of money payable under such a contract of guarantee as aforesaid shall be enforceable against the buyer or guarantor by any holder thereof, unless the requirement specified in subsection one of this  
**30** section has been complied with, and—

- (a) the agreement is in writing signed by or on behalf of the buyer or a note or memorandum of the agreement is made, and is signed by or on behalf of the buyer; and

(b)



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(b) where the agreement is in writing, the agreement specifies, or, where the agreement is not in writing, the note or memorandum specifies—

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(i) the price at which the goods comprised in the agreement might be bought for cash;

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(ii) where the purchase-price of the goods so comprised includes an amount to cover the expenses of delivering the goods or any of them to the buyer, that amount as freight;

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(iii) where the purchase-price of the goods the subject of the agreement includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts—that amount as registration fees;

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(iv) where the purchase-price of the goods the subject of the agreement includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in

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- 5 in respect of goods comprised in the  
agreement which are goods of any  
of the descriptions referred to in para-  
graphs (a) ~~and (b)~~, (b) and (c) of sub-  
section two of section eleven of this  
Act or a television-set or prescribed  
goods, that amount as insurance in  
respect of the description of goods con-  
cerned where there is only one descrip-  
10 tion of goods so comprised and, in any  
other case, the part of that amount  
which is charged as insurance in respect  
of each description of goods so com-  
prised;
- 15 (v) the total amount payable in respect of  
all charges other than those referred  
to in subparagraphs (ii), (iii) and (iv)  
of this paragraph; and
- 20 (vi) the amount of the deposit provided by  
the buyer in connection with the agree-  
ment.

In this subsection "charges" means the difference  
between the purchase-price of the goods comprised in  
the agreement and the price at which those goods might  
25 be bought for cash.

(3) (a) It shall be the duty of every seller under  
a credit-sale agreement to deliver to the buyer  
within twenty-eight days after the agreement is entered  
into—

- 30 (i) where the agreement is in writing, a copy of the  
agreement, or where the agreement is not in  
writing, a copy of the note or memorandum;  
and
- 35 (ii) where the goods comprised in the agreement  
comprise or include goods of any one or more  
of the following descriptions, namely, indus-  
trial machinery, farm equipment, motor vehicle,  
television-set or prescribed goods, a copy of any  
insurance policy held by the seller or by any  
person



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person on behalf of the seller which extends to indemnify the buyer against loss or damage to, or against liability in respect of, goods so comprised which are of any such description or descriptions:

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Provided that where the seller is a banker and the insurance policy so held is a declaration policy, it shall be a sufficient compliance with the provisions of this subparagraph if the seller delivers to the buyer within the twenty-eight days aforesaid a statement setting out the terms, conditions and exclusions of the declaration policy so far as they concern or affect the purchaser in relation to the goods so comprised which are of any such description or descriptions.

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(b) Any seller who neglects or fails to comply with any of the requirements of this subsection shall be guilty of an offence and shall be liable on summary conviction to a penalty not exceeding twenty pounds.

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(c) Non-compliance with this subsection does not invalidate any credit-sale agreement.

9. (1) No credit-sale agreement which relates to household furniture or effects used or intended to be used by the buyer in his home and which is made with a buyer who is married shall be enforceable unless—

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(a) (i) the credit-sale agreement or the note or memorandum thereof contains a statement in writing signed by the spouse of the buyer signifying the consent of such spouse to the credit-sale agreement; and

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(ii) such statement is so signed by the spouse at or before the time when the credit-sale agreement was entered into; or

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(b) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller an authority, signed by the spouse of the buyer, to pledge the credit of

Regulation  
of credit-  
sale  
agreements  
with  
married  
persons.  
cf. Act  
No. 56,  
1941, s. 27.



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5 of the buyer and the spouse or of either of them up to a specified limit which is not more than thirty pounds, and the purchase-price of the goods comprised in the credit-sale agreement, together with all other moneys owing or payable by the buyer and the spouse or either of them to the seller, does not exceed the limit so specified; or

- 10 (c) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller a statutory declaration made by the buyer to the effect that the spouse of the buyer was under such a legal incapacity as to render such spouse unable to sign such statement as aforesaid:
- 15

Provided that this subsection shall not apply if the seller had reasonable grounds for believing and did in fact believe, at the time the credit-sale agreement was entered into, that—

- 20 (i) the buyer was living separate and apart from the spouse of the buyer; or
- (ii) the spouse of the buyer was outside New South Wales:

Provided further that this subsection shall not apply

25 if, at or before the time when the credit-sale agreement was entered into, the buyer has produced and delivered to the seller in a case where the residence of the buyer is situated more than five miles from the nearest telegraph office and the credit-sale agreement was entered

30 into at such residence, an instrument in writing signed by the buyer, or, in any other case, a statutory declaration made by the buyer, in which instrument or statutory declaration the buyer states that he was not married at the time of the delivery of such instrument or statutory

35 declaration to the seller, unless the seller had reasonable grounds for believing that such statement was false.

Any buyer who makes a false statement in any such instrument shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty

40 not exceeding fifty pounds. (2)



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(2) (a) This subsection shall apply to and in respect of a credit-sale agreement of the nature referred to in subsection one of this section where the purchase-price of the goods comprised in the agreement does not  
5 exceed ten pounds.

(b) Where the seller, under any such credit-sale agreement, serves (by personal delivery) on the spouse of the buyer, within seven days after the agreement was entered into, a notice in writing that such  
10 agreement has been entered into, and the spouse of the buyer does not, within seven days after service of such notice, serve on the seller a notice in writing that he objects to the credit-sale agreement being entered into, the agreement shall not, by reason only of subsection one  
15 of this section, be unenforceable.

(c) Where the spouse of the buyer serves such notice of objection the credit-sale agreement shall cease to be binding on the parties thereto; and thereupon the seller shall refund all moneys paid and the value of any  
20 consideration provided by the buyer and shall be entitled to recover the goods comprised in the agreement.

(3) If any seller to whom any such authority or statutory declaration or instrument as is referred to in this section has been delivered, fails to preserve the same  
25 until the expiration of twelve months after the transaction in respect of which it was given is finally closed, he shall be guilty of an offence against this Act, and shall be liable on summary conviction—

(a) if a company—to a penalty of not less than  
30 twenty pounds and not exceeding two hundred pounds;

(b) if any other person—to a penalty of not less than ten pounds and not exceeding one hundred pounds or to imprisonment for a term of not  
35 more than two months, or to both such penalty and imprisonment.



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**10.** (1) A credit-sale agreement shall provide that the instalments or payments necessary under the agreement to pay the difference between the purchase-price and the deposit provided in connection with the agreement shall—

- 5 (a) be made at regular weekly, fortnightly or monthly intervals and at no other intervals; and  
 (b) be of equal or approximately equal amounts.

(2) A credit-sale agreement entered into in contravention of this section shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

15 **Provided** that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

**11.** (1) In this section, "additional charges", in relation to a credit-sale agreement, means the difference between—

- 20 (a) the price at which the goods comprised in the credit-sale agreement might be bought for cash together with—
- 25 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and
- 30 (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts,
- 35 or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor



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Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and

- 5 (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in  
10 respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) ~~and (b)~~ , (b) ~~and (c)~~ of subsection two of this section or a television-set or prescribed  
15 goods, that amount, and

(b) the purchase-price of the goods so comprised.

(2) The additional charges in relation to a credit-sale agreement shall not, when calculated as a rate per centum per annum in accordance with the formula set  
20 out in this subsection, exceed a rate per annum of—

- (a) where the goods comprised in the agreement, not being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial  
25 machinery, farm equipment or a motor vehicle (other than a motor cycle)—seven per centum;

(i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—seven per centum; or  
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(ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;  
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(b)



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- 5 (b) where the goods comprised in the agreement, being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle (other than a motor cycle)—nine per centum;
- 10       (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—nine per centum; or
- 15       (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;
- 20 (c) where the goods comprised in the agreement are a motor cycle—nine per centum;
- 20 (d) where the goods comprised in the agreement are goods which are not of any of the descriptions in respect of which a rate is fixed by or under paragraph (a) or (b) or (c) of this subsection—ten per centum;
- 25       (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—ten per centum; or
- 30       (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;
- 35 (e) where the goods comprised in the agreement include goods of the description or of any one or more of the descriptions referred to in one of the above paragraphs of this subsection and also goods of the description or of any one or more of the descriptions referred to in one or both



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5 both more of the other such paragraphs—the lower or lowest, as the case may be, of the amounts per centum prescribed, at the time when the agreement is entered into, by or under by the above paragraphs in respect of a description of goods so comprised.

The rate referred to in the foregoing provisions of this subsection shall be calculated in accordance with the following formula:—

$$10 \quad R = \frac{100 \times C}{T \times P}$$

where

15 R represents the additional charges calculated as  
a rate per centum per annum.

C represents the total amount of additional charges expressed in pounds and fractions of pounds.

20 T represents the time that elapses between the date fixed by or under the agreement for the making of the first instalment or payment and the date fixed by or under the agreement for the making of the last instalment or payment, together with—

25 (i) one week where the instalments or payments are payable under the agreement at regular weekly intervals;

(ii) two weeks where the instalments or payments are payable under the agreement at regular fortnightly intervals;

30 (iii) one month where the instalments or payments are payable under the agreement at regular monthly intervals, expressed in years and fractions of years.

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*Credit-sale Agreements.*

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P represents the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer, together with—

- 5 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and
- 10 (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable
- 15 under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and
- 20
- 25 (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) ~~and (b)~~
- 30 , (b) and (c) of this subsection or a television-set or prescribed goods, that amount,
- 35

expressed in pounds and fractions of pounds.

(3)



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*Credit-sale Agreements.*

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(3) A credit-sale agreement entered into in contravention of subsection two of this section shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

5 **Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.**

10 **12.** (1) The Governor may, for the purposes of <sup>Rates of insurance.</sup> subsection three of this section, make regulations prescribing rates for insurance in respect of any class or classes of goods.

In the exercise of the power conferred by the foregoing provisions of this subsection, but without limiting the  
15 generality of that power, the regulations may provide—

- (a) different rates for insurance in respect of different classes of goods;
- (b) different rates in respect of different parts of the State;
- 20 (c) rates on a sliding scale;
- (d) rates according to or upon any specified principle or criterion.

(2) The power conferred by subsection one of this section shall be deemed to be validly exercised by a  
25 regulation which prescribes any such rates as are referred to in that subsection by reference to a list, scale or table of insurance rates referred to in the regulations and issued by a body or association which the Governor considers to be representative of insurance companies  
30 carrying on business of the class to which the list, scale or table relates or by reference to any regulations made under the provisions of section 26D of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts.

(3) Where the purchase-price of goods the  
35 subject of a credit-sale agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of a class in respect of which rates of insurance are, at the time when the agreement



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*Credit-sale Agreements.*

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is entered into, prescribed under this section and that amount exceeds the amount that would have been payable for insurance in respect of the goods so comprised had those goods been insured in accordance with those  
5 rates, the agreement shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

10 Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

13. (1) (a) In this section "credit-sale agreement" includes a credit-sale agreement that has been varied for the purpose of including additional goods in the  
15 agreement. Special provisions for add-on agreements.

Nothing in this paragraph shall be construed as limiting the generality of the definition of "Credit-sale agreement" in subsection one of section two of this Act.

(b) This section applies to and in respect of  
20 credit-sale agreements entered into before the commencement of this Act as well as to credit-sale agreements entered into after that commencement.

(c) This section does not apply to or in respect of any credit-sale agreement where, either before  
25 or after any variation of the agreement, the goods the subject of the agreement comprise or include industrial machinery, farm equipment or a motor vehicle.

(2) Where a credit-sale agreement is varied or is proposed to be varied for the purpose of including  
30 additional goods in the agreement it shall only be necessary to comply with or observe the provisions of this Act (subject to the modifications set out in subsection three of this section) in respect of the variation or proposed variation as though the only goods comprised in  
35 the agreement which results from the variation or which will result from the proposed variation were the additional goods.

The



*Credit-sale Agreements.*

The foregoing provisions of this subsection apply only where—

- 5 (a) the agreement proposed to be so varied or the agreement before it is so varied is not or was not unenforceable by the seller or void;
- (b) the agreement when so varied also specifies the balance payable under the agreement immediately before it was so varied;
- 10 (c) the provisions of the agreement when so varied, so far as they relate to goods comprised in the agreement before it was so varied, are not less favourable to the buyer than the provisions of the agreement before it was so varied.

(3) For the purposes of subsection two of this 15 section—

- 20 (a) section three of this Act shall be deemed to be omitted from this Act if the total amount of the moneys paid and the value of any other consideration provided by the buyer under the agreement during the period of two years immediately preceding the date on which the agreement is so varied is not less than—

- 25 (i) where a percentage is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is so varied—twenty per centum of the cash-price of the additional goods; or
- 30 (ii) where a percentage is prescribed under this subparagraph at the time when the agreement is so varied—the percentage so prescribed of the cash-price of the additional goods;

- 35 (b) where no deposit is required pursuant to paragraph (a) of this subsection and no deposit is in fact provided by the buyer—

- (i) subsection one of section ten of this Act shall have effect as though the words “the



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*Credit-sale Agreements.*

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5                   “the difference between the purchase-price and the deposit provided in connection with the agreement” were omitted therefrom and the words “the purchase-price” were inserted in lieu thereof;

10                   (ii) subsection two of section eleven of this Act shall have effect as though the words “the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer” were omitted therefrom and the words “the amount for which the goods comprised in the agreement might be bought for cash” were inserted in lieu thereof.

20                   (4) Notwithstanding anything contained in this Act where a credit-sale agreement has been varied pursuant to this section, it shall be a sufficient compliance with section ten of this Act so far as the balance payable under the agreement by the buyer immediately before the agreement is varied is concerned if that balance is made payable in equal or approximately equal amounts payable at the same regular intervals and by the same number of instalments or payments as are provided by the agreement as so varied in respect of the additional goods.

30                   ~~13.~~ 14. (1) The Governor may make regulations not inconsistent with this Act prescribing all matters which are required or permitted to be prescribed by this Act or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act. Regulations.

                  (2) The regulations shall—

35                   (a) be published in the Gazette;

                  (b) take effect from the date of publication or from a later date to be specified in the regulations; and

(c)



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*Credit-sale Agreements.*

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(c) be laid before both Houses of Parliament within  
fourteen sitting days after publication thereof  
if Parliament is in session, and if not, then  
within fourteen sitting days after the  
5 commencement of the next session.

If either House of Parliament passes a resolution of  
which notice has been given at any time within fifteen  
sitting days after such regulations have been laid before  
such House disallowing any regulation or part thereof,  
10 such regulation or part shall thereupon cease to have  
effect.















*This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.*

ALLAN PICKERING,  
*Clerk of the Legislative Assembly.*

*Legislative Assembly Chamber,  
Sydney, 17 April, 1957, A.M.*

*The LEGISLATIVE COUNCIL has this day agreed to this Bill with  
Amendments.*

*Legislative Council Chamber,  
Sydney, April, 1957.*

*Clerk of the Parliaments.*

## New South Wales



ANNO SEXTO

ELIZABETHÆ II REGINÆ

\*\*\*\*\*

Act No. , 1957.

An Act to control and regulate certain agreements relating to the sale of goods on credit; and for purposes connected therewith.

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the "Credit-sale Agreements Act, 1957".

Short title  
and  
commence-  
ment.

(2) This Act shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

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81799

222—A

2.

**NOTE.**—The words to be omitted are ruled through; those to be inserted are printed in black letter.



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*Credit-sale Agreements.*

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2. (1) In this Act, unless the context or subject matter otherwise indicates or requires— Interpreta-  
tion.

“Banker” means—

- (a) the Rural Bank of New South Wales;
- 5 (b) any body corporate authorised to carry on banking business under the Commonwealth Bank Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia; or
- 10 (c) any body corporate for the time being specified in the First Schedule to the Banking Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia.

15 “Credit-sale agreement” means an agreement ~~entered into after the commencement of this Act~~ for the sale of goods under which—

- (a) the purchase-price or any part thereof is payable by instalments or payments which are to be made over a period exceeding one year and are to be made nine times or more than nine times in any period of twelve months that forms part of the period firstmentioned in this paragraph; or
- 20 (b) the purchase-price or any part thereof is payable by instalments or payments which are to be made only over a period of one year or less than one year but more than nine months and are to be made nine times or more than nine times during that period,

but does not include any such agreement—

- 35 (i) under which the buyer is a person who is engaged in the trade or business of selling goods of the same nature or description as the goods referred to in the agreement;
- (ii)



*Credit-sale Agreements.*

- (ii) that is a hire-purchase agreement as defined in section two of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts; or
- 5 (iii) under which the goods comprised therein are not to be delivered to or to the order of the buyer until the whole of the purchase-price is paid.

10 "Goods" includes all chattels personal other than money or things in action.

"Loan" includes advance, discount, money paid for or on account of or on behalf of or at the request of any person, and includes every contract (whatever its terms or form may be) which is in substance or effect a loan of money, and "lend" and "lending" have corresponding interpretations.

