Form 10—Information after surrender of mortgaged goods

subsection 85(3) of the Code

regulation 84 of the Regulations

TO: . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(name of mortgagor)

. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

 (address of mortgagor)

FROM: . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(name of credit provider)

. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(Australian credit licence number)

. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(address of credit provider)

. . . . . . . . . . . . . . . .

Date

CONTACT PERSON:   . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ..

(name, telephone number and address)

 You have returned mortgaged goods to the credit provider/asked the credit provider to sell the mortgaged goods.\*

 This information tells you some of your rights and obligations and some of the options open to you.

Details you should know

 Description of the goods: . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

 Date you returned the goods to the credit provider/asked the credit provider to sell the goods\*: . . . . . . . . . . . . . . . . . . . . . . .

 The cost of enforcing the mortgage up to the date you returned the goods to the credit provider/asked the credit provider to sell the goods\* is $ . . . . . . . . . . . . . .

 The cost of the goods being in the credit provider’s possession is $. . . . . . . . . . . . . . . . .

 per . . . . . . . . . . . . . . . . . \*\*

 The credit provider’s estimate of the value of the goods is $ . .

How to get the goods returned or not sold

 **YOU CAN GET THE GOODS BACK OR STOP THEM BEING SOLD BY THE CREDIT PROVIDER IF YOU ASK THE CREDIT PROVIDER AND IF THE REPAYMENTS AND OTHER OBLIGATIONS UNDER THE CREDIT CONTRACT HAVE BEEN MET. YOUR REQUEST MUST BE MADE IN WRITING WITHIN 21 DAYS OF THIS NOTICE BEING GIVEN TO YOU.**

**If you do nothing, you may lose the goods.**

Sale of goods

 The law says that the credit provider must get the best price reasonably obtainable for the goods.

 If you want to, you can introduce a buyer to the credit provider. This has to be done in writing within 21 days after the date of this notice and the buyer must be willing to pay the credit provider’s estimate of the value of the goods or any greater amount for which the credit provider has obtained a written offer to buy the goods.

 The credit provider must offer to sell the goods to the buyer you have introduced.

 Your letter introducing the buyer has to reach the credit provider before the goods are sold. If you post the letter, it is best to send it by certified or registered mail. Then you can check that it was delivered. If you take it to the credit provider’s office, you should get an employee of the credit provider to sign and date something to say that your letter has been received. Make sure you keep anything that was signed by that employee.

 Once the 21 day period has expired, the credit provider must sell the goods as soon as reasonably practicable unless you and the credit provider agree on some other time for sale.

 As mentioned above, the goods must be sold for the best price reasonably obtainable.

Finalising the contract

 As soon as the goods are sold, the total amount payable under the credit contract becomes due. The credit provider must credit you with the proceeds of the sale less—

the amount owing under your mortgage (which can not be more than the amount owing under the contract); and

any amount owing under a prior mortgage of the goods; and

any amount owing under a subsequent mortgage of the goods which the credit provider knows about; and

the credit provider’s reasonable expenses of enforcing the mortgage; and

the expenses reasonably incurred by the credit provider in connection with the possession and sale of the mortgaged goods.

 After the goods are sold the credit provider must give you a notice setting out certain information including—

what the sale price was; and

the net proceeds of the sale; and

the amount credited to you; and

the amount required to pay out the credit contract or the amount due under the guarantee.

General

 You should discuss this matter with the credit provider as soon as possible. You should know that even after the goods are sold, you will still have to pay the credit provider any amount still outstanding. You may be able to work out some alternative arrangement about your contract if you are the debtor. For example, you could ask the credit provider—

to extend the term of the contract and either reduce the amount of each payment accordingly or defer payments for a specified period; or

to simply defer payments for a specified period.

 The name and telephone number of the person to contact is on the front of this document.

 If you can not come to a suitable arrangement with the credit provider, contact the credit provider’s external dispute resolution scheme immediately. If you are the debtor and have been **unemployed**, **sick** or there is **another** **good reason** why you are having problems making payments under your contract, then your contract may be able to be varied under the law to meet your situation.

 **IF YOU HAVE ANY DOUBTS, OR WANT MORE INFORMATION, CONTACT YOUR CREDIT PROVIDER. YOU MUST ATTEMPT TO RESOLVE YOUR COMPLAINT WITH YOUR CREDIT PROVIDER BEFORE CONTACTING AFCA SCHEME. IF YOU HAVE A COMPLAINT WHICH REMAINS UNRESOLVED AFTER SPEAKING TO YOUR CREDIT PROVIDER YOU CAN CONTACT THE AFCA SCHEME.**

 **THE AFCA SCHEME IS A FREE SERVICE ESTABLISHED TO PROVIDE YOU WITH AN INDEPENDENT MECHANISM TO RESOLVE SPECIFIC COMPLAINTS. THE AFCA SCHEME CAN BE CONTACTED AT [*INSERT TELEPHONE NUMBER, EMAIL/WEBSITE AND POSTAL ADDRESS*].**

Alternatively, you can seek legal advice, for example from a community legal centre or Legal Aid. There are other people, such as financial counsellors, who may be able to help.

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(signature of credit provider or person signing on behalf of

credit provider)

 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(name of person signing)

 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

(position of person signing)

\* *Omit whichever is not applicable*.

\*\* *Indicate the daily, monthly or other rate at which enforcement expenses may accrue*.