

# SALE OF SECOND-HAND MOTOR VEHICLES

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# Sale of Second-Hand Motor Vehicles Act 1973

## TABLE OF PROVISIONS

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# Sale of Second-Hand Motor Vehicles Act 1973

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## TABLE OF AMENDMENTS

The Sale of Second-Hand Motor Vehicles Act 1973 No 18 was certified on 8 November 1973 and commenced on 1 September 1975 (GN No 178/1975; Gaz 37/1975).

<b>Amending Legislation</b>	<b>Certified</b>	<b>Date of Commencement</b>
Revised Written Laws Act 2021 No 7	1 June 2021	1 June 2021



An Act to control the sale of second-hand motor vehicles.

Enacted by the Parliament of Nauru as follows:

## **1 Short title and commencement**

This Act may be cited as the *Sale of Second-Hand Motor Vehicles Act 1973* and shall come into force on a date to be notified by the Minister in the Gazette and came into effect on 1 September 1975.

## **2 Interpretation**

In this Act:

*‘an authorised motor vehicle examiner’* means a person nominated by the Minister as an authorised motor vehicle examiner for the purposes of this Act under Section 6;

*‘new motor vehicle’* means a motor vehicle which has not been used in any country other than for the purpose of a manufacturer’s or seller’s road test or for the purpose of delivery, subject to a maximum total mileage of use for such purposes of 400 miles but does not include a motor cycle; and

*‘sale’* means any transaction whereby goods are exchanged for valuable consideration either in money or in kind.

## **3 Seller to supply buyer with list of defects**

(1) Not less than 3 days before any motor vehicle, other than a new motor vehicle, is sold in the Republic, the person selling the motor vehicle shall supply to the person buying the motor vehicle 2 copies of a list of the motor vehicle’s defects prepared and signed by an authorised motor vehicle examiner. The list, which need not include details of deterioration appropriate to a motor vehicle which has been reasonably used and regularly and properly serviced and maintained and which is of the same age as the motor vehicle to which the list relates, shall be accompanied by a statement prepared and signed by the authorised motor vehicle examiner in respect of every defect showing the estimated cost of remedying the defect or stating that it cannot be remedied.

(2) Before the contract for the sale of a motor vehicle is completed, the buyer shall return 1 copy of the list of defects supplied to him or her under subsection (1), signed by him or her as an acknowledgement that he or she has received 2 copies and has retained 1 copy and where more persons than 1 are buying a motor vehicle jointly, the list shall be signed by all of them.

## **4 Purchase price to be deposited in the treasury**

(1) All monies payable on or before a date 3 months after the sale or delivery, whichever is the later, of a motor vehicle in respect of the purchase price shall not be received, otherwise than as provided for in subsections (2) and (3), by the seller or by a person on his or her behalf but shall be paid into the Treasury and held, on deposit by the Republic as stake-holder for the seller and the buyer.

- (2) Monies paid into the Treasury under subsection (1) in respect of the sale of any motor vehicle shall be paid out to the person entitled to receive them under the terms of the contract of sale of the motor vehicle, upon his or her presenting to the Chief Accountant for verification the copy of the list of defects signed by the buyer in pursuance of Section 3.
- (3) Where proceedings have been commenced in the District Court under Section 5 in relation to the sale of a motor vehicle, money paid into the Treasury under subsection (1) shall be paid out in accordance with an order of the court made in those proceedings and not otherwise.

## **5 Liability of seller failing to comply with Section 3**

Where a person who sells a motor vehicle has failed to supply to the buyer a list of its defects not less than 3 days before the date of the sale, the buyer or, where more persons than 1 buy the car jointly, any 1 or more of the buyers may within 3 months of the sale or delivery of the motor vehicle, whichever is the later:

- (a) by notice in writing signed by the buyer or all the buyers, as the case may be, rescind the contract of sale, redeliver the motor vehicle to the seller or a person nominated by him or her to take delivery on his or her behalf and commence proceedings in the District Court for the repayment of all monies paid in respect of the purchase of the motor vehicle:

Provided that, where more persons than 1 buy a motor vehicle jointly, nothing shall be done by any 1 of them under this paragraph except with the written consent, and on behalf, of all of them and that consent shall be lodged in the registry of the District Court; and

- (b) commence proceedings in the District Court for an order reducing the purchase price of the motor vehicle by the likely cost of remedying the defects from which the motor vehicle was suffering at the time of the sale and, if the money paid in respect of the purchase of the motor vehicle exceeds the reduced price, for the repayment of that part of the money which exceeds the reduced price.

## **6 Authorised motor vehicle examiners**

- (1) The Minister shall from time to time, by notice in the Gazette, nominate persons whom he or she regards as suitably qualified and experienced in the maintenance and repair of motor vehicles to be authorised motor vehicle examiners for the purposes of this Act:

Provided that, before this Act comes into force, not less than 2 persons shall be so nominated and thereafter the number of persons resident in the Republic who are so nominated shall not be permitted to fall below 2 at any time.

- (2) Before an authorised motor vehicle examiner prepares and signs a list of defects of any vehicle for the purpose of Section 3 or prepares and signs a statement to accompany any such list, he or she shall carry out a thorough examination of the motor vehicle, including a road test but not necessarily including dismantling the motor vehicle.
- (3) A person who as an authorised motor vehicle examiner signs a list of defects under Section 3, and:
  - (a) wilfully fails to include in that list any defect of which he or she is aware and which should be included or wilfully includes in that list a defect which does not exist;



- (b) wilfully fails to carry out a thorough examination of the motor vehicle before signing that list; or
  - (c) in the statement accompanying that list gives an estimate of the cost of remedying any of the defects listed which he or she knows, or has reason to believe, to be unreasonably inaccurate or which he or she does not believe to be reasonably accurate,
- is guilty of an offence and is liable to a fine of \$1,000 and he or she is also liable to compensate the buyer or the seller for any loss resulting from any such wilful failure or from giving of an estimate which is not reasonably accurate.
- (4) The Minister may by regulations prescribe the fee to be charged by an authorised motor vehicle examiner or his or her employer for the examination of a motor vehicle and the preparation and signature of a list of the defects of the motor vehicle under Section 3 and of the statement to accompany the list.

