

## Motor Car Traders Act 1986

# SECOND-HAND MOTOR CAR STATUTORY WARRANTY

Section 54 of the Motor Car Traders Act 1986 provides that a statutory warranty be given by a motor car trader who sells a second-hand motor car to a person and the car; (a) was manufactured not more than 10 years before the date it is sold; and (b) has been driven for less than 160,000 kilometres. The Act says that, subject to certain provisions, the motor car trader warrants that if a defect appears in the motor car before the end of the statutory warranty period, being the shorter of 5,000kms or 3 months, **the motor car trader at her, his or its own expense - (a) will arrange for the car to be taken to a place where it can be repaired or made good; and (b) will repair or make good, or cause to be repaired or made good by another motor car trader or a qualified repairer, the defect so as to place the car in a reasonable condition having regard to its age.** **Motor cycles and commercial vehicles are not covered by statutory warranty.**

### YOUR ENTITLEMENT

The statutory warranty by the selling trader provides for the rectification, at no cost, of defects which occur in the vehicle before expiration on the statutory warranty. A motor car has a 'defect' if one or more of its components -

- a) is no longer in proper working condition having regard to its likely age or the number of kilometres it has travelled;
- or
- b) is defective to the extent that the car is unroadworthy or is not able to be driven.

A part or unit may be worn but still be quite safe and serviceable. It must be remembered that the vehicle purchased is second-hand and many of its parts will be worn.

**It is the responsibility of the motor car trader to repair the defect and place the motor car in a reasonable condition having regard to its age.** This could mean in some cases the use of serviceable second-hand parts may be used to effect the repair.

### YOUR OBLIGATIONS

Statutory warranty repairs must be effected by, or done at the direction of, the selling trader. The selling trader has no liability for repairs performed without the knowledge or authority of the trader, nor for any towage or transport costs incurred without prior consent.

**It is your obligation to maintain and service the motor vehicle and not misuse or abuse it. The statutory warranty does not cover defects arising from accidental damage, misuse or negligence which occur after taking delivery.**

### AUSTRALIAN CONSUMER LAW

Our goods come with guarantees that cannot be excluded under the Australian Consumer Law. You are entitled to a replacement or refund for a major failure and for compensation for any other reasonably foreseeable loss or damage. You are also entitled to have the goods repaired or replaced if the goods fail to be of acceptable quality and the failure does not amount to a major failure.

### EXCLUSIONS

Section 54 of the Act also describes several conditions under which Statutory Warranty is not provided, which includes:

- The sale of a commercial vehicle or motor cycle.
- Defects in tyres and battery
- The sale of a car to a person who has had possession or control of the car for at least 3 months prior to its sale
- The sale of a car sold by auction at a public auction

Regulation 24 of the Act provides a list of prescribed accessories not covered by Statutory Warranty, as follows:

- |   |   |
|---|---|
| (a) radios;   | (l) sealed beam lights;   |
| (b) cassette players;                                     | (m) fog lights which are not standard to the motor car;                               |
| (c) compact disc players;                                 | (n) alarms which are not standard to the motor car;                                   |
| (d) telephones and in-car telephone kits;                 | (o) digital video disc players and video display panels;                              |
| (e) car aerials;  | (p) MP3 & MP4 players & docks;  |
| (f) clocks;   | (q) global positioning systems & satellite navigation systems;                        |
| (g) cigarette lighters;                                   | (r) other computerised navigation systems;  |
| (h) body hardware which is not standard to the motor car; | (s) keyless entry systems and remote key pads that are not standard to the motor car; |
| (i) power outlets, including cigarette lighter sockets;   |   |
| (j) tools other than jacks and wheel braces;              |   |
| (k) light globes;   |   |

For further information, please consult sections 54 and 55 of the Motor Car Traders Act.

Obviously excluded are 'cosmetic' items such as body dents and paint and trim defects.

Further exclusions may be made of the use of a 'Statement of Defects'. Where a 'Statement of Defects' notice has been attached to a vehicle offered for sale and the purchaser has signed duplicate copies of the not, statutory warranty will not apply to the items name in the notice.

### HOW TO CLAIM UNDER THIS WARRANTY?

Claims under this warranty must be made by contacting the LMCT on the telephone number, email or postal address below:

**Melbourne's Cheapest Car Pty Ltd  
648 South Road, Moorabbin VIC 3189**

**Tel: 9556 0777 LMCT8399**

### STATUTORY WARRANTY

The statutory warranty period is for 3 month or 5,000 kms whichever first occurs commencing the day after taking delivery.

Make: .....

Registration No: .....

Warranty starts: .....  
Date Km

Signed: .....  
(Purchaser)

Signed: .....  
(Licensed Motor Car Trader) (LMCT No.)