

21 May 2020

Financial Holdings Limited
17 Kalmia Street, Ellerslie,
Auckland, New Zealand

Attention: [REDACTED]

By email only: [REDACTED]

Dear [REDACTED]

Credit Contracts and Consumer Finance Act 2003 and Fair Trading Act 1986: Warning

1. The Commerce Commission (Commission) has been investigating Financial Holdings Limited (FHL) under the Credit Contracts and Consumer Finance Act 2003 (CCCF Act) and the Fair Trading Act 1986 (FTA) (together 'the Acts'), regarding collecting or claiming interest and fees after the repossession and sale of secured property and for issuing repossession notices that do not comply with the CCCF Act.
2. We have now completed our investigation and are writing to you about matters that we consider raise concerns under the Acts.
3. In summary, the Commission considers that FHL has likely breached:
 - 3.1 section 13(i) of the FTA, in relation to loans entered into before 6 June 2015, by misrepresenting a right to claim interest and fees after the repossession and sale of secured property, which is prohibited by section 35 of the Credit (Repossession) Act 1997 (CRA);
 - 3.2 section 83ZM of the CCCF Act, in relation to loans entered into on or after 6 June 2015, by claiming interest, fees and court related costs after the repossession and sale of secured property;
 - 3.3 section 83G of the CCCF Act, by issuing a repossession warning notice that does not contain all of the key information set out in Schedule 3A that is applicable to the loan;
 - 3.4 section 83V of the CCCF Act, by issuing notices to the borrower after repossession of secured property (post-repossession notices) that do not contain all of the key information set out in Schedule 3B that is applicable to the loan; and

- 3.5 section 83ZI of the CCCF Act, by failing to issue statements of account to borrowers within 7 days after the sale of the consumer goods.
4. After weighing up the factors set out in our Enforcement Response Guidelines¹ we have decided to conclude this investigation by issuing this warning letter.
 5. A warning is not a finding of non-compliance; only Courts can decide whether a breach of the law has occurred, and we have determined that at this time we will not be commencing formal legal action.²

The investigation

6. The Commission commenced its investigation into FHL on 25 May 2018 after receiving a number of complaints from budget advisors about FHL's debt collection practices.
7. As part of our investigation, FHL provided the Commission with information about its processes, documents, customer files, and two representatives of FHL attended a voluntary interview at the Commission.
8. FHL advised the Commission that it provides personal and commercial finance, focusing on personal loans for the purchase of second-hand motor vehicles, and that it takes security over the vehicles.
9. FHL provided the Commission with copies of 45 customer files, being two complainant files and a sample of 43 files relating to repossession and sale of motor vehicles during the period 6 June 2015 until 18 December 2018. The files contained among other documents: repossession warning notices, post-repossession notices, statements of account after sale, account statements, employee notes and court documents (statements of claim, judgments and charging orders).

FHL's response

10. In response to preliminary assessments by Commission staff that FHL had inappropriately added interest and fees to borrowers' accounts following the sale of secured property and used non-compliant forms of repossession notices, FHL advised that it:
 - 10.1 has updated its repossession warning notices and post-repossession notices to comply with the CCCF Act;
 - 10.2 has reviewed every loan where secured property was repossessed and sold since April 2014;

¹ The Enforcement Response Guidelines are available at <https://comcom.govt.nz/about-us/our-policies-and-guidelines/investigations-and-enforcement/enforcement-response-guidelines>

² Commission's Enforcement Response Guidelines at [41]

- 10.3 will, by 31 July 2020, apply credits to the accounts identified where borrowers have been charged any interest or fees after the sale of the secured property;
 - 10.4 will, if the affected borrower has paid off their balance in full, issue refunds on these accounts;
 - 10.5 will develop a new template for statements of account after sale which accurately calculates the balance owing as at the date of the sale of secured property;
 - 10.6 will add a field to flag repossession accounts in its database to ensure no additional fees are added to those accounts after repossession and sale of secured property;
 - 10.7 will re-issue all statements of account after sale to borrowers whose secured property was sold after 6 June 2015;
 - 10.8 will reverse out repossession costs for borrowers who were issued a post-repossession notice which does not comply with the CCCF Act;
 - 10.9 has created separate forms to distinguish notices of proceedings for accounts where repossession has happened and for accounts where no repossession has occurred; and
 - 10.10 will ensure that it sends statements of account after sale within the prescribed 7 days of sale of the secured property being sold.
- 11. FHL provided the Commission with information indicating that approximately 306 borrowers have had interest and/or fees inappropriately added to their accounts after the sale of secured property. FHL has advised that it will complete the customer file review and provide refunds by 31 July 2020.
 - 12. FHL has been cooperative with the Commission's investigation.

