

# Regulated Hire Purchase Agreement

regulated by the Consumer Credit Act 1974

**(credit exceeding £60,260.00)**

- For private use Assets for Individuals where the total amount of credit exceeds £60,260.00
- This Agreement **MUST** be signed at the Credit Intermediary, Supplier or Novuna trade premises only

In order to ensure that you fully understand the features of your Hire Purchase agreement, We, Mitsubishi HC Capital UK PLC trading as Novuna Business Finance have requested that your introducer provides you with this adequate explanation summary before you enter into the Hire Purchase agreement.

In addition to this summary you will be provided with a Pre-Contract Credit Information Sheet. Before signing the Hire Purchase agreement please consider this information carefully.

**What is the finance product?**

This is a Hire Purchase agreement to acquire the goods specified on the agreement. You will not own the goods until all payments have been made, including the option to purchase fee payable with the final payment.

**What will I have to pay?**

You will need to pay a deposit on the date of the agreement. Your first payment will include a documentation fee of £ . This will be followed by a set number of payments listed below.

No.	Frequency	Amount
		£
		£
		£
		£
		£

Your final payment will include an option to purchase fee (incl. of VAT) of £

The total amount you will have to pay under the Hire Purchase agreement will be

£

You must maintain the goods and keep them in good working order. Charges may apply for any damage outside of fair wear and tear.

**What happens if I miss or make late payments?**

If you fail to make payments, we will share this information with the credit reference agencies, which could make it more difficult for you to obtain credit in the future.

We may also charge you default interest at the rate applicable to your agreement.

Missing payments could lead to the goods being repossessed and legal action being taken against you. You may have to pay the costs of such proceedings. Please note we may be able to repossess the goods without a court order if you have paid less than one third of the total amount payable.

**What happens if I change my mind?**

Once signed, you will not have the right to cancel the Hire Purchase agreement. There is no right to withdraw from this Agreement under section 66A of the Consumer Credit Act 1974 as the balance to finance exceeds £60,260.

**Who can I contact to ask questions?**

If you have any questions please ask your introducer or sales representative or contact Novuna Business Finance on 01784 227333 or [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk) or write to us at Novuna House, Thorpe Road, Staines-Upon-Thames, Surrey, TW18 3HP.

**Finance and Leasing Association (FLA) checklist for business finance customers**

The FLA recommend that customers taking out business finance agreements follow these steps:

1. Read your business finance agreement carefully before signing it. Never sign a business finance agreement which is not fully complete. Retain copies of all documentation.
2. Ensure that the final contract:
  - (a) corresponds with any verbal or written quotation on the rental amount and period of hire;
  - (b) accurately reflects what you are agreeing to pay for, including any maintenance or services included in the repayments; and
  - (c) accurately describes the equipment you are expecting to receive (e.g. whether it is new or used) and that its working life is appropriate to the length of the finance agreement.
3. Make it clear who has the authority within your own organisation to sign the agreement.
4. Make sure you understand and agree with all terms and conditions of the business finance agreement and, if you are unsure, ask for these to be explained or seek advice.
5. Make sure you understand all the costs involved and whether these will change during the course of the business finance agreement.
6. Check that the supplier of the equipment is reputable.
7. Understand whether there are any notice period or settlement terms required to terminate the agreement.
8. If there is a maintenance or service contract which is separate to the finance agreement, check that the length, start date, notice period and settlement terms of the two agreements is the same, and if not, that you are happy with this.
9. If the name of the leasing company contracting with you is not shown on the agreement, ensure that you are informed at the earliest possible time.
10. Check whether the funder is a member of the FLA, as all asset finance members adhere to the FLA Business Finance Code.
11. If any amendments are made to the business finance agreement or a further agreement is required to replace an existing agreement, do not sign it until you have made the same checks as you did for the original agreement.
12. If a new business finance agreement includes an element of refinancing from a previous agreement with a different provider, check that the settlement figure provided by the former provider matches the refinancing figure used by the new provider.

[www.fla.org.uk/business-information/business-finance-code/](http://www.fla.org.uk/business-information/business-finance-code/)



**1. Contact Details**

Creditor Address	Mitsubishi HC Capital UK PLC trading as Novuna Business Finance (Company no. 01630491) Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP
Credit Intermediary	
Address	

**2. Key features of the credit product**

The type of credit	Hire Purchase Agreement																					
The total amount of credit This means the amount of credit to be provided under the proposed credit agreement or the credit limit	£																					
How and when credit would be provided	Credit will be provided when the Creditor pays the supplier for the goods described below. This will usually take place on or around the date you agree with the supplier for the delivery of the goods.																					
The duration of the credit agreement	months																					
Repayments	<table border="1"> <thead> <tr> <th>No.</th> <th>Frequency</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>£</td> </tr> <tr> <td></td> <td></td> <td>£</td> </tr> <tr> <td></td> <td></td> <td>£</td> </tr> <tr> <td></td> <td></td> <td>£</td> </tr> <tr> <td></td> <td></td> <td>£</td> </tr> </tbody> </table>				No.	Frequency	Amount			£			£			£			£			£
No.	Frequency	Amount																				
		£																				
		£																				
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		£																				
The total amount you will have to pay This means the amount you have borrowed plus interest and other costs.	£																					
The proposed credit will be granted in the form of a deferred payment for goods or service Description of goods.																						
New/ Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Cash Price (incl VAT)																		
				£																		
				£																		
				£																		
Cash price (incl. VAT) £																						

**3. Costs of the credit**

The rates of interest which apply to the credit agreement	% per annum fixed for the duration of the Agreement		
Annual Percentage Rate of Charge (APR). This is the total cost expressed as an annual percentage of the total amount of credit. The APR is there to help you compare different offers.	%		
Related Costs:			
Documentation Fee:	£	payable with the first Payment	
Option to Purchase Fee:	£	(incl. of VAT) payable with the final Payment	

## Pre-Contract Credit Information continued ...

Costs in the case of late payments	If you fail to pay any sum due under the Agreement on the due date for payment, you will pay interest on that sum at the rate of interest set out above from its due date until the payment is received in full, both before and after judgment.
Consequences of missing payments	If you do not make payments when they are due you may have to repay the credit early, we may repossess the Goods, your credit records may be affected in a way that makes it difficult to obtain further credit, you may face legal action to recover what you owe and, if you do not pay us after we have taken legal action, we may take further legal action to obtain a charging order on your home which may result in the repossession of your home. In addition, you will have to pay charges as shown above for breach of the Agreement.

