

Customer Information

Customer Name: _____

Agreement Number: _____

Novuna Business Finance works with an approved panel of Introducers. We have a commercial arrangement with them to introduce customers to us and we pay them a commission.

You were introduced to us by _____. The Introducer’s role in the transaction is to facilitate your financing arrangement and introduce you to a lender. The Introducer will not search the entire lending market and only works with a selection of lenders.

If you enter into this finance agreement with Novuna Business Finance your Introducer will be paid a commission as detailed below. Whilst they aim to find you suitable finance for your circumstances, there may be alternative finance options more suitable for you elsewhere, so it’s important that you consider all your options before entering into this finance agreement.

Total Commission Payable: £ _____

The commission amount is paid directly to the Introducer by Novuna Business Finance.

How is the commission calculated?

This commission payment is a percentage of the amount financed. It is determined by Novuna Business Finance and agreed with the broker within set parameters.

Commission Amount £	Amount Financed £	Commission as a percentage of the Amount Financed %	This is not shown as an additional charge in your finance agreement but is included in the Total Amount Payable.
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An additional fixed commission may be paid and is determined by Novuna Business Finance.

Commission Amount £	This commission amount will not increase the amount you pay for your finance.
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Customer Acknowledgment and Consent

By signing below, you confirm that:

- You understand the information contained in this document
- You understand that the Introducer will be paid the commission set out above
- You consent to us making this payment when you enter into the finance agreement

Customer Signature:

Full Name in

BLOCK CAPITALS:

Position Held:

Date:

Tomorrow. Together

Non-Regulated Hire Purchase Agreement

Variable Rate - Balanced Payment

- For Body Corporates and Partnerships of 4 Partners or more
- For Sole Traders, Partners of 2 or 3 and Unincorporated Associations where the amount of credit is over £25,000
- Business use assets only

Your Hire Purchase Agreement - An Explanation

In order to ensure that you understand the features of your hire purchase agreement (the “**Agreement**”), we, Mitsubishi HC Capital UK PLC trading as Novuna Business Finance have requested that your broker/introducer provides you with this written overview of the features of hire purchase before you sign the Agreement. Please review this information carefully and consider whether hire purchase is suitable for your purposes.

What is the Finance Product?

This is a balanced payment variable rate hire purchase agreement which means that you get the benefit of predictable fixed monthly amount calculated using a variable interest rate. In order to calculate the predictable fixed monthly amount (referred to as an Instalment), we will apply an assumed fixed interest rate to calculate the fixed monthly payments throughout the term of the hire period and at the end of the term, you will pay an amount that balances out the difference between the assumed fixed interest rate and any increases or decreases in the Bank of England Base Rate that occur throughout the hire period.

At the end of the hire period you have an option to purchase the goods. You will not own the goods until all payments have been made, including the option to purchase fee which is payable with the final instalment payment.

What will I have to pay?

The cost of finance included in the Instalment that you pay is linked to the Bank of England Base Rate.

Your first Instalment will include a documentation fee of

£

which will then be followed by the number of Instalments listed below:

No.	Frequency	Instalments	Due Date / Commencing on
	Monthly	£	
		£	
		£	
		£	
		£	
Followed by an estimated Final Instalment of:			
£		payable on	
Please Note: If this Agreement is terminated early (either by the Customer or by Novuna), then an early payment fee will be payable. Please see clause 10 for details.			

The Instalments are the same amount each month.

The estimated interest rate used to calculate the predictable Instalment may be different than the actual interest rate which we will use to calculate the amount of the total actual Instalment payments that will accrue over the term of the Agreement. We will calculate the actual Instalment by multiplying the amount you owe us by an interest rate equal to the sum of the Bank of England Base Rate and our margin. The total amount you will have to pay will vary depending on movements in the Bank of England Base Rate over the term of the hire purchase agreement. If the Bank of England Base Rate is higher than the estimated assumed base rate over the term of the hire purchase agreement, the Final Instalment you will have to pay will be higher, however if the actual Bank of England Base Rate over the term is lower, your Final Instalment will be lower than the estimated Final Instalment set out in the Agreement.