## **7 Offences**

A person who in respect of the sale of a motor vehicle in the Republic after the commencement of this Act receives, in the Republic or elsewhere, before the expiration of 3 months after the sale or delivery of the motor vehicle, whichever is the later, payment in money or money's worth in respect of the purchase price, other than money which has been paid into the Treasury under Section 4 and is lawfully paid out of the Treasury to him or her, is guilty of a cognizable offence and is liable to 3 months imprisonment.

## **8 Extension of application of this Act to other goods**

The Cabinet may, by notice in the Gazette, extend the application of the provisions of this Act to any other specified class of goods provided that the Act shall not apply to such a class of goods so as to affect the sale until a date to be specified by the Cabinet in the notice, being a date not less than 4 weeks after the date of publication of the notice in the Gazette:

And provided further that Parliament may, within 28 days of the publication of the notice in the Gazette or, if Parliament does not sit within that period, within 1 week after the first sitting day after the end of that period, by resolution disallow the extension of the application of this Act to any such class of goods and, if it does so disallow the extension, the provisions of this Act will not apply to goods of that class.

## **9 Publicity to be given to this Act and to any extension of its applicability**

The Cabinet shall ensure that, before this Act comes into force or any extension of its applicability under Section 8 takes effect, and from time to time thereafter, such publicity, by radio broadcast and by the display of written notices, is given in the English, Nauruan, Gilbertese, Ellice and Cantonese languages, that no reasonable possibility exists of a person suffering injustice by reason of ignorance of its provisions.

## **10 Regulations**

The Cabinet may make regulations for the better carrying into effect of the

provisions, objects and intentions of this Act and for the due administration and, without prejudice to the generality of the foregoing provisions of this Section, may, where it has issued a notice under Section 8 extending the applicability of the provisions of this Act to any class of goods:

- (a) empower and require the Minister to nominate suitably qualified and experienced persons to examine the goods and give estimates of the cost of repairing defects;
- (b) apply the provisions of Section 6 to such persons; and
- (c) prescribe a form of the list of defects to be supplied in place of the form set out in the Schedule.

**SCHEDULE**

*[Section 3]*

**FORM OF LIST OF DEFECTS**

FORM SS-HMV/1

*SALE OF SECOND-HAND MOTOR VEHICLES ACT 1973*

**LIST OF DEFECTS**

Name of Seller(s):

Name of Buyer(s):

Details of the motor vehicle:

- (a) Registration No.:
- (b) Make:
- (c) Type:
- (d) Year of manufacture:
- (e) Year imported into the Republic:
- (f) Engine no:
- (g) Chassis no.:

The motor vehicle of which the details are shown above is suffering from the following defects, in addition to normal deterioration which would be appropriate to a motor vehicle of its age which had been reasonably used and regularly and properly serviced and maintained:

Mechanical:

- (a) Engine:
- (b) Gearbox:
- (c) Differential:
- (d) Wheels:
- (e) Steering:
- (f) Suspension:
- (g) braking system:
  - (i) foot brakes;
  - (ii) hand brakes:
- (h) Other:

Chassis, Body work and Interior:

- (a) Damage to chassis:
- (b) Damage to bodywork:
- (c) Rust:
- (d) Damage to, or undue wear of, interior:

Electrical equipment:

Tyres:

- (a) Front off-side:
- (b) Front near-side:
- (c) Rear off-side:
- (d) Rear new-side:
- (e) Spare:

Tools:

Accessories (eg radio):

Signed:.....

(Authorised Motor Vehicle  
Examiner)

Date:

Date list delivered to the buyer:

Signed:.....

(Buyer)

Date:

Note:

- (1) For the purposes of this form, normal deterioration does not include rust.
- (2) If any item listed on this form is not defective, a note "No Defect" should be entered against it.

# Examination Fees Regulations 1975

## TABLE OF PROVISIONS

<i>Regulation</i>	<i>Title</i>
1	Citation
2	Examination Fees



# Examination Fees Regulations 1975

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## TABLE OF AMENDMENTS

The Examination Fees Regulations 1975 was made on 8 August 1975 and commenced on 20 August 1975 (GN No 196/1975; Gaz 41/1975).

<b>Amending Legislation</b>	<b>Notification</b>	<b>Date of Commencement</b>
Revised Written Laws Act 2021 No 7	1 June 2021	1 June 2021





# Examination Fees Regulations 1975

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IN EXERCISE of the powers conferred on me by Section 6(4) of the *Sale of Second-Hand Motor Vehicles Act 1973*, I hereby make the following Regulations:

## **1 Citation**

These Regulations may be cited as the *Examination Fees Regulations 1975*.

## **2 Examination Fees**

- (1) The fees which shall be charged for the examination of a motor vehicle by an authorised motor vehicle examiner under the provisions of the Act and the preparation and signature by the examiner of a list of the defects of the motor vehicle under Section 3 of the Act and of the statement to accompany the list are:
  - (a) by the authorised motor vehicle examiner, \$14; and
  - (b) by the employer of the authorised motor vehicle examiner, \$7.
- (2) Both the fees prescribed in paragraphs (a) and (b) shall be collected by the employer of the authorised motor vehicle examiner and the fee payable to the examiner shall be paid over to him or her as soon as reasonably possible by the employer.

