

# Hire Agreement

Regulated by the Consumer Credit Act 1974

## Fixed Period

- Applicable for both Regulated and Non-Regulated Agreements
- When there is a Residual Value
- Business Use Only

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/)



**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. VAT registration no. 823 8248 22.

**Agreement number**

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

**Customer details**

Customer name:

Trading as:

Address:

Postcode:

Telephone:  Mobile:

Email:

Company number:

**Partnership details:**

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

(1)

(2)

(3)

(4)

**Key Financial Information**

New / Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Limited Usage	Current Recorded Usage	Special Return Conditions Applicable?

If the Goods are more than one item, please complete the attached Schedule of Goods. Is there a Schedule of Goods attached?

Location of Goods (if different from above)

The Fixed Period of hire will be  months starting on the Date of the Agreement.

During the Fixed Period of hire, you shall pay Payments on a Monthly / Quarterly / Semi-Annual / Annual basis, as shown below, the first falling due on the Date of the Agreement, with subsequent payments due on the same date on

Payment (excl. VAT)	Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>

On the Date of the Agreement, you shall pay to us an Advance Payment of:

Followed by subsequent Payments:

No.	Frequency	Payment (excl. VAT)	Payment (incl. VAT)	Due Date / Commencing on (to be completed by the Lender)
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	

**Maintenance Payments**

If you want us to collect Maintenance or Software Licence Payments from you and pass those on to the Provider please tick here  (see clause 13 for further details):

Name of Maintenance Provider:

We will collect the Maintenance Payment at the same time as each Payment including the Advance Payment.

**Note:** This will not make us liable to provide maintenance support (see Clause 13)

Maintenance Payment (excl. VAT)	Maintenance Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>

**Key information**

Payment (excl. VAT)	Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>
£ 35.00	£ 42.00
<p>If it is stated above or on the attached Schedule of Goods that the usage of any item of Goods are limited then an excess usage charge may be payable (see Clause 11) at the rate of:</p> <p><input type="text"/> pence (incl. VAT) for each <input type="text"/> by which the actual usage of that item exceeds the allowed usage. <input type="text"/> <input type="text"/> per annum</p>	

---

## Your right to cancel:

This Agreement is not cancellable under the Consumer Credit Act 1974.

## Charges

- Interest will be payable by you at the rate of 5% per annum for any payment which is late (see Clause 4.7)
- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see Clauses 5.2, 6, 7, 10.1, 12 and 14)
- Under clause 7.5, if you fail to insure the Goods as required under clause 7, we may arrange insurance at your cost
- If we have to repossess the Goods or take steps to enforce this Agreement, you will have to repay any expenses and legal fees we incur (see Clauses 12, 14 and 15.1)
- If the Agreement is terminated early by you or us, you will have to pay compensation (see Clause 10)

## Missing Payments

Missing payments could have severe consequences and may make obtaining credit more difficult.

## IMPORTANT – Read this carefully to find out about your rights

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

**This is the Schedule of Goods referred to in this  
Agreement between the Lender and the Customer**

**Agreement number**

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

New / Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Limited Usage	Current Recorded Usage	Special Return Conditions Applicable?

**The following copy should be retained by the Customer**

**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. VAT registration no. 823 8248 22.

**Agreement number**

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

**Customer details**

Customer name:

Trading as:

Address:

Postcode:

Telephone:  Mobile:

Email:

Company number:

**Partnership details:**

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

(1)

(2)

(3)

(4)

**Key Financial Information**

New / Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Limited Usage	Current Recorded Usage	Special Return Conditions Applicable?

If the Goods are more than one item, please complete the attached Schedule of Goods. Is there a Schedule of Goods attached?

Location of Goods (if different from above)

The Fixed Period of hire will be  months starting on the Date of the Agreement.

During the Fixed Period of hire, you shall pay Payments on a Monthly / Quarterly / Semi-Annual / Annual basis, as shown below, the first falling due on the Date of the Agreement, with subsequent payments due on the same date on

Payment (excl. VAT)	Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>

On the Date of the Agreement, you shall pay to us an Advance Payment of:

Followed by subsequent Payments:

No.	Frequency	Payment (excl. VAT)	Payment (incl. VAT)	Due Date / Commencing on (to be completed by the Lender)
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	

**Maintenance Payments**

If you want us to collect Maintenance or Software Licence Payments from you and pass those on to the Provider please tick here  (see clause 13 for further details):

Name of Maintenance Provider:

We will collect the Maintenance Payment at the same time as each Payment including the Advance Payment.