Each month we will compare the actual vs estimated amount of interest included in the Instalment payment. If the actual amount of interest is more than the estimated amount of interest, we will add the shortfall amount of interest to the amount that you owe us and you will pay interest on that amount (i.e. the interest will be capitalised) together with the amount that you owe us. Similarly, if the actual amount of interest is less than the estimated amount of interest paid, we will deduct the excess amount from the amount that you owe us.

The total estimated interest payable (calculated at the assumed fixed base rate) is described as “Finance Charges” in the table set out on Page 1 of the Agreement.

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

What happens if I miss or make late payments?

If you fail to pay any amount owed under the Agreement, we will share this information with the credit reference agencies, which could make it more difficult for you to obtain credit in the future. 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.

What happens if I change my mind?

Once signed, you will not have the right to cancel the Agreement.

Can I make a prepayment?

You may prepay all or some of the amounts owed under the Agreement at any time. Upon receipt of such amount, the remaining Instalment will be recalculated to reflect the payment of such amount. Alternatively you have the option to pay the same amount and shorten the term. An early payment fee, calculated based on the table below, is payable.

Date of Prepayment or Repayment	Percentage of the Prepayment or Repayment Amount
up to 24 months	3%
between 25 to 36 months	2%
from 37 months plus	1%
Final Instalment	0%

Can I Repay my Agreement Early?

You may repay the Agreement early in full at any time. On request, we will provide you with details of the amount required to repay the remaining amounts owed which will include:

- all amounts due up to the date of repayment;
- a sum equal to the remaining amount outstanding; and
- an early payment fee calculated based on the table above.

Will the Credit Broker/Intermediary be paid a commission?

If you were introduced to Novuna by a broker or credit intermediary (the Broker), we will pay them a commission for the introduction, the Broker has discretion to determine the total amount received by adjusting the interest rate and other fees within set parameters which make up the total cost of credit. The Broker will confirm to you the total amount of commission received when asked.

Who can I contact to ask questions.

If you have any questions please ask the Broker or contact Novuna Business Finance on 03433 519 322 or 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/



Non-Regulated Hire Purchase Agreement Variable Rate Balanced Payment

This hire purchase agreement (the “**Agreement**”) is made between Mitsubishi HC Capital UK PLC (trading as Novuna Business Finance) and its successors and assigns (“**Novuna**”) registered at Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP. Company no. 01630491; and the Customer named in this Agreement (the “**Customer**”).

Agreement number

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Customer details

Customer name:	<input style="width: 95%;" type="text"/>	Company number:	<input style="width: 95%;" type="text"/>
Trading as:	<input style="width: 100%;" type="text"/>		
Address:	<input style="width: 100%; height: 30px;" type="text"/>		
Postcode:	<input style="width: 100%;" type="text"/>		
Telephone:	<input style="width: 100%;" type="text"/>	Mobile:	<input style="width: 100%;" type="text"/>
Email:	<input style="width: 100%;" type="text"/>		

Partner's/Director's Name(s):

(1)	<input style="width: 95%;" type="text"/>
(2)	<input style="width: 95%;" type="text"/>
(3)	<input style="width: 95%;" type="text"/>
(4)	<input style="width: 95%;" type="text"/>

Goods

New/Used	Make / Model / Description	Serial / Chassis Number	Registration Number
Location of Goods (if different from above)			

Instalments and financial information

Cash Price (excl. VAT)	(a)	£
VAT	(b)	£
Non VAT	(c)	£
Total Cash Price	(a)+(b)+(c) = (d)	£
Cash Deposit	(e)	£
Part Exchange	(f)	£
Total Deposit	(e)+(f) = (g)	£
Balance Financed	(d)-(g) = (h)	£
Finance Charges (estimated - see Page 2)	(i)	£
Documentation Fee (payable with the first Instalment)	(j)	£
Balance Payable	(h)+(i)+(j) = (k)	£
Option to Purchase Fee (incl. of VAT, payable with the final Instalment)		£

No.	Frequency	Instalments	Due Date / Commencing on
		£	
		£	
		£	
		£	
		£	
Followed by an estimated Final Instalment of:			
£		payable on	
Please Note: If this Agreement is terminated early (either by the Customer or by Novuna), then an Early Payment Fee will be payable. Please see clause 10 for details.			