The Law

Adding interest and fees after the repossession and sale of consumer goods

- 13. The FTA prohibits certain representations in trade. In particular, section 13(i) of the FTA prohibits making a false or misleading statement concerning, among other things, the existence of a right under a contract.
- 14. The repossession and sale of consumer goods under a loan entered into prior to 6 June 2015 is governed by the CRA. For loans entered into on or after 6 June 2015, the relevant rules are set out in Part 3A of the CCCF Act.
- 15. For contracts entered into prior to 6 June 2015, section 35 of the CRA states that lenders are not entitled to recover more from a borrower than the balance owing after the sale of repossessed goods. Similarly, for contracts entered into on or after 6

June 2015, section 83ZM(3) of the CCCF Act states that the borrower's liability to the lender is limited to the difference between the amount required to settle the contract as at the date of the sale and the net proceeds of the sale. (The amount required to settle the contract as at the date of sale, which is referred to in section 83ZM, is the amount determined by Section 83ZE of the CCCF Act.)

16. Under both the CRA and the CCCF Act, lenders are not allowed to claim interest and fees beyond the date of the sale of repossessed goods.
17. The relevant parts of these provisions are set out in the Appendix to this letter.

Repossession documentation requirements

18. Lenders under credit contracts entered into on or after 6 June 2015 are required to comply with sections 83G, 83V and 83ZI of the CCCF Act, which prescribe content and timeliness requirements for notices and statements that must be provided to borrowers when consumer goods are repossessed and sold. Sections 83G and 83V incorporate the form requirements of Schedules 3A and 3B, respectively.
19. The relevant parts of these provisions are set out in the Appendix to this letter.

The Commission's view

Charging interest and fees after the repossession and sale of secured property

20. The Commission's view is that FHL has likely contravened:
 - 20.1 section 13(i) of the FTA (by misrepresenting a lender's rights under section 35 of the CRA); and
 - 20.2 section 83ZM(2) of the CCCF Act,
 by representing in statements of account after sale that it was entitled to charge interest and fees after repossessing and selling consumer goods in circumstances when the amount set out in those statements exceeded the maximum amount owed by the borrower under section 35 of the CRA or section 83ZM(2) of the CCCF Act.
21. In the 28 files provided by FHL, where the contract was entered into prior to 6 June 2015, we consider that FHL claimed an amount that exceeded the amount required to settle the contract (in accordance with section 31 of the CRA) in 25 statements of account after sale. FHL sometimes:
 - 21.1 included interest added after the sale of the secured property;³ and/or

³ For example, in file [REDACTED], where a repossessed vehicle was sold on [REDACTED], FHL added interest and penalty interest fees for the entire month of [REDACTED].

- 21.2 failed to apply the proceeds of sale to the account for several days/weeks after the sale, during which time fees and/or interest were added to the account;⁴ and/or
- 21.3 charged administration fees for a period of time after the sale of the secured property;⁵ and/or
- 21.4 charged BlackHawk fees for an entire month, even though the repossessed vehicle was sold very early on in the month;⁶ and/or
- 21.5 charged interest and fees episodically on two complainant files for 18 years after the repossession and sale of secured property.⁷
22. We consider that FHL has likely breached section 83ZM(2) of the CCCF Act, in relation to all 15 files provided by FHL where the contracts were entered into after 6 June 2015, by claiming amounts in statements of account after sales that exceeded the maximum amount required to settle the contract (in accordance with 83ZE of the CCCF Act). This is for the same reasons as those listed in paragraph 21.1 to 21.4,⁸ as well as:
- 22.1 including repossession costs in circumstances where the post-repossession notice did not include all the applicable key information set out in Schedule 3B; and/or
- 22.2 claiming Court fees and/or costs when seeking and obtaining judgments and attachment orders.⁹