**Note:** This will not make us liable to provide maintenance support (see Clause 13)

Maintenance Payment (excl. VAT)	Maintenance Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>

**Key information**

On the Date of the Agreement there is a Documentation Fee payable of:	£ <input type="text"/>	£ <input type="text"/>
An Annual Administration Fee is payable in accordance with Clause 4.2 set out on Page 4. The first Annual Administration Fee will be collected with the Payment which falls due immediately before the first anniversary of this Agreement, and subsequent Annual Administration Fees will be due on an annual basis thereafter.	£ 35.00	£ 42.00
If it is stated above or on the attached Schedule of Goods that the usage of any item of Goods are limited then an excess usage charge may be payable (see Clause 11) at the rate of: <input type="text"/> pence (incl. VAT) for each <input type="text"/> by which the actual usage of that item exceeds the allowed usage.	Allowable Usage (see Clause 11) <input type="text"/> <input type="text"/> per annum	

## Your right to cancel:

This Agreement is not cancellable under the Consumer Credit Act 1974.

## Charges

- Interest will be payable by you at the rate of 5% per annum for any payment which is late (see Clause 4.7)
- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see Clauses 5.2, 6, 7, 10.1, 12 and 14)
- Under clause 7.5, if you fail to insure the Goods as required under clause 7, we may arrange insurance at your cost
- If we have to repossess the Goods or take steps to enforce this Agreement, you will have to repay any expenses and legal fees we incur (see Clauses 12, 14 and 15.1)
- If the Agreement is terminated early by you or us, you will have to pay compensation (see Clause 10)

## Missing Payments

Missing payments could have severe consequences and may make obtaining credit more difficult.

## IMPORTANT – Read this carefully to find out about your rights

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

**This is a Hire Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms.**

Signature(s) of Hirer(s)

Dates(s) of Signatures

Under this agreement the goods do not become your property and you must not sell them.

Full Name in  
BLOCK Capitals

Position Held

**Witness required if Hirer is based in Scotland**

Witness Signature

Name

Address

(Office use only)

Signed for and on behalf of the Lender

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

## Your Declaration

By signing this Agreement, you confirm that:

- the information provided by you and detailed in this Agreement is true and correct and you understand that we are relying on this when considering whether to enter into this Agreement;
- you understand personal information has been given to us for the purposes of hiring the Goods to you under this Agreement and that you have read and understand the box entitled "Use of Your Information" and agree to us using it for the purposes set out;
- you have read the information in clause 5 relating to compensation and exclusions of liability;
- you understand that if you fail to insure the Goods, we may arrange insurance and charge you for the cost of the insurance; and
- you have read the terms and conditions and been given every opportunity to ask questions.

## Non-Regulated Agreement

If: (i) you are a body corporate; (ii) you are a partnership consisting of entirely bodies corporate; (iii) you are a partnership of 4 or more partners; or (iv) the total payments you must make under the Agreement are more than £25,000 including VAT and you are entering into this Agreement wholly or predominantly for a business purpose, then this Agreement will not be regulated by the Financial Services and Markets Act 2000 or the Consumer Credit Act 1974 and any statement in this Agreement about such Acts will not apply.

The following declaration will apply where the Payments (including VAT) exceed £25,000 and the Hirer enters into this Agreement wholly or predominantly for the purposes of a business.

## 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 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 the Consumer Credit Act 1974, then I/we\* should seek independent legal advice.

**\*Delete as appropriate.**

## Complaints

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 [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk) or write to us at Novuna House, Thorpe Road, Staines-Upon-Thames, Surrey, TW18 3HP.

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](http://www.financial-ombudsman.org.uk)



# 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 a 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".



## 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)

Bank/building society account number

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

Branch sort code

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

Service user number

9	4	5	5	5	4
---	---	---	---	---	---

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 In this Agreement the following words shall have the following meanings:

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

**Fixed Period** means the number of months specified as set out on Page 1 which you agree to hire the Goods;

**Goods** means the goods described as 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 specified as set out on Page 1 where the Goods are to be situated;

**Payments** means the payments specified as set out on Page 1;

**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 the Lender its successors and assigns.

## 2. Hire of Goods

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 including any Special Return Conditions specified on Page 1 for the Fixed Period.