Hire Period means months commencing on the Date of the Agreement

IMPORTANT – Your Information:

We will obtain information about you from credit reference and fraud prevention agencies to help make decisions about you and we will record information about you with them. It is important that you read the “Use of Your Information” notice. You can also read our full privacy policy at www.novuna.co.uk/business-finance/privacy-notice

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. In addition, you will have to pay charges for breach of this Agreement.

The Customer will repay Novuna the Balance Financed by paying Novuna each Instalment (which includes an estimate of the interest payable, calculated daily using the sum of the Margin and the Assumed Base Rate as further described below) and the Final Instalment on the dates set out in the table below or on such other date as may be notified by Novuna from time to time.

The total estimated monthly interest payment for the Hire Period is described as "Finance Charges" and is set out in the table on Page 1.

Interest Rate

Interest included in the Instalment will be calculated daily and will accrue during each Interest Period on the Balance Financed at a percentage rate per annum which is the sum of the:

- (a) Margin of _____% and
- (b) Actual Base Rate.

Assumed Base Rate

The Actual Base Rate may increase or decrease over the Hire Period and the amount of interest included in the Instalment and payable by the Customer will increase or decrease accordingly. Notwithstanding that the amount of interest may increase or decrease, this Agreement provides that, other than the Final Instalment, the Customer shall pay the same amount each month and for such purpose, Novuna will use an

Assumed Base Rate of _____% per annum plus the Margin to calculate the estimated monthly interest payments included in the Instalment.

Balance Financed Adjustment for Capitalised Interest and Interest Overpayment

On the last day of each Interest Period, Novuna will compare the accrued actual monthly interest with the estimated monthly interest included in the Instalment and if the accrued actual monthly interest is:

- (a) less than the estimated monthly interest, the Balance Financed will be reduced by such amount; or
- (b) more than the estimated monthly interest, the Balance Financed will be increased by such amount.

Calculation and Payment of the Final Instalment

On the due date for payment of the Final Instalment, the Customer will pay Novuna the estimated Final Instalment set out above as adjusted in accordance with the Balance Financed Adjustment referred to in the paragraph above.

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).

Complaints

If you have a complaint about a product or service offered by Novuna Business Finance, then please contact our Customer Service Team on 03433 519 322 or email customerservice@novunabusinessfinance.co.uk.

If we are unable to resolve it to your satisfaction and you are an eligible complainant, you may have the right to refer your complaint to the Financial Ombudsman Service. Please visit the website for further information: www.financial-ombudsman.org.uk

Declaration for exemption relating to businesses (articles 60C and 60O of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001)

I am/We are* entering this agreement wholly or predominantly for the purposes of a business carried on by me/us* or intended to be carried on by me/us*.

I/We* understand that I/we* will not have the benefit of the protection and remedies that would be available to me/us* under the Financial Services and Markets Act 2000 or under the Consumer Credit Act 1974 if this agreement were a regulated agreement under those Acts.

I/We* understand that this declaration does not affect the powers of the court to make an order under section 140B of the Consumer Credit Act 1974 in relation to a credit agreement where it determines that the relationship between the lender and the borrower is unfair to the borrower.

I am/We are* aware that, if I am/we are* in any doubts as to the consequences of the agreement not being regulated by the Financial Services and Markets Act 2000 or under the Consumer Credit Act 1974, then I/we* should seek independent legal advice.

*Delete as appropriate

Declared/Signed by:

(1)

(2)

(3)

This is a Hire Purchase Agreement. Sign it only if you want to be legally bound by its terms.

Signature(s)

Date(s) of Signature(s)

The Goods will not become your property until you have made all the Instalments. You must not sell them before then.

Full Name in BLOCK Capitals

Position Held

(Office use only)

Signed for and on behalf of Novuna

Date (the **Date of the Agreement**)

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 Owners.