"Prescribed" means prescribed by this Act or by any regulation made thereunder.

20 "Purchase-price" means the total amount of the moneys paid or payable and the value of any other consideration provided or to be provided by the buyer under a credit-sale agreement.

(2) This Act, except where otherwise expressly provided, applies only to and in respect of credit-sale agreements entered into after the commencement of this Act.

30 ~~(2)~~ (3) Where a deposit is provided in connection with a credit-sale agreement, the deposit shall not, for the purposes of the definition of "Credit-sale agreement" in subsection one of this section, be reckoned as an instalment or payment.

35 ~~(3)~~ (4) Where by virtue of two or more agreements, none of which by itself constitutes a credit-sale agreement, there is a transaction which is in substance or effect a credit-sale agreement as hereinbefore defined, the agreements shall be treated for the purposes of this Act as a single agreement entered into when the last of those agreements was entered into.



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3. (1) A seller who enters into a credit-sale agree-  
ment without having first obtained from the buyer or  
proposed buyer thereunder in current coin or bank notes  
or by cheque drawn by a banker or by the buyer or pro-  
posed buyer or the spouse of the buyer or proposed buyer  
on a banker a deposit of—

Minimum  
deposits.  
cf. Act  
No. 56,  
1941,  
s. 31.

- (a) where the minimum amount of the deposit is not  
prescribed under paragraph (b) of this subsec-  
tion, not less than one-tenth of the cash-price of  
the goods the subject of the agreement; or
- (b) where the minimum amount of the deposit is  
prescribed under this paragraph, not less than  
such amount as may for the time being be  
prescribed,

shall be guilty of an offence against this Act.

A regulation may prescribe—

- (i) that the amount referred to in paragraph (b)  
of this subsection shall be at such rate or rates  
or shall be calculated on such basis or bases  
(whether by reference to the cash-price of the  
goods the subject of the agreement or otherwise)  
as may be specified in the regulation;
- (ii) rates or bases varying in accordance with  
different amounts of cash-price, different dura-  
tions of credit-sale agreements or otherwise.

In this subsection, “cash-price” means the price at  
which the goods the subject of the agreement might be  
bought for cash.

(2) Notwithstanding anything contained in sub-  
section one of this section, the deposit required by or  
under that subsection may include the value of any goods  
(not being goods acquired by the buyer or proposed buyer  
for the purpose of enabling the value of the goods so  
acquired to be included in that deposit) provided or  
required to be provided by the buyer or proposed buyer  
to buy the goods under the credit-sale agreement.

(3)



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(3) A credit-sale agreement entered into in contravention of this section shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

5 Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

10 4. Any person, other than a banker, who (whether or not he carries on any other business) carries on the business of lending or making loans to other persons for the purpose of enabling those other persons to pay the deposits required by or under subsection one of section three of this Act upon the purchase of goods under credit-sale agreements shall be guilty of an offence against  
15 this Act.

*Offence to carry on the business of lending deposits. cf. Act No. 56, 1941, s. 32.*

20 5. Any person who accepts as a deposit upon the purchase of goods under a credit-sale agreement any money or other consideration that he has reasonable cause to believe or suspect was lent to the buyer by any person, other than a banker, shall be guilty of an offence against  
this Act.

*Deposits not to be by way of loan. cf. Act No. 56, 1941, s. 33.*

6. Any person who—

25 (a) enters into any transaction, or makes any contract or arrangement purporting to do whether presently or at some future time or upon the happening of any event or contingency anything that contravenes or will contravene any of the provisions of section three, four or five of  
30 this Act; or

*Contracts to evade section three, four or five. cf. Act No. 56, 1941, s. 36.*

35 (b) enters into any transaction, or makes any contract or arrangement, whether orally or in writing, for the purpose of or which has the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding or preventing the operation of any of the provisions of section three, four or five of this Act in any respect,

shall be guilty of an offence against this Act.

7.



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**7.** Any person guilty under any of the foregoing provisions of this Act of an offence against this Act shall be liable on summary conviction—

- 5** (a) if a company—to a penalty not exceeding two hundred pounds;
- (b) if any other person—to a penalty not exceeding one hundred pounds or to imprisonment not exceeding three months or to both such penalty and imprisonment.

**10** **8.** (1) Before any credit-sale agreement is entered into in respect of any goods, the seller shall give or cause to be given to the prospective buyer a written statement, otherwise than in the note or memorandum, of the purchase-price of the goods:

Requirements relating to credit-sale agreements.  
cf. 1 & 2  
Geo. VI,  
c. 53, s. 3.

- 15** Provided that where the agreement is entered into by way of acceptance by the seller of a written offer (not being a mail order) signed by or on behalf of the buyer, the foregoing provisions of this subsection shall be deemed not to have been complied with unless the written
- 20** statement was given to the prospective buyer before the written offer was so signed.

- (2) A seller shall not be entitled to enforce a credit-sale agreement or any contract of guarantee relating thereto, and no security given by the buyer in respect of
- 25** money payable under the credit-sale agreement or given by a guarantor in respect of money payable under such a contract of guarantee as aforesaid shall be enforceable against the buyer or guarantor by any holder thereof, unless the requirement specified in subsection one of this
- 30** section has been complied with, and—

- (a) the agreement is in writing signed by or on behalf of the buyer or a note or memorandum of the agreement is made, and is signed by or on behalf of the buyer; and

(b)



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(b) where the agreement is in writing, the agreement specifies, or, where the agreement is not in writing, the note or memorandum specifies—

5

(i) the price at which the goods comprised in the agreement might be bought for cash;

10

(ii) where the purchase-price of the goods so comprised includes an amount to cover the expenses of delivering the goods or any of them to the buyer, that amount as freight;

15

(iii) where the purchase-price of the goods the subject of the agreement includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts—that amount as registration fees;

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(iv) where the purchase-price of the goods the subject of the agreement includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in

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*Credit-sale Agreements.*

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- 5 in respect of goods comprised in the  
agreement which are goods of any  
of the descriptions referred to in para-  
graphs (a) and (b), (b) and (c) of sub-  
section two of section eleven of this  
Act or a television-set or prescribed  
goods, that amount as insurance in  
respect of the description of goods con-  
cerned where there is only one descrip-  
10 tion of goods so comprised and, in any  
other case, the part of that amount  
which is charged as insurance in respect  
of each description of goods so com-  
prised;
- 15 (v) the total amount payable in respect of  
all charges other than those referred  
to in subparagraphs (ii), (iii) and (iv)  
of this paragraph; and
- 20 (vi) the amount of the deposit provided by  
the buyer in connection with the agree-  
ment.

In this subsection "charges" means the difference  
between the purchase-price of the goods comprised in  
the agreement and the price at which those goods might  
25 be bought for cash.

(3) (a) It shall be the duty of every seller under  
a credit-sale agreement to deliver to the buyer  
within twenty-eight days after the agreement is entered  
into—

- 30 (i) where the agreement is in writing, a copy of the  
agreement, or where the agreement is not in  
writing, a copy of the note or memorandum;  
and
- 35 (ii) where the goods comprised in the agreement  
comprise or include goods of any one or more  
of the following descriptions, namely, indus-  
trial machinery, farm equipment, motor vehicle,  
television-set or prescribed goods, a copy of any  
insurance policy held by the seller or by any  
person



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5 person on behalf of the seller which extends to indemnify the buyer against loss or damage to, or against liability in respect of, goods so comprised which are of any such description or descriptions:

10 Provided that where the seller is a banker and the insurance policy so held is a declaration policy, it shall be a sufficient compliance with the provisions of this subparagraph if the seller delivers to the buyer within the twenty-eight days aforesaid a statement setting out the terms, conditions and exclusions of the declaration policy so far as they concern or affect the purchaser in relation to the goods so comprised  
15 which are of any such description or descriptions.

(b) Any seller who neglects or fails to comply with any of the requirements of this subsection shall be guilty of an offence and shall be liable on summary  
20 conviction to a penalty not exceeding twenty pounds.

(c) Non-compliance with this subsection does not invalidate any credit-sale agreement.

9. (1) No credit-sale agreement which relates to household furniture or effects used or intended to be used  
25 by the buyer in his home and which is made with a buyer who is married shall be enforceable unless—

(a) (i) the credit-sale agreement or the note or memorandum thereof contains a statement in writing signed by the spouse of the buyer signifying the consent of such spouse to the credit-sale agreement; and  
30

(ii) such statement is so signed by the spouse at or before the time when the credit-sale agreement was entered into; or

35 (b) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller an authority, signed by the spouse of the buyer, to pledge the credit of

Regulation of credit-sale agreements with married persons. cf. Act No. 56, 1941, s. 27.



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*Credit-sale Agreements.*

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5 of the buyer and the spouse or of either of them up to a specified limit which is not more than thirty pounds, and the purchase-price of the goods comprised in the credit-sale agreement, together with all other moneys owing or payable by the buyer and the spouse or either of them to the seller, does not exceed the limit so specified; or

- 10 (c) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller a statutory declaration made by the buyer to the effect that the spouse of the buyer was under such a legal incapacity as to render such spouse unable to
- 15 sign such statement as aforesaid:

Provided that this subsection shall not apply if the seller had reasonable grounds for believing and did in fact believe, at the time the credit-sale agreement was entered into, that—

- 20 (i) the buyer was living separate and apart from the spouse of the buyer; or
- (ii) the spouse of the buyer was outside New South Wales:

Provided further that this subsection shall not apply

25 if, at or before the time when the credit-sale agreement was entered into, the buyer has produced and delivered to the seller in a case where the residence of the buyer is situated more than five miles from the nearest telegraph office and the credit-sale agreement was entered

30 into at such residence, an instrument in writing signed by the buyer, or, in any other case, a statutory declaration made by the buyer, in which instrument or statutory declaration the buyer states that he was not married at the time of the delivery of such instrument or statutory

35 declaration to the seller, unless the seller had reasonable grounds for believing that such statement was false.

Any buyer who makes a false statement in any such instrument shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty

40 not exceeding fifty pounds. (2)



*Credit-sale Agreements.*

(2) (a) This subsection shall apply to and in respect of a credit-sale agreement of the nature referred to in subsection one of this section where the purchase-price of the goods comprised in the agreement does not  
5 exceed ten pounds.

(b) Where the seller, under any such credit-sale agreement, serves (by personal delivery) on the spouse of the buyer, within seven days after the agreement was entered into, a notice in writing that such  
10 agreement has been entered into, and the spouse of the buyer does not, within seven days after service of such notice, serve on the seller a notice in writing that he objects to the credit-sale agreement being entered into, the agreement shall not, by reason only of subsection one  
15 of this section, be unenforceable.

(c) Where the spouse of the buyer serves such notice of objection the credit-sale agreement shall cease to be binding on the parties thereto; and thereupon the seller shall refund all moneys paid and the value of any  
20 consideration provided by the buyer and shall be entitled to recover the goods comprised in the agreement.

(3) If any seller to whom any such authority or statutory declaration or instrument as is referred to in this section has been delivered, fails to preserve the same  
25 until the expiration of twelve months after the transaction in respect of which it was given is finally closed, he shall be guilty of an offence against this Act, and shall be liable on summary conviction—

(a) if a company—to a penalty of not less than  
30 twenty pounds and not exceeding two hundred pounds;

(b) if any other person—to a penalty of not less  
than ten pounds and not exceeding one hundred  
pounds or to imprisonment for a term of not  
35 more than two months, or to both such penalty  
and imprisonment.



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**10.** (1) A credit-sale agreement shall provide that the Credit-sale agreements to have regular payments of equal amount.  
instalments or payments necessary under the agreement to pay the difference between the purchase-price and the deposit provided in connection with the agreement shall—

- 5 (a) be made at regular weekly, fortnightly or monthly intervals and at no other intervals; and

- (b) be of equal or approximately equal amounts.

10 (2) A credit-sale agreement entered into in contravention of this section shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

15 **Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.**

**11.** (1) In this section, “additional charges”, in relation to a credit-sale agreement, means the difference between— Limitation on additional charges.

- 20 (a) the price at which the goods comprised in the credit-sale agreement might be bought for cash together with—

- 25 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and

- 30 (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts,  
35 or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor



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Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and

(iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) and (b), (b) and (c) of subsection two of this section or a television-set or prescribed goods, that amount, and

(b) the purchase-price of the goods so comprised.

(2) The additional charges in relation to a credit-sale agreement shall not, when calculated as a rate per centum per annum in accordance with the formula set out in this subsection, exceed a rate per annum of—

(a) where the goods comprised in the agreement, not being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle (other than a motor cycle)—seven per centum;

(i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—seven per centum; or

(ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;

(b)



*Credit-sale Agreements.*

- 5 (b) where the goods comprised in the agreement, being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle (other than a motor cycle)—nine per centum;
- 10 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—nine per centum; or
- 15 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;
- (c) where the goods comprised in the agreement are a motor cycle—nine per centum;
- 20 (d) where the goods comprised in the agreement are goods which are not of any of the descriptions in respect of which a rate is fixed by or under paragraph (a) or (b) or (c) of this subsection—ten per centum;
- 25 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—ten per centum; or
- 30 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;
- 35 (e) where the goods comprised in the agreement include goods of the description or of any one or more of the descriptions referred to in one of the above paragraphs of this subsection and also goods of the description or of any one or more of the descriptions referred to in one or both



### *Credit-sale Agreements.*

**5**      **both more** of the other such paragraphs—the lower or lowest, as the case may be, of the amounts per centum prescribed; ~~at the time when the agreement is entered into, by or under~~ **by** the above paragraphs in respect of a description of goods so comprised.

The rate referred to in the foregoing provisions of this subsection shall be calculated in accordance with the following formula:—

$$R = \frac{100 \times C}{T \times P}$$

where

**15** R represents the additional charges calculated as  
a rate per centum per annum.

C represents the total amount of additional charges expressed in pounds and fractions of pounds.

**20**        **T** represents the time that elapses between the date fixed by or under the agreement for the making of the first instalment or payment and the date fixed by or under the agreement for the making of the last instalment or payment, together with—

25 (i) one week where the instalments or payments are payable under the agreement at regular weekly intervals;

(ii) two weeks where the instalments or payments are payable under the agreement at regular fortnightly intervals;

**30** (iii) one month where the instalments or payments are payable under the agreement at regular monthly intervals, expressed in years and fractions of years.

P



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*Credit-sale Agreements.*

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P represents the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer, together with—

5

(i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and

10

(ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and

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20

25

(iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) ~~and (b)~~, (b) and (c) of this subsection or a television-set or prescribed goods, that amount,

30

35

expressed in pounds and fractions of pounds.

(3)



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*Credit-sale Agreements.*

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(3) A credit-sale agreement entered into in contravention of subsection two of this section shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

5   **Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.**

12. (1) The Governor may, for the purposes of <sup>Rates of insurance.</sup> subsection three of this section, make regulations prescribing rates for insurance in respect of any class or classes of goods.

In the exercise of the power conferred by the foregoing provisions of this subsection, but without limiting the 15 generality of that power, the regulations may provide—

- (a) different rates for insurance in respect of different classes of goods;
- (b) different rates in respect of different parts of the State;
- 20   (c) rates on a sliding scale;
- (d) rates according to or upon any specified principle or criterion.

(2) The power conferred by subsection one of this section shall be deemed to be validly exercised by a 25 regulation which prescribes any such rates as are referred to in that subsection by reference to a list, scale or table of insurance rates referred to in the regulations and issued by a body or association which the Governor considers to be representative of insurance companies 30 carrying on business of the class to which the list, scale or table relates or by reference to any regulations made under the provisions of section 26D of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts.

(3) Where the purchase-price of goods the 35 subject of a credit-sale agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of a class in respect of which rates of insurance are, at the time when the agreement



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*Credit-sale Agreements.*

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is entered into, prescribed under this section and that amount exceeds the amount that would have been payable for insurance in respect of the goods so comprised had those goods been insured in accordance with those rates, the agreement shall be void: ~~except insofar as the rights of the buyer thereunder or arising thereout are concerned.~~

10 Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

15 13. (1) (a) In this section "credit-sale agreement" includes a credit-sale agreement that has been varied for the purpose of including additional goods in the agreement. Special provisions for add-on agreements.

Nothing in this paragraph shall be construed as limiting the generality of the definition of "Credit-sale agreement" in subsection one of section two of this Act.

20 (b) This section applies to and in respect of credit-sale agreements entered into before the commencement of this Act as well as to credit-sale agreements entered into after that commencement.

25 (c) This section does not apply to or in respect of any credit-sale agreement where, either before or after any variation of the agreement, the goods the subject of the agreement comprise or include industrial machinery, farm equipment or a motor vehicle.

30 (2) Where a credit-sale agreement is varied or is proposed to be varied for the purpose of including additional goods in the agreement it shall only be necessary to comply with or observe the provisions of this Act (subject to the modifications set out in subsection three of this section) in respect of the variation or proposed variation as though the only goods comprised in the agreement which results from the variation or which will result from the proposed variation were the additional goods.

