

Terms and conditions of this hire purchase agreement

Plain English Campaign's Crystal Mark applies only to these terms and conditions.

1. Definitions

agreement means the hire purchase agreement on pages 1 and 2, and these terms and conditions on pages 3 and 4.

goods means the item or items specified under 'Description of goods' on the front of this agreement, including any replacements provided for them, and all parts and accessories fitted to them at any time.

payments means the amounts due under this agreement as set out in the schedule under the heading 'Payments'

we, us, our means the creditor named on the front of this agreement or any person who has taken over that creditor's rights or duties under this agreement.

you, your means the customer or customers named on the front of this agreement.

2. Payment

- a Before you sign this agreement, you must have paid any advance payment shown in the Financial Details on page 1 of this agreement.
- b You promise to make the payments shown in the agreement on the dates they are due. You must make each payment to us on or before the date it is due. If any payment is late, we can charge interest on it each day until you have paid it. We will charge interest on overdue payments at 8% a year, before any court judgement.
- c We have charged an acceptance fee on this agreement. This fee is included as part of the overall charge for credit.
- d You must pay on demand any costs, charges, collection, administration fees and legal expenses if we have to take action to:
 - make sure you keep to your obligations under this agreement;
 - find you or the goods; or
 - enforce our rights under this agreement.
- e We may also charge to your account any costs we have to pay because you have not kept to the terms of this agreement, including (but not limited to) bank charges on returned cheques or direct debits, tracing fees and the cost of writing letters, making phone calls or calling at your home. There are details of these costs and charges on the front of this agreement and in clause 11 on the next page of these terms and conditions.
- f To make sure as far as possible that you will be able to meet your responsibilities under this agreement, we will review your income and expenses, including any current debts and other outgoings. You must co-operate with us when we are doing this.

3. Ownership of the goods

- a We are the owners of the goods and you are hiring them from us. You will become the owner of the goods when you have made all payments under this agreement including the Option to Purchase fee.
- b Until you own the goods, you must not:
 - sell them, give them away, let them out of your possession or control or sub-let them;
 - let them become part of any 'lien' or security (where you allow another person to take control of the goods in return for a debt being paid);
 - allow them to be used unlawfully for any purpose; or
 - suggest that you own them.
- c You will have the option to buy the goods, once you have paid all the other payments under this agreement, by paying us the 'Option to Purchase Fee' set out in the Financial Details on page 1 of this agreement.
- d If you do not choose to buy the goods, you must:
 - return the goods to us, or any dealer, auction house or other person we reasonably specify, at your expense (if we have to arrange to collect the goods from you, you must pay us on demand our costs and expenses for doing this); and
 - pay us on demand enough to carry out proper repairs to the goods, if you have not taken reasonable care of them.

4. Delivery of the goods

You must carry out a reasonable inspection of the goods before you agree to buy them. If you notice any faults at that time you should not accept delivery of them. If there are any faults which you should have noticed when you inspected the goods, these are your own responsibility. If you have any doubts about the goods, you should arrange for an independent engineer to inspect the goods for you. This clause does not affect any rights you have by law.

5. Care of the goods

Until you own the goods, you must do the following.

- a Arrange for comprehensive insurance to cover the goods for their full replacement cost against all risks, and be able to provide evidence of this cover when this agreement begins and at any other time we ask to see it.
- b Tell your insurer that we own the goods and tell us if you make any claims against your insurance. You agree that the insurers will pay any money to us if you make a claim. You authorise us to carry out any negotiations with the insurers to settle any claim. You agree that the insurers will pay any money to us if we find out that you have made a claim without telling us about it. By signing this agreement you authorise the insurers to do this.
- c Make sure you have paid any necessary road tax for the goods, or the goods are correctly declared as being kept off the road. You agree to pay all the costs involved in arranging this.
- d Maintain and repair the goods, and keep them in a good condition. Where appropriate you must replace any damaged parts. You are responsible for any routine maintenance and servicing. We (and anyone authorised by us) have the right to inspect the goods, and to enter any premises where the goods are (or where we reasonably believe the goods are) for that purpose.
- e Promptly pay all rents, taxes, duties, fines and outgoings due in connection with the goods, their use and any premises they are kept at.
- f Allow us to inspect the goods at all reasonable times.
- g Get our written permission before you take the goods out of the United Kingdom for more than 30 days at a time.
- h Tell us if you move or if you keep the goods somewhere other than your home.
- i Make sure that the goods stay under your care and control.
- j Not use the goods as a taxi or for private-hire purposes, unless you have our permission, in writing, to do this.
- k Tell us if the goods are stolen, written off or damaged.

6. Your right to end this agreement

- a You can end this agreement as set out under the heading 'Termination: your rights' on the second page of the agreement. If you do so, you must return the goods and any related documents to us. If you do not immediately pay all amounts you need to pay to end the agreement, we can charge interest on them at 8% a year, before any court judgement.
- b If you end this agreement before you have made all the payments, you must pay us any payments which were overdue on the day this agreement ended, plus any interest for late payments.
- c If you have not taken reasonable care of the goods, you must pay us on demand enough to carry out any repairs or bring the goods back to their proper condition.