If you are making a joint application, or tell us that you have a financial associate or business partner (e.g. a personal guarantor or another director or partner of your company or partnership), 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
- Experian www.experian.co.uk/crain
- TransUnion 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

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 or by emailing us at customerservice@novunabusinessfinance.co.uk or calling us on 03433 519 322 and requesting a copy of our “privacy policy”.



Instruction to your bank or building society to pay by Direct Debit



Please fill in the whole form using a ball point pen and send it to :

Novuna Business Finance, Novuna House,
Thorpe Road, Staines-upon-Thames, Surrey TW18 3HP

Name and full postal address of your bank or building society

To: The Manager	Bank/building society
Address	
Postcode	

Name(s) of accounts holder(s)

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Bank/building society account number

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Branch sort code

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Service user number

9	4	5	5	5	4
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Reference

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Instruction to your bank or building society

Please pay Mitsubishi HC Capital UK PLC trading as Novuna Business Finance Direct Debits from the account detailed in this instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand that this instruction may remain with Novuna Business Finance and, if so, details will be passed electronically to my bank/building Society.

Signature(s)
Date

DDI BF A5 02.22

Banks and Building Societies may not accept Direct Debit Instructions for some types of account. This guarantee should be detached and retained by the payer.

The Direct Debit Guarantee



- This Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits
- If there are any changes to the account, date or frequency of your Direct Debit Novuna Business Finance will notify you 10 working days in advance of your account being debited or as otherwise agreed. If you request Novuna Business Finance to collect a payment, confirmation of the amount and date will be given to you at the time of the request
- If an error is made in the payment of your Direct Debit, by Novuna Business Finance or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society
 - If you receive a refund you are not entitled to, you must pay it back when Novuna Business Finance asks you to
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify us.

1. Definitions

1.1 The following words and expressions shall have the following meanings:

Actual Base Rate means, subject to a minimum of 0%, the Bank of England base rate as set by the Monetary Policy Committee and published by the Bank of England from time to time;

Balance Financed means the amount set out on Page 1 of this Agreement next to the heading "Balance Financed" as adjusted from time to time to take into account Instalment payments, any prepayments, any interest capitalisation and interest overpayments at the end of each Interest Period (as described on Page 2) together with any other unpaid sums payable under this Agreement;

Business Day means a day (other than a Saturday, Sunday or a bank holiday) on which banks are open for general business in London;

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

Documentation Fee means the fee for Novuna's costs of handling the proposal, setting up this Agreement and releasing the funds;

Final Instalment means the amount payable by the Customer specified on Page 2, as adjusted to take into account the Balance Financed Adjustment referred to on Page 2 and any Prepayments;

Goods means the goods described on Page 1, which shall include any accessories or additions to the Goods and any renewals of component parts and any replacement of the Goods;

Hire Period means the period of hire specified on Page 2, commencing on the Date of the Agreement;

Instalments means the monthly amount payable by the Customer on the dates and frequency set out on Page 2.

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

Interest Period shall be monthly starting on the date of this Agreement;

Location means the premises specified on Page 1 where the Goods are to be situated;

Option to Purchase Fee means the fee to purchase the Goods as set out on Page 1;

Prepayment means a lump sum or other payment made by the Customer other than a scheduled Instalment; and

Supplier means the supplier of the Goods;

1.2 The expressions "**Assumed Base Rate**" and "**Margin**" refer to the amounts and rates set out on Page 2.

1.3 Unless the context otherwise requires, words in the singular shall include the plural (and the reverse).

2. Hire

2.1 From the Date of the Agreement Novuna agrees to hire to the Customer and the Customer agrees to take on hire the Goods, on the terms set out in this Agreement (including the terms set out on Page 2) for the Hire Period with an option to purchase (as further described in clause 10) for use in the Customer's business.

3. Delivery and Acceptance

3.1 The Customer will make arrangements with the Supplier for the delivery and (if applicable) the installation of the Goods at the Location. Novuna will not be liable for any delay in the delivery or installation of the Goods.

3.2 Upon delivery the Customer will inspect the Goods and ensure that the Goods are in good working order and condition and meet the Customer's requirements. Unless the Customer notifies Novuna of any issues with the Goods within five working days of the date of delivery of the Goods, Novuna shall be entitled to assume that the Goods are complete, in good working order and condition, of satisfactory quality and meet the Customer's requirements.