The



*Credit-sale Agreements.*

The foregoing provisions of this subsection apply only where—

- 5 (a) the agreement proposed to be so varied or the agreement before it is so varied is not or was not unenforceable by the seller or void;
- (b) the agreement when so varied also specifies the balance payable under the agreement immediately before it was so varied;
- 10 (c) the provisions of the agreement when so varied, so far as they relate to goods comprised in the agreement before it was so varied, are not less favourable to the buyer than the provisions of the agreement before it was so varied.

(3) For the purposes of subsection two of this 15 section—

- 20 (a) section three of this Act shall be deemed to be omitted from this Act if the total amount of the moneys paid and the value of any other consideration provided by the buyer under the agreement during the period of two years immediately preceding the date on which the agreement is so varied is not less than—
  - 25 (i) where a percentage is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is so varied—twenty per centum of the cash-price of the additional goods; or
  - 30 (ii) where a percentage is prescribed under this subparagraph at the time when the agreement is so varied—the percentage so prescribed of the cash-price of the additional goods;
- 35 (b) where no deposit is required pursuant to paragraph (a) of this subsection and no deposit is in fact provided by the buyer—
  - (i) subsection one of section ten of this Act shall have effect as though the words “the



*Credit-sale Agreements.*

5 "the difference between the purchase-price and the deposit provided in connection with the agreement" were omitted therefrom and the words "the purchase-price" were inserted in lieu thereof;

10 (ii) subsection two of section eleven of this Act shall have effect as though the words "the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer" were omitted therefrom and the words "the amount for which the goods comprised in the agreement might be bought for cash" were inserted in lieu thereof.

20 (4) Notwithstanding anything contained in this Act where a credit-sale agreement has been varied pursuant to this section, it shall be a sufficient compliance with section ten of this Act so far as the balance payable under the agreement by the buyer immediately before the agreement is varied is concerned if that balance is made payable in equal or approximately equal amounts payable at the same regular intervals and by the same number of instalments or payments as are provided by the agreement as so varied in respect of the additional goods.

30 ~~13.~~ 14. (1) The Governor may make regulations not inconsistent with this Act prescribing all matters which are required or permitted to be prescribed by this Act or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act. Regulations.

(2) The regulations shall—

35 (a) be published in the Gazette;  
(b) take effect from the date of publication or from a later date to be specified in the regulations;  
and

(c)



*Credit-sale Agreements.*

(c) be laid before both Houses of Parliament within fourteen sitting days after publication thereof if Parliament is in session, and if not, then within fourteen sitting days after the commencement of the next session.

If either House of Parliament passes a resolution of which notice has been given at any time within fifteen sitting days after such regulations have been laid before such House disallowing any regulation or part thereof, such regulation or part shall thereupon cease to have effect.



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1900-1901







This Bill is now ready for presentation to the  
Legislative Council for its consideration.

ALBAN PICKERING,  
Clerk of the Legislative Assembly.

Legislative Assembly Chamber,  
Sydney, 27 April, 1937.

The Legislative Council has this day agreed to this Bill with  
amendments.

Witness my hand and seal this day.

WAE

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1937

1937

It is hereby declared that the Bill is now ready for presentation to the  
Legislative Council for its consideration.

Witness my hand and seal this day.

1. (1) The Bill may be amended by the Legislative Council.

(2) The Bill may be amended by the Legislative Council.

(3) The Bill may be amended by the Legislative Council.

(4) The Bill may be amended by the Legislative Council.

(5) The Bill may be amended by the Legislative Council.

(6) The Bill may be amended by the Legislative Council.

(7) The Bill may be amended by the Legislative Council.

(8) The Bill may be amended by the Legislative Council.

(9) The Bill may be amended by the Legislative Council.

(10) The Bill may be amended by the Legislative Council.



*This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY,  
and, having this day passed, is now ready for presentation to the  
LEGISLATIVE COUNCIL for its concurrence.*

ALLAN PICKERING,  
*Clerk of the Legislative Assembly.*

*Legislative Assembly Chamber,  
Sydney, 17 April, 1957, A.M.*

## New South Wales



ANNO SEXTO

## ELIZABETHÆ II REGINÆ

\*\*\*\*\*

Act No. , 1957.

An Act to control and regulate certain agree-  
ments relating to the sale of goods on credit;  
and for purposes connected therewith.

BE it enacted by the Queen's Most Excellent Majesty,  
by and with the advice and consent of the Legis-  
lative Council and Legislative Assembly of New South  
Wales in Parliament assembled, and by the authority of  
5 the same, as follows:—

1. (1) This Act may be cited as the "Credit-sale Short title  
Agreements Act, 1957". and  
commence-  
ment.

(2) This Act shall commence upon a day to be  
appointed by the Governor and notified by proclamation  
10 published in the Gazette.

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2.



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*Credit-sale Agreements.*

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2. (1) In this Act, unless the context or subject matter otherwise indicates or requires— Interpreta-  
tion.

“Banker” means—

- (a) the Rural Bank of New South Wales;
- 5 (b) any body corporate authorised to carry on banking business under the Commonwealth Bank Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia; or
- 10 (c) any body corporate for the time being specified in the First Schedule to the Banking Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia.

15 “Credit-sale agreement” means an agreement entered into after the commencement of this Act for the sale of goods under which—

- (a) the purchase-price or any part thereof is payable by instalments or payments which are to be made over a period exceeding one year and are to be made nine times or more than nine times in any period of twelve months that forms part of the period firstmentioned in this paragraph; or
- 20 (b) the purchase-price or any part thereof is payable by instalments or payments which are to be made only over a period of one year or less than one year but more than nine months and are to be made nine times or more than nine times during that period,
- 25

but does not include any such agreement—

- 30 (i) under which the buyer is a person who is engaged in the trade or business of selling goods of the same nature or description as the goods referred to in the agreement;
- 35 (ii)



*Credit-sale Agreements.*

- (ii) that is a hire-purchase agreement as defined in section two of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts; or
- 5 (iii) under which the goods comprised therein are not to be delivered to or to the order of the buyer until the whole of the purchase-price is paid.
- 10 “Goods” includes all chattels personal other than money or things in action.
- “Loan” includes advance, discount, money paid for or on account of or on behalf of or at the request of any person, and includes every contract (whatever its terms or form may be) which is in
- 15 substance or effect a loan of money, and “lend” and “lending” have corresponding interpretations.
- “Prescribed” means prescribed by this Act or by any regulation made thereunder.
- 20 “Purchase-price” means the total amount of the moneys paid or payable and the value of any other consideration provided or to be provided by the buyer under a credit-sale agreement.
- (2) Where a deposit is provided in connection
- 25 with a credit-sale agreement, the deposit shall not, for the purposes of the definition of “Credit-sale agreement” in subsection one of this section, be reckoned as an instalment or payment.
- (3) Where by virtue of two or more agreements, <sup>cf. N.Z. S.R. 1955 No. 184, Reg. 2 (2).</sup>
- 30 none of which by itself constitutes a credit-sale agreement, there is a transaction which is in substance or effect a credit-sale agreement as hereinbefore defined, the agreements shall be treated for the purposes of this Act as a single agreement entered into when the last
- 35 of those agreements was entered into.



*Credit-sale Agreements.*

3. (1) A seller who enters into a credit-sale agree-  
 ment without having first obtained from the buyer or  
 proposed buyer thereunder in current coin or bank notes  
 or by cheque drawn by a banker or by the buyer or pro-  
 5 posed buyer or the spouse of the buyer or proposed buyer  
 on a banker a deposit of—

Minimum  
 deposits.  
 cf. Act  
 No. 56,  
 1941,  
 s. 31.

- 10 (a) where the minimum amount of the deposit is not  
 prescribed under paragraph (b) of this subsec-  
 tion, not less than one-tenth of the cash-price of  
 the goods the subject of the agreement; or
- (b) where the minimum amount of the deposit is  
 prescribed under this paragraph, not less than  
 such amount as may for the time being be  
 prescribed,

15 shall be guilty of an offence against this Act.

A regulation may prescribe—

- 20 (i) that the amount referred to in paragraph (b)  
 of this subsection shall be at such rate or rates  
 or shall be calculated on such basis or bases  
 (whether by reference to the cash-price of the  
 goods the subject of the agreement or otherwise)  
 as may be specified in the regulation;
- 25 (ii) rates or bases varying in accordance with  
 different amounts of cash-price, different dura-  
 tions of credit-sale agreements or otherwise.

In this subsection, "cash-price" means the price at  
 which the goods the subject of the agreement might be  
 bought for cash.

- 30 (2) Notwithstanding anything contained in sub-  
 section one of this section, the deposit required by or  
 under that subsection may include the value of any goods  
 (not being goods acquired by the buyer or proposed buyer  
 for the purpose of enabling the value of the goods so  
 acquired to be included in that deposit) provided or  
 35 required to be provided by the buyer or proposed buyer  
 to buy the goods under the credit-sale agreement.

(3)



*Credit-sale Agreements.*

(3) A credit-sale agreement entered into in contravention of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

5 4. Any person, other than a banker, who (whether or not he carries on any other business) carries on the business of lending or making loans to other persons for the purpose of enabling those other persons to pay the deposits required by or under subsection one of section three of this Act upon the purchase of goods under credit-sale agreements shall be guilty of an offence against this Act.

Offence to carry on business of lending deposits.  
cf. Act No. 56, 1941, s. 32.

5 5. Any person who accepts as a deposit upon the purchase of goods under a credit-sale agreement any money or other consideration that he has reasonable cause to believe or suspect was lent to the buyer by any person, other than a banker, shall be guilty of an offence against this Act.

Deposits not to be by way of loan.  
cf. Act No. 56, 1941, s. 33.

20 6. Any person who—  
(a) enters into any transaction, or makes any contract or arrangement purporting to do whether presently or at some future time or upon the happening of any event or contingency anything that contravenes or will contravene any of the provisions of section three, four or five of this Act; or

Contracts to evade section three, four or five.  
cf. Act No. 56, 1941, s. 36

25  
30 (b) enters into any transaction, or makes any contract or arrangement, whether orally or in writing, for the purpose of or which has the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding or preventing the operation of any of the provisions of section three, four or five of this Act in any respect,

shall be guilty of an offence against this Act.

7.



*Credit-sale Agreements.*

7. Any person guilty under any of the foregoing provisions of this Act of an offence against this Act shall be liable on summary conviction—

- 5 (a) if a company—to a penalty not exceeding two hundred pounds;
- (b) if any other person—to a penalty not exceeding one hundred pounds or to imprisonment not exceeding three months or to both such penalty and imprisonment.

10 8. (1) Before any credit-sale agreement is entered into in respect of any goods, the seller shall give or cause to be given to the prospective buyer a written statement, otherwise than in the note or memorandum, of the purchase-price of the goods:

Require-  
ments  
relating to  
credit-sale  
agreements.  
cf. 1 & 2  
Geo. VI,  
c. 53, s. 3.

15 Provided that where the agreement is entered into by way of acceptance by the seller of a written offer (not being a mail order) signed by or on behalf of the buyer, the foregoing provisions of this subsection shall be deemed not to have been complied with unless the written  
20 statement was given to the prospective buyer before the written offer was so signed.

(2) A seller shall not be entitled to enforce a credit-sale agreement or any contract of guarantee relating thereto, and no security given by the buyer in respect of  
25 money payable under the credit-sale agreement or given by a guarantor in respect of money payable under such a contract of guarantee as aforesaid shall be enforceable against the buyer or guarantor by any holder thereof, unless the requirement specified in subsection one of this  
30 section has been complied with, and—

- (a) the agreement is in writing signed by or on behalf of the buyer or a note or memorandum of the agreement is made, and is signed by or on behalf of the buyer; and

(b)



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*Credit-sale Agreements.*

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- (b) where the agreement is in writing, the agreement specifies, or, where the agreement is not in writing, the note or memorandum specifies—
- 5 (i) the price at which the goods comprised in the agreement might be bought for cash;
- 10 (ii) where the purchase-price of the goods so comprised includes an amount to cover the expenses of delivering the goods or any of them to the buyer, that amount as freight;
- 15 (iii) where the purchase-price of the goods the subject of the agreement includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the
- 20 Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in
- 25 respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts—that amount as registration fees;
- 30 (iv) where the purchase-price of the goods the subject of the agreement includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act,
- 35 1942, as amended by subsequent Acts) in



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*Credit-sale Agreements.*

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- 5 in respect of goods comprised in the  
agreement which are goods of any  
of the descriptions referred to in para-  
graphs (a) and (b) of subsection two  
of section eleven of this Act or a  
television-set or prescribed goods, that  
amount as insurance in respect of the  
description of goods concerned where  
there is only one description of goods  
10 so comprised and, in any other case, the  
part of that amount which is charged as  
insurance in respect of each descrip-  
tion of goods so comprised;
- 15 (v) the total amount payable in respect of  
all charges other than those referred  
to in subparagraphs (ii), (iii) and (iv)  
of this paragraph; and
- 20 (vi) the amount of the deposit provided by  
the buyer in connection with the agree-  
ment.
- In this subsection "charges" means the difference  
between the purchase-price of the goods comprised in  
the agreement and the price at which those goods might  
be bought for cash.
- 25 (3) (a) It shall be the duty of every seller under  
a credit-sale agreement to deliver to the buyer  
within twenty-eight days after the agreement is entered  
into—
- 30 (i) where the agreement is in writing, a copy of the  
agreement, or where the agreement is not in  
writing, a copy of the note or memorandum;  
and
- 35 (ii) where the goods comprised in the agreement  
comprise or include goods of any one or more  
of the following descriptions, namely, indus-  
trial machinery, farm equipment, motor vehicle,  
television-set or prescribed goods, a copy of any  
insurance policy held by the seller or by any  
person



*Credit-sale Agreements.*

person on behalf of the seller which extends to indemnify the buyer against loss or damage to, or against liability in respect of, goods so comprised which are of any such description or descriptions:

5

Provided that where the seller is a banker and the insurance policy so held is a declaration policy, it shall be a sufficient compliance with the provisions of this subparagraph if the seller delivers to the buyer within the twenty-eight days aforesaid a statement setting out the terms, conditions and exclusions of the declaration policy so far as they concern or affect the purchaser in relation to the goods so comprised which are of any such description or descriptions.

10

15

(b) Any seller who neglects or fails to comply with any of the requirements of this subsection shall be guilty of an offence and shall be liable on summary conviction to a penalty not exceeding twenty pounds.

20

(c) Non-compliance with this subsection does not invalidate any credit-sale agreement.

9. (1) No credit-sale agreement which relates to household furniture or effects used or intended to be used by the buyer in his home and which is made with a buyer who is married shall be enforceable unless—

25

(a) (i) the credit-sale agreement or the note or memorandum thereof contains a statement in writing signed by the spouse of the buyer signifying the consent of such spouse to the credit-sale agreement; and

30

(ii) such statement is so signed by the spouse at or before the time when the credit-sale agreement was entered into; or

35

(b) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller an authority, signed by the spouse of the buyer, to pledge the credit of

Regulation  
of credit-  
sale  
agreements  
with  
married  
persons.

cf. Act  
No. 56,  
1941, s. 27.



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*Credit-sale Agreements.*

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5 of the buyer and the spouse or of either of them up to a specified limit which is not more than thirty pounds, and the purchase-price of the goods comprised in the credit-sale agreement, together with all other moneys owing or payable by the buyer and the spouse or either of them to the seller, does not exceed the limit so specified; or

10 (c) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller a statutory declaration made by the buyer to the effect that the spouse of the buyer was under such a legal incapacity as to render such spouse unable to  
15 sign such statement as aforesaid:

Provided that this subsection shall not apply if the seller had reasonable grounds for believing and did in fact believe, at the time the credit-sale agreement was entered into, that—

- 20 (i) the buyer was living separate and apart from the spouse of the buyer; or  
(ii) the spouse of the buyer was outside New South Wales:

Provided further that this subsection shall not apply  
25 if, at or before the time when the credit-sale agreement was entered into, the buyer has produced and delivered to the seller in a case where the residence of the buyer is situated more than five miles from the nearest telegraph office and the credit-sale agreement was entered  
30 into at such residence, an instrument in writing signed by the buyer, or, in any other case, a statutory declaration made by the buyer, in which instrument or statutory declaration the buyer states that he was not married at the time of the delivery of such instrument or statutory  
35 declaration to the seller, unless the seller had reasonable grounds for believing that such statement was false.

Any buyer who makes a false statement in any such instrument shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty  
40 not exceeding fifty pounds. (2)



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*Credit-sale Agreements.*

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(2) (a) This subsection shall apply to and in respect of a credit-sale agreement of the nature referred to in subsection one of this section where the purchase-price of the goods comprised in the agreement does not  
5 exceed ten pounds.

(b) Where the seller, under any such credit-sale agreement, serves (by personal delivery) on the spouse of the buyer, within seven days after the agreement was entered into, a notice in writing that such  
10 agreement has been entered into, and the spouse of the buyer does not, within seven days after service of such notice, serve on the seller a notice in writing that he objects to the credit-sale agreement being entered into, the agreement shall not, by reason only of subsection one  
15 of this section, be unenforceable.

