

PPSR Guide for Business

Over the past 12 months VACC has been collaborating with the Australian Financial Security Authority (AFSA) in a bid to ensure as easy, efficient and exact user experience for members of the Automotive Industry who use the Personal Property Security Register (PPSR).

Why would participants of the Automotive Industry use the PPSR?

Typically Licensed Motor Car Traders (LMCTs), lessors or lenders will use the PPSR to register security over goods.

Importantly for members, in particular LMCTs, use the PPSR to

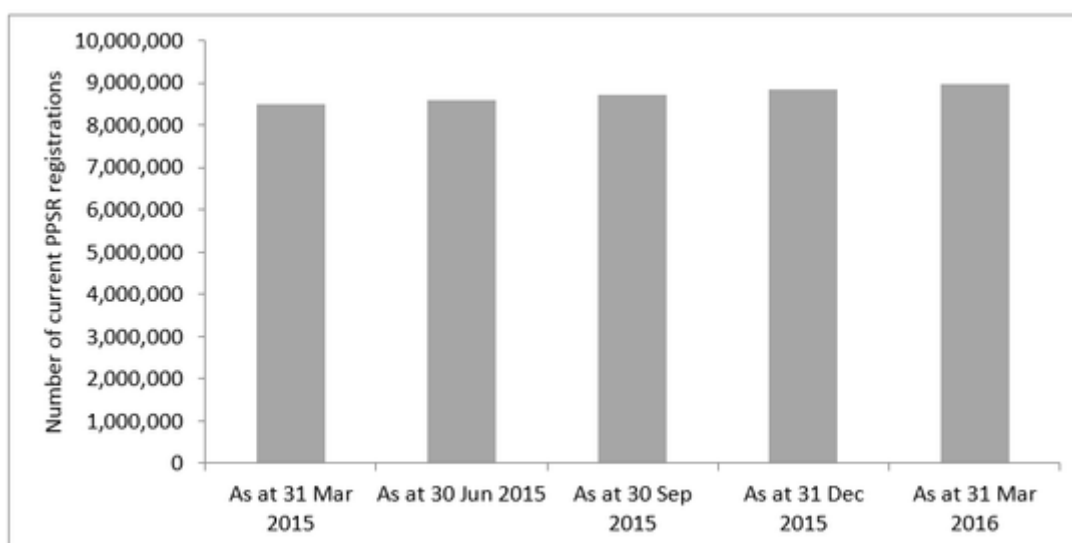
- Verify whether any security interest or financial encumbrance exists.
- Verify what a vehicle's written-off status may be.
- Verify whether a vehicle is stolen or ;
- Verify a Sheriff's and hoon lien on a vehicle

The PPSR does not include advice as to whether a car is registered to be driven on public roads or highways. That information is available for no charge by visiting the VicRoads [Vehicle Registration Enquiry portal](#).

VACC has been advised by AFSA of the following statistics regarding registrations on the PPSR.

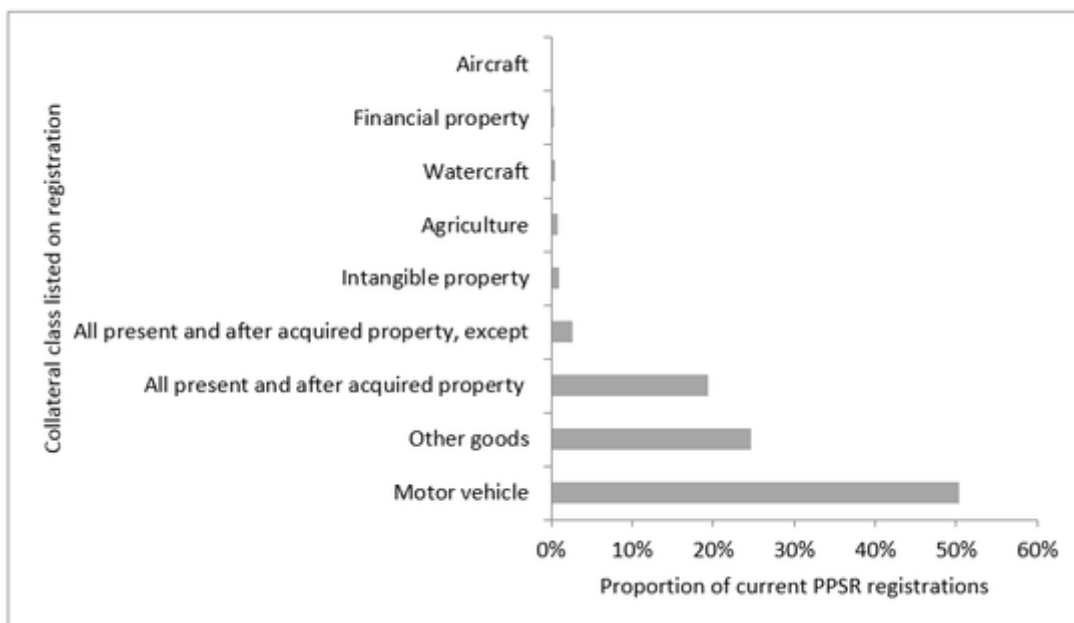
Number of current registrations on the PPSR.

As at 31 March 2016, there were 8,988,969 current registrations on the PPSR.



Current PPSR registrations by collateral class as at 31 March 2016

Motor vehicles are the most common type of collateral class of registrations on the PPSR. As at 31 March 2016, 50.3% of current registrations on the PPSR had a motor vehicle collateral class.



What does this mean for the automotive retail industry?

Primarily the data would suggest that there are a lot of motor vehicles currently in the Australian car park that have some sort of encumbrance or interest lodged against them. This makes it more important than ever that members use the PPSR to verify a vehicles status before entering into any contract of sale or disposal. VACC has seen a disturbing rising trend amongst LMCTs to not check the PPSR at various stages of negotiation and then run into a myriad of issues trying to resolve the situation. A simple check of the PPSR would have alleviated almost all instances of confusion and angst.

More information about the PPSR

VACC has collaborated with AFSA to produce the PPSR Guide for business. The business guide is designed to present information on the law and the PPSR in a way that is easy to understand. [Take this link](#) to view the online version of this business guide. If you require a hardcopy version please contact my office and I will have one forwarded to you. It is not intended as legal or financial advice. If you seek further advice in this regard VACC urges members to contact their own financial advisor.

Please feel free to contact VACC if you have any issues.

Kind regards

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