

## TERMS AND CONDITIONS

### 1 This Agreement

- a These terms and those over the page make up the whole Agreement between you and us, our successors and assignees. No other terms will apply to this Agreement unless we have agreed to them in writing. This Agreement is for the hire of the Equipment for use in your business.
- b If two or more people are Customers in this Agreement they are separately and jointly liable under the terms of it.
- c This Agreement is governed by English Law unless the Agreement is made in Scotland, in which case Scots Law will apply.

### 2 Period of Hire

- a This Agreement will last for the Minimum Period which starts on the date when the First Payment is due. The Agreement will continue after the Minimum Period until it is cancelled.
- b To cancel the Agreement at the end of the Minimum Period or at any time after that you must give us at least one month's notice in writing. Notice to cancel the Agreement can end the Agreement on the last day of the Minimum Period but not before that date.
- c The connection of the Equipment to a network facility is your responsibility and this will in no way affect the start of this Agreement.
- d If you wish to terminate this Agreement before the end of the Minimum Period you must give us one month's written notice of termination AND you must pay to us the Termination Payment as set out in Term 13. All requests for a quotation of the Termination Payment must be made to us by you in writing.

### 3 Payments

- a You will make all payments under the Agreement on the dates they are due. This is an essential condition of this Agreement and if you do not make payment on time, this will represent your intention not to continue to abide by this Agreement (repudiation) and we will be entitled to accept such repudiation.
- b You must pay VAT on all payments under this Agreement at the rate which applies on the date such payment is due. We will provide VAT invoices or schedules to provide evidence that you have paid VAT.
- c If you do not pay the Arrangement Fee or any Payment on time you will pay interest at the rate of up to 2.5% per month from the date you should have paid it until it is paid, with a minimum charge of £35 + VAT for each late Payment.
- d We are entitled to charge you for the costs and expenses we may incur in enforcing the terms of this Agreement following breach by you and these charges must be paid by you on demand.

### 4 Method of Payment

- a You will make all the payments by Direct Debit unless we have agreed otherwise with you.
- b Punctual payment of all Payments and other sums due under this Agreement is of the essence of this Agreement. You agree that all Payments (including the Administration Fee) under this Agreement shall be made to our bank account by direct debit or to such other account also by direct debit as we may advise to you from time to time. If you choose to pay Payments other than by direct debit additional administration and funding costs will be incurred by us and you will pay on demand an administration fee equal to the greater of £10 for each Payment not yet due and payable or 2% of the Payments not yet due and payable during the Minimum Period if greater.

### 5 Supplier

The Supplier or any dealer or other person not employed by us who may have been involved in introducing this Agreement to us is not our agent and has no authority to act as our agent. We are not liable for any statement or warranty made by the Supplier, dealer or other person.

### 6 Choosing the Equipment

- a The Equipment is those items listed over the page or on a separate schedule signed by you and sent to us with this Agreement. All replacement parts which are fitted to or on the Equipment become part of the Equipment and our property.
- b You acknowledge that you have selected the Equipment for your own use relying on your own skill and judgement. It is expressly agreed and acknowledged that no warranty, condition or undertaking has been given by us or on behalf of us (whether express or implied, by statute at common law or otherwise) in respect of the Equipment. All implied terms, conditions and warranties relating to the quality, fitness for any purpose and freedom from defects are expressly excluded. You will not be entitled to any rebate or remission of payments whilst the Equipment is unusable or for any other reason. Hiring is not a hiring by description.
- c We will not be liable to you (in contract, tort or otherwise) for any claim, damage, liability or loss (including consequential loss) or expense of any kind arising directly or indirectly in connection with the Equipment or from any delay in the delivery of, or failure to deliver, the Equipment, any defect or deficiency in or inadequacy or suitability of, the Equipment, or its installation, use, performance, servicing or repair provided that nothing contained in this Agreement shall exclude our liability for death or personal injury caused by our negligence or a breach by us of any express obligation under this Agreement.
- d We will so far as we are able and until the hiring is terminated extend (so far as we are legally able) the benefit of any manufacturers guarantees, conditions or warranties in relation to the Equipment.
- e We will assign to you upon request the benefit of any guarantees or warranties in respect of the Equipment to which we are entitled from the manufacturer and/or the Supplier provided that those guarantees or warranties are assignable.
- f You must arrange and be responsible for at your own cost, the delivery installation and commissioning of the Equipment. You must inspect and test the Equipment on delivery and inform us immediately in writing on delivery if the Equipment is not to the specification that you selected and within 48 hours of delivery if the Equipment is defective or is unsuitable for the purpose for which it was acquired. If you do not give any notice you will deem to have accepted the Equipment and to have acknowledged that it is in good working order and satisfactory in every way. If we require you must complete our usual acceptance certificate.
- g You agree that it is not our responsibility to make any alterations to the Equipment (or bear the cost of any such alterations) which may become necessary or compulsory as a result of any change or the introduction of a European currency. Accordingly, you will, at your expense, procure that any necessary alterations are carried out.