4. Instalments and Prepayment

4.1 The Customer agrees to pay the Total Deposit and Documentation Fee to Novuna (or, if Novuna instructs the Customer otherwise, to the Supplier) when the Customer signs this Agreement.

4.2 The Customer agrees to pay Novuna:

- (a) the Instalments and the Final Instalment on the due date by direct debit; and
- (b) all other amounts within 7 days of Novuna's written demand.

4.3 Any determination by Novuna of an amount payable by the Customer under this Agreement shall be conclusive and binding on the Customer in the absence of fraud or manifest error.

4.4 If the date for payment of any amount under this Agreement is not a Business Day, the payment shall be made on the next Business Day.

4.5 Payments shall only be treated as paid on the date of receipt by Novuna in full and cleared funds.

4.6 The Customer may make a Prepayment at any time. The Customer may instruct Novuna to apply the Prepayment to reduce the amount of the Instalments and/or the Hire Period.

4.7 An early payment fee, calculated in accordance with clause 10.1, is payable together with the Prepayment. The Customer may elect to either deduct the fee from the Prepayment or pay the fee to Novuna.

5. Goods and Exclusion of Liability

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

- (a) Novuna will 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 the Customer's statutory rights; and
- (c) the Customer acknowledges that the Supplier of the Goods is not Novuna's agent and does not have any authority to make any representation or give any warranty concerning the Goods on Novuna's behalf.

5.2 Where the Customer is not dealing as a consumer as defined by the Unfair Contract Terms Act 1977, the Customer and Novuna both recognise that there is always a risk that the Goods will not perform as the Customer requires. The Goods have been selected by the Customer from a Supplier of the Customer's choice and the Customer acknowledges that Novuna has no knowledge about the condition, quality or the suitability of the Goods for the purpose that the Customer wishes to use the Goods for. Accordingly, it is agreed that this risk should be carried by the Customer, and the Customer and Novuna both agree as follows:

- (a) the Customer warrants that where the Customer is hiring a business use asset, they are entering into this Agreement and will use the Goods for the purposes of their business;
- (b) the Customer acknowledges that the Supplier is not Novuna's representative or agent, and has no authority to make any representation on their behalf including, but not limited to the giving of any warranties regarding the condition and/or use of the Goods;
- (c) the Customer acknowledges that the Basic Instalments which the Customer will pay have been calculated by Novuna on the assumption that they will not be liable for such condition and use;
- (d) the Customer accepts that they must obtain any warranties relating to the Goods (the **Warranties**) that the Customer requires, including any variations to those Warranties where the Customer has requested alterations or modifications to the Goods, directly from the Supplier; and
- (e) notwithstanding clause 5.2(d) above, the Customer accepts that any alterations or modifications to the Goods that it has requested, either before or following delivery, may invalidate the Warranties.
- (f) in the circumstances, the Customer agrees that it is reasonable for Novuna to exclude/limit Novuna's liability in respect of the condition and/or use of the Goods as follows:
 - (i) Novuna does not give any express warranties in relation to the Goods and Novuna 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 Novuna is unable in law to exclude such liability); and
 - (ii) the Customer will compensate Novuna for any loss, charge or claim which arises directly or indirectly from its use and/or possession of the Goods (save for personal injury or death caused by Novuna's negligence);
- (g) furthermore, if it transpires that the Customer has (or, but for the operation of this clause 5.2 would have had) any claim against Novuna in respect of the condition and/or use of the Goods, then Novuna may (at Novuna's discretion) arrange for the benefit of any similar claim that Novuna may have against the Supplier in respect of Novuna's purchase of the Goods to be transferred to the Customer, and such transfer will satisfy any claim that the Customer may have against Novuna; and

- (h) The Customer acknowledges and agrees:
 - (i) that the provisions of this clause 5.2 are reasonable, in that they are intended to put the Customer into the position that the Customer would have been in had the Customer purchased the Goods direct from the Supplier; and
 - (ii) that it is unreasonable to expect Novuna to bear the risk of non-performance of the Goods that the Customer sourced from the Supplier of the Customer's choice, simply because Novuna has financed the Customer's use of the Goods; and
 - (iii) notwithstanding the above, if and to the extent that any of the above provisions are ineffective to exclude Novuna's liability, it is agreed by the Customer that:
 - (A) Novuna 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, Novuna's liability will be limited to the lesser of the cost of repairing the Goods, its diminution in value or the total of the Instalments due under this Agreement.