### 4. Other important legal aspects

Right of withdrawal	There is no right to withdraw from this Agreement under section 66A of the Consumer Credit Act 1974.
Early repayment	You have the right to repay the credit in full or in part at any time.
Consultation with a Credit Reference Agency	The Creditor must inform you immediately and without charge if it rejects your application for credit as a result of a consultation with a credit reference agency. The Creditor will also give you details of the credit reference agency consulted.
Right to a draft credit agreement	You have the right, upon request, to a copy of the draft credit agreement free of charge, unless the Creditor is unwilling at the time of your request to proceed to the conclusion of the credit agreement with you.



## Charges

- Interest will be payable by you at the Rate of Interest set out on Page 1 for any payment which is late (see clause 4.6)
- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see clauses 5.2(e)(ii), 7, 9.1(b), 9.2 and 10)
- If we have to repossess the Goods or take steps to enforce this Agreement you will have to repay any expenses or legal fees we incur (see clauses 9, 10.1 and 11.1)
- If the Agreement is terminated early by us either following a total loss of the Goods or as a result of your default, you will have to pay us the amounts set out in clause 9.1, being (i) all arrears due to us at termination, (ii) all costs we incur in relation to the Goods

## Your Rights

### Right of withdrawal:

There is no right to withdraw from this Agreement under section 66A of the Consumer Credit Act 1974.

### Early settlement:

You can repay the credit early in full or in part at any time. To do this, you can write to us at Novuna Business Finance, Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP or call us on 01784 227333. We will provide you with a settlement quotation, which will tell you the amount that you have to pay to repay the credit in full, or the impact of repaying the credit in part, as the case may be. You can repay Novuna Business Finance the credit and interest by bank transfer, debit card or cheque. If you repay the credit early in part, we will (after paying off any arrears, costs and expenses) reduce the Period of Hire but keep the amount of your remaining Payments the same.

### Termination: Your Rights

You have a right to end this Agreement. To do so, you should write to the person you make your Payments to. They will then be entitled to the return of the Goods and to half the total amount payable under this Agreement, that is

£

If you have already paid at least this amount plus any overdue Payments and have taken reasonable care of the Goods, you will not have to pay anymore.

### Repossession: Your Rights

If you do not keep your side of this Agreement but you have paid at least one third of the total amount payable under this Agreement, that is

£

we may not take back the Goods against your wishes unless we get a court order. (In Scotland we may need to get a court order at any time.) If we do take the Goods without your consent or a court order, you have the right to get back any money that you have paid under this Agreement.

## Complaints and Supervisory Authority

If you have a complaint about a product or service offered by Novuna Business Finance then please contact our Customer Support Team on 01784 227333 or email [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk).

If we are unable to resolve it to your satisfaction, you can refer your complaint to the Financial Ombudsman Service, please visit the website for further information: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Novuna Business Finance is a trading style of Mitsubishi HC Capital UK PLC. Authorised and regulated by the Financial Conduct Authority whose address is 12 Endeavour Square, London E20 1JN. Financial Services Register no. 704348. The register can be accessed through [www.fca.org.uk](http://www.fca.org.uk)

## Insurance

You are required under clause 7 of this Agreement to insure the Goods at your own cost, for its full replacement value against loss (including total loss) and damage from all risks, and against third party liability for such amount as is prudent in the circumstances, under a fully comprehensive policy with a reputable insurer approved by us (such approval not to be unreasonably withheld).

## Use of Your Information

### Credit Reference Agencies

**In order to process your application, we will perform credit and identity checks on you with one or more credit reference agencies (“CRAs”). We may also make periodic searches at CRAs to manage your account with us.**

To do this, we will supply your personal information to CRAs and they will give us information about you. This will include information from your credit application and about your financial situation and financial history. CRAs will supply to us both public (including the electoral register) and shared credit, financial situation and financial history information and fraud prevention information.

We will use this information to:

- Assess your creditworthiness and whether you, your financial associate(s), or your business can afford to take the product;
- Verify the accuracy of the data you have provided to us;
- Prevent criminal activity, fraud and money laundering;
- Manage your account(s);
- Trace and recover debts; and
- Ensure any offers provided to you are appropriate to your circumstances

We will continue to exchange information about you with CRAs while you have a relationship with us. We will also inform the CRAs about your settled accounts. If you borrow and do not repay in full and on time, CRAs will record the outstanding debt. This information may be supplied to other organisations by CRAs.

When CRAs receive a search from us they will place a search footprint on your credit file that may be seen by other lenders.

If you are making a joint application, or tell us that you have financial associate or business partner, we will link your records together, so you should make sure you discuss this with them, and share with them this information, before lodging the application.

CRAs will also link your records together and these links will remain on your and their files until such time as you or your partner successfully files for a disassociation with the CRAs to break that link.

The identities of the CRAs, their role also as fraud prevention agencies, the data they hold, the ways in which they use and share personal information, data retention periods and your data protection rights with the CRAs are explained in more detail at any of these three links. Each link will take you to the same CRAIN document:

- Equifax [www.equifax.co.uk/crain](http://www.equifax.co.uk/crain)
- Experian [www.experian.co.uk/crain](http://www.experian.co.uk/crain)
- TransUnion [www.transunion.co.uk/crain](http://www.transunion.co.uk/crain)

### Identity Verification and Fraud Prevention checks

The personal information we have collected from you will be shared with fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found by visiting [www.cifas.org.uk](http://www.cifas.org.uk).