### 7 Maintenance Charges

- If the Payments referred to in Terms 2, 3 and 4 include Maintenance Payments, these Maintenance Payments have been agreed between you and the Supplier over the Page in a separate Maintenance Agreement, for the Equipment for the period of this Agreement. Under this Maintenance Agreement the Supplier will provide maintenance services without further cost to you (depending on the Terms of the Maintenance Agreement).
- a If the Supplier stops being able to provide that maintenance then we will take all reasonable steps to find a substitute willing to provide it. If we fail, we will reduce the Payments by the amount normally paid to the Supplier for maintenance, but we will not be liable if the Supplier breaks any part of the Maintenance Agreement.
- b We will be collecting Maintenance Payments on the Supplier's behalf and if you do not pay to us all the Payments due under this Agreement the Supplier will not be paid and may then be entitled to withhold maintenance services. This will not affect your obligations under this Agreement and we will apply any monies received from you first in satisfaction of your obligations to us under this Agreement; and
- c If the Payments include Maintenance Payments, without limitation to any other term in this Agreement, we may on behalf of the Supplier at any time, and from time to time after the first year of the Agreement, increase the Maintenance Payment given over the page by up to 12.5% a year.

### 8 Software

- a You are responsible for choosing any software included in the Equipment and for making sure that the software is fit and suitable for your purposes and that it complies with your specification.
- b We are not involved in the preparation or specification of the software and you will provide us with a copy of any specifications if we ask you for a copy.
- c You are aware that because the software is provided for your specific use it has no residual or resale value.
- d You will comply with the terms of any software licence provided to you by the Supplier. If you breach the terms of the software licence you will have breached this Agreement and we may then terminate this Agreement under Term 11. You will also indemnify us against any claim made against us for breach of any software licence.

### 9 Conditions of using the Equipment

- a You will keep the Equipment at the location given over the page and you will not move it without our permission. You confirm that you live or (if you are a Company) are registered in the United Kingdom.
- b You will be responsible for maintaining the Equipment and you must keep the Equipment in good condition. You will be responsible for any damage caused to the Equipment apart from that caused by fair wear and tear.
- c You must make sure that the Equipment is used properly and safely. You will be responsible for any loss, damage or injury (including death) to people or property which is caused by using the Equipment (subject to Term 14a).
- d You must let us inspect the Equipment at all reasonable times during the period of this Agreement.
- e You will be responsible for paying any licence fees, fines, duties, insurance premium and other payments due for the Equipment.
- f You must not alter, improve or add anything to the Equipment without our written permission.
- g You must not use the Equipment as a security for a loan or any other obligation.
- h You must not sell or dispose of the Equipment or try to do so and you must not transfer the benefit of this Agreement or try to do so.
- i If the Equipment is kept on rented property in Scotland, it will not form part of the landlord's hypothec. That means it cannot be used as security for a debt.

### 10 Insurance

- a You must insure the Equipment against loss or damage from all insurance risks for the full cost of replacing it with a reputable insurance company. You should arrange for our interest in the Equipment to be endorsed on the insurance policy and if we ask, you must show us evidence of the insurance policy which we find acceptable.
- b If you do not show us acceptable evidence of the insurance policy we may if we choose arrange insurance for you for a period which we think fit. By this Agreement you appoint us as your agent to arrange for this insurance. You will pay the full cost of the insurance and we will collect the insurance premiums from you with the Payments.
- c If you have to make an insurance claim you must tell us immediately and you cannot agree the settlement of any claims without our agreement. By this Agreement you appoint us as your agent for receiving insurance settlements and you must tell the insurance company that any settlement from a total loss claim should be paid to us, as your agent.
- d If the Equipment is lost abandoned or stolen and there is a total loss claim then you must settle this Agreement by paying to us the Termination Payment. Any insurance settlement we receive from the insurers will be credited to the amount payable.