2.2 The Goods will at all times remain our sole and exclusive property.

## 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 the Goods are in working order and condition and meet 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 the Goods are complete, in good working order and condition, of satisfactory quality and meet your requirements.

## 4. Payments

4.1 You must pay to us the Advance Payment and Documentation Fee set out on Page 1 on the Date of the Agreement, and you must pay the Payments by direct debit on or prior to the due dates specified as set out on Page 1. All sums payable under this Agreement must be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.

4.2 An Annual Administration Fee of £35 plus VAT will be payable each year during the term of this Agreement. The first Annual Administration Fee will be collected with the Payment which falls due immediately before the first anniversary of this Agreement, and subsequent Annual Administration Fees will be due on an annual basis thereafter.

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 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.

4.6 VAT will be payable on all Payments and other sums due under this Agreement at the rate applicable when the relevant payment is due.

4.7 If any Payment or other payment is not received by its due date, we may charge late payment interest on such sum at 5% per annum, from its due date until we receive payment in full, both before and after judgment.

4.8 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.

4.9 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 You acknowledge that; (i) there is a risk that the Goods will not perform as you require; (ii) the Goods have been selected by you from a Supplier of your choice; and (iii) we are not experts in the use of the Goods. Accordingly, you agree that you will carry all risks associated with the performance, selection and use of the Goods and that:

- you have entered into this Agreement and will use the Goods for the purposes of your business;
- the Supplier is not our representative or agent, and has no authority to make any representation on our behalf;
- the Payments have been calculated by us on the assumption that we will not be liable for such condition and/or use; and
- you must obtain any warranties relating to the Goods as you require direct from the Supplier.

5.2 You agree that it is reasonable for us to limit our liability in respect of the condition and use of the Goods as follows:

- 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, fit for purpose, suitability or performance of the Goods save to the extent that we are unable in law to exclude such liability; and
- 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).

5.3 If it transpires that you have (or, but for the operation of this clause 5 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.

5.4 You acknowledge and agree:

- that the provisions of this clause 5 are reasonable, in that they are intended to put you back into the position that you would have been in had you purchased the Goods direct from the Supplier; and
- 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 use of the Goods.

5.5 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:

- 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
- in respect of any other loss, our liability will be limited to the lesser of the cost of repairing the Goods, the Goods' diminution in value or the total of Payments due under this Agreement (excluding VAT).

## 6. Care of 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 must keep the Goods at the Location and you must not take the Goods outside the United Kingdom without our prior written consent provided that if the Goods are vehicles then you may use such vehicles 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 such vehicles lawfully in the Permitted Area. You will ensure that the insurance covers the use of such vehicles in the Permitted Area.

6.4 You must not part with possession of the Goods or any part of it; sell, subhire, 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.

6.5 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.

6.6 You will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.

6.7 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.

6.8 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 their full replacement value against all risks under a comprehensive policy (with the Lender's interest noted on the policy) and on demand provide us with proof of such insurance. You will compensate us for any uninsured loss or damage.

7.2 If any amount paid to us by an insurance company 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 hold any insurance monies which you receive in respect of Goods on trust for us.

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 10 but we shall deduct any Insurance Proceeds we receive from the amount due under Clause 10.

7.5 If you fail to provide us with evidence of insurance required under clause 7.1, we may (but are not obliged to) arrange our own insurance to protect the Goods. We will charge you a fee, which you agree to pay, for the cost of the insurance. The fee will be added to the Payments due under this Agreement. We will advise you of the amount of the fee for which you will have no obligation to pay if you promptly provide us with evidence that you have your own insurance that meets the requirements set out in clause 7.1.

7.6 You will notify us as soon as possible of any damage to or loss of the Goods and provide our insurer with a true, complete and accurate statement of loss and any other information that our insurer reasonably requires in support of our claim. If we make a claim, you must make all reasonable efforts to protect the Goods from further loss.