6. Care of the Goods

- 6.1 The Customer will maintain the Goods (at the Customer's expense) in full working order and condition. The Customer is 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, the Customer will replace it with parts of equal standard and quality to the original components.
- 6.2 The Customer will use the Goods properly and comply with any guidelines issued by the Supplier and manufacturer. The Customer must not use the Goods for any unlawful purpose. If relevant, the Customer is responsible for connection and disconnection of the Goods.
- 6.3 The Customer 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 the Customer or any other person to locate any of the Goods then the Customer agrees that they will hold the benefit of any agreement for (and all rights relating to) the tracking device on trust for Novuna and authorise Novuna to exercise all of their rights in relation to or under the same. Novuna may produce this clause 6.4 to evidence its entitlement to exercise all or any of such rights and the Customer agrees to provide all such other confirmations or authorities as Novuna may require to evidence Novuna's entitlement to the same on request.
- 6.5 The Customer will keep the Goods at the Location and the Customer must not take the Goods outside the United Kingdom without Novuna's prior written consent, provided that if the Goods are vehicles then the Customer may use the Goods in the European Union ("Permitted Area") for 21 consecutive days at a time. The Customer will obtain and maintain in force at all relevant times all licences and permissions required to operate the vehicles lawfully in the Permitted Area. The Customer will ensure that the insurance covers the use of the vehicles in the Permitted Area. If the Customer wishes to change the Location, the Customer must first obtain Novuna's written consent.
- 6.6 The Customer will 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 Novuna's written consent.
- 6.7 The Customer will allow Novuna and any persons Novuna may authorise to inspect the Goods from time to time and/or to place a name plate or other mark on the Goods identifying Novuna as owner of it, and to enter the property where the Customer keep the Goods for those purposes.
- 6.8 The Customer will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.
- 6.9 The Customer 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 The Customer is responsible for all loss and damage to the Goods (except fair wear and tear) even if caused by acts beyond the Customer's control.

- 6.11 The Customer shall indemnify Novuna and keep Novuna indemnified on demand against all losses, charges, claims and expenses directly or indirectly incurred by Novuna in respect of any loss or damage caused to or by the Goods at any time prior to the Goods being returned to Novuna.

7. Insurance

- 7.1 The Customer will insure the Goods for full replacement value against all risks under a fully comprehensive policy (with Novuna's interest noted on the policy). The Customer will indemnify Novuna against any uninsured loss or damage resulting from the Customer's failure to comply with the terms of this clause.
- 7.2 If any amount paid to Novuna is not enough to meet the Customer's liability under this Agreement, then the Customer will pay to Novuna the difference. If the amount paid to Novuna is more than the Customer's liability, Novuna will pay to the Customer the surplus.
- 7.3 The Customer shall continue to pay the Instalments and Final Instalment to Novuna even if the Customer is 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 the Customer will pay to Novuna the amount calculated in accordance with clause 9 but Novuna shall deduct any Insurance Proceeds received from the amount due under clause 9.

