

AUSTRALIAN CAPITAL TERRITORY

Hire Purchase Agreements Ordinance 1958

EXPLANATORY MEMORANDUM:

No. 17 of 1958

This Ordinance requires the inclusion in hire purchase agreements of the following information:

1. the cash price of the goods comprised in the agreement;
2. the difference between the purchase price of the goods and the cash price, i.e. the total amount of all fees, charges and premiums;
3. the amount of the deposit;
4. the expenses of delivery (if any);
5. in the case of a motor vehicle, the amount of registration fees and third-party insurance if these are included in the amount of the loan;
6. the amount of any premium for insurance (other than third-party insurance) and the amount for which the goods are insured;
7. the total amount payable for all other charges.

The object of this legislation is to ensure that the purchaser may be fully aware of the number and extent of the individual items which constitute the amount owing by him to the finance company under a hire purchase agreement and the extent of his coverage (if any) under any insurance policy (other than a third-party policy) taken out with respect to the goods.