You can find further information about how we collect, use and disclose personal information about you by searching “privacy policy” on our website [www.novuna.co.uk/business-finance/privacy-notice](http://www.novuna.co.uk/business-finance/privacy-notice) or by emailing us at [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk) or calling us on 01784 227333 and requesting a copy of our “privacy policy”.



## 1. Definitions

1.1 In this Agreement the following words and expressions shall have the following meanings:

**Balance Payable** means all Payments outstanding under this Agreement from time to time, including any sums payable in addition to the Payments (including but not limited to default interest or expenses) but excluding the Option to Purchase Fee;

**Date of the Agreement** means the date on which this Agreement is signed by us;

**Goods** means the Goods set out on Page 1, which shall include any accessories or additions to the Goods and any renewals of component parts and any replacement for the Goods whether arranged by us or otherwise;

**Insurance Proceeds** means the proceeds of the insurance referred to in clause 7;

**Location** means the premises set out on Page 1 where the Goods are to be situated;

**Option to Purchase Fee** means the option to purchase fee set out on Page 1, which includes VAT;

**Payments** means the Payments set out on Page 1;

**Period of Hire** means the period of hire set out on Page 1; and

**Supplier** means the supplier of the Goods.

1.2 Unless the context otherwise requires, words in the singular shall include the plural (and the reverse). The words "you" and its derivatives are used to mean the Customer and the words "we/us" and its derivatives are used to mean Mitsubshi HC Capital UK PLC its successors and assigns.

## 2. Hire of Goods and Option to Purchase

2.1 From the Date of the Agreement we hire to you and you agree to take on hire the Goods, on the terms set out in this Agreement for the Period of Hire.

2.2 Provided you have complied with all your obligations under this Agreement and have paid all sums due under this Agreement, you may exercise your option to purchase the Goods at the end of the Period of Hire by paying to us the Option to Purchase Fee with the final Payment. Until you exercise your option to purchase, the Goods will remain our sole and exclusive property and you shall be a mere bailee of the Goods.

## 3. Delivery and Acceptance

3.1 You will make your own arrangements with the Supplier for the delivery and installation of the Goods at the Location. We will not be liable for any delay.

3.2 Upon delivery you will inspect the Goods and satisfy yourself that it is in good working order and condition and meets your requirements. Unless you notify us of any faults, shortages or other defects in or issues with the Goods within five working days of the date of delivery of the Goods, we shall be entitled to assume that it is complete, in good working order and condition, of satisfactory quality and that it meets your requirements.

## 4. Payments

4.1 You must pay to us the Total Deposit set out on Page 1 on the Date of the Agreement. You must pay the Documentation Fee with your first Payment.

4.2 You must pay the Payments when due by direct debit. All sums payable under this Agreement must be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.

4.3 If you are required by law to make any deduction or withholding, you must pay to us such additional amount as is necessary to ensure that we receive the full Payment amount due to us.

4.4 If you make the Payments other than by direct debit, we may increase the Payments by up to 3% to reflect our increased administration costs.

4.5 Payments shall only be treated as paid on the date of receipt by us of cleared funds. Where applicable, VAT will be payable on any sums due under this Agreement at the rate applicable when the relevant Payment is due.

4.6 If any Payment or other payment is not received by its due date, we may charge late payment interest on such sum at the interest rate set out on Page 1, from its due date until we receive payment in full, both before and after judgment.

4.7 If the date of Payment of any amount under this Agreement is not a day on which banks in London are open for the transaction of banking business generally, the Payment shall be made on the next business day.

4.8 We will consider two requests from you to change the due date for payment provided that the new payment date must be within 14 days of the original payment date and fall within the same month as the original payment date. We may change the amount of the Payment to reflect the fact that we will not receive Payments on the dates originally scheduled.

## 5. Goods and exclusion of liability

5.1 Where you are dealing as a consumer, as defined by the Unfair Contract Terms Act 1977:

- (a) we sell the Goods subject to the terms implied by sections 9, 10, 13 and 16 of the Consumer Rights Act 2015, but not subject to any other condition, warranty or representation, express or implied;
- (b) no provision contained in this Agreement shall affect your statutory rights; and
- (c) you acknowledge that the Supplier of the Goods is not our agent and does not have any authority to make any representation or give any warranty concerning the Goods on our behalf.

5.2 Where you are not dealing as a consumer as defined by the Unfair Contract Terms Act 1977, we both recognise that there is always a risk that the Goods will not perform as you require. The Goods have been selected by you from a Supplier of your choice and you acknowledge that we are not experts in it. Accordingly, it is agreed that this risk should be carried by you, and you and we both agree as follows:

- (a) you warrant that where you are funding a business use asset, you are entering into this Agreement and will use the Goods for the purposes of your business;
- (b) you acknowledge that the Supplier is not our representative or agent, and has no authority to make any representation on our behalf (including, but not limited to the giving of any warranties regarding the condition and/or use of the Goods);
- (c) you acknowledge that the Payments which you will pay have been calculated by us on the assumption that we will not be liable for such condition and use;
- (d) you accept that you must obtain any warranties relating to the Goods as you require direct from the Supplier;
- (e) in the circumstances, you agree that it is reasonable for us to exclude/limit our liability in respect of the condition and/or use of the Goods as follows:
  - (i) we do not give any express warranties in relation to the Goods and we will not be liable in respect of any implied terms or warranties regarding the description, quality, fitness for purpose, suitability or performance of the Goods (save to the extent that we are unable in law to exclude such liability); and
  - (ii) you will compensate us for any loss, charge or claim which arises directly or indirectly from your use and/or possession of the Goods (save for personal injury or death caused by our negligence);
- (f) furthermore, if it transpires that you have (or, but for the operation of this clause 5.2 would have had) any claim against us in respect of the condition and/or use of the Goods, then we may (at our discretion) arrange for the benefit of any similar claim that we may have against the Supplier in respect of our purchase of the Goods to be transferred to you, and such transfer will satisfy any claim that you may have against us; and
- (g) You acknowledge and agree:
  - (i) that the provisions of this clause 5.2 are reasonable, in that they are intended to put you into the position that you would have been in had you purchased the Goods direct from the Supplier; and
  - (ii) that it is unreasonable to expect us to bear the risk of non-performance of Goods that you have sourced from the Supplier of your choice, simply because we have financed your purchase/use of the Goods; and
  - (iii) notwithstanding the above, if and to the extent that any of the above provisions are ineffective to exclude our liability, it is agreed by you that:
    - (a) we will in no circumstances be liable for any loss of revenue, savings or profit, nor for any loss of use/value of the Goods, nor for indirect/ consequential losses; and
    - (b) in respect of any other loss, our liability will be limited to the lesser of the cost of repairing the Goods, its diminution in value or the total of Payments due under this Agreement.