8. Termination Events

- 8.1 The Customer may terminate this Agreement at any time by giving Novuna notice in writing and the Customer shall immediately return the Goods to Novuna at such a place in the United Kingdom as Novuna may require and pay Novuna the sums set out in clause 9.
- 8.2 If any of the following events occurs Novuna may terminate this Agreement:
 - (a) if the Customer fails to make a payment under this Agreement on the due date for payment; or
 - (b) if the Customer breaches any term (other than a payment term) of this Agreement and where such term is able to be remedied, fails to remedy such breach within 5 days from receipt of notice of breach from Novuna; or
 - (c) if the Customer is unable to pay its debts as they fall due or if Novuna considers the Customer is or may become insolvent; or
 - (d) if the Customer does anything which may prejudice Novuna's rights to or in the Goods; or
 - (e) if any other agreement which the Customer enters into with Novuna or a member of Novuna's group of companies is terminated or becomes capable of termination; or
 - (f) if Novuna becomes aware that any information supplied by the Customer is false; or
 - (g) if the Goods become an actual or constructive total loss; or
 - (h) if the Customer breaches any loan agreement or other agreement or obligation relating to borrowing or any lease, hire purchase, credit sale or any other form of agreement or any borrowing is declared or could be declared payable prior to its maturity date; or
 - (i) if there is any change in control of the Customer's company or its ultimate holding company; or
 - (j) if a receiver, administrator, administrative receiver or liquidator is appointed over all or any part of the Customer's assets, or any person who is entitled to do so takes any steps to appoint an administrator over any of the Customer's assets or files such a notice with the court, or the Customer ceases or threatens to cease trading, or the Customer convenes any meeting of or enter into any arrangement with the Customer's creditors or any of them; or
 - (k) if a landlord levies or attempts to levy distress on the Goods or any premises where the Goods may be; or
 - (l) if being an individual, the Customer dies or becomes bankrupt or a petition is presented or an application is made for an interim order or a bankruptcy order; or
 - (m) if the Customer is a partnership and any of the partners dies, or a petition is presented for an administration order to be made in relation to the partnership or a resolution is passed for the winding up or dissolution of the partnership or a petition is presented for a bankruptcy order to be made against one or more of the partners for non-payment of a partnership debt or any one or more of the partners enters into a voluntary arrangement with its creditors; or

- (n) if a guarantor of the Customer's obligations under the Agreement is no longer connected with the Customer in any capacity, ceases to hold their existing position in relation to the Customer or otherwise discontinues their role as a guarantor, or any guarantee of the Customer's obligations under the Agreement otherwise falls away for any reason; or
- (o) if Novuna has reasonable grounds to believe the Goods, or Novuna's interest in them, is at risk; or
- (p) if any event occurs which, in Novuna's opinion, has or is likely to have a material adverse effect on the Customer's business, properties or condition, financial or otherwise or on the Customer's ability to duly perform and observe its obligations under this Agreement; or
- (q) the Customer or any person with a controlling interest in the Customer is, in Novuna's opinion, involved in an activity that may bring Novuna's name into disrepute.

8.3 If any of the events set out in clause 8.2 occurs in relation to a guarantor of the Customer's obligations under this Agreement, Novuna may terminate this Agreement and for this purpose any reference to "this Agreement" in clause 8.2 shall be construed as a reference to the relevant guarantee and any reference to "the Customer" as a reference to the guarantor.

9. Consequences of Termination

9.1 On termination of this Agreement for any reason, the Customer shall:

- (a) return the Goods to Novuna at such address as Novuna may specify in the same condition the Goods were in as at the date of this Agreement (fair wear and tear excepted) or, if the Customer does not return the Goods, Novuna may repossess the Goods and for such purpose the Customer grants Novuna and its authorised servants and agents an irrevocable licence to enter any premises occupied by the Customer from time to time;
- (b) pay to Novuna:
 - (i) all arrears owing up to the date of termination; and
 - (ii) as liquidated damages, the total of:
 - (A) all arrears of Instalments, Interest and other amounts due up to the date of termination; plus
 - (B) the Balance Financed; plus
 - (C) all other sums payable to Novuna under this Agreement; plus
 - (D) an early payment fee calculated in accordance with clause 10; plus
 - (E) Novuna's estimate of any costs incurred by Novuna in repossessing, storing, insuring and selling the Goods, delivering them to a buyer and any sales commission paid by Novuna and the costs of restoring the Goods to substantially the same condition (after allowing for fair wear and tear) as the Goods were in at the commencement of this Agreement.