(c) Where the spouse of the buyer serves such notice of objection the credit-sale agreement shall cease to be binding on the parties thereto; and thereupon the seller shall refund all moneys paid and the value of any  
20 consideration provided by the buyer and shall be entitled to recover the goods comprised in the agreement.

(3) If any seller to whom any such authority or statutory declaration or instrument as is referred to in this section has been delivered, fails to preserve the same  
25 until the expiration of twelve months after the transaction in respect of which it was given is finally closed, he shall be guilty of an offence against this Act, and shall be liable on summary conviction—

(a) if a company—to a penalty of not less than  
30 twenty pounds and not exceeding two hundred pounds;

(b) if any other person—to a penalty of not less than ten pounds and not exceeding one hundred pounds or to imprisonment for a term of not  
35 more than two months, or to both such penalty and imprisonment.



*Credit-sale Agreements.*

**10.** (1) A credit-sale agreement shall provide that the instalments or payments necessary under the agreement to pay the difference between the purchase-price and the deposit provided in connection with the agreement shall—

Credit-sale agreements to have regular payments of equal amount.

5 (a) be made at regular weekly, fortnightly or monthly intervals and at no other intervals; and

(b) be of equal or approximately equal amounts.

10 (2) A credit-sale agreement entered into in contravention of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

**11.** (1) In this section, “additional charges”, in relation to a credit-sale agreement, means the difference between—

Limitation on additional charges.

15 (a) the price at which the goods comprised in the credit-sale agreement might be bought for cash together with—

20 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and

25 (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 30 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the

Motor



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*Credit-sale Agreements.*

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Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and

- 5 (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in  
10 respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) and (b) of subsection two of this section or a television-set or prescribed goods, that  
15 amount, and

(b) the purchase-price of the goods so comprised.

(2) The additional charges in relation to a credit-sale agreement shall not, when calculated as a rate per centum per annum in accordance with the formula set  
20 out in this subsection, exceed a rate per annum of—

(a) where the goods comprised in the agreement, not being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial  
25 machinery, farm equipment or a motor vehicle—

(i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—seven per  
30 centum; or

(ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so  
35 prescribed;

(b)



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*Credit-sale Agreements.*

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5 (b) where the goods comprised in the agreement, being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle—

10 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—nine per centum; or

15 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;

(c) where the goods comprised in the agreement are goods which are not of any of the descriptions in respect of which a rate is fixed by or under paragraph (a) or (b) of this subsection—

20 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—ten per centum; or

25 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;

30 (d) where the goods comprised in the agreement include goods of the description or of any one or more of the descriptions referred to in one of the above paragraphs of this subsection and also goods of the description or of any one or  
35 more of the descriptions referred to in one or both



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*Credit-sale Agreements.*

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5 both of the other such paragraphs—the lower or lowest, as the case may be, of the amounts per centum prescribed, at the time when the agreement is entered into, by or under the above paragraphs in respect of a description of goods so comprised.

The rate referred to in the foregoing provisions of this subsection shall be calculated in accordance with the following formula:—

10 
$$R = \frac{100 \times C}{T \times P}$$

where

15 R represents the additional charges calculated as a rate per centum per annum.

C represents the total amount of additional charges expressed in pounds and fractions of pounds.

20 T represents the time that elapses between the date fixed by or under the agreement for the making of the first instalment or payment and the date fixed by or under the agreement for the making of the last instalment or payment, together with—

25 (i) one week where the instalments or payments are payable under the agreement at regular weekly intervals;

(ii) two weeks where the instalments or payments are payable under the agreement at regular fortnightly intervals;

30 (iii) one month where the instalments or payments are payable under the agreement at regular monthly intervals,

expressed in years and fractions of years.

P



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*Credit-sale Agreements.*

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P represents the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer, together with—

- 5 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and
- 10 (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable
- 15 under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or
- 20 renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as
- 25 amended by subsequent Acts, that amount; and
- (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which
- 30 are goods of any of the descriptions referred to in paragraphs (a) and (b) of this subsection or a television-set or prescribed goods, that amount,
- 35

expressed in pounds and fractions of pounds.

(3)



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*Credit-sale Agreements.*

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(3) A credit-sale agreement entered into in contravention of subsection two of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

- 5 **12.** (1) The Governor may, for the purposes of subsection three of this section, make regulations prescribing rates for insurance in respect of any class or classes of goods. Rates of insurance.

In the exercise of the power conferred by the foregoing provisions of this subsection, but without limiting the generality of that power, the regulations may provide—

- 10 (a) different rates for insurance in respect of different classes of goods;
- 15 (b) different rates in respect of different parts of the State;
- (c) rates on a sliding scale;
- (d) rates according to or upon any specified principle or criterion.

(2) The power conferred by subsection one of this section shall be deemed to be validly exercised by a regulation which prescribes any such rates as are referred to in that subsection by reference to a list, scale or table of insurance rates referred to in the regulations and issued by a body or association which the Governor considers to be representative of insurance companies carrying on business of the class to which the list, scale or table relates or by reference to any regulations made under the provisions of section 26D of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts.

30 (3) Where the purchase-price of goods the subject of a credit-sale agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of a class in respect of which rates of insurance are, at the time when the agreement



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*Credit-sale Agreements.*

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is entered into, prescribed under this section and that amount exceeds the amount that would have been payable for insurance in respect of the goods so comprised had those goods been insured in accordance with those rates, the agreement shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

**13.** (1) The Governor may make regulations not Regulations. inconsistent with this Act prescribing all matters which are required or permitted to be prescribed by this Act or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

(2) The regulations shall—

- (a) be published in the Gazette;
- 15 (b) take effect from the date of publication or from a later date to be specified in the regulations; and
- 20 (c) be laid before both Houses of Parliament within fourteen sitting days after publication thereof if Parliament is in session, and if not, then within fourteen sitting days after the commencement of the next session.

If either House of Parliament passes a resolution of which notice has been given at any time within fifteen sitting days after such regulations have been laid before such House disallowing any regulation or part thereof, such regulation or part shall thereupon cease to have effect.



No. , 1957.

---

## A BILL

To control and regulate certain agreements relating to the sale of goods on credit; and for purposes connected therewith.

[MR. SHEAHAN;—2 April, 1957.]

---

**B**E it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of  
5 the same, as follows :—

1. (1) This Act may be cited as the "Credit-sale Agreements Act, 1957".

Short title  
and  
commence-  
ment.

(2) This Act shall commence upon a day to be appointed by the Governor and notified by proclamation  
10 published in the Gazette.



*Credit-sale Agreements.*

2. (1) In this Act, unless the context or subject matter otherwise indicates or requires— Interpreta-  
tion.

“Banker” means—

- (a) the Rural Bank of New South Wales;
- 5 (b) any body corporate authorised to carry on banking business under the Commonwealth Bank Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia; or
- 10 (c) any body corporate for the time being specified in the First Schedule to the Banking Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia.

15 “Credit-sale agreement” means an agreement entered into after the commencement of this Act for the sale of goods under which—

- (a) the purchase-price or any part thereof is payable by instalments or payments which are to be made over a period exceeding one year and are to be made nine times or more than nine times in any period of twelve months that forms part of the period first mentioned in this paragraph; or
- 20 (b) the purchase-price or any part thereof is payable by instalments or payments which are to be made only over a period of one year or less than one year but more than nine months and are to be made nine times or more than nine times during that period,
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but does not include any such agreement—

- (i) under which the buyer is a person who is engaged in the trade or business of selling goods of the same nature or description as the goods referred to in the agreement;
- (ii)



*Credit-sale Agreements.*

- (ii) that is a hire-purchase agreement as defined in section two of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts; or
- 5 (iii) under which the goods comprised therein are not to be delivered to or to the order of the buyer until the whole of the purchase-price is paid.

10 "Goods" includes all chattels personal other than money or things in action.

"Loan" includes advance, discount, money paid for or on account of or on behalf of or at the request of any person, and includes every contract (whatever its terms or form may be) which is in substance or effect a loan of money, and "lend" and "lending" have corresponding interpretations.

15

"Prescribed" means prescribed by this Act or by any regulation made thereunder.

20 "Purchase-price" means the total amount of the moneys paid or payable and the value of any other consideration provided or to be provided by the buyer under a credit-sale agreement.

(2) Where a deposit is provided in connection with a credit-sale agreement, the deposit shall not, for the purposes of the definition of "Credit-sale agreement" in subsection one of this section, be reckoned as an instalment or payment.

25

(3) Where by virtue of two or more agreements, none of which by itself constitutes a credit-sale agreement, there is a transaction which is in substance or effect a credit-sale agreement as hereinbefore defined, the agreements shall be treated for the purposes of this Act as a single agreement entered into when the last of those agreements was entered into.

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cf. N.Z.  
S.R. 1955  
No. 184,  
Reg. 2 (2).



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*Credit-sale Agreements.*

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3. (1) A seller who enters into a credit-sale agree-  
ment without having first obtained from the buyer or  
proposed buyer thereunder in current coin or bank notes  
or by cheque drawn by a banker or by the buyer or pro-  
posed buyer or the spouse of the buyer or proposed buyer  
on a banker a deposit of—

Minimum  
deposits.  
cf. Act  
No. 56,  
1941,  
s. 31.

- (a) where the minimum amount of the deposit is not  
prescribed under paragraph (b) of this subsec-  
tion, not less than one-tenth of the cash-price of  
the goods the subject of the agreement; or
- (b) where the minimum amount of the deposit is  
prescribed under this paragraph, not less than  
such amount as may for the time being be  
prescribed,

shall be guilty of an offence against this Act.

A regulation may prescribe—

- (i) that the amount referred to in paragraph (b)  
of this subsection shall be at such rate or rates  
or shall be calculated on such basis or bases  
(whether by reference to the cash-price of the  
goods the subject of the agreement or otherwise)  
as may be specified in the regulation;
- (ii) rates or bases varying in accordance with  
different amounts of cash-price, different dura-  
tions of credit-sale agreements or otherwise.

In this subsection, "cash-price" means the price at  
which the goods the subject of the agreement might be  
bought for cash.

(2) Notwithstanding anything contained in sub-  
section one of this section, the deposit required by or  
under that subsection may include the value of any goods  
(not being goods acquired by the buyer or proposed buyer  
for the purpose of enabling the value of the goods so  
acquired to be included in that deposit) provided or  
required to be provided by the buyer or proposed buyer  
to buy the goods under the credit-sale agreement.

(3)



*Credit-sale Agreements.*

(3) A credit-sale agreement entered into in contravention of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

- 5 4. Any person, other than a banker, who (whether or not he carries on any other business) carries on the business of lending or making loans to other persons for the purpose of enabling those other persons to pay the deposits required by or under subsection one of section three of this Act upon the purchase of goods under credit-sale agreements shall be guilty of an offence against this Act.
- Offence to carry on business of lending deposits.  
cf. Act No. 56, 1941, s. 32.

5. Any person who accepts as a deposit upon the purchase of goods under a credit-sale agreement any money or other consideration that he has reasonable cause to believe or suspect was lent to the buyer by any person, other than a banker, shall be guilty of an offence against this Act.
- Deposits not to be by way of loan.  
cf. Act No. 56, 1941, s. 33.

6. Any person who—
- 20 (a) enters into any transaction, or makes any contract or arrangement purporting to do whether presently or at some future time or upon the happening of any event or contingency anything that contravenes or will contravene any of the provisions of section three, four or five of this Act; or
- 25 (b) enters into any transaction, or makes any contract or arrangement, whether orally or in writing, for the purpose of or which has the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding or preventing the operation of any of the provisions of section three, four or five of this Act in any respect,
- 30 shall be guilty of an offence against this Act.
- Contracts to evade section three, four or five.  
cf. Act No. 56, 1941, s. 36.



*Credit-sale Agreements.*

**7.** Any person guilty under any of the foregoing provisions of this Act of an offence against this Act shall be liable on summary conviction—

- 5** (a) if a company—to a penalty not exceeding two hundred pounds;
- (b) if any other person—to a penalty not exceeding one hundred pounds or to imprisonment not exceeding three months or to both such penalty and imprisonment.

**10** **8.** (1) Before any credit-sale agreement is entered into in respect of any goods, the seller shall give to the prospective buyer a written statement, otherwise than in the note or memorandum, of the purchase-price of the goods:

Require-  
ments  
relating to  
credit-sale  
agreements.  
cf. 1 & 2  
Geo. VI,  
c. 53, s. 3.

**15** Provided that where the agreement is entered into by way of acceptance by the seller of a written offer (not being a mail order) signed by or on behalf of the buyer, the foregoing provisions of this subsection shall be deemed not to have been complied with unless the written  
**20** statement was given to the prospective buyer before the written offer was so signed.

(2) A seller shall not be entitled to enforce a credit-sale agreement or any contract of guarantee relating thereto, and no security given by the buyer in respect of  
**25** money payable under the credit-sale agreement or given by a guarantor in respect of money payable under such a contract of guarantee as aforesaid shall be enforceable against the buyer or guarantor by any holder thereof, unless the requirement specified in subsection one of this  
**30** section has been complied with, and—

- (a) the agreement is in writing signed by or on behalf of the buyer or a note or memorandum of the agreement is made, and is signed by or on behalf of the buyer; and

(b)



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*Credit-sale Agreements.*

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- (b) where the agreement is in writing, the agreement specifies, or, where the agreement is not in writing, the note or memorandum specifies—
- 5 (i) the price at which the goods comprised in the agreement might be bought for cash;
  - 10 (ii) where the purchase-price of the goods so comprised includes an amount to cover the expenses of delivering the goods or any of them to the buyer, that amount as freight;
  - 15 (iii) where the purchase-price of the goods the subject of the agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of any of the descriptions referred to in paragraphs (a) and (b) of subsection two of section eleven of this Act or a television-set or prescribed goods, that amount as insurance in respect of the description of goods concerned where there is only one description of goods so comprised and, in any other case, the part of that amount which is charged as insurance in respect of each description of goods so comprised;
  - 20
  - 25
  - 30 (iv) the total amount payable in respect of all charges other than those referred to in subparagraphs (ii) and (iii) of this paragraph; and
  - (v) the amount of the deposit provided by the buyer in connection with the agreement.

In



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*Credit-sale Agreements.*

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In this subsection "charges" means the difference between the purchase-price of the goods comprised in the agreement and the price at which those goods might be bought for cash.

5 (3) (a) It shall be the duty of every seller under a credit-sale agreement to deliver to the purchaser within twenty-eight days after the agreement is entered into—

10 (i) where the agreement is in writing, a copy of the agreement, or where the agreement is not in writing, a copy of the note or memorandum; and

15 (ii) where the goods comprised in the agreement comprise or include goods of any one or more of the following descriptions, namely, industrial machinery, farm equipment, motor vehicle, television-set or prescribed goods, a copy of any insurance policy held by the seller or by any person on behalf of the seller which extends to indemnify the buyer against loss or damage to, or against liability in respect of, goods so comprised which are of any such description or descriptions.

20 (b) Any seller who neglects or fails to comply with any of the requirements of this subsection shall be guilty of an offence and shall be liable on summary conviction to a penalty not exceeding twenty pounds.

(c) Non-compliance with this subsection does not invalidate any credit-sale agreement.

30 9. (1) No credit-sale agreement which relates to household furniture or effects used or intended to be used by the buyer in his home and which is made with a buyer who is married shall be enforceable unless—

35 (a) (i) the credit-sale agreement or the note or memorandum thereof contains a statement in writing signed by the spouse of the buyer signifying the consent of such spouse to the credit-sale agreement; and

Regulation  
of credit-  
sale  
agreements  
with  
married  
persons.  
cf. Act  
No. 56,  
1941, s. 27.

(ii)



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*Credit-sale Agreements.*

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- (ii) such statement is so signed by the spouse at or before the time when the credit-sale agreement was entered into; or
- 5 (b) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller an authority, signed by the spouse of the buyer, to pledge the credit of the buyer and the spouse or of either of them up to a specified limit which is not more than
- 10 thirty pounds, and the purchase-price of the goods comprised in the credit-sale agreement, together with all other moneys owing or payable by the buyer and the spouse or either of them to the seller, does not exceed the limit so
- 15 specified; or
- (c) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller a statutory declaration made by the buyer to the effect that the
- 20 spouse of the buyer was under such a legal incapacity as to render such spouse unable to sign such statement as aforesaid:

Provided that this subsection shall not apply if the seller had reasonable grounds for believing and did in

25 fact believe, at the time the credit-sale agreement was entered into, that—

- (i) the buyer was living separate and apart from the spouse of the buyer; or
- (ii) the spouse of the buyer was outside New South
- 30 Wales:

Provided further that this subsection shall not apply if, at or before the time when the credit-sale agreement was entered into, the buyer has produced and delivered to the seller in a case where the residence of the buyer

35 is situated more than five miles from the nearest telegraph office and the credit-sale agreement was entered into at such residence, an instrument in writing signed by the buyer, or, in any other case, a statutory declaration made by the buyer, in which instrument or statutory declaration



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*Credit-sale Agreements.*

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declaration the buyer states that he was not married at the time of the delivery of such instrument or statutory declaration to the seller, unless the seller had reasonable grounds for believing that such statement was false.