## 6. Care of the Goods

6.1 You must maintain the Goods at your expense in full working order and condition. You are responsible for all maintenance of the Goods in accordance with the recommendations of the Supplier or manufacturer of the Goods. If any component is lost or damaged, you will replace it with parts of equal standard and quality to the original components.



- 6.2** You must use the Goods properly and comply with any guidelines issued by the Supplier and/or manufacturer. You must not use the Goods for any unlawful purpose. If relevant, you are responsible for connection and disconnection of the Goods.
- 6.3** You will not allow the Goods to be used for the purpose of racing, rallying or any form of competition, pace making, reliability trials, speed testing, and unless otherwise approved, towing or driving tuition.
- 6.4** If any tracking or location device is installed or supplied with the Goods which allows you or any other person to locate any of the Goods then you agree that you will hold the benefit of any agreement for (and all rights relating to) the tracking device on trust for the Lender and authorises the Lender to exercise all of your rights in relation to or under the same. The Lender may produce this clause 6.4 to evidence its entitlement to exercise all or any of such rights and you agree to provide all such other confirmations or authorities as the Lender may require to evidence the Lender's entitlement to the same on request.
- 6.5** You must keep the Goods at the Location and you must not take it outside the United Kingdom without our prior written consent, provided that if the Goods are vehicles then you may use the Goods in the European Union ("Permitted Area") for 21 consecutive days at a time. You will obtain and maintain in force at all relevant times all licences and permissions required to operate the vehicles lawfully in the Permitted Area. You will ensure that the insurance covers the use of the vehicles in the Permitted Area. If you wish to change the Location, you must first obtain our written consent.
- 6.6** You must not part with possession of the Goods or any part of it; sell, sub-hire, assign or charge the Goods or the benefit of this Agreement; create or permit any lien or any other encumbrance on the Goods; interfere in any way with any name plate or identification mark on the Goods, or make any alterations or modifications to the Goods, without first obtaining our written consent.
- 6.7** You will allow us and any persons we may authorise to inspect the Goods from time to time and/or to place a name plate or other mark on the Goods identifying us as the owners of it, and to enter the property where you keep the Goods for those purposes.
- 6.8** You will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.
- 6.9** You will maintain, where appropriate, any operator's or similar licences throughout the hiring of the Goods, and comply with all laws and regulations in relation thereto.
- 6.10** You are responsible for all loss and damage to the Goods (except fair wear and tear) even if caused by acts beyond your control.

## 7. Insurance

- 7.1** You will insure the Goods for full replacement value against all risks under a fully comprehensive policy (with Lender's interest noted on the policy). You will compensate us for any uninsured loss or damage.
- 7.2** If any amount paid to us is not enough to meet your liability under this Agreement, then you will pay to us the difference. If the amount paid to us is more than your liability we will pay to you the surplus.
- 7.3** You shall continue to make Payments to us even if you are unable to use the Goods whether by reason of damage, mechanical defect or otherwise.
- 7.4** If the Goods are lost, stolen, destroyed or deemed to be a total loss for insurance purposes, the hiring of the Goods shall immediately end and you will pay to us the amount calculated in accordance with clause 9.1 but we shall deduct any Insurance Proceeds we receive from the amount due under that clause.

## 8. When we may end the hiring

- 8.1** We may end the hiring under this Agreement, following written notice to you, if any of the following shall occur:
- (a) you fail to make any Payment or other sum due under this Agreement or any other agreement with us on the due date for Payment; or
  - (b) you are in breach of any of your other obligations under this Agreement and, where such breach is capable of remedy, you fail to remedy such breach within 14 days of us notifying you of such breach and requiring its remedy; or
  - (c) a meeting is called for your creditors; or a scheme of arrangement is made or proposed with your creditors; or
  - (d) a petition is presented for your bankruptcy (or, in Scotland, sequestration order); or
  - (e) a receiver or administrator is appointed over all or any of your assets, or any steps are taken with a view to appointing the same; or
  - (f) you die; or
  - (g) you are unable to pay your debts when they fall due; or

- (h) you stop carrying on business or, if you are a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
- (i) you have supplied information under this Agreement which was incorrect at the date of your signature(s); or
- (j) you allow any distress or execution to be levied against any of your assets or the Goods; or
- (k) you do anything (or omit to do anything) which in our reasonable opinion may prejudice or jeopardise the Goods and/or our rights of ownership in it; or
- (l) in our opinion, there occurs a material adverse change in your financial or business position; or
- (m) we become entitled to terminate any other Hire, Hire Purchase, Loan or other finance agreement we may have entered into from time to time with you.

## 9. What happens when the hiring ends

- 9.1** When the hiring under this Agreement is ended early under clauses 7 or 8, you must pay to us:
- (a) all arrears of Payments and other sums due to us at the date of termination, together with any interest, costs, charges and expenses which have been incurred by us under this Agreement;
  - (b) any costs we may incur in relation to the Goods including any relating to insurance, transport, storage and restoring the Goods to good working order and condition;
  - (c) compensation for our loss of profit under this Agreement equal to the Balance Payable less any rebate which you may be entitled to by law.
- 9.2** If we have terminated the Agreement under clause 8, you shall at your own expense redeliver the Goods to a location in the United Kingdom notified to you by us. The Goods shall be in good repair and working order and commensurate with the performance by you of your obligations under this Agreement, and if it is not, you shall pay to us the costs necessary to restore the Goods to the required condition. If you fail to return the Goods to us within 7 days of the termination of this Agreement, you shall grant us or our agent access to any premises where the Goods may be for the purpose of removing it, and shall reimburse us any costs we incur in doing so.

