

NORTHERN TERRITORY OF AUSTRALIA

Regulations 1988, No. 6

Regulations under the *Motor Vehicles Act*

I, ERIC EUGENE JOHNSTON, the Administrator of the Northern Territory of Australia, acting with the advice of the Executive Council, hereby make the following Regulations under the *Motor Vehicles Act*.

Dated 26th February 1988.

E.E. JOHNSTON
Administrator

MOTOR VEHICLES (HIRE CAR) LOAN
SECURITY REGULATIONS

1. CITATION

These Regulations may be cited as the Motor Vehicles (Hire Car) Loan Security Regulations.

2. NOTIFICATION OF FINANCIAL ARRANGEMENTS AFFECTING LICENCE

(1) The parties to an agreement or arrangement whereby a hire car licence is used as security for a loan or liability may notify the Registrar of the loan or liability.

(2) Notification under subregulation (1) shall be in an approved form accompanied by -

- (a) a fee of \$25; and
- (b) the hire car licence.

* Notified in the *Northern Territory Government Gazette* on 7th March 1988.

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3. ENDORSEMENT ON LICENCE

(1) On being notified in accordance with regulation 2, the Registrar shall enter in the records maintained by the Registrar and endorse on the hire car licence the name and address of the lender, the date on which the agreement or arrangement relating to the loan or liability was entered into and such other particulars as the Registrar thinks fit.

(2) After endorsing a hire car licence under subregulation (1) the Registrar shall return it to the licensee.

(3) An endorsement on a hire car licence made under subregulation (1) shall not be removed from the licence or any renewal of it except as provided in regulation 4.

4. REMOVAL OF ENDORSEMENT FROM LICENCE

(1) Where a hire car licence has been endorsed by the Registrar under regulation 3, the licensee and the lender may jointly apply to the Registrar for the removal of the endorsement from the licence.

(2) An application under subregulation (1) shall be in an approved form accompanied by -

- (a) a fee of \$25; and
- (b) the hire car licence.

(3) On receipt of an application under subregulation (1), the Registrar shall remove from the hire car licence an endorsement made under regulation 3, note in the records maintained by the Registrar that the endorsement on the licence has been removed and return the licence to the licensee.

5. DEFAULT OF LICENSEE

(1) This regulation applies to and in relation to a loan or liability recorded on a hire car licence under these Regulations unless in the agreement or arrangement entered into by a lender and a licensee in respect of the loan or liability it is expressly stated to not apply.

(2) Where a licensee of a hire car licence which is used as security for a loan or liability -

- (a) defaults in a payment of money required to be paid under; or
- (b) is otherwise in breach of a condition of,

an agreement or arrangement whereby the licence is used as security and the licensee continues in default, or is in breach of the condition, for 28 days, a lender may give to the licensee notice in an approved form -

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- (c) requiring the licensee to pay the money required to be paid under, or to comply with the condition of, the agreement or arrangement; and
 - (d) notifying the licensee that should the money not be paid within, or the licensee continue to be in breach of the condition for, 28 days after the service of the notice, the licence may be sold without further notice.
- (3) If, at the expiration of 28 days after the service of a notice under subregulation (2), the money has not been paid or the licensee continues to be in breach of the condition the lender may sell the licence in accordance with this regulation.
- (4) A sale of a hire car licence under this regulation may be by auction or private sale and a lender, in the exercise of a power of sale under this regulation, is not liable for any loss which a licensee may incur as a consequence of the sale.
- (5) A lender who sells a hire car licence under this regulation may make and execute such instruments and do such other things as are necessary to give effect to the sale as if the lender were the licensee.
- (6) A notice under this regulation shall be served on a licensee in accordance with section 129 of the Act.

6. PURCHASE MONEY

Money obtained from the sale of a hire car licence, whether or not the sale is under regulation 5, shall be applied in the payment of -

- (a) expenses occasioned by the sale of the licence, including the payment of fees and charges in respect of the transfer of the licence to the purchaser; and
- (b) the money owed by the former licensee to the lender under the agreement or arrangement whereby the licence was used as security for the loan or liability,

in that order, with the balance, if any, being paid to the former licensee.

7. DECLARATION OF LENDER AFTER SALE

Where a hire car licence is sold in accordance with -

- (a) regulation 5; or

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(b) the terms and conditions of an agreement or arrangement between a licensee and a lender whereby the licence was used as security for a loan or liability,

an application for the transfer of the licence to a purchaser under the sale shall, in addition to any other requirement of the Act, be accompanied by a statutory declaration of the lender stating that the lender has complied with -

(c) regulation 5; or

(d) the terms and conditions of the agreement or arrangement relating to the sale of the licence,

as the case may be.