- 5 Any buyer who makes a false statement in any such instrument shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty not exceeding fifty pounds.

(2) (a) This subsection shall apply to and in  
10 respect of a credit-sale agreement of the nature referred to in subsection one of this section where the purchase-price of the goods comprised in the agreement does not exceed ten pounds.

(b) Where the seller, under any such credit-  
15 sale agreement, serves (by personal delivery) on the spouse of the buyer, within seven days after the agreement was entered into, a notice in writing that such agreement has been entered into, and the spouse of the buyer does not, within seven days after service of such  
20 notice, serve on the seller a notice in writing that he objects to the credit-sale agreement being entered into, the agreement shall not, by reason only of subsection one of this section, be unenforceable.

(c) Where the spouse of the buyer serves such  
25 notice of objection the credit-sale agreement shall cease to be binding on the parties thereto; and thereupon the seller shall refund all moneys paid and the value of any consideration provided by the buyer and shall be entitled to recover the goods comprised in the agreement.

(3) If any seller to whom any such authority or  
30 statutory declaration or instrument as is referred to in this section has been delivered, fails to preserve the same until the expiration of twelve months after the transaction in respect of which it was given is finally closed, he  
35 shall be guilty of an offence against this Act, and shall be liable on summary conviction—

- (a) if a company—to a penalty of not less than twenty pounds and not exceeding two hundred pounds; (b)



*Credit-sale Agreements.*

5 (b) if any other person—to a penalty of not less than ten pounds and not exceeding one hundred pounds or to imprisonment for a term of not more than two months, or to both such penalty and imprisonment.

**10.** (1) A credit-sale agreement shall provide that the instalments or payments necessary under the agreement to pay the difference between the purchase-price and the deposit provided in connection with the agreement shall—

10 (a) be made at regular weekly, fortnightly or monthly intervals and at no other intervals; and

(b) be of equal or approximately equal amounts.

15 (2) A credit-sale agreement entered into in contravention of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

**11.** (1) In this section, “additional charges”, in relation to a credit-sale agreement, means the difference between—

(a) the price at which the goods comprised in the credit-sale agreement might be bought for cash together with—

25 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and

30 (ii) where the purchase-price includes an amount for insurance in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) and (b) of subsection two of this section or a television-set or prescribed goods, that amount, and

35 (b) the purchase-price of the goods so comprised.  
(2)



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*Credit-sale Agreements.*

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(2) The additional charges in relation to a credit-sale agreement shall not, when calculated as a rate per centum per annum in accordance with the formula set out in this subsection, exceed a rate per annum of—

- 5 (a) where the goods comprised in the agreement, not being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle—
- 10 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—seven per centum; or
- 15 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;
- 20 (b) where the goods comprised in the agreement, being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle—
- 25 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—nine per centum; or
- 30 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;

(c)



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*Credit-sale Agreements.*

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- (c) where the goods comprised in the agreement are goods which are not of any of the descriptions in respect of which a rate is fixed by or under paragraph (a) or (b) of this subsection—
- 5 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—ten per centum; or
- 10 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;
- 15 (d) where the goods comprised in the agreement include goods of the description or of any one or more of the descriptions referred to in one of the above paragraphs of this subsection and
- 20 also goods of the description or of any one or more of the descriptions referred to in one or both of the other such paragraphs—the lower or lowest, as the case may be, of the amounts per centum prescribed, at the time when the agreement is entered into, by or under the above
- 25 paragraphs in respect of a description of goods so comprised.

The rate referred to in the foregoing provisions of this subsection shall be calculated in accordance with the following formula:—

30 
$$R = \frac{100 \times C}{T \times P}$$

where

R represents the additional charges calculated as a rate per centum per annum.

35 C represents the total amount of additional charges expressed in pounds and fractions of pounds.

T



*Credit-sale Agreements.*

5 T represents the time that elapses between the date fixed by or under the agreement for the making of the first instalment or payment and the date fixed by or under the agreement for the making of the last instalment or payment, expressed in years and fractions of years.

10 P represents the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer, together with—

15 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum;

20 (ii) where the purchase-price includes an amount for insurance in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) and (b) of this subsection or a television-set or prescribed goods, that amount,

expressed in pounds and fractions of pounds.

25 (3) A credit-sale agreement entered into in contravention of subsection two of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

30 **12.** (1) The Governor may make regulations prescribing rates for insurance in respect of any class <sup>Rates of</sup> insurance. or classes of goods.

In the exercise of the power conferred by the foregoing provisions of this subsection, but without limiting the generality of that power, the regulations may provide—

- 35 (a) different rates for insurance in respect of different classes of goods;
- (b) different rates in respect of different parts of the State;
- (c) rates on a sliding scale;

(d)



*Credit-sale Agreements.*

(d) rates according to or upon any specified principle or criterion.

(2) The power conferred by subsection one of this section shall be deemed to be validly exercised by a regulation which prescribes any such rates as are referred to in that subsection by reference to a list, scale or table of insurance rates referred to in the regulations and issued by a body or association which the Governor considers to be representative of insurance companies carrying on business of the class to which the list, scale or table relates or by reference to any regulations made under the provisions of section 26D of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts.

(3) Where the purchase-price of goods the subject of a credit-sale agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of a class in respect of which rates of insurance are, at the time when the agreement is entered into, prescribed under this section and that amount exceeds the amount that would have been payable for insurance in respect of the goods so comprised had those goods been insured in accordance with those rates, the agreement shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

**13.** (1) The Governor may make regulations not inconsistent with this Act prescribing all matters which are required or permitted to be prescribed by this Act or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

(2) The regulations shall—

- (a) be published in the Gazette;
- (b) take effect from the date of publication or from a later date to be specified in the regulations; and
- (c) be laid before both Houses of Parliament within fourteen sitting days after publication thereof if



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*Credit-sale Agreements.*

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if Parliament is in session, and if not, then within fourteen sitting days after the commencement of the next session.

If either House of Parliament passes a resolution of 5 which notice has been given at any time within fifteen sitting days after such regulations have been laid before such House disallowing any regulation or part thereof, such regulation or part shall thereupon cease to have effect.



## CREDIT-SALE AGREEMENTS BILL, 1957.

### EXPLANATORY NOTE.

THE objects of this Bill are—

- (a) to apply the provisions referred to in the following paragraphs to credit-sale agreements under which—
  - (i) the instalments payable are to be made over a period exceeding one year, and are to be made nine or more times in any period of twelve months that forms part of the period firstmentioned above; or
  - (ii) the instalments payable are to be made over a period of one year or less, but more than nine months, and are to be made nine or more times in that period;
- (b) to require a seller under such a credit-sale agreement to obtain from the buyer a minimum deposit of one-tenth of the cash-price of the goods the subject of the agreement;
- (c) to prohibit any person, other than a banker, from carrying on the business of lending deposits required in respect of such credit-sale agreements;
- (d) to prohibit any person from accepting as a deposit upon the purchase of goods under such a credit-sale agreement any consideration believed or suspected by him to have been lent to the buyer by a person other than a banker;
- (e) to provide that such a credit-sale agreement is unenforceable unless it is in writing or a note or memorandum thereof has been made and unless certain other requirements have been complied with;
- (f) to render unenforceable any such credit-sale agreement relating to furniture or effects unless the spouse of the buyer consents in writing to the agreement or certain other requirements are observed;
- (g) to provide that the instalments under such credit-sale agreements shall be payable by equal or approximately equal amounts at regular weekly, fortnightly or monthly intervals;
- (h) to limit the amount of additional charges in such credit-sale agreements;
- (i) to authorise the making of regulations fixing maximum rates for insurance of goods comprised in such credit-sale agreements where amounts for insurance are included as part of the purchase-price;
- (j) to enact certain other provisions which are either of a minor character or consequential on the above objects.







No. , 1957.

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## A BILL

To control and regulate certain agreements relating to the sale of goods on credit; and for purposes connected therewith.

[MR. SHEAHAN;—2 April, 1957.]

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**B**E it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of  
5 the same, as follows:—

1. (1) This Act may be cited as the "Credit-sale Agreements Act, 1957".

Short title  
and  
commence-  
ment.

(2) This Act shall commence upon a day to be appointed by the Governor and notified by proclamation  
10 published in the Gazette.



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*Credit-sale Agreements.*

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2. (1) In this Act, unless the context or subject matter otherwise indicates or requires— Interpreta-  
tion.

“Banker” means—

- (a) the Rural Bank of New South Wales;
- 5 (b) any body corporate authorised to carry on banking business under the Commonwealth Bank Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia; or
- 10 (c) any body corporate for the time being specified in the First Schedule to the Banking Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia.

15 “Credit-sale agreement” means an agreement entered into after the commencement of this Act for the sale of goods under which—

- (a) the purchase-price or any part thereof is payable by instalments or payments which are to be made over a period exceeding one year and are to be made nine times or more than nine times in any period of twelve months that forms part of the period firstmentioned in this paragraph; or
- 20 (b) the purchase-price or any part thereof is payable by instalments or payments which are to be made only over a period of one year or less than one year but more than nine months and are to be made nine times or more than nine times during that period,
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but does not include any such agreement—

- 35 (i) under which the buyer is a person who is engaged in the trade or business of selling goods of the same nature or description as the goods referred to in the agreement;
- (ii)



*Credit-sale Agreements.*

- (ii) that is a hire-purchase agreement as defined in section two of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts; or
- 5 (iii) under which the goods comprised therein are not to be delivered to or to the order of the buyer until the whole of the purchase-price is paid.
- 10 “Goods” includes all chattels personal other than money or things in action.
- “Loan” includes advance, discount, money paid for or on account of or on behalf of or at the request of any person, and includes every contract (whatever its terms or form may be) which is in substance or effect a loan of money, and “lend” and “lending” have corresponding interpretations.
- 15 “Prescribed” means prescribed by this Act or by any regulation made thereunder.
- 20 “Purchase-price” means the total amount of the moneys paid or payable and the value of any other consideration provided or to be provided by the buyer under a credit-sale agreement.
- (2) Where a deposit is provided in connection with a credit-sale agreement, the deposit shall not, for the purposes of the definition of “Credit-sale agreement” in subsection one of this section, be reckoned as an instalment or payment.
- (3) Where by virtue of two or more agreements, none of which by itself constitutes a credit-sale agreement, there is a transaction which is in substance or effect a credit-sale agreement as hereinbefore defined, the agreements shall be treated for the purposes of this Act as a single agreement entered into when the last of those agreements was entered into.



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*Credit-sale Agreements.*

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3. (1) A seller who enters into a credit-sale agree-  
ment without having first obtained from the buyer or  
proposed buyer thereunder in current coin or bank notes  
or by cheque drawn by a banker or by the buyer or pro-  
posed buyer or the spouse of the buyer or proposed buyer  
on a banker a deposit of—

Minimum  
deposits.  
cf. Act  
No. 56,  
1941,  
s. 31.

- 10 (a) where the minimum amount of the deposit is not  
prescribed under paragraph (b) of this subsec-  
tion, not less than one-tenth of the cash-price of  
the goods the subject of the agreement; or
- (b) where the minimum amount of the deposit is  
prescribed under this paragraph, not less than  
such amount as may for the time being be  
prescribed,

15 shall be guilty of an offence against this Act.

A regulation may prescribe—

- 20 (i) that the amount referred to in paragraph (b)  
of this subsection shall be at such rate or rates  
or shall be calculated on such basis or bases  
(whether by reference to the cash-price of the  
goods the subject of the agreement or otherwise)  
as may be specified in the regulation;
- 25 (ii) rates or bases varying in accordance with  
different amounts of cash-price, different dura-  
tions of credit-sale agreements or otherwise.

In this subsection, "cash-price" means the price at  
which the goods the subject of the agreement might be  
bought for cash.

30 (2) Notwithstanding anything contained in sub-  
section one of this section, the deposit required by or  
under that subsection may include the value of any goods  
(not being goods acquired by the buyer or proposed buyer  
for the purpose of enabling the value of the goods so  
acquired to be included in that deposit) provided or  
35 required to be provided by the buyer or proposed buyer  
to buy the goods under the credit-sale agreement.

(3)



*Credit-sale Agreements.*

(3) A credit-sale agreement entered into in contravention of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

- 5 4. Any person, other than a banker, who (whether or not he carries on any other business) carries on the business of lending or making loans to other persons for the purpose of enabling those other persons to pay the deposits required by or under subsection one of section three of this Act upon the purchase of goods under credit-sale agreements shall be guilty of an offence against this Act.

Offence to carry on business of lending deposits.  
cf. Act No. 56, 1941, s. 32.

- 15 5. Any person who accepts as a deposit upon the purchase of goods under a credit-sale agreement any money or other consideration that he has reasonable cause to believe or suspect was lent to the buyer by any person, other than a banker, shall be guilty of an offence against this Act.

Deposits not to be by way of loan.  
cf. Act No. 56, 1941, s. 33.

6. Any person who—

- 20 (a) enters into any transaction, or makes any contract or arrangement purporting to do whether presently or at some future time or upon the happening of any event or contingency anything that contravenes or will contravene any of the provisions of section three, four or five of this Act; or
- 25 (b) enters into any transaction, or makes any contract or arrangement, whether orally or in writing, for the purpose of or which has the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding or preventing the operation of any of the provisions of section three, four or five of this Act in any respect,
- 30

Contracts to evade section three, four or five.  
cf. Act No. 56, 1941, s. 36.

shall be guilty of an offence against this Act.



*Credit-sale Agreements.*

**7.** Any person guilty under any of the foregoing provisions of this Act of an offence against this Act shall be liable on summary conviction—

- 5** (a) if a company—to a penalty not exceeding two hundred pounds;
- (b) if any other person—to a penalty not exceeding one hundred pounds or to imprisonment not exceeding three months or to both such penalty and imprisonment.

**10** **8.** (1) Before any credit-sale agreement is entered into in respect of any goods, the seller shall give to the prospective buyer a written statement, otherwise than in the note or memorandum, of the purchase-price of the goods:

Require-  
ments  
relating to  
credit-sale  
agreements.  
cf. 1 & 2  
Geo. VI,  
c. 53, s. 3.

**15** Provided that where the agreement is entered into by way of acceptance by the seller of a written offer (not being a mail order) signed by or on behalf of the buyer, the foregoing provisions of this subsection shall be deemed not to have been complied with unless the written  
**20** statement was given to the prospective buyer before the written offer was so signed.

(2) A seller shall not be entitled to enforce a credit-sale agreement or any contract of guarantee relating thereto, and no security given by the buyer in respect of  
**25** money payable under the credit-sale agreement or given by a guarantor in respect of money payable under such a contract of guarantee as aforesaid shall be enforceable against the buyer or guarantor by any holder thereof, unless the requirement specified in subsection one of this  
**30** section has been complied with, and—

- (a) the agreement is in writing signed by or on behalf of the buyer or a note or memorandum of the agreement is made, and is signed by or on behalf of the buyer; and

(b)



*Credit-sale Agreements.*

- (b) where the agreement is in writing, the agreement specifies, or, where the agreement is not in writing, the note or memorandum specifies—
- 5 (i) the price at which the goods comprised in the agreement might be bought for cash;
- 10 (ii) where the purchase-price of the goods so comprised includes an amount to cover the expenses of delivering the goods or any of them to the buyer, that amount as freight;
- 15 (iii) where the purchase-price of the goods the subject of the agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of any of the descriptions referred to in paragraphs (a) and (b) of subsection two of section eleven of this Act or a television-set or prescribed goods, that amount as insurance in respect of the description of goods concerned where there is only one description of goods so comprised and, in any other case, the part of that amount which is charged as insurance in respect of each description of goods so comprised;
- 20
- 25
- 30 (iv) the total amount payable in respect of all charges other than those referred to in subparagraphs (ii) and (iii) of this paragraph; and
- (v) the amount of the deposit provided by the buyer in connection with the agreement.

In



*Credit-sale Agreements.*

In this subsection "charges" means the difference between the purchase-price of the goods comprised in the agreement and the price at which those goods might be bought for cash.

5 (3) (a) It shall be the duty of every seller under a credit-sale agreement to deliver to the purchaser within twenty-eight days after the agreement is entered into—

10 (i) where the agreement is in writing, a copy of the agreement, or where the agreement is not in writing, a copy of the note or memorandum; and

15 (ii) where the goods comprised in the agreement comprise or include goods of any one or more of the following descriptions, namely, industrial machinery, farm equipment, motor vehicle, television-set or prescribed goods, a copy of any insurance policy held by the seller or by any person on behalf of the seller which extends to indemnify the buyer against loss or damage to, or against liability in respect of, goods so comprised which are of any such description or descriptions.

20 (b) Any seller who neglects or fails to comply with any of the requirements of this subsection shall be guilty of an offence and shall be liable on summary conviction to a penalty not exceeding twenty pounds.

(c) Non-compliance with this subsection does not invalidate any credit-sale agreement.