### 11 Default

- a We can terminate this Agreement by giving you written notice if:-  
You do not pay the Payment or any other payments under this or any other Agreement with us on time.
- (i) You do not abide by any of the terms of this or any other Agreement with us.
- (ii) You try to sell the Equipment or do anything that affects our rights in the Equipment.
- (iii) The Equipment is taken to settle a debt; or
- (iv) You (or any of you) has a petition for bankruptcy presented against you.
- (v) You are a company and you have a receiver appointed or a petition is presented (or resolution passed) for the appointment of an administrator or for your winding up.
- b If we terminate this Agreement under Term 11a or if you repudiate the Agreement you will pay to us the Termination Payment as set out in Term 13 as agreed damages which you agree are a true reflection of the loss we will have suffered.

### 12 Returning the Equipment

When this Agreement ends or is terminated by us under Term 11 or by you under Term 2d, you must return the Equipment in good condition (except for fair wear and tear).  
If you do not do so we can take the Equipment back and you must pay any expenses of doing so and also the cost of putting the Equipment in good condition.

### 13 Your Liability when the Agreement is terminated

- a The "Termination Payment" referred to in Terms 2d, 10d and 11b will be calculated as follows:-  
(i) The Arrangement Fee, all Payments, interest and other payments due to be paid before the termination date but not yet paid plus;  
(ii) The total of the all Payments (excluding the Maintenance Charges) which you would have paid if the hiring under this Agreement had not ended, less;  
A a discount of 2% per year for each such Payment (excluding the Maintenance Charges). We work this out for the period between the date the Agreement ends and the date the relevant Payment would have been due; and  
B if we give you notice of termination in accordance with Term 11 (but not if you exercise your rights under Term 2d), the net proceeds of sale of the Equipment which we are able to arrange, after deduction of our expenses.
- b Where the Payment includes Maintenance Payments the Supplier may make a claim for a proportion of the Maintenance Charges which would have been due after the date this Agreement is terminated.

### 14 Our Liability

- a We are not responsible for any loss, damage or expense (except for death or personal injury arising from negligence) in contract or tort which you may suffer, including, but without limitation, as a result of the Equipment failing to function properly or not delivered on the date you agreed with the Supplier.
- b We are not liable for any consequential loss, loss of business and/or loss of profit which you may suffer as a result of our breach of our obligations under this Agreement.

### 15 Corporation Tax

If the rate of Corporation Tax or the capital allowances that we receive in respect of the Equipment change at any time in respect of the period of hire, we are entitled to adjust the Payment to ensure that our after-tax return is not reduced. We can only make such an adjustment after giving you 7 days' written notice.

### 16 Administration Charges

- a You will pay on demand our charges for:  
cheques, standing order payments or direct debit payments which are received or claimed by us and which are subsequently unpaid, returned or recalled;
- b documents which are sent to you at your request but which we do not have to supply by law, or documents which we are allowed by law to charge you for; any other customer services supplied at your request in connection with this Agreement;
- c all other expenses (including cost of letters, tracing fees and legal costs) that we incur if you break the Agreement or if we have to enforce it against you.

Details of our current charges are available on request.

## USE OF YOUR INFORMATION

In considering your application we will search your record at credit reference agencies. They will add to your record details of our search and your application and this will be seen by other organisations that make searches.

We will also add to your record with the credit reference agencies details of your agreement with us and any default or failure to keep to its terms.

These records will be shared with other organisations and used by us and them to:-

- Help make decisions about credit and credit related services such as insurance for you and members of your household;
- Trace debtors, recover debt, prevent money laundering and fraud, and to manage your accounts.

For these purposes we or they may make further searches. Although these searches will be added to your record, they will not be shared with others.

We and the credit reference agencies may also use the records for statistical analysis about credit. We may also use information about you to carry out market research.

**Please telephone us if you want to have details of those credit reference agencies from whom we obtain and to whom we pass information about you. You have a legal right to these details.**

**You have a right to receive a copy of the information we hold about you if you apply to us in writing. A fee will be payable.**