



What to do if your car is repossessed

DUE to late, or no payment a banking institution will engage a registered reposessor to repossess any motor vehicle. The reposesser must show his identity card (IC), authority card and repossession order issued by the banking institution before taking any action. Once he has repossessed the vehicle, the reposessor must immediately make a police report and bring the repossessed vehicle to the place indicated by the banking institution concerned.

How does Repossession Work?

- ▶ Before the bank can repossess the motor vehicle hired to you, your it will need to serve you with

a Fourth Schedule notice which is a notice in writing of the bank's

intention to repossess the motor vehicle.



- ▶ This notice will expire in 21 days. You will receive a second notice 14 days after the Fourth Schedule is issued as a reminder that your vehicle will be repossessed upon expiry of the Fourth Schedule. You can avoid this by choosing to pay the outstanding arrears as stated before the 21-days notice expires or return the vehicle to the bank before expiry.

- ▶ You will need to sttle any outstanding debts less the value of the vehicle.

What happens after Repossession

The bank will issue you and every guarantor a Fifth Schedule notice within 21 days after repossession. You can ask the bank to return the motor vehicle to you by:

- ▶ Pay all outstanding arrears and out of pocket expenses incurred by the bank; or Paying in full, the balance due and settling all out of pocket expenses
- ▶ You can also introduce a buyer to purchase the motor vehicle at the price indicated on the notice. If you or your guarantor does not settle the outstanding amount within 21 days of the notice, the bank will sell your vehicle by public auction or give you the option to purchase the motor vehicle at a price lower than the estimated price stated in the Fifth Schedule.

Source: www.bankinginfo.com.my