30 9. (1) No credit-sale agreement which relates to household furniture or effects used or intended to be used by the buyer in his home and which is made with a buyer who is married shall be enforceable unless—

35 (a) (i) the credit-sale agreement or the note or memorandum thereof contains a statement in writing signed by the spouse of the buyer signifying the consent of such spouse to the credit-sale agreement; and

(ii)

Regulation  
of credit-  
sale  
agreements  
with  
married  
persons.  
cf. Act  
No. 56,  
1941, s. 27.



*Credit-sale Agreements.*

- (ii) such statement is so signed by the spouse at or before the time when the credit-sale agreement was entered into; or
- 5 (b) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller an authority, signed by the spouse of the buyer, to pledge the credit of the buyer and the spouse or of either of them up to a specified limit which is not more than
- 10 thirty pounds, and the purchase-price of the goods comprised in the credit-sale agreement, together with all other moneys owing or payable by the buyer and the spouse or either of them to the seller, does not exceed the limit so
- 15 specified; or
- (c) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller a statutory declaration made by the buyer to the effect that the
- 20 spouse of the buyer was under such a legal incapacity as to render such spouse unable to sign such statement as aforesaid:

Provided that this subsection shall not apply if the seller had reasonable grounds for believing and did in

25 fact believe, at the time the credit-sale agreement was entered into, that—

- (i) the buyer was living separate and apart from the spouse of the buyer; or
- (ii) the spouse of the buyer was outside New South
- 30 Wales:

Provided further that this subsection shall not apply if, at or before the time when the credit-sale agreement was entered into, the buyer has produced and delivered to the seller in a case where the residence of the buyer

35 is situated more than five miles from the nearest telegraph office and the credit-sale agreement was entered into at such residence, an instrument in writing signed by the buyer, or, in any other case, a statutory declaration made by the buyer, in which instrument or statutory declaration



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*Credit-sale Agreements.*

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declaration the buyer states that he was not married at the time of the delivery of such instrument or statutory declaration to the seller, unless the seller had reasonable grounds for believing that such statement was false.

- 5 Any buyer who makes a false statement in any such instrument shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty not exceeding fifty pounds.

(2) (a) This subsection shall apply to and in  
10 respect of a credit-sale agreement of the nature referred to in subsection one of this section where the purchase-price of the goods comprised in the agreement does not exceed ten pounds.

(b) Where the seller, under any such credit-  
15 sale agreement, serves (by personal delivery) on the spouse of the buyer, within seven days after the agreement was entered into, a notice in writing that such agreement has been entered into, and the spouse of the buyer does not, within seven days after service of such  
20 notice, serve on the seller a notice in writing that he objects to the credit-sale agreement being entered into, the agreement shall not, by reason only of subsection one of this section, be unenforceable.

(c) Where the spouse of the buyer serves such  
25 notice of objection the credit-sale agreement shall cease to be binding on the parties thereto; and thereupon the seller shall refund all moneys paid and the value of any consideration provided by the buyer and shall be entitled to recover the goods comprised in the agreement.

(3) If any seller to whom any such authority or  
30 statutory declaration or instrument as is referred to in this section has been delivered, fails to preserve the same until the expiration of twelve months after the transaction in respect of which it was given is finally closed, he shall be guilty of an offence against this Act, and shall be  
35 liable on summary conviction—

- (a) if a company—to a penalty of not less than twenty pounds and not exceeding two hundred pounds;  
(b)



*Credit-sale Agreements.*

5 (b) if any other person—to a penalty of not less than ten pounds and not exceeding one hundred pounds or to imprisonment for a term of not more than two months, or to both such penalty and imprisonment.

10 **10.** (1) A credit-sale agreement shall provide that the instalments or payments necessary under the agreement to pay the difference between the purchase-price and the deposit provided in connection with the agreement shall—  
 (a) be made at regular weekly, fortnightly or monthly intervals and at no other intervals; and

Credit-sale agreements to have regular payments of equal amount.

(b) be of equal or approximately equal amounts.

15 (2) A credit-sale agreement entered into in contravention of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

20 **11.** (1) In this section, “additional charges”, in relation to a credit-sale agreement, means the difference between—  
 (a) the price at which the goods comprised in the credit-sale agreement might be bought for cash together with—

Limitation on additional charges.

25 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and

30 (ii) where the purchase-price includes an amount for insurance in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) and (b) of subsection two of this section or a television-set or prescribed goods, that amount, and

35 (b) the purchase-price of the goods so comprised.  
 (2)



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*Credit-sale Agreements.*

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(2) The additional charges in relation to a credit-sale agreement shall not, when calculated as a rate per centum per annum in accordance with the formula set out in this subsection, exceed a rate per annum of—

5 (a) where the goods comprised in the agreement, not being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle—

10 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—seven per centum; or

15 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;

20 (b) where the goods comprised in the agreement, being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle—

25 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—nine per centum; or

30 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;

(c)



*Credit-sale Agreements.*

- (c) where the goods comprised in the agreement are goods which are not of any of the descriptions in respect of which a rate is fixed by or under paragraph (a) or (b) of this subsection—
- 5 (i) where an amount per centum is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is entered into—ten per centum; or
- 10 (ii) where an amount per centum is prescribed under this subparagraph at the time when the agreement is entered into—the amount per centum so prescribed;
- 15 (d) where the goods comprised in the agreement include goods of the description or of any one or more of the descriptions referred to in one of the above paragraphs of this subsection and
- 20 also goods of the description or of any one or more of the descriptions referred to in one or both of the other such paragraphs—the lower or lowest, as the case may be, of the amounts per centum prescribed, at the time when the agreement is entered into, by or under the above
- 25 paragraphs in respect of a description of goods so comprised.

The rate referred to in the foregoing provisions of this subsection shall be calculated in accordance with the following formula:—

30 
$$R = \frac{100 \times C}{T \times P}$$

where

R represents the additional charges calculated as a rate per centum per annum.

35 C represents the total amount of additional charges expressed in pounds and fractions of pounds.  
T



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*Credit-sale Agreements.*

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5 T represents the time that elapses between the date fixed by or under the agreement for the making of the first instalment or payment and the date fixed by or under the agreement for the making of the last instalment or payment, expressed in years and fractions of years.

10 P represents the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer, together with—

15 (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum;

20 (ii) where the purchase-price includes an amount for insurance in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a) and (b) of this subsection or a television-set or prescribed goods, that amount,

expressed in pounds and fractions of pounds.

25 (3) A credit-sale agreement entered into in contravention of subsection two of this section shall be void except insofar as the rights of the buyer thereunder or arising thereout are concerned.

30 **12.** (1) The Governor may make regulations prescribing rates for insurance in respect of any class or classes of goods. Rates of insurance.

In the exercise of the power conferred by the foregoing provisions of this subsection, but without limiting the generality of that power, the regulations may provide—

35 (a) different rates for insurance in respect of different classes of goods;

(b) different rates in respect of different parts of the State;

(c) rates on a sliding scale;

(d)



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*Credit-sale Agreements.*

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(d) rates according to or upon any specified principle or criterion.

(2) The power conferred by subsection one of this section shall be deemed to be validly exercised by a  
5 regulation which prescribes any such rates as are referred to in that subsection by reference to a list, scale or table of insurance rates referred to in the regulations and issued by a body or association which the Governor considers to be representative of insurance companies  
10 carrying on business of the class to which the list, scale or table relates or by reference to any regulations made under the provisions of section 26b of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts.

(3) Where the purchase-price of goods the  
15 subject of a credit-sale agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of a class in respect of which rates of insurance are, at the time when the agreement is entered into, prescribed under this section and that  
20 amount exceeds the amount that would have been payable for insurance in respect of the goods so comprised had those goods been insured in accordance with those rates, the agreement shall be void except insofar as the rights of the buyer thereunder or arising thereout are  
25 concerned.

**13.** (1) The Governor may make regulations not Regulations.  
inconsistent with this Act prescribing all matters which are required or permitted to be prescribed by this Act or which are necessary or convenient to be prescribed  
30 for carrying out or giving effect to this Act.

(2) The regulations shall—

- (a) be published in the Gazette;
- (b) take effect from the date of publication or from a later date to be specified in the regulations;  
35 and
- (c) be laid before both Houses of Parliament within fourteen sitting days after publication thereof  
if



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*Credit-sale Agreements.*

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if Parliament is in session, and if not, then within fourteen sitting days after the commencement of the next session.

If either House of Parliament passes a resolution of 5 which notice has been given at any time within fifteen sitting days after such regulations have been laid before such House disallowing any regulation or part thereof, such regulation or part shall thereupon cease to have effect.

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Sydney: A. H. Pettifer, Government Printer—1957.

[1s. 6d.]



## New South Wales



ANNO SEXTO

## ELIZABETHÆ II REGINÆ

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### Act No. 29, 1957.

An Act to control and regulate certain agreements relating to the sale of goods on credit; and for purposes connected therewith. [Assented to, 4th May, 1957.]

**B**E it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

**1.** (1) This Act may be cited as the “Credit-sale Agreements Act, 1957”. Short title  
and  
commence  
ment.

(2) This Act shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

87673 A [1s.]

**2.**



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*Credit-sale Agreements.*

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Interpreta-  
tion.

**2.** (1) In this Act, unless the context or subject matter otherwise indicates or requires—

“Banker” means—

- (a) the Rural Bank of New South Wales;
- (b) any body corporate authorised to carry on banking business under the Commonwealth Bank Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia; or
- (c) any body corporate for the time being specified in the First Schedule to the Banking Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia.

“Credit-sale agreement” means an agreement for the sale of goods under which—

- (a) the purchase-price or any part thereof is payable by instalments or payments which are to be made over a period exceeding one year and are to be made nine times or more than nine times in any period of twelve months that forms part of the period firstmentioned in this paragraph; or
- (b) the purchase-price or any part thereof is payable by instalments or payments which are to be made only over a period of one year or less than one year but more than nine months and are to be made nine times or more than nine times during that period,

but does not include any such agreement—

- (i) under which the buyer is a person who is engaged in the trade or business of selling goods of the same nature or description as the goods referred to in the agreement;
- (ii)



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*Credit-sale Agreements.*

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- (ii) that is a hire-purchase agreement as defined in section two of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts; or
- (iii) under which the goods comprised therein are not to be delivered to or to the order of the buyer until the whole of the purchase-price is paid.

“Goods” includes all chattels personal other than money or things in action.

“Loan” includes advance, discount, money paid for or on account of or on behalf of or at the request of any person, and includes every contract (whatever its terms or form may be) which is in substance or effect a loan of money, and “lend” and “lending” have corresponding interpretations.

“Prescribed” means prescribed by this Act or by any regulation made thereunder.

“Purchase-price” means the total amount of the moneys paid or payable and the value of any other consideration provided or to be provided by the buyer under a credit-sale agreement.

(2) This Act, except where otherwise expressly provided, applies only to and in respect of credit-sale agreements entered into after the commencement of this Act.

(3) Where a deposit is provided in connection with a credit-sale agreement, the deposit shall not, for the purposes of the definition of “Credit-sale agreement” in subsection one of this section, be reckoned as an instalment or payment.

(4) Where by virtue of two or more agreements, none of which by itself constitutes a credit-sale agreement, there is a transaction which is in substance or effect a credit-sale agreement as hereinbefore defined, the agreements shall be treated for the purposes of this Act as a single agreement entered into when the last of those agreements was entered into.

cf. N.Z.  
S.R. 1955  
No. 184,  
Reg. 2 (2).



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*Credit-sale Agreements.*

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Minimum  
deposits.  
cf. Act  
No. 56,  
1941,  
s. 31.

**3.** (1) A seller who enters into a credit-sale agreement without having first obtained from the buyer or proposed buyer thereunder in current coin or bank notes or by cheque drawn by a banker or by the buyer or proposed buyer or the spouse of the buyer or proposed buyer on a banker a deposit of—

- (a) where the minimum amount of the deposit is not prescribed under paragraph (b) of this subsection, not less than one-tenth of the cash-price of the goods the subject of the agreement; or
- (b) where the minimum amount of the deposit is prescribed under this paragraph, not less than such amount as may for the time being be prescribed,

shall be guilty of an offence against this Act.

A regulation may prescribe—

- (i) that the amount referred to in paragraph (b) of this subsection shall be at such rate or rates or shall be calculated on such basis or bases (whether by reference to the cash-price of the goods the subject of the agreement or otherwise) as may be specified in the regulation;
- (ii) rates or bases varying in accordance with different amounts of cash-price, different durations of credit-sale agreements or otherwise.

In this subsection, “cash-price” means the price at which the goods the subject of the agreement might be bought for cash.

(2) Notwithstanding anything contained in subsection one of this section, the deposit required by or under that subsection may include the value of any goods (not being goods acquired by the buyer or proposed buyer for the purpose of enabling the value of the goods so acquired to be included in that deposit) provided or required to be provided by the buyer or proposed buyer to buy the goods under the credit-sale agreement.

(3)



*Credit-sale Agreements.*

(3) A credit-sale agreement entered into in contravention of this section shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

4. Any person, other than a banker, who (whether or not he carries on any other business) carries on the business of lending or making loans to other persons for the purpose of enabling those other persons to pay the deposits required by or under subsection one of section three of this Act upon the purchase of goods under credit-sale agreements shall be guilty of an offence against this Act.

Offence to carry on business of lending deposits. cf. Act No. 56, 1941, s. 32.

5. Any person who accepts as a deposit upon the purchase of goods under a credit-sale agreement any money or other consideration that he has reasonable cause to believe or suspect was lent to the buyer by any person, other than a banker, shall be guilty of an offence against this Act.

Deposits not to be by way of loan. cf. Act No. 56, 1941, s. 33.

6. Any person who—

- (a) enters into any transaction, or makes any contract or arrangement purporting to do whether presently or at some future time or upon the happening of any event or contingency anything that contravenes or will contravene any of the provisions of section three, four or five of this Act; or
- (b) enters into any transaction, or makes any contract or arrangement, whether orally or in writing, for the purpose of or which has the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding or preventing the operation of any of the provisions of section three, four or five of this Act in any respect,
- Contracts to evade section three, four or five. cf. Act No. 56, 1941, s. 36.

shall be guilty of an offence against this Act.



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*Credit-sale Agreements.*


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**Penalty.**

**7.** Any person guilty under any of the foregoing provisions of this Act of an offence against this Act shall be liable on summary conviction—

- (a) if a company—to a penalty not exceeding two hundred pounds;
- (b) if any other person—to a penalty not exceeding one hundred pounds or to imprisonment not exceeding three months or to both such penalty and imprisonment.

**Require-  
ments**  
relating to  
credit-sale  
agreements.  
cf. 1 & 2  
Geo. VI,  
c. 53, s. 3.

**8.** (1) Before any credit-sale agreement is entered into in respect of any goods, the seller shall give or cause to be given to the prospective buyer a written statement, otherwise than in the note or memorandum, of the purchase-price of the goods:

Provided that where the agreement is entered into by way of acceptance by the seller of a written offer (not being a mail order) signed by or on behalf of the buyer, the foregoing provisions of this subsection shall be deemed not to have been complied with unless the written statement was given to the prospective buyer before the written offer was so signed.

(2) A seller shall not be entitled to enforce a credit-sale agreement or any contract of guarantee relating thereto, and no security given by the buyer in respect of money payable under the credit-sale agreement or given by a guarantor in respect of money payable under such a contract of guarantee as aforesaid shall be enforceable against the buyer or guarantor by any holder thereof, unless the requirement specified in subsection one of this section has been complied with, and—

- (a) the agreement is in writing signed by or on behalf of the buyer or a note or memorandum of the agreement is made, and is signed by or on behalf of the buyer; and

(b)



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*Credit-sale Agreements.*

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(b) where the agreement is in writing, the agreement specifies, or, where the agreement is not in writing, the note or memorandum specifies—

(i) the price at which the goods comprised in the agreement might be bought for cash;

(ii) where the purchase-price of the goods so comprised includes an amount to cover the expenses of delivering the goods or any of them to the buyer, that amount as freight;

(iii) where the purchase-price of the goods the subject of the agreement includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts—that amount as registration fees;

(iv) where the purchase-price of the goods the subject of the agreement includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts)  
in



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*Credit-sale Agreements.*

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in respect of goods comprised in the agreement which are goods of any of the descriptions referred to in paragraphs (a), (b) and (c) of subsection two of section eleven of this Act or a television-set or prescribed goods, that amount as insurance in respect of the description of goods concerned where there is only one description of goods so comprised and, in any other case, the part of that amount which is charged as insurance in respect of each description of goods so comprised;

(v) the total amount payable in respect of all charges other than those referred to in subparagraphs (ii), (iii) and (iv) of this paragraph; and

(vi) the amount of the deposit provided by the buyer in connection with the agreement.

In this subsection "charges" means the difference between the purchase-price of the goods comprised in the agreement and the price at which those goods might be bought for cash.