## 10. Compensation

- 10.1** You shall compensate us for any amount incurred by us as a result of your failure to perform your obligations under this Agreement.

## 11. General

- 11.1** Expenses: You will pay the amount of any expenses (including but not limited to legal fees) that we incur in recovering possession of the Goods or in enforcing the terms of this Agreement.
- 11.2** Notices: Any written notice required to be given under this Agreement may be sent by first class prepaid post to the other party's last known address, or e-mail to the address provided by the other party for this purpose. Any notice sent by post will be deemed to be received in the usual course of posting; notices sent by e-mail will be deemed to be received immediately.
- 11.3** No Assignment: Your rights and obligations under this Agreement cannot be transferred. We may assign or transfer our rights under this Agreement to an entity that is appropriately authorised. If we do so your rights under the Agreement will not be altered by this assignment or transfer.
- 11.4** Rights of Third Parties: A person who is not a party to this Agreement shall have no right to enforce any terms of it under the Contracts (Rights of Third Parties) Act 1999.
- 11.5** Commission: If you have been introduced to us via a credit broker/intermediary we will pay them a commission for the introduction. Please contact them directly for further information.
- 11.6** Waiver: If we temporarily relax the terms of the agreement, for instance, by giving you more time to pay, we may at any time decide to enforce the terms more strictly again. Our rights under the Agreement will not be affected as a result of any such concession.
- 11.7** Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under our quality control.
- 11.8** Governing Law: Our relations with you are based on the law of the country in the United Kingdom where you are domiciled, being England, Wales, Scotland or Northern Ireland and disputes may be referred to the courts of that country.

**The following copy is to be returned to the Lender**

**Lender Information**

Lender, we, or us: **Mitsubishi HC Capital UK PLC** (trading as Novuna Business Finance),  
Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP.  
Company no. 01630491.

**Agreement number**

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**Customer details**

Customer name:

Trading as:

Address:

Postcode:  Telephone:  Mobile:

Email:

**Partnership details:**

If this Agreement is entered into on behalf of a partnership, state name of each partner if three or less:

(1)

(2)

(3)

**Credit Intermediary**

Name:

Address:

**Goods**

New/Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Cash Price (incl. VAT)
				£
				£
				£

Location of Goods if different from above

**Payments and financial information**

<b>Cash Price (excl. VAT)</b>	(a)	£
<b>VAT</b>	(b)	£
<b>Non VAT</b>	(c)	£
<b>Total Cash Price</b>	(a)+(b)+(c) = (d)	£
<b>Cash Deposit</b>	(e)	£
<b>Part Exchange</b>	(f)	£
<b>Total Deposit</b>	(e)+(f) = (g)	£
<b>Amount of Credit</b>	(d)-(g) = (h)	£
<b>Documentation Fee</b> (payable with first Payment)	(i)	£
<b>Option to Purchase Fee</b> (incl. of VAT, payable with the final Payment)	(j)	£
<b>Interest</b> (included within the Payments)	(k)	£
<b>Total Charge for Credit</b>	(i)+(j)+(k) = (l)	£
<b>The Total Amount Payable</b>	(d)+(l)	£

No.	Frequency	Amount
		£
		£
		£
		£
		£

Period of Hire  months

The first payment and Documentation Fee will fall due one from the date of our execution of the Agreement as will be confirmed to you by us in our welcome letter and Agreement financial summary. Subsequent payments will be due thereafter at the frequency stated above for the duration of this Agreement.

Payments will commence on the agreed date. Payments have been calculated assuming that they will be paid by Direct Debit. For any other method of Payments, please refer to clause 4.4.

The credit will be provided when we pay the supplier for the Goods shown above. This will usually take place on or around the date you agree with the supplier for the delivery of the Goods.

The total interest that you will pay us during the course of this Agreement has been calculated up front at the Rate of Interest set out here and on the assumption that the outstanding Amount of Credit will reduce each time the Payment falls due. This interest is then added to the initial Amount of Credit and the aggregate figure is spread over the length of the Agreement to work out the Payments that you need to pay.

**Rate of Interest per annum**  
%

The APR has been calculated on the assumption that the Amount of Credit will be provided and repaid in line with this Agreement, without you making any early repayments.

**APR**  
%

**Missing Payments**

If you do not make Payments when they are due you may have to repay the credit early, we may repossess the Goods, your credit records may be affected in a way that makes it difficult to obtain further credit, you may face legal action to recover what you owe and, if you do not pay us after we have taken legal action, we may take further legal action to obtain a charging order on your home which may result in the repossession of your home. In addition, you will have to pay charges as shown overleaf for breach of the Agreement.

## Charges

- Interest will be payable by you at the Rate of Interest set out on Page 1 for any payment which is late (see clause 4.6)
- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see clauses 5.2(e)(ii), 7, 9.1(b), 9.2 and 10)
- If we have to repossess the Goods or take steps to enforce this Agreement you will have to repay any expenses or legal fees we incur (see clauses 9, 10.1 and 11.1)
- If the Agreement is terminated early by us either following a total loss of the Goods or as a result of your default, you will have to pay us the amounts set out in clause 9.1, being (i) all arrears due to us at termination, (ii) all costs we incur in relation to the Goods

## Your Rights

### Right of withdrawal:

There is no right to withdraw from this Agreement under section 66A of the Consumer Credit Act 1974.