⁴ Section 83ZM of the CCCF Act refers to “after the sale”. This means that the debt is crystalized on the date of the sale or auction of the secured property. For example in the in file [REDACTED] where a repossessed vehicle was sold on [REDACTED], FHL added the proceeds of sale to the account on [REDACTED] during which time FHL added an administration fee and a Blackhawk fee. On the date the proceeds of sale were added to the account, FHL also applied an interest and a penalty interest charge to the account.

⁵ For example, in file [REDACTED] where a repossessed vehicle was sold on [REDACTED], a weekly administration fee of \$1.5 was charged until [REDACTED] (6 more months).

⁶ For example, in file [REDACTED], where a repossessed vehicle was sold on the [REDACTED], a Blackhawk Fee of \$25.30 was charged for [REDACTED].

⁷ This happened in the case of customer file [REDACTED] and [REDACTED]

⁸ For example, in file [REDACTED] where a repossessed vehicle was sold on the [REDACTED], interest was added on the balance until [REDACTED]. In the [REDACTED] file, the vehicle was sold on [REDACTED] but the ASN was not sent until [REDACTED] (28 days later). During that time, FHL added an admin fee, interest, Blackhawk fee, penalty interest, credit check fee, bay field fee. In the [REDACTED] file, where a repossessed vehicle was sold on [REDACTED] the administration fee of \$7.50 was charged for the entire month of [REDACTED] file [REDACTED] where a repossessed vehicle was sold on [REDACTED], the Blackhawk fee of \$20 was charged for the entire month of [REDACTED]

⁹ For example in loan [REDACTED] the cost of the attachment order application fee of \$50 was added to the amount owed, and in file [REDACTED] where the contract was entered into on [REDACTED] the Notice of Proceeding filed by FHL requests \$345 for legal costs (including document preparation and debt loading fee).

The *Silkwood Investment* decision

23. FHL cited the District Court judgment of *Silkwood Investment v Rangī* in its letter dated 31 October 2019.¹⁰ We note that paragraphs [12] – [16] of the judgment, which discuss the meaning of sections 83ZM and 83ZE, are couched as submissions and do not appear to be the opinion of the Court. However, the Commission is aware of the later District Court decision of *Silkwood v Peterson* where Justice Callaghan held that Silkwood Investments, the judgment creditor, could claim the costs of issuing legal proceedings against the judgment debtor notwithstanding repossession and sale of consumer goods.¹¹ We note that the decision is not binding, and the issue was not contested by the borrower.
24. The approach taken in *Silkwood v Peterson* is not the approach that the Commission has taken to date in respect of the recovery of court costs under the CCCF Act or the CRA. The Commission considers that the effect of section 83ZM of the CCCF Act (and section 35 of the CRA), is that where repossession and sale of secured consumer goods has occurred, the lender cannot recover or claim from the borrower any amount more than the shortfall between the amount required to settle the contract as at the date of sale and the net proceeds from the sale. We consider that this means that the extent of a borrower's liability is frozen as at the date of sale and a lender cannot claim any further interest (provided for under the contract or Interest on Money Claims Act 2016) or fees, or any other costs associated with enforcing the debt.

Issuing repossession notices that do not comply with the CCCF Act

25. Fifteen of the customer files FHL provided to the Commission relate to contracts entered into after 6 June 2015 and are required to comply with the repossession rules under Part 3A of the CCCF Act. In reviewing these customer files, we identified that the repossession warning notices and post-repossession notices were in the form prescribed by the CRA. We consider these notices do not comply with the requirements of section 83G and 83V of the CCCF Act.

Repossession warning notices

26. We are of the view that FHL likely breached section 83G of the CCCF Act by issuing a repossession warning notice that is missing the following key information concerning the loan which is required by Schedule 3A of the CCCF Act:¹²
- 26.1 the address from which the goods will be seized;
- 26.2 a statement –

¹⁰ *Silkwood Investments Ltd v Rangī* [2017] NZDC 1806 [1 February 2017].