(3) (a) It shall be the duty of every seller under a credit-sale agreement to deliver to the buyer within twenty-eight days after the agreement is entered into—

(i) where the agreement is in writing, a copy of the agreement, or where the agreement is not in writing, a copy of the note or memorandum; and

(ii) where the goods comprised in the agreement comprise or include goods of any one or more of the following descriptions, namely, industrial machinery, farm equipment, motor vehicle, television-set or prescribed goods, a copy of any insurance policy held by the seller or by any person



*Credit-sale Agreements.*

person on behalf of the seller which extends to indemnify the buyer against loss or damage to, or against liability in respect of, goods so comprised which are of any such description or descriptions:

Provided that where the seller is a banker and the insurance policy so held is a declaration policy, it shall be a sufficient compliance with the provisions of this subparagraph if the seller delivers to the buyer within the twenty-eight days aforesaid a statement setting out the terms, conditions and exclusions of the declaration policy so far as they concern or affect the purchaser in relation to the goods so comprised which are of any such description or descriptions.

(b) Any seller who neglects or fails to comply with any of the requirements of this subsection shall be guilty of an offence and shall be liable on summary conviction to a penalty not exceeding twenty pounds.

(c) Non-compliance with this subsection does not invalidate any credit-sale agreement.

**9.** (1) No credit-sale agreement which relates to household furniture or effects used or intended to be used by the buyer in his home and which is made with a buyer who is married shall be enforceable unless—

Regulation  
of credit-  
sale  
agreements  
with  
married  
persons.  
cf. Act  
No. 56,  
1941, s. 27.

(a) (i) the credit-sale agreement or the note or memorandum thereof contains a statement in writing signed by the spouse of the buyer signifying the consent of such spouse to the credit-sale agreement; and

(ii) such statement is so signed by the spouse at or before the time when the credit-sale agreement was entered into; or

(b) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller an authority, signed by the spouse of the buyer, to pledge the credit  
of



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*Credit-sale Agreements.*

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of the buyer and the spouse or of either of them up to a specified limit which is not more than thirty pounds, and the purchase-price of the goods comprised in the credit-sale agreement, together with all other moneys owing or payable by the buyer and the spouse or either of them to the seller, does not exceed the limit so specified; or

- (c) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller a statutory declaration made by the buyer to the effect that the spouse of the buyer was under such a legal incapacity as to render such spouse unable to sign such statement as aforesaid:

Provided that this subsection shall not apply if the seller had reasonable grounds for believing and did in fact believe, at the time the credit-sale agreement was entered into, that—

- (i) the buyer was living separate and apart from the spouse of the buyer; or
- (ii) the spouse of the buyer was outside New South Wales:

Provided further that this subsection shall not apply if, at or before the time when the credit-sale agreement was entered into, the buyer has produced and delivered to the seller in a case where the residence of the buyer is situated more than five miles from the nearest telegraph office and the credit-sale agreement was entered into at such residence, an instrument in writing signed by the buyer, or, in any other case, a statutory declaration made by the buyer, in which instrument or statutory declaration the buyer states that he was not married at the time of the delivery of such instrument or statutory declaration to the seller, unless the seller had reasonable grounds for believing that such statement was false.

Any buyer who makes a false statement in any such instrument shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty not exceeding fifty pounds.



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*Credit-sale Agreements.*

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(2) (a) This subsection shall apply to and in respect of a credit-sale agreement of the nature referred to in subsection one of this section where the purchase-price of the goods comprised in the agreement does not exceed ten pounds.

(b) Where the seller, under any such credit-sale agreement, serves (by personal delivery) on the spouse of the buyer, within seven days after the agreement was entered into, a notice in writing that such agreement has been entered into, and the spouse of the buyer does not, within seven days after service of such notice, serve on the seller a notice in writing that he objects to the credit-sale agreement being entered into, the agreement shall not, by reason only of subsection one of this section, be unenforceable.

(c) Where the spouse of the buyer serves such notice of objection the credit-sale agreement shall cease to be binding on the parties thereto; and thereupon the seller shall refund all moneys paid and the value of any consideration provided by the buyer and shall be entitled to recover the goods comprised in the agreement.

(3) If any seller to whom any such authority or statutory declaration or instrument as is referred to in this section has been delivered, fails to preserve the same until the expiration of twelve months after the transaction in respect of which it was given is finally closed, he shall be guilty of an offence against this Act, and shall be liable on summary conviction—

(a) if a company—to a penalty of not less than twenty pounds and not exceeding two hundred pounds;

(b) if any other person—to a penalty of not less than ten pounds and not exceeding one hundred pounds or to imprisonment for a term of not more than two months, or to both such penalty and imprisonment.



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*Credit-sale Agreements.*


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Credit-sale agreements to have regular payments of equal amount.

**10.** (1) A credit-sale agreement shall provide that the instalments or payments necessary under the agreement to pay the difference between the purchase-price and the deposit provided in connection with the agreement shall—

(a) be made at regular weekly, fortnightly or monthly intervals and at no other intervals; and

(b) be of equal or approximately equal amounts.

(2) A credit-sale agreement entered into in contravention of this section shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

Limitation on additional charges.

**11.** (1) In this section, “additional charges”, in relation to a credit-sale agreement, means the difference between—

(a) the price at which the goods comprised in the credit-sale agreement might be bought for cash together with—

(i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and

(ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the

**Motor**



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*Credit-sale Agreements.*

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Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and

- (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a), (b) and (c) of subsection two of this section or a television-set or prescribed goods, that amount, and

- (b) the purchase-price of the goods so comprised.

(2) The additional charges in relation to a credit-sale agreement shall not, when calculated as a rate per centum per annum in accordance with the formula set out in this subsection, exceed a rate per annum of—

- (a) where the goods comprised in the agreement, not being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle (other than a motor cycle)—seven per centum;
- (b) where the goods comprised in the agreement, being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle (other than a motor cycle)—nine per centum;
- (c) where the goods comprised in the agreement are a motor cycle—nine per centum;
- (d) where the goods comprised in the agreement are goods which are not of any of the descriptions in respect of which a rate is fixed by or under paragraph (a) or (b) or (c) of this subsection—ten per centum;

(e)



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*Credit-sale Agreements.*


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- (e) where the goods comprised in the agreement include goods of the description or of any one or more of the descriptions referred to in one of the above paragraphs of this subsection and also goods of the description or of any one or more of the descriptions referred to in one or more of the other such paragraphs—the lower or lowest, as the case may be, of the amounts per centum prescribed, by the above paragraphs in respect of a description of goods so comprised.

The rate referred to in the foregoing provisions of this subsection shall be calculated in accordance with the following formula:—

$$R = \frac{100 \times C}{T \times P}$$

where

R represents the additional charges calculated as a rate per centum per annum.

C represents the total amount of additional charges expressed in pounds and fractions of pounds.

T represents the time that elapses between the date fixed by or under the agreement for the making of the first instalment or payment and the date fixed by or under the agreement for the making of the last instalment or payment, together with—

(i) one week where the instalments or payments are payable under the agreement at regular weekly intervals;

(ii) two weeks where the instalments or payments are payable under the agreement at regular fortnightly intervals;

(iii) one month where the instalments or payments are payable under the agreement at regular monthly intervals,

expressed in years and fractions of years.

P



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*Credit-sale Agreements.*

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P represents the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer, together with—

- (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and
- (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and
- (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a), (b) and (c) of this subsection or a television-set or prescribed goods, that amount,

expressed in pounds and fractions of pounds.



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*Credit-sale Agreements.*

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(3) A credit-sale agreement entered into in contravention of subsection two of this section shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

Rates of  
insurance.

**12.** (1) The Governor may, for the purposes of subsection three of this section, make regulations prescribing rates for insurance in respect of any class or classes of goods.

In the exercise of the power conferred by the foregoing provisions of this subsection, but without limiting the generality of that power, the regulations may provide—

- (a) different rates for insurance in respect of different classes of goods;
- (b) different rates in respect of different parts of the State;
- (c) rates on a sliding scale;
- (d) rates according to or upon any specified principle or criterion.

(2) The power conferred by subsection one of this section shall be deemed to be validly exercised by a regulation which prescribes any such rates as are referred to in that subsection by reference to a list, scale or table of insurance rates referred to in the regulations and issued by a body or association which the Governor considers to be representative of insurance companies carrying on business of the class to which the list, scale or table relates or by reference to any regulations made under the provisions of section 26D of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts.

(3) Where the purchase-price of goods the subject of a credit-sale agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of a class in respect of which rates of insurance are, at the time when the agreement

is



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*Credit-sale Agreements.*

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is entered into, prescribed under this section and that amount exceeds the amount that would have been payable for insurance in respect of the goods so comprised had those goods been insured in accordance with those rates, the agreement shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

**13.** (1) (a) In this section "credit-sale agreement" includes a credit-sale agreement that has been varied for the purpose of including additional goods in the agreement. Special provisions for add-on agreements.

Nothing in this paragraph shall be construed as limiting the generality of the definition of "Credit-sale agreement" in subsection one of section two of this Act.

(b) This section applies to and in respect of credit-sale agreements entered into before the commencement of this Act as well as to credit-sale agreements entered into after that commencement.

(c) This section does not apply to or in respect of any credit-sale agreement where, either before or after any variation of the agreement, the goods the subject of the agreement comprise or include industrial machinery, farm equipment or a motor vehicle.

(2) Where a credit-sale agreement is varied or is proposed to be varied for the purpose of including additional goods in the agreement it shall only be necessary to comply with or observe the provisions of this Act (subject to the modifications set out in subsection three of this section) in respect of the variation or proposed variation as though the only goods comprised in the agreement which results from the variation or which will result from the proposed variation were the additional goods.

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The



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*Credit-sale Agreements.*

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The foregoing provisions of this subsection apply only where—

- (a) the agreement proposed to be so varied or the agreement before it is so varied is not or was not unenforceable by the seller or void;
- (b) the agreement when so varied also specifies the balance payable under the agreement immediately before it was so varied;
- (c) the provisions of the agreement when so varied, so far as they relate to goods comprised in the agreement before it was so varied, are not less favourable to the buyer than the provisions of the agreement before it was so varied.

(3) For the purposes of subsection two of this section—

- (a) section three of this Act shall be deemed to be omitted from this Act if the total amount of the moneys paid and the value of any other consideration provided by the buyer under the agreement during the period of two years immediately preceding the date on which the agreement is so varied is not less than—
  - (i) where a percentage is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is so varied—twenty per centum of the cash-price of the additional goods; or
  - (ii) where a percentage is prescribed under this subparagraph at the time when the agreement is so varied—the percentage so prescribed of the cash-price of the additional goods;
- (b) where no deposit is required pursuant to paragraph (a) of this subsection and no deposit is in fact provided by the buyer—
  - (i) subsection one of section ten of this Act shall have effect as though the words

“the



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*Credit-sale Agreements.*

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“the difference between the purchase-price and the deposit provided in connection with the agreement” were omitted therefrom and the words “the purchase-price” were inserted in lieu thereof;

- (ii) subsection two of section eleven of this Act shall have effect as though the words “the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer” were omitted therefrom and the words “the amount for which the goods comprised in the agreement might be bought for cash” were inserted in lieu thereof.

(4) Notwithstanding anything contained in this Act where a credit-sale agreement has been varied pursuant to this section, it shall be a sufficient compliance with section ten of this Act so far as the balance payable under the agreement by the buyer immediately before the agreement is varied is concerned if that balance is made payable in equal or approximately equal amounts payable at the same regular intervals and by the same number of instalments or payments as are provided by the agreement as so varied in respect of the additional goods.

**14.** (1) The Governor may make regulations not Regulations. inconsistent with this Act prescribing all matters which are required or permitted to be prescribed by this Act or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

(2) The regulations shall—

- (a) be published in the Gazette;
- (b) take effect from the date of publication or from a later date to be specified in the regulations;  
and
- (c)



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*Credit-sale Agreements.*

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- (c) be laid before both Houses of Parliament within fourteen sitting days after publication thereof if Parliament is in session, and if not, then within fourteen sitting days after the commencement of the next session.

If either House of Parliament passes a resolution of which notice has been given at any time within fifteen sitting days after such regulations have been laid before such House disallowing any regulation or part thereof, such regulation or part shall thereupon cease to have effect.

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By Authority:

A. H. PETTIFER, Government Printer, Sydney, 1957.



*I certify that this PUBLIC BILL, which originated in the LEGISLATIVE ASSEMBLY, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.*

ALLAN PICKERING,  
*Clerk of the Legislative Assembly.*

*Legislative Assembly Chamber,  
Sydney, 17 April, 1957.*

## New South Wales



ANNO SEXTO

## ELIZABETHÆ II REGINÆ

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### Act No. 29, 1957.

An Act to control and regulate certain agreements relating to the sale of goods on credit; and for purposes connected therewith.  
[Assented to, 4th May, 1957.]

**BE** it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the "Credit-sale Agreements Act, 1957".

Short title  
and  
commence  
ment.

(2) This Act shall commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

2.

*I have examined this Bill, and find it to correspond in all respects with the Bill as finally passed by both Houses.*

G. BOOTH,  
*Chairman of Committees of the Legislative Assembly.*



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*Credit-sale Agreements.*

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Interpreta-  
tion.

2. (1) In this Act, unless the context or subject matter otherwise indicates or requires—

“Banker” means—

- (a) the Rural Bank of New South Wales;
- (b) any body corporate authorised to carry on banking business under the Commonwealth Bank Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia; or
- (c) any body corporate for the time being specified in the First Schedule to the Banking Act 1945 (as amended by subsequent Acts) of the Parliament of the Commonwealth of Australia.

“Credit-sale agreement” means an agreement for the sale of goods under which—

- (a) the purchase-price or any part thereof is payable by instalments or payments which are to be made over a period exceeding one year and are to be made nine times or more than nine times in any period of twelve months that forms part of the period first mentioned in this paragraph; or
- (b) the purchase-price or any part thereof is payable by instalments or payments which are to be made only over a period of one year or less than one year but more than nine months and are to be made nine times or more than nine times during that period,

but does not include any such agreement—

- (i) under which the buyer is a person who is engaged in the trade or business of selling goods of the same nature or description as the goods referred to in the agreement;
- (ii)



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*Credit-sale Agreements.*

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- (ii) that is a hire-purchase agreement as defined in section two of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts; or
- (iii) under which the goods comprised therein are not to be delivered to or to the order of the buyer until the whole of the purchase-price is paid.

“Goods” includes all chattels personal other than money or things in action.

“Loan” includes advance, discount, money paid for or on account of or on behalf of or at the request of any person, and includes every contract (whatever its terms or form may be) which is in substance or effect a loan of money, and “lend” and “lending” have corresponding interpretations.

“Prescribed” means prescribed by this Act or by any regulation made thereunder.

“Purchase-price” means the total amount of the moneys paid or payable and the value of any other consideration provided or to be provided by the buyer under a credit-sale agreement.

(2) This Act, except where otherwise expressly provided, applies only to and in respect of credit-sale agreements entered into after the commencement of this Act.

(3) Where a deposit is provided in connection with a credit-sale agreement, the deposit shall not, for the purposes of the definition of “Credit-sale agreement” in subsection one of this section, be reckoned as an instalment or payment.

(4) Where by virtue of two or more agreements, none of which by itself constitutes a credit-sale agreement, there is a transaction which is in substance or effect a credit-sale agreement as hereinbefore defined, the agreements shall be treated for the purposes of this Act as a single agreement entered into when the last of those agreements was entered into.

cf. N.Z.  
S.R. 1955  
No. 184,  
Reg. 2 (2).



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*Credit-sale Agreements.*

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Minimum  
deposits.  
cf. Act  
No. 56,  
1941,  
s. 31.

3. (1) A seller who enters into a credit-sale agreement without having first obtained from the buyer or proposed buyer thereunder in current coin or bank notes or by cheque drawn by a banker or by the buyer or proposed buyer or the spouse of the buyer or proposed buyer on a banker a deposit of—

- (a) where the minimum amount of the deposit is not prescribed under paragraph (b) of this subsection, not less than one-tenth of the cash-price of the goods the subject of the agreement; or
- (b) where the minimum amount of the deposit is prescribed under this paragraph, not less than such amount as may for the time being be prescribed,

shall be guilty of an offence against this Act.

A regulation may prescribe—

- (i) that the amount referred to in paragraph (b) of this subsection shall be at such rate or rates or shall be calculated on such basis or bases (whether by reference to the cash-price of the goods the subject of the agreement or otherwise) as may be specified in the regulation;
- (ii) rates or bases varying in accordance with different amounts of cash-price, different durations of credit-sale agreements or otherwise.

In this subsection, “cash-price” means the price at which the goods the subject of the agreement might be bought for cash.

(2) Notwithstanding anything contained in subsection one of this section, the deposit required by or under that subsection may include the value of any goods (not being goods acquired by the buyer or proposed buyer for the purpose of enabling the value of the goods so acquired to be included in that deposit) provided or required to be provided by the buyer or proposed buyer to buy the goods under the credit-sale agreement.

(3)



*Credit-sale Agreements.*

(3) A credit-sale agreement entered into in contravention of this section shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

4. Any person, other than a banker, who (whether or not he carries on any other business) carries on the business of lending or making loans to other persons for the purpose of enabling those other persons to pay the deposits required by or under subsection one of section three of this Act upon the purchase of goods under credit-sale agreements shall be guilty of an offence against this Act.

Offence to carry on the business of lending deposits.  
cf. Act No. 56, 1941, s. 32.