### Early settlement:

You can repay the credit early in full or in part at any time. To do this, you can write to us at Novuna Business Finance, Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP or call us on 01784 227333. We will provide you with a settlement quotation, which will tell you the amount that you have to pay to repay the credit in full, or the impact of repaying the credit in part, as the case may be. You can repay Novuna Business Finance the credit and interest by bank transfer, debit card or cheque. If you repay the credit early in part, we will (after paying off any arrears, costs and expenses) reduce the Period of Hire but keep the amount of your remaining Payments the same.

### Termination: Your Rights

You have a right to end this Agreement. To do so, you should write to the person you make your Payments to. They will then be entitled to the return of the Goods and to half the total amount payable under this Agreement, that is

£

If you have already paid at least this amount plus any overdue Payments and have taken reasonable care of the Goods, you will not have to pay anymore.

### Repossession: Your Rights

If you do not keep your side of this Agreement but you have paid at least one third of the total amount payable under this Agreement, that is

£

we may not take back the Goods against your wishes unless we get a court order. (In Scotland we may need to get a court order at any time.) If we do take the Goods without your consent or a court order, you have the right to get back any money that you have paid under this Agreement.

## Complaints and Supervisory Authority

If you have a complaint about a product or service offered by Novuna Business Finance then please contact our Customer Support Team on 01784 227333 or email [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk).

If we are unable to resolve it to your satisfaction, you can refer your complaint to the Financial Ombudsman Service, please visit the website for further information: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Novuna Business Finance is a trading style of Mitsubishi HC Capital UK PLC. Authorised and regulated by the Financial Conduct Authority whose address is 12 Endeavour Square, London E20 1JN. Financial Services Register no. 704348. The register can be accessed through [www.fca.org.uk](http://www.fca.org.uk)

## Insurance

You are required under clause 7 of this Agreement to insure the Goods at your own cost, for its full replacement value against loss (including total loss) and damage from all risks, and against third party liability for such amount as is prudent in the circumstances, under a fully comprehensive policy with a reputable insurer approved by us (such approval not to be unreasonably withheld).

## Use of Your Information

### Credit Reference Agencies

**In order to process your application, we will perform credit and identity checks on you with one or more credit reference agencies (“CRAs”). We may also make periodic searches at CRAs to manage your account with us.**

To do this, we will supply your personal information to CRAs and they will give us information about you. This will include information from your credit application and about your financial situation and financial history. CRAs will supply to us both public (including the electoral register) and shared credit, financial situation and financial history information and fraud prevention information.

We will use this information to:

- Assess your creditworthiness and whether you, your financial associate(s), or your business can afford to take the product;
- Verify the accuracy of the data you have provided to us;
- Prevent criminal activity, fraud and money laundering;
- Manage your account(s);
- Trace and recover debts; and
- Ensure any offers provided to you are appropriate to your circumstances

We will continue to exchange information about you with CRAs while you have a relationship with us. We will also inform the CRAs about your settled accounts. If you borrow and do not repay in full and on time, CRAs will record the outstanding debt. This information may be supplied to other organisations by CRAs.

When CRAs receive a search from us they will place a search footprint on your credit file that may be seen by other lenders.

If you are making a joint application, or tell us that you have financial associate or business partner, we will link your records together, so you should make sure you discuss this with them, and share with them this information, before lodging the application.

CRAs will also link your records together and these links will remain on your and their files until such time as you or your partner successfully files for a disassociation with the CRAs to break that link.

The identities of the CRAs, their role also as fraud prevention agencies, the data they hold, the ways in which they use and share personal information, data retention periods and your data protection rights with the CRAs are explained in more detail at any of these three links. Each link will take you to the same CRAIN document:

- Equifax [www.equifax.co.uk/crain](http://www.equifax.co.uk/crain)
- Experian [www.experian.co.uk/crain](http://www.experian.co.uk/crain)
- TransUnion [www.transunion.co.uk/crain](http://www.transunion.co.uk/crain)

### Identity Verification and Fraud Prevention checks

The personal information we have collected from you will be shared with fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found by visiting [www.cifas.org.uk](http://www.cifas.org.uk).

You can find further information about how we collect, use and disclose personal information about you by searching “privacy policy” on our website [www.novuna.co.uk/business-finance/privacy-notice](http://www.novuna.co.uk/business-finance/privacy-notice) or by emailing us at [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk) or calling us on 01784 227333 and requesting a copy of our “privacy policy”.



## 1. Definitions

1.1 In this Agreement the following words and expressions shall have the following meanings:

**Balance Payable** means all Payments outstanding under this Agreement from time to time, including any sums payable in addition to the Payments (including but not limited to default interest or expenses) but excluding the Option to Purchase Fee;

**Date of the Agreement** means the date on which this Agreement is signed by us;

**Goods** means the Goods set out on Page 1, which shall include any accessories or additions to the Goods and any renewals of component parts and any replacement for the Goods whether arranged by us or otherwise;

**Insurance Proceeds** means the proceeds of the insurance referred to in clause 7;

**Location** means the premises set out on Page 1 where the Goods are to be situated;

**Option to Purchase Fee** means the option to purchase fee set out on Page 1, which includes VAT;

**Payments** means the Payments set out on Page 1;

**Period of Hire** means the period of hire set out on Page 1; and

**Supplier** means the supplier of the Goods.

1.2 Unless the context otherwise requires, words in the singular shall include the plural (and the reverse). The words "you" and its derivatives are used to mean the Customer and the words "we/us" and its derivatives are used to mean Mitsubishi HC Capital UK PLC its successors and assigns.

## 2. Hire of Goods and Option to Purchase

2.1 From the Date of the Agreement we hire to you and you agree to take on hire the Goods, on the terms set out in this Agreement for the Period of Hire.

2.2 Provided you have complied with all your obligations under this Agreement and have paid all sums due under this Agreement, you may exercise your option to purchase the Goods at the end of the Period of Hire by paying to us the Option to Purchase Fee with the final Payment. Until you exercise your option to purchase, the Goods will remain our sole and exclusive property and you shall be a mere bailee of the Goods.

