



## Case study: Kirra's recall dilemma

The Personal Property Securities Register (PPSR) is the national online database of security interests in personal property.

Before buying a car privately, it's important to do a PPSR used car search. A used car search can tell you if a car is safe from possible repossession, has been reported written-off or stolen, or is on the Takata airbag recall list (meaning it could contain dangerous airbags).

A PPSR search costs just \$2 and provides important information to help people protect themselves when buying a used vehicle.

### Scenario

Kirra is buying a second-hand car from a private seller that she found online, rather than the local used car dealer. As part of her due diligence she completes a \$2 PPSR used car search. The results look good. There is no finance owing over the car, it is not listed as stolen and it has not been written-off. However, it does show that there is an outstanding recall notice for faulty Takata airbags.

Kirra is concerned about the safety of the car. She talks to the seller about the recall and the seller lets her know the airbags were replaced, but only two weeks ago. The seller provides Kirra with the paperwork from the local authorised dealer showing the work was completed.

Kirra also checks this information with the car manufacturer and is happy to proceed with the purchase.

### Things you should know

The Australian Competition and Consumer Commission (ACCC) has issued a compulsory recall notice for all Takata airbags in cars in Australia.

About a quarter of cars in Australia are affected by the recall notice. Due to the fault in the airbags, there is a possibility that when the airbag goes off, shrapnel may be released from the airbag at very high speeds with the potential to injure or kill the driver or passengers.

Dealerships and businesses must ensure that airbags on the recall list have been replaced before selling the vehicle, **but this does not apply to private sales**. A private seller can sell a car without replacing the airbags, even if they have received a recall notice.



## Common questions

### **What would have happened if the seller had not already had the airbags replaced?**

If the seller had not already had the airbags replaced by an authorised dealer, Kirra could have asked the seller to have them replaced before buying the car.

Kirra could check that the airbags had been replaced by doing a search on the car manufacturer's website. Affected car manufacturers allow you to search by the Vehicle Identification Number (VIN) to see if the airbags have been replaced.

Kirra could also arrange to have the airbags replaced after she purchases the car. If you do buy a second-hand car with faulty airbags, you have the same right as the previous owner to have the airbags replaced for free. You would need to contact the car's manufacturer to arrange the replacement airbags.

If she has not already agreed to purchase the car, Kirra could always continue searching for another car. Kirra should do another PPSR search for any other cars she's considering buying.

### **A private seller doesn't even have to tell you about the recall notice. How do you protect yourself?**

A PPSR used car search will show a range of information about a car – including if the vehicle is on the Takata airbag recall list. Basic information about the Takata recall is also available at [ismyairbagsafe.com.au](https://ismyairbagsafe.com.au).

The PPSR will not show information about any other recalls relating to the car. You can ask the car manufacturer directly if you are worried about other potential recalls.

If the seller provides you with information about the Takata airbags, always double check – either by contacting the car manufacturer directly, or by completing a PPSR search.