¹¹ *Silkwood Investments Ltd v Peterson* [2017] NZDC 16714 [31 July 2017].

¹² The repossession warning notice was sent to [REDACTED] on [REDACTED] in relation to a contract entered into on [REDACTED].

- 26.2.1 informing the borrower that the borrower has the right to voluntarily deliver the goods specified in the repossession warning notice to the lender and that the process and rules after delivery of those goods will be in accordance with the process and rules that apply to repossession; and
 - 26.2.2 specifying a reasonable place to which the borrower may voluntarily deliver the goods for the purposes of exercising that right;
 - 26.3 a checklist of the conditions that must be met before a lender has the right to repossess goods, or has the authority to enter premises to repossess these goods, including- all the subparagraphs in schedule 3A(i)(i);
 - 26.4 the expiry date of the notice and a statement that the notice is of no effect after that date;
 - 26.5 details about the borrower's right to seek relief in circumstances of unforeseen hardship; and
 - 26.6 details about what the borrower needs to do if he or she disputes some aspect of the proposed repossession.
27. Of the 15 files FHL provided to the Commission, where the contract was entered into after 6 June 2015 and goods were repossessed, only two files contain a repossession warning notice (which were both missing the key information listed above).¹³
28. FHL stated that it does not always save a copy of the repossession warning notice in the system, as these notices are system-generated. Because FHL does not save a copy, it could not supply repossession warning notices to the Commission for most customer files.¹⁴ If FHL used the same format for repossession warning notices as the ones that it supplied to the Commission for borrowers who entered into a loan with FHL after 6 June 2015, then it is likely that those notices would also be in breach of section 83G.

Post-repossession notices

29. We are of the view that FHL likely breached section 83V of the CCCF Act, in relation to contracts that were entered into after 6 June 2015, by issuing 15 post-repossession notices to borrowers that were missing the following key information required by Schedule 3B of the CCCF Act:
- 29.1 the date of the repossession; and

¹³ File containing loan number [REDACTED] where contract was entered into on [REDACTED], and repossession warning notice was sent on [REDACTED]. The second file is [REDACTED] where the loan was entered into on [REDACTED] and repossession warning notice was sent on [REDACTED].

¹⁴ Borrowers, who entered into a loan after 6 June 2015

29.2 details about the borrower's right to seek relief in circumstances of unforeseen hardship.

30. The post repossession notices also incorrectly state that if the lender has not sold the goods within 3 months, the borrower can apply to the court for an order directing the sale of the goods, or require the lender to put the goods up for sale. Schedule 3B of the CCCF Act states that this period is 30 working days.

Issuing statements of account after sale that do not comply with timeframes required by the CCCF Act

31. We are of the view that FHL likely breached section 83ZI of the CCCF Act in 13 of the 15 files provided where the loan was entered into after 6 June 2015, by failing to provide a statement of account after sale within 7 days of the sale of the repossessed consumer goods.

Public Information

32. We recommend that in the future you seek legal advice to ensure that you comply with the Acts. We also encourage you to regularly review your compliance procedures and policies.
33. While we will not be taking any further action against FHL at this time, we will take this warning into account if this conduct continues or if you or a company you control engage in similar conduct in the future. We may also draw this warning to the attention of a court in any subsequent proceedings brought by the Commission against FHL.
34. This warning letter is public information. We may make public comment about our investigations and conclusions, including a media release or making comment to media.

The Commission's role

35. The Commission is responsible for enforcing and promoting compliance with a number of laws that promote competition in New Zealand, including the Acts. The FTA prohibits false and misleading behaviour by business in the promotion and sale of goods and services. The CCCF Act is designed to protect consumers when they are borrowing money and enable them to make informed choices about using credit.