## 3. Delivery and Acceptance

3.1 You will make your own arrangements with the Supplier for the delivery and installation of the Goods at the Location. We will not be liable for any delay.

3.2 Upon delivery you will inspect the Goods and satisfy yourself that it is in good working order and condition and meets your requirements. Unless you notify us of any faults, shortages or other defects in or issues with the Goods within five working days of the date of delivery of the Goods, we shall be entitled to assume that it is complete, in good working order and condition, of satisfactory quality and that it meets your requirements.

## 4. Payments

4.1 You must pay to us the Total Deposit set out on Page 1 on the Date of the Agreement. You must pay the Documentation Fee with your first Payment.

4.2 You must pay the Payments when due by direct debit. All sums payable under this Agreement must be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.

4.3 If you are required by law to make any deduction or withholding, you must pay to us such additional amount as is necessary to ensure that we receive the full Payment amount due to us.

4.4 If you make the Payments other than by direct debit, we may increase the Payments by up to 3% to reflect our increased administration costs.

4.5 Payments shall only be treated as paid on the date of receipt by us of cleared funds. Where applicable, VAT will be payable on any sums due under this Agreement at the rate applicable when the relevant Payment is due.

4.6 If any Payment or other payment is not received by its due date, we may charge late payment interest on such sum at the interest rate set out on Page 1, from its due date until we receive payment in full, both before and after judgment.

4.7 If the date of Payment of any amount under this Agreement is not a day on which banks in London are open for the transaction of banking business generally, the Payment shall be made on the next business day.

4.8 We will consider two requests from you to change the due date for payment provided that the new payment date must be within 14 days of the original payment date and fall within the same month as the original payment date. We may change the amount of the Payment to reflect the fact that we will not receive Payments on the dates originally scheduled.

## 5. Goods and exclusion of liability

5.1 Where you are dealing as a consumer, as defined by the Unfair Contract Terms Act 1977:

- (a) we sell the Goods subject to the terms implied by sections 9, 10, 13 and 16 of the Consumer Rights Act 2015, but not subject to any other condition, warranty or representation, express or implied;
- (b) no provision contained in this Agreement shall affect your statutory rights; and
- (c) you acknowledge that the Supplier of the Goods is not our agent and does not have any authority to make any representation or give any warranty concerning the Goods on our behalf.

5.2 Where you are not dealing as a consumer as defined by the Unfair Contract Terms Act 1977, we both recognise that there is always a risk that the Goods will not perform as you require. The Goods have been selected by you from a Supplier of your choice and you acknowledge that we are not experts in it. Accordingly, it is agreed that this risk should be carried by you, and you and we both agree as follows:

- (a) you warrant that where you are funding a business use asset, you are entering into this Agreement and will use the Goods for the purposes of your business;
- (b) you acknowledge that the Supplier is not our representative or agent, and has no authority to make any representation on our behalf (including, but not limited to the giving of any warranties regarding the condition and/or use of the Goods);
- (c) you acknowledge that the Payments which you will pay have been calculated by us on the assumption that we will not be liable for such condition and use;
- (d) you accept that you must obtain any warranties relating to the Goods as you require direct from the Supplier;
- (e) in the circumstances, you agree that it is reasonable for us to exclude/limit our liability in respect of the condition and/or use of the Goods as follows:
  - (i) we do not give any express warranties in relation to the Goods and we will not be liable in respect of any implied terms or warranties regarding the description, quality, fitness for purpose, suitability or performance of the Goods (save to the extent that we are unable in law to exclude such liability); and
  - (ii) you will compensate us for any loss, charge or claim which arises directly or indirectly from your use and/or possession of the Goods (save for personal injury or death caused by our negligence);
- (f) furthermore, if it transpires that you have (or, but for the operation of this clause 5.2 would have had) any claim against us in respect of the condition and/or use of the Goods, then we may (at our discretion) arrange for the benefit of any similar claim that we may have against the Supplier in respect of our purchase of the Goods to be transferred to you, and such transfer will satisfy any claim that you may have against us; and
- (g) You acknowledge and agree:
  - (i) that the provisions of this clause 5.2 are reasonable, in that they are intended to put you into the position that you would have been in had you purchased the Goods direct from the Supplier; and
  - (ii) that it is unreasonable to expect us to bear the risk of non-performance of Goods that you have sourced from the Supplier of your choice, simply because we have financed your purchase/use of the Goods; and
  - (iii) notwithstanding the above, if and to the extent that any of the above provisions are ineffective to exclude our liability, it is agreed by you that:
    - (a) we will in no circumstances be liable for any loss of revenue, savings or profit, nor for any loss of use/value of the Goods, nor for indirect/ consequential losses; and
    - (b) in respect of any other loss, our liability will be limited to the lesser of the cost of repairing the Goods, its diminution in value or the total of Payments due under this Agreement.

## 6. Care of the Goods

6.1 You must maintain the Goods at your expense in full working order and condition. You are responsible for all maintenance of the Goods in accordance with the recommendations of the Supplier or manufacturer of the Goods. If any component is lost or damaged, you will replace it with parts of equal standard and quality to the original components.