7.7 If we arrange insurance, you agree that (if requested by the insurer) we may provide any information about you which is relevant to arranging insurance, to insurance intermediaries and insurance companies to allow the insurance to be put into place for the Goods.

7.8 We may apply any insurance monies (at our option) towards the cost of repair or reinstatement of the Goods or towards payment of any sum or sums due to us under this Agreement.

## 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 are unable to pay your debts when they fall due; or
- (g) you stop carrying on business or, if you are a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
- (h) you are liquidated or wound up or have a petition for winding up presented against you or you pass a resolution for voluntary winding up (other than in the course of a reconstruction approved by us); or
- (i) you have supplied information under the Agreement which was incorrect at the date of your signature; 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) there is any change in your control, ownership or shareholding or in that of your holding company from that existing at the Date of the Agreement; or
- (n) 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; or
- (o) you or if you are a company, any person with a controlling interest in you is, in our opinion, involved in an activity that may bring our name into disrepute;

and the happening of any of the foregoing events will be considered a repudiation of this Agreement, indicating that you no longer intend to keep to the Agreement, and we will be entitled, after giving you any required notice, to end the hiring.

## 9. When you may end the Hiring

9.1 Provided you are not in breach of this Agreement, you may end the hiring under this Agreement during the Fixed Period by giving us three months written notice, such notice to expire at the end of any payment period. On that date you will have to both return the Goods in accordance with Clause 12 and pay us any sums that would have been payable by you under Clause 10 if we had ended the hiring under Clause 8 (together with any VAT due).

## 10. What happens when the hiring ends

10.1 When the hiring under this Agreement is ended early under Clauses 7, 8 or 9, 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 sum of the Payments which would, but for termination, subsequently have become payable during the Fixed Period less a discount for early receipt at a rate of 2% per annum from the date of termination to the date each Payment would have become payable but for the ending of the hiring; and
- (d) if the Goods are not returned to us within 14 days after the end of the Agreement, a sum equal to the residual value that we anticipated we would obtain on re-sale of the Goods at the end of the Fixed Period.

## 11. Excess Usage Charge

11.1 If it is indicated on the front page of this Agreement that usage of any item of Goods is limited, then at the termination or expiry of the Fixed Period we will have the right to charge you if the actual total usage of that item exceeds the allowed usage (calculated per annum and pro-rata for any part year). The allowed usage, recorded usage at the start of this Agreement and rate of excess charge will be as stated on the front page.

11.2 If the actual usage of any item of Goods cannot be established for any reason (for example if there is, or appears to have been at any time a failure of any usage recording equipment such as, but not limited to an hour meter, odometer or tachometer) then we will be entitled to estimate actual usage (based on such evidence as is available to us at the relevant time) and apply Clause 11.1 accordingly.

## 12. Return of Goods

12.1 At the end of the Fixed Period (or on earlier termination) you will at your own cost return all items of Goods to us at such a location as we may notify to you. We may, in our absolute discretion, arrange for any item to be collected from you, in which case you will pay us any expenses that we incur in doing so. In either case though, you will be responsible for both the condition and safety of the Goods until it is actually returned to our possession.

12.2 Either shortly prior to or shortly following return of the Goods (at our discretion), we may arrange for the Goods to be inspected and for written notice to be given to you of the estimated costs of any works of repair

or replacement which we believe are necessary to restore the Goods to compliance with Clause 6.1. You will within 5 working days after receipt of that notice provide us with written counter notice of any objections that you may have to the proposed works and/or estimated costs.

12.3 If you do not give written notice under Clause 12.2, we may (in our absolute discretion):

- (a) carry out some or all of the proposed works before sale of the Goods in which case the actual costs incurred by us will be payable by you on demand; or
- (b) sell the Goods without carrying out some or all of the proposed works, in which case the estimated costs of the works not carried out will be payable by you on demand as agreed compensation for the diminution in value of the Goods resulting from your breach of this Agreement.

12.4 If you do give written notice under Clause 12.2, we may refer any matters in dispute to an individual appointed on our request by the Institute of Mechanical Engineers (or another similar body specified in any Special Return Conditions applicable to the Goods), whose determination will be made as an expert and not as arbitrator, and will be accepted as final by both us and you. If the Goods have already been disposed of by us before such referral, that determination will be made on the basis of written evidence available to each party: if the Goods have not been so disposed of, the nominated individual may (in their absolute discretion) inspect the Goods, but nothing in this clause will prevent us from continuing to dispose of the Goods in the ordinary course of business. Any fee, costs or expenses charged or incurred by the nominated individual would be borne by you and us in such respective proportions as the nominated individual may determine; in the absence of any such determination, they will be shared equally.