Penalties for breaching the Acts

36. Only the courts can decide if there has been a breach of the Acts. The court can impose penalties where it finds the law has been broken.
37. A company that breaches the FTA can be fined up to \$600,000 and an individual up to \$200,000 per offence.
38. Lenders who breach the CCCF Act may:

- 38.1 be unable to enforce the contract or any right to recover property or any security interest;
 - 38.2 have to refund money or pay compensation;
 - 38.3 have to pay statutory damages;
 - 38.4 be convicted of a criminal offence and fined up to \$600,000 per offence for companies and \$200,000 for individuals;
 - 38.5 be liable for pecuniary penalties;
 - 38.6 be issued with infringement notices with a fine of \$1,000 for each infringement offence;
 - 38.7 have contracts changed by the court if the contracts are oppressive; and
 - 38.8 be banned from operating within the finance industry.
39. You should be aware that our decision to issue this warning letter does not prevent any other person or entity from taking private action through the courts.

Further information

- 40. We have published a series of fact sheets and other resources to help businesses comply with the Acts and the other legislation we enforce. These are available on our website at www.comcom.govt.nz. We encourage you to visit our website to better understand your obligations and the Commission's role in enforcing the Acts.
- 41. You can also view the Acts and other legislation at www.legislation.co.nz.
- 42. Thank you for your assistance with this investigation. Please contact [REDACTED] or by email at [REDACTED] if you have any questions in relation to this letter.

Yours sincerely

[REDACTED]

Auckland

Appendix: Relevant legislation

Fair Trading Act 1986:

13 False or misleading representations

No person shall, in trade, in connection with the supply or possible supply of goods or services or with the promotion by any means of the supply or use of goods or services,—

...

(i) make a false or misleading representation concerning the existence, exclusion, or effect of any condition, warranty, guarantee, right, or remedy, including (to avoid doubt) in relation to any guarantee, right, or remedy available under the Consumer Guarantees Act 1993.

Credit (Repossession) Act 1997

35 Limit on creditor's right to recover from debtor

If the net proceeds of sale are less than the amount required to settle the agreement under section 31 as at the date of the sale, the creditor is not entitled to recover more than the balance left after deducting those proceeds from that amount (whether under a judgment or otherwise).

Credit Contracts and Consumer Finance Act 2003

83G Creditor must serve repossession warning notice on debtor and other persons before taking possession of consumer goods

...

(3) The repossession warning notice must—

- (a) be in writing; and
- (b) contain as much of the key information set out in Schedule 3A as is applicable to the credit contract; and
- (c) include any additional prescribed information; and
- (d) be in the prescribed form (if any); and
- (e) be served on the debtor at least 15 days before repossession occurs; and
- (f) if the default is capable of being remedied, give the debtor at least 15 days before repossession occurs to remedy the default.

83V Notice to be given to debtor, guarantor, and other creditors after repossession of consumer goods

(1) A creditor must serve a post-repossession notice on the debtor and every other person referred to in section 83G(1) within 14 days of the repossession.

(2) The post-repossession notice must—

- (a) be in writing; and

- (b) contain as much of the key information set out in Schedule 3B as is applicable to the relevant credit contract; and
- (c) include any additional prescribed information; and
- (d) be in the prescribed form (if any).

(3) If a post-repossession notice is not served as required by this subpart,—

- (a) the costs of repossessing the consumer goods must be borne by the creditor; and
- (b) the creditor is not entitled to recover those costs from the debtor or the guarantor.

83ZE Debtor's right to settle credit contract

(1) The debtor may, at any time after the creditor has repossessed the consumer goods and at any time before the creditor sells or agrees to sell the consumer goods in accordance with this subpart, settle the debtor's obligations under the credit contract—

- (a) by paying to the creditor the amount required to settle the contract; or
- (b) if the contract secures the performance of an obligation other than the payment of money, by performing that obligation.

(2) In this section, the amount required to settle the contract means the balance of the advance outstanding, together with any interest charges, credit fees, and default fees payable under the credit contract, and includes—

- (a) the reasonable costs of the creditor of, and incidental to, repossessing, holding, storing, repairing, maintaining, valuing, and preparing the sale of the consumer goods and of returning them to the order of the debtor; and
- (b) the costs reasonably and actually incurred by the creditor in doing anything necessary to remedy any default by the debtor.

(3) The costs referred to in subsection (2)(a) and (b) are subject to subpart 6 of Part 2 (which applies with all necessary modifications as if any cost that is imposed is a credit fee or a fee or charge to which section 45 applies (as the case may be)).