- 6.2** You must use the Goods properly and comply with any guidelines issued by the Supplier and/or manufacturer. You must not use the Goods for any unlawful purpose. If relevant, you are responsible for connection and disconnection of the Goods.
- 6.3** You will not allow the Goods to be used for the purpose of racing, rallying or any form of competition, pace making, reliability trials, speed testing, and unless otherwise approved, towing or driving tuition.
- 6.4** If any tracking or location device is installed or supplied with the Goods which allows you or any other person to locate any of the Goods then you agree that you will hold the benefit of any agreement for (and all rights relating to) the tracking device on trust for the Lender and authorises the Lender to exercise all of your rights in relation to or under the same. The Lender may produce this clause 6.4 to evidence its entitlement to exercise all or any of such rights and you agree to provide all such other confirmations or authorities as the Lender may require to evidence the Lender's entitlement to the same on request.
- 6.5** You must keep the Goods at the Location and you must not take it outside the United Kingdom without our prior written consent, provided that if the Goods are vehicles then you may use the Goods in the European Union ("Permitted Area") for 21 consecutive days at a time. You will obtain and maintain in force at all relevant times all licences and permissions required to operate the vehicles lawfully in the Permitted Area. You will ensure that the insurance covers the use of the vehicles in the Permitted Area. If you wish to change the Location, you must first obtain our written consent.
- 6.6** You must not part with possession of the Goods or any part of it; sell, sub-hire, assign or charge the Goods or the benefit of this Agreement; create or permit any lien or any other encumbrance on the Goods; interfere in any way with any name plate or identification mark on the Goods, or make any alterations or modifications to the Goods, without first obtaining our written consent.
- 6.7** You will allow us and any persons we may authorise to inspect the Goods from time to time and/or to place a name plate or other mark on the Goods identifying us as the owners of it, and to enter the property where you keep the Goods for those purposes.
- 6.8** You will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.
- 6.9** You will maintain, where appropriate, any operator's or similar licences throughout the hiring of the Goods, and comply with all laws and regulations in relation thereto.
- 6.10** You are responsible for all loss and damage to the Goods (except fair wear and tear) even if caused by acts beyond your control.

## 7. Insurance

- 7.1** You will insure the Goods for full replacement value against all risks under a fully comprehensive policy (with Lender's interest noted on the policy). You will compensate us for any uninsured loss or damage.
- 7.2** If any amount paid to us is not enough to meet your liability under this Agreement, then you will pay to us the difference. If the amount paid to us is more than your liability we will pay to you the surplus.
- 7.3** You shall continue to make Payments to us even if you are unable to use the Goods whether by reason of damage, mechanical defect or otherwise.
- 7.4** If the Goods are lost, stolen, destroyed or deemed to be a total loss for insurance purposes, the hiring of the Goods shall immediately end and you will pay to us the amount calculated in accordance with clause 9.1 but we shall deduct any Insurance Proceeds we receive from the amount due under that clause.

## 8. When we may end the hiring

- 8.1** We may end the hiring under this Agreement, following written notice to you, if any of the following shall occur:
- (a) you fail to make any Payment or other sum due under this Agreement or any other agreement with us on the due date for Payment; or
  - (b) you are in breach of any of your other obligations under this Agreement and, where such breach is capable of remedy, you fail to remedy such breach within 14 days of us notifying you of such breach and requiring its remedy; or
  - (c) a meeting is called for your creditors; or a scheme of arrangement is made or proposed with your creditors; or
  - (d) a petition is presented for your bankruptcy (or, in Scotland, sequestration order); or
  - (e) a receiver or administrator is appointed over all or any of your assets, or any steps are taken with a view to appointing the same; or
  - (f) you die; or
  - (g) you are unable to pay your debts when they fall due; or

- (h) you stop carrying on business or, if you are a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
- (i) you have supplied information under this Agreement which was incorrect at the date of your signature(s); or
- (j) you allow any distress or execution to be levied against any of your assets or the Goods; or
- (k) you do anything (or omit to do anything) which in our reasonable opinion may prejudice or jeopardise the Goods and/or our rights of ownership in it; or
- (l) in our opinion, there occurs a material adverse change in your financial or business position; or
- (m) we become entitled to terminate any other Hire, Hire Purchase, Loan or other finance agreement we may have entered into from time to time with you.

## 9. What happens when the hiring ends

- 9.1** When the hiring under this Agreement is ended early under clauses 7 or 8, you must pay to us:
- (a) all arrears of Payments and other sums due to us at the date of termination, together with any interest, costs, charges and expenses which have been incurred by us under this Agreement;
  - (b) any costs we may incur in relation to the Goods including any relating to insurance, transport, storage and restoring the Goods to good working order and condition;
  - (c) compensation for our loss of profit under this Agreement equal to the Balance Payable less any rebate which you may be entitled to by law.
- 9.2** If we have terminated the Agreement under clause 8, you shall at your own expense redeliver the Goods to a location in the United Kingdom notified to you by us. The Goods shall be in good repair and working order and commensurate with the performance by you of your obligations under this Agreement, and if it is not, you shall pay to us the costs necessary to restore the Goods to the required condition. If you fail to return the Goods to us within 7 days of the termination of this Agreement, you shall grant us or our agent access to any premises where the Goods may be for the purpose of removing it, and shall reimburse us any costs we incur in doing so.

## 10. Compensation

- 10.1** You shall compensate us for any amount incurred by us as a result of your failure to perform your obligations under this Agreement.

## 11. General

- 11.1** Expenses: You will pay the amount of any expenses (including but not limited to legal fees) that we incur in recovering possession of the Goods or in enforcing the terms of this Agreement.
- 11.2** Notices: Any written notice required to be given under this Agreement may be sent by first class prepaid post to the other party's last known address, or e-mail to the address provided by the other party for this purpose. Any notice sent by post will be deemed to be received in the usual course of posting; notices sent by e-mail will be deemed to be received immediately.
- 11.3** No Assignment: Your rights and obligations under this Agreement cannot be transferred. We may assign or transfer our rights under this Agreement to an entity that is appropriately authorised. If we do so your rights under the Agreement will not be altered by this assignment or transfer.
- 11.4** Rights of Third Parties: A person who is not a party to this Agreement shall have no right to enforce any terms of it under the Contracts (Rights of Third Parties) Act 1999.
- 11.5** Commission: If you have been introduced to us via a credit broker/ intermediary we will pay them a commission for the introduction. Please contact them directly for further information.
- 11.6** Waiver: If we temporarily relax the terms of the agreement, for instance, by giving you more time to pay, we may at any time decide to enforce the terms more strictly again. Our rights under the Agreement will not be affected as a result of any such concession.
- 11.7** Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under our quality control.
- 11.8** Governing Law: Our relations with you are based on the law of the country in the United Kingdom where you are domiciled, being England, Wales, Scotland or Northern Ireland and disputes may be referred to the courts of that country.