5. Any person who accepts as a deposit upon the purchase of goods under a credit-sale agreement any money or other consideration that he has reasonable cause to believe or suspect was lent to the buyer by any person, other than a banker, shall be guilty of an offence against this Act.

Deposits not to be by way of loan.  
cf. Act No. 56, 1941, s. 33.

6. Any person who—

(a) enters into any transaction, or makes any contract or arrangement purporting to do whether presently or at some future time or upon the happening of any event or contingency anything that contravenes or will contravene any of the provisions of section three, four or five of this Act; or

Contracts to evade section three, four or five.  
cf. Act No. 56, 1941, s. 36

(b) enters into any transaction, or makes any contract or arrangement, whether orally or in writing, for the purpose of or which has the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding or preventing the operation of any of the provisions of section three, four or five of this Act in any respect,

shall be guilty of an offence against this Act.

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*Credit-sale Agreements.*

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**Penalty.**

**7.** Any person guilty under any of the foregoing provisions of this Act of an offence against this Act shall be liable on summary conviction—

- (a) if a company—to a penalty not exceeding two hundred pounds;
- (b) if any other person—to a penalty not exceeding one hundred pounds or to imprisonment not exceeding three months or to both such penalty and imprisonment.

Require-  
ments  
relating to  
credit-sale  
agreements.  
cf. 1 & 2  
Geo. VI,  
c. 53, s. 3.

**8.** (1) Before any credit-sale agreement is entered into in respect of any goods, the seller shall give or cause to be given to the prospective buyer a written statement, otherwise than in the note or memorandum, of the purchase-price of the goods:

Provided that where the agreement is entered into by way of acceptance by the seller of a written offer (not being a mail order) signed by or on behalf of the buyer, the foregoing provisions of this subsection shall be deemed not to have been complied with unless the written statement was given to the prospective buyer before the written offer was so signed.

(2) A seller shall not be entitled to enforce a credit-sale agreement or any contract of guarantee relating thereto, and no security given by the buyer in respect of money payable under the credit-sale agreement or given by a guarantor in respect of money payable under such a contract of guarantee as aforesaid shall be enforceable against the buyer or guarantor by any holder thereof, unless the requirement specified in subsection one of this section has been complied with, and—

- (a) the agreement is in writing signed by or on behalf of the buyer or a note or memorandum of the agreement is made, and is signed by or on behalf of the buyer; and

(b)



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*Credit-sale Agreements.*

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- (b) where the agreement is in writing, the agreement specifies, or, where the agreement is not in writing, the note or memorandum specifies—
- (i) the price at which the goods comprised in the agreement might be bought for cash;
  - (ii) where the purchase-price of the goods so comprised includes an amount to cover the expenses of delivering the goods or any of them to the buyer, that amount as freight;
  - (iii) where the purchase-price of the goods the subject of the agreement includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts—that amount as registration fees;
  - (iv) where the purchase-price of the goods the subject of the agreement includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts)  
in



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*Credit-sale Agreements.*

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in respect of goods comprised in the agreement which are goods of any of the descriptions referred to in paragraphs (a), (b) and (c) of subsection two of section eleven of this Act or a television-set or prescribed goods, that amount as insurance in respect of the description of goods concerned where there is only one description of goods so comprised and, in any other case, the part of that amount which is charged as insurance in respect of each description of goods so comprised;

- (v) the total amount payable in respect of all charges other than those referred to in subparagraphs (ii), (iii) and (iv) of this paragraph; and
- (vi) the amount of the deposit provided by the buyer in connection with the agreement.

In this subsection "charges" means the difference between the purchase-price of the goods comprised in the agreement and the price at which those goods might be bought for cash.

(3) (a) It shall be the duty of every seller under a credit-sale agreement to deliver to the buyer within twenty-eight days after the agreement is entered into—

- (i) where the agreement is in writing, a copy of the agreement, or where the agreement is not in writing, a copy of the note or memorandum; and
- (ii) where the goods comprised in the agreement comprise or include goods of any one or more of the following descriptions, namely, industrial machinery, farm equipment, motor vehicle, television-set or prescribed goods, a copy of any insurance policy held by the seller or by any person



*Credit-sale Agreements.*

person on behalf of the seller which extends to indemnify the buyer against loss or damage to, or against liability in respect of, goods so comprised which are of any such description or descriptions:

Provided that where the seller is a banker and the insurance policy so held is a declaration policy, it shall be a sufficient compliance with the provisions of this subparagraph if the seller delivers to the buyer within the twenty-eight days aforesaid a statement setting out the terms, conditions and exclusions of the declaration policy so far as they concern or affect the purchaser in relation to the goods so comprised which are of any such description or descriptions.

(b) Any seller who neglects or fails to comply with any of the requirements of this subsection shall be guilty of an offence and shall be liable on summary conviction to a penalty not exceeding twenty pounds.

(c) Non-compliance with this subsection does not invalidate any credit-sale agreement.

9. (1) No credit-sale agreement which relates to household furniture or effects used or intended to be used by the buyer in his home and which is made with a buyer who is married shall be enforceable unless—

Regulation  
of credit-  
sale  
agreements  
with  
married  
persons.  
cf. Act  
No. 56,  
1941, s. 27.

(a) (i) the credit-sale agreement or the note or memorandum thereof contains a statement in writing signed by the spouse of the buyer signifying the consent of such spouse to the credit-sale agreement; and

(ii) such statement is so signed by the spouse at or before the time when the credit-sale agreement was entered into; or

(b) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller an authority, signed by the spouse of the buyer, to pledge the credit  
of



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of the buyer and the spouse or of either of them up to a specified limit which is not more than thirty pounds, and the purchase-price of the goods comprised in the credit-sale agreement, together with all other moneys owing or payable by the buyer and the spouse or either of them to the seller, does not exceed the limit so specified; or

- (c) the buyer, at or before the time when the credit-sale agreement was entered into, has produced and delivered to the seller a statutory declaration made by the buyer to the effect that the spouse of the buyer was under such a legal incapacity as to render such spouse unable to sign such statement as aforesaid:

Provided that this subsection shall not apply if the seller had reasonable grounds for believing and did in fact believe, at the time the credit-sale agreement was entered into, that—

- (i) the buyer was living separate and apart from the spouse of the buyer; or  
(ii) the spouse of the buyer was outside New South Wales:

Provided further that this subsection shall not apply if, at or before the time when the credit-sale agreement was entered into, the buyer has produced and delivered to the seller in a case where the residence of the buyer is situated more than five miles from the nearest telegraph office and the credit-sale agreement was entered into at such residence, an instrument in writing signed by the buyer, or, in any other case, a statutory declaration made by the buyer, in which instrument or statutory declaration the buyer states that he was not married at the time of the delivery of such instrument or statutory declaration to the seller, unless the seller had reasonable grounds for believing that such statement was false.

Any buyer who makes a false statement in any such instrument shall be guilty of an offence against this Act and shall be liable on summary conviction to a penalty not exceeding fifty pounds.

(2)



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*Credit-sale Agreements.*

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(2) (a) This subsection shall apply to and in respect of a credit-sale agreement of the nature referred to in subsection one of this section where the purchase-price of the goods comprised in the agreement does not exceed ten pounds.

(b) Where the seller, under any such credit-sale agreement, serves (by personal delivery) on the spouse of the buyer, within seven days after the agreement was entered into, a notice in writing that such agreement has been entered into, and the spouse of the buyer does not, within seven days after service of such notice, serve on the seller a notice in writing that he objects to the credit-sale agreement being entered into, the agreement shall not, by reason only of subsection one of this section, be unenforceable.

(c) Where the spouse of the buyer serves such notice of objection the credit-sale agreement shall cease to be binding on the parties thereto; and thereupon the seller shall refund all moneys paid and the value of any consideration provided by the buyer and shall be entitled to recover the goods comprised in the agreement.

(3) If any seller to whom any such authority or statutory declaration or instrument as is referred to in this section has been delivered, fails to preserve the same until the expiration of twelve months after the transaction in respect of which it was given is finally closed, he shall be guilty of an offence against this Act, and shall be liable on summary conviction—

- (a) if a company—to a penalty of not less than twenty pounds and not exceeding two hundred pounds;
- (b) if any other person—to a penalty of not less than ten pounds and not exceeding one hundred pounds or to imprisonment for a term of not more than two months, or to both such penalty and imprisonment.



*Credit-sale Agreements.*

Credit-sale agreements to have regular payments of equal amount.

**10.** (1) A credit-sale agreement shall provide that the instalments or payments necessary under the agreement to pay the difference between the purchase-price and the deposit provided in connection with the agreement shall—

- (a) be made at regular weekly, fortnightly or monthly intervals and at no other intervals; and
- (b) be of equal or approximately equal amounts.

(2) A credit-sale agreement entered into in contravention of this section shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

Limitation on additional charges.

**11.** (1) In this section, "additional charges", in relation to a credit-sale agreement, means the difference between—

- (a) the price at which the goods comprised in the credit-sale agreement might be bought for cash together with—
  - (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and
  - (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor



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Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and

- (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a), (b) and (c) of subsection two of this section or a television-set or prescribed goods, that amount, and

- (b) the purchase-price of the goods so comprised.

(2) The additional charges in relation to a credit-sale agreement shall not, when calculated as a rate per centum per annum in accordance with the formula set out in this subsection, exceed a rate per annum of—

- (a) where the goods comprised in the agreement, not being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle (other than a motor cycle)—seven per centum;
- (b) where the goods comprised in the agreement, being second-hand goods at the time when the agreement is entered into, are any one or more of the following only, namely, industrial machinery, farm equipment or a motor vehicle (other than a motor cycle)—nine per centum;
- (c) where the goods comprised in the agreement are a motor cycle—nine per centum;
- (d) where the goods comprised in the agreement are goods which are not of any of the descriptions in respect of which a rate is fixed by or under paragraph (a) or (b) or (c) of this subsection—ten per centum;

(e)



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- (e) where the goods comprised in the agreement include goods of the description or of any one or more of the descriptions referred to in one of the above paragraphs of this subsection and also goods of the description or of any one or more of the descriptions referred to in one or more of the other such paragraphs—the lower or lowest, as the case may be, of the amounts per centum prescribed, by the above paragraphs in respect of a description of goods so comprised.

The rate referred to in the foregoing provisions of this subsection shall be calculated in accordance with the following formula:—

$$R = \frac{100 \times C}{T \times P}$$

where

R represents the additional charges calculated as a rate per centum per annum.

C represents the total amount of additional charges expressed in pounds and fractions of pounds.

T represents the time that elapses between the date fixed by or under the agreement for the making of the first instalment or payment and the date fixed by or under the agreement for the making of the last instalment or payment, together with—

- (i) one week where the instalments or payments are payable under the agreement at regular weekly intervals;
- (ii) two weeks where the instalments or payments are payable under the agreement at regular fortnightly intervals;
- (iii) one month where the instalments or payments are payable under the agreement at regular monthly intervals,

expressed in years and fractions of years.

P



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P represents the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer, together with—

- (i) where the purchase-price includes a sum to cover the expenses of delivering the goods so comprised or any of them to the buyer, that sum; and
- (ii) where the purchase-price includes, in respect of goods so comprised which are a motor vehicle, an amount representing any one or more of the following, namely, any fee payable under the Motor Traffic Act, 1909, as amended by subsequent Acts, or the Transport Act, 1930, as amended by subsequent Acts, or any tax payable upon application for registration or renewal of registration of the motor vehicle or any premium charged in respect of a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts, that amount; and
- (iii) where the purchase-price includes an amount for insurance (not being insurance under a third-party policy within the meaning of the Motor Vehicles (Third Party Insurance) Act, 1942, as amended by subsequent Acts) in respect of goods so comprised which are goods of any of the descriptions referred to in paragraphs (a), (b) and (c) of this subsection or a television-set or prescribed goods, that amount,

expressed in pounds and fractions of pounds.

(3)



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*Credit-sale Agreements.*

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(3) A credit-sale agreement entered into in contravention of subsection two of this section shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

**Rates of  
insurance.**

**12.** (1) The Governor may, for the purposes of subsection three of this section, make regulations prescribing rates for insurance in respect of any class or classes of goods.

In the exercise of the power conferred by the foregoing provisions of this subsection, but without limiting the generality of that power, the regulations may provide—

- (a) different rates for insurance in respect of different classes of goods;
- (b) different rates in respect of different parts of the State;
- (c) rates on a sliding scale;
- (d) rates according to or upon any specified principle or criterion.

(2) The power conferred by subsection one of this section shall be deemed to be validly exercised by a regulation which prescribes any such rates as are referred to in that subsection by reference to a list, scale or table of insurance rates referred to in the regulations and issued by a body or association which the Governor considers to be representative of insurance companies carrying on business of the class to which the list, scale or table relates or by reference to any regulations made under the provisions of section 26D of the Hire-purchase Agreements Act, 1941, as amended by subsequent Acts.

(3) Where the purchase-price of goods the subject of a credit-sale agreement includes an amount for insurance in respect of goods comprised in the agreement which are goods of a class in respect of which rates of insurance are, at the time when the agreement

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is entered into, prescribed under this section and that amount exceeds the amount that would have been payable for insurance in respect of the goods so comprised had those goods been insured in accordance with those rates, the agreement shall be void:

Provided that all moneys paid and the value of any other consideration provided by the buyer under the agreement shall be recoverable as a debt due to him by the seller.

**13.** (1) (a) In this section "credit-sale agreement" includes a credit-sale agreement that has been varied for the purpose of including additional goods in the agreement. <sup>Special provisions for add-on agreements.</sup>

Nothing in this paragraph shall be construed as limiting the generality of the definition of "Credit-sale agreement" in subsection one of section two of this Act.

(b) This section applies to and in respect of credit-sale agreements entered into before the commencement of this Act as well as to credit-sale agreements entered into after that commencement.

(c) This section does not apply to or in respect of any credit-sale agreement where, either before or after any variation of the agreement, the goods the subject of the agreement comprise or include industrial machinery, farm equipment or a motor vehicle.

(2) Where a credit-sale agreement is varied or is proposed to be varied for the purpose of including additional goods in the agreement it shall only be necessary to comply with or observe the provisions of this Act (subject to the modifications set out in subsection three of this section) in respect of the variation or proposed variation as though the only goods comprised in the agreement which results from the variation or which will result from the proposed variation were the additional goods.

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The foregoing provisions of this subsection apply only where—

- (a) the agreement proposed to be so varied or the agreement before it is so varied is not or was not unenforceable by the seller or void;
- (b) the agreement when so varied also specifies the balance payable under the agreement immediately before it was so varied;
- (c) the provisions of the agreement when so varied, so far as they relate to goods comprised in the agreement before it was so varied, are not less favourable to the buyer than the provisions of the agreement before it was so varied.

(3) For the purposes of subsection two of this section—

- (a) section three of this Act shall be deemed to be omitted from this Act if the total amount of the moneys paid and the value of any other consideration provided by the buyer under the agreement during the period of two years immediately preceding the date on which the agreement is so varied is not less than—
  - (i) where a percentage is not prescribed under subparagraph (ii) of this paragraph at the time when the agreement is so varied—twenty per centum of the cash-price of the additional goods; or
  - (ii) where a percentage is prescribed under this subparagraph at the time when the agreement is so varied—the percentage so prescribed of the cash-price of the additional goods;
- (b) where no deposit is required pursuant to paragraph (a) of this subsection and no deposit is in fact provided by the buyer—
  - (i) subsection one of section ten of this Act shall have effect as though the words

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“the difference between the purchase-price and the deposit provided in connection with the agreement” were omitted therefrom and the words “the purchase-price” were inserted in lieu thereof;

- (ii) subsection two of section eleven of this Act shall have effect as though the words “the difference between the price at which the goods comprised in the agreement might be bought for cash and the amount of the deposit provided by the buyer” were omitted therefrom and the words “the amount for which the goods comprised in the agreement might be bought for cash” were inserted in lieu thereof.

(4) Notwithstanding anything contained in this Act where a credit-sale agreement has been varied pursuant to this section, it shall be a sufficient compliance with section ten of this Act so far as the balance payable under the agreement by the buyer immediately before the agreement is varied is concerned if that balance is made payable in equal or approximately equal amounts payable at the same regular intervals and by the same number of instalments or payments as are provided by the agreement as so varied in respect of the additional goods.

**14.** (1) The Governor may make regulations not Regulations. inconsistent with this Act prescribing all matters which are required or permitted to be prescribed by this Act or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

(2) The regulations shall—

- (a) be published in the Gazette;
  - (b) take effect from the date of publication or from a later date to be specified in the regulations;
- and

(c)



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- (c) be laid before both Houses of Parliament within fourteen sitting days after publication thereof if Parliament is in session, and if not, then within fourteen sitting days after the commencement of the next session.

If either House of Parliament passes a resolution of which notice has been given at any time within fifteen sitting days after such regulations have been laid before such House disallowing any regulation or part thereof, such regulation or part shall thereupon cease to have effect.

*In the name and on behalf of Her Majesty I assent to this Act.*

J. NORTHCOTT,  
Governor.

*Government House,  
Sydney, 4th May, 1957.*