
PPSR costs slashed and efficiency gains introduced for motor vehicle dealers.

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In a major win for car dealers, efficiency and cost-effective changes have been made to the Personal Property Securities Register (PPSR) effective from 18 June 2018.

VACC has engaged in extensive consultation between member LMCTs and the Australian Financial Security Authority (AFSA). The changes have been designed in response to VACC Used Car Trader Division & Victorian Automobile Dealer Association Executive Committee feedback.

The changes are available exclusively to automotive industry participants who are registered to use the PPSR.

What are the changes to the PPSR?

AFSA has developed a 'search refresh' function on the PPSR. The 'search refresh' function will allow motor dealers who are waiting on a PPSR financial registration to be removed prior to sale, to check the status of the PPSR encumbrance on unlimited occasions, and at no additional cost.

How does the 'search refresh' function work?

After purchasing a \$3.70 PPSR Certificate, users can retrieve the refresh the search results and be notified of any PPSR financial encumbrance registration changes within 14 days of the original search – FREE of charge.

If a change is flagged, users can resubmit the search and obtain a new search certificate. A \$3.70 search fee will apply for the new search.

What details are updated in the 'search refresh' function?

It is important that you note that the only PPSR Certificate details that will be updated when utilising the 'search refresh' function will be a vehicle's financial encumbrance. All other details that come with the original PPSR search certificate (stolen, written-off or sheriff lien status) will not be updated.

As NEVDIS data is not updated when you retrieve or refresh a search result, only PPSR financial encumbrance registration details will be flagged, you should complete a full certificate search immediately before delivery of a vehicle to a consumer.

Further details can be found at www.ppsr.gov.au/search-refresh

Other activity with AFSA regarding the PPSR for VACC members to be aware of include:

- Data provided by AFSA, to VACC, shows the automotive industry is the biggest industry sector user of the PPSR. As a result, VACC has lobbied AFSA to reduce PPSR search fees for the automotive industry. We are advised the PPSR Certificate fees will be reduced from \$3.70 to \$2.00 per search by 1 August 2018.
- VACC has also lobbied AFSA to allow for Takata Airbag Recall notification to be available via the PPSR. This will result in industry being informed via a PPSR search that a Vehicle Identification Number has been listed for a Takata Airbag Recall. The technical solution requires input from NEVDIS, and is being pursued by AFSA.
- VACC continues to lobby AFSA to use the punitive measures available under the PPS Act to pursue financial institutions and auction houses that do not remove encumbrances within five business days of that encumbrance being settled. Dealers must have clear title when taking delivery of a vehicle from auction houses or other party.

It must be mentioned that the willingness of AFSA to collaborate and provide solutions on issues that affect our industry is greatly appreciated by VACC members. VACC will continue to lobby AFSA for further enhancements to the PPSR. We will keep members informed as to the progress of the activities mentioned.

Regards

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