(4) If the right to settle the credit contract is exercised,—

- (a) upon receipt of that amount, or confirmation of the performance of that obligation, the creditor must immediately return the consumer goods to the debtor; and
- (b) the contract terminates, with the rights and obligations of the parties to it satisfied.

83ZI Creditor to give statement of account to debtor, guarantor, and other interested persons

(1) If consumer goods are sold pursuant to section 83Z or 83ZF, the creditor must, within 7 days after the sale of the consumer goods, give the debtor and every other person referred to in section 83G(1) a statement of account in writing, showing—

- (a) the amount of the gross proceeds of sale:
- (b) the amount of the costs of, and incidental to, the sale:
- (c) the amount required to settle the contract under section 83ZE as at the date of the sale:
- (d) the balance owing by the creditor to the debtor, or by the debtor to the creditor, as the case may be.

(2) If more than 1 item of consumer goods has been sold separately, the statement of account must, if practicable, show the amount of the gross proceeds of sale of each item (as well as a total amount).

83ZM Limit on creditor's right to recover from debtor

(1) This section applies if—

(a) consumer goods (or, where multiple goods are subject to the credit contract, any 1 or more of those goods) are sold under this subpart; and

(b) the net proceeds of sale are less than the amount required to settle the contract under section 83ZE as at the date of the sale.

(2) If this section applies, the debtor's liability to the creditor under the credit contract is limited to the difference between the amount required to settle the contract as at the date of the sale and the net proceeds of the sale.

(3) To avoid doubt,—

(a) after the sale, the creditor is not entitled to, and must not claim, any amounts in addition to the amount specified in subsection (2), including—

(i) any further interest payments that would, had the sale not taken place, have been payable in respect of the credit contract; or

(ii) any interest under the Judicature Act 1908; or

(iii) any other payments that are in addition to the amount required to settle the contract under section 83ZE; and....

Schedule 3A

Key information concerning repossession warning notice

The following information is the key information concerning a credit contract as is applicable:

(a) the full name and address of the debtor and address from which goods will be repossessed:

(b) the full name and contact details of the creditor:

(c) the date of the credit contract:

(d) the nature and amount of default under the credit contract:

(e) if the default is capable of being remedied, a statement—

(i) that the debtor must, within a time specified in the statement (being at least 15 days after the notice is served on the debtor), remedy the default; and

(ii) about how the default must be remedied; and

(iii) that if the debtor does not comply with requirements relating to remedying the default, the creditor intends to repossess the goods specified in the notice:

(f) if the default is not capable of being remedied, a statement that the creditor intends to repossess the goods specified in the notice on or after a specified date (being a date not less than 15 days after the notice is served on the debtor):

(g) sufficient information to enable the identification of the goods to be repossessed:

(h) a statement—

(i) informing the debtor that the debtor has the right to voluntarily deliver the goods specified in the repossession warning notice to the creditor, and that the process and rules after the delivery of those goods will be in accordance with the process and rules that apply after a repossession; and

(ii) specifying a reasonable place to which the debtor may voluntarily deliver the goods for the purposes of exercising that right:

(i) a checklist of the conditions that must be met before a creditor has the right to repossess goods, or has the authority to enter premises to repossess those goods, including,—

(i) in relation to a right to repossess goods,—

(A) that there is a credit contract that provides that the creditor has a security interest in the goods to be repossessed; and

(B) that credit contract—

- specifically identifies those goods; and
- gives the creditor the right to enter the debtor's premises and to repossess those goods; and

(C) that the debtor is in default; and

(D) that a repossession warning notice must have been served on the debtor at least 15 days before the repossession occurs:

(ii) in relation to an authority to enter premises to repossess goods,—

(A) that the person carrying out the repossession is licensed or holds a certificate of approval and, if a creditor's agent is undertaking the repossession, that that person has the authority to repossess the goods on behalf of the creditor; and

(B) if the person carrying out the repossession is entering premises outside the hours between 6 am and 9 pm or on a Sunday or a public holiday, the creditor has the prior written consent of the debtor to do so:

(j) the expiry date of the notice (see section 83G(4)) and a statement that the notice is of no effect after that date:

(k) details about the debtor's right to seek relief in circumstances of unforeseen hardship:

(l) details about what the debtor needs to do if he or she disputes some aspect of the proposed repossession, including—

(i) details about the dispute resolution process; and

(ii) that, if a written complaint has been made, repossession may not proceed until that complaint has been resolved; and

(iii) the contact details of the dispute resolution scheme of which the creditor is a member:

(m) where a repossession warning notice is sent to a guarantor, advice to the guarantor that—

(i) the notice is being sent to the guarantor in his or her capacity as guarantor of the named debtor; and

- (ii) the guarantor has rights in relation to the proposed repossession, details of those rights, and what the guarantor may do to protect his or her position.

Schedule 3B

Key information concerning post-repossession notice

The following information is the key information concerning a credit contract as is applicable:

- (a) the full name and address of the debtor:
- (b) the full name and contact details of the creditor:
- (c) the date of the credit contract:
- (d) the date of the repossession:
- (e) a list of the goods repossessed:
- (f) the creditor's estimate of the value of the goods repossessed:
- (g) a statement of what it means to reinstate the credit contract or to settle the credit contract (including a brief description of the consequences of reinstating or settling the credit contract):
- (h) a statement informing the debtor that the debtor may reinstate or settle the contract, and what the debtor must do to reinstate or settle the contract, including,—
 - (i) in relation to the reinstatement of the contract,—
 - (A) the creditor's estimate of the total amount required to be paid to reinstate the contract; and
 - (B) details of how that total is reached, including the amount of arrears in payments of the instalments due (including interest charges, credit fees, and default fees), and a breakdown of the costs referred to in section 83ZB(2):
 - (ii) in relation to the settlement of the contract,—
 - (A) the creditor's estimate of the total amount required to be paid to settle that contract and the amounts that may comprise that total; and
 - (B) details of how that total amount is reached, including the balance of the advance outstanding (together with interest charges, credit fees, and default fees payable under the contract), and a breakdown of the costs referred to in section 83ZE(2); and
 - (C) the obligations that the debtor must fulfil to settle the contract:
- (i) a statement setting out that, if the contract is not reinstated or settled,—
 - (i) the repossessed goods will be sold; and
 - (ii) in that case, the debtor will be—
 - (A) liable for the difference between the debtor's liability and the net proceeds of the sale of the goods; or
 - (B) if the net proceeds of the sale of the goods are more than enough to cover the liability, entitled to a refund:

(j) a statement that the repossessed goods may not be sold until after the expiry of 15 days from the date of service of the notice on the debtor (unless the debtor consents to an earlier sale or requires the creditor to offer the goods for sale within the 15 days):

(k) details about the debtor's right to seek relief in circumstances of unforeseen hardship:

(l) a statement that—

(i) the debtor is entitled, at any time after the creditor repossesses the goods but before the creditor sells or agrees to sell the goods, to obtain a valuation of the goods at the debtor's expense; and

(ii) the creditor must give the debtor or the debtor's valuer access to the goods to enable the valuation to be completed:

(m) a statement that—

(i) the debtor has a right at any time before the creditor sells or agrees to sell the consumer goods, to require the creditor to sell the goods to a person introduced by the debtor, being a person who is prepared to purchase the goods for cash at a price not less than the estimated value of the goods specified under paragraph (f); and

(ii) if the debtor exercises that right, the debtor must give to the creditor a written notice of the exercise of the right that is signed by the debtor or the debtor's agent:

(n) a statement that—

(i) if the goods have not been sold within 30 working days after the date of the repossession, the debtor is entitled to require the creditor to put the goods up for sale by auction; and

(ii) if the debtor exercises that right, the debtor must require the sale by a written notice to the creditor that is signed by the debtor or the debtor's agent:

(o) where a post-repossession notice is sent to a guarantor, advice to the guarantor that—

(i) the notice is being sent to the guarantor in his or her capacity as guarantor of the named debtor; and

(ii) the guarantor has rights in relation to the repossession, details of those rights, and what the guarantor may do to protect his or her position.