9.2 After termination of this Agreement Novuna will, if Novuna is in possession of the Goods, try to sell the Goods and, provided the Customer pays all the above sums, Novuna will pay to the Customer the net proceeds of sale of the Goods (excluding VAT and Novuna's cost of repossession, insurance, storage and sale). For the purposes of this clause, net proceeds of sale will be the net proceeds of sale of the Goods (excluding VAT and Novuna's cost of repossession, insurance, storage and sale) received by Novuna, or if it has not sold the Goods within 28 days after repossessing them the trade value of the Goods (excluding VAT and Novuna's remarketing expenses) established as soon as practicable after the 28 days by a dealer selected by Novuna in Goods of the same kind as the Goods. The Customer's obligations under this clause will be treated as if they had arisen immediately before termination.

10. Early Payment

10.1 Termination: If prior to the end of the Hire Period the Agreement is terminated under clauses 8.1 or 8.2, then in addition to paying the amounts set out in clause 9.1 (such payments being a "Repayment"), the Customer is also obliged to pay an early payment fee calculated as the amount equal to the Balance Financed multiplied by the relevant percentage set out in the table below.

10.2 Prepayment: If prior to the end of the Hire Period the Customer chooses to make a Prepayment, the Customer shall immediately pay: (i) the Prepayment amount; (ii) any amounts due under clause 9.1(b) (ii)(A); and (iii) an early payment fee calculated as the amount equal to the Prepayment multiplied by the relevant percentage set out in the table below.

10.3 Early Settlement: If prior to the end of the Hire Period the Customer chooses to settle the Agreement in full, the Customer shall immediately pay: (i) the amounts due under clause 9.1(b)(ii) (A),(B),(C),(D); (ii) an early payment fee calculated as an amount equal to the Balance Financed multiplied by the relevant percentage set out in the table below; and (iii) the Option to Purchase Fee.

Date of Prepayment or Repayment	Percentage of the Prepayment or Repayment amount
up to 24 months	3%
between 25 to 36 months	2%
from 37 months plus	1%
Final Instalment	0%

11. Option to Purchase

11.1 Provided that the Customer complies with its obligations under this Agreement, the Customer may purchase the Goods by paying Novuna the Option to Purchase Fee. Title to the Goods shall automatically transfer to the Customer upon payment of the Option to Purchase Fee. The Customer shall have no ownership interest in the Goods until the option to purchase is validly exercised.

12. Indemnity

12.1 The Customer shall indemnify Novuna for any amount incurred by Novuna as a result of the Customer's failure to perform any of their obligations under this Agreement. The provisions of this clause shall continue in full force and effect notwithstanding the termination of this Agreement.

13. General

13.1 Expenses: The Customer will pay on demand the amount of any expenses (including but not limited to legal fees) that Novuna incur in recovering possession of the Goods or in enforcing the terms of this Agreement.

13.2 Joint liability: If the Customer is more than one person, each Customer will be liable, individually as well as together, to the full extent for the obligations of the Customer under this Agreement.

13.3 No Assignment: The Customer shall not transfer its rights or obligations under this Agreement. If Novuna transfers Novuna's rights or obligations under this Agreement, the Customer's rights and obligations under this Agreement will not be affected.

13.4 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 unless notification of non-delivery is received by the sender

13.5 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.

13.6 Commission: If the Customer was introduced to Novuna by a broker or credit intermediary (the **Broker**), we will pay them a commission for the introduction: the Broker has discretion to determine the total amount received by adjusting the interest rate and other fees within set parameters which make up the total cost of credit. The Broker will confirm to the Customer the total amount of commission received when asked.

13.7 Waiver: If Novuna temporarily relax the terms of this Agreement, for instance, by giving the Customer more time to pay, Novuna may at any time decide to enforce the terms more strictly again. Novuna's rights under this Agreement will not be affected as a result of any such concession.

13.8 Set Off: The Customer hereby authorises Novuna to set-off any amount owing by Novuna to the Customer under this Agreement from any amount which is owing by the Customer to Novuna under this Agreement or under any other contract or on any other account whatsoever.

13.9 Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under Novuna's quality control.

13.10 Counterparts: This Agreement may be signed in any number of separate counterparts but shall together constitute one and the same instrument.

13.11 Governing Law: Novuna's relations with the Customer are based on the law of the country in the United Kingdom where the Customer is domiciled, being England, Wales, Scotland or Northern Ireland, and disputes may be referred to the courts of that country.