12.5 Following a determination under Clause 12.4 we will have the same rights as set out in Clause 12.3 save that the expressions proposed works and estimated costs will be limited to such works as have been approved by that determination.

## 13. Software and Maintenance

13.1 If software or maintenance is included as part of the hiring under this Agreement, the maintenance provider or software licensee will be the "Provider". You will arrange directly with the Provider the grant of any software licence and observe the terms and conditions of such licence (Software Licence) and agree directly with the Provider any maintenance that you require.

13.2 As the Software Licence is arranged directly between you and the Provider, at no time will we become liable for any losses arising out of your inability to obtain/use and/or maintain the software.

13.3 If you wish us to collect the payments due under a Software Licence and/or a maintenance agreement, then such payments will be collected by us at the same time as the Payments due under this Agreement and we shall pay the Provider the payments you pay to us. If we are unable to collect from you any payment, we will not pay the Provider, who may then withdraw or withhold its Software Licence and/or maintenance services.

13.4 If we collect any payments in respect of the Software Licence and/or maintenance agreement, we do solely as the Provider's agent, and will not be responsible for providing such a licence and/or maintenance ourselves: you will continue to pay the Payments to us even if the Provider does not fulfil its obligations.

13.5 You agree that we shall be entitled to apply amounts received from you:

- (a) firstly towards any VAT;
- (b) secondly towards the Payment;
- (c) thirdly towards any other sums due to us; and
- (d) finally to the Provider.

## 14. Compensation

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

## 15. General

15.1 Expenses: You will pay on demand 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.

15.2 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.

15.3 No Assignment: Your rights and obligations under this Agreement cannot be transferred. We may assign or transfer our rights under the 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.

15.4 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.

15.5 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.

15.6 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.

15.7 Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under our quality control.

15.8 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.



**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. VAT registration no. 823 8248 22.

**Agreement number**

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

**Customer details**

Customer name:

Trading as:

Address:

Postcode:

Telephone:  Mobile:

Email:

Company number:

**Partnership details:**

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

(1)

(2)

(3)

(4)

**Key Financial Information**

New / Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Limited Usage	Current Recorded Usage	Special Return Conditions Applicable?

If the Goods are more than one item, please complete the attached Schedule of Goods. Is there a Schedule of Goods attached?

Location of Goods (if different from above)

The Fixed Period of hire will be  months starting on the Date of the Agreement.

During the Fixed Period of hire, you shall pay Payments on a Monthly / Quarterly / Semi-Annual / Annual basis, as shown below, the first falling due on the Date of the Agreement, with subsequent payments due on the same date on

	Payment (excl. VAT)	Payment (incl. VAT)
On the Date of the Agreement, you shall pay to us an Advance Payment of:	£ <input type="text"/>	£ <input type="text"/>

Followed by subsequent Payments:

No.	Frequency	Payment (excl. VAT)	Payment (incl. VAT)	Due Date / Commencing on (to be completed by the Lender)
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	

**Maintenance Payments**

If you want us to collect Maintenance or Software Licence Payments from you and pass those on to the Provider please tick here  (see clause 13 for further details):

Name of Maintenance Provider:

We will collect the Maintenance Payment at the same time as each Payment including the Advance Payment.

**Note:** This will not make us liable to provide maintenance support (see Clause 13)

Maintenance Payment (excl. VAT)	Maintenance Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>

**Key information**

	Payment (excl. VAT)	Payment (incl. VAT)
On the Date of the Agreement there is a Documentation Fee payable of:	£ <input type="text"/>	£ <input type="text"/>
An Annual Administration Fee is payable in accordance with Clause 4.2 set out on Page 4. The first Annual Administration Fee will be collected with the Payment which falls due immediately before the first anniversary of this Agreement, and subsequent Annual Administration Fees will be due on an annual basis thereafter.	£ 35.00	£ 42.00
If it is stated above or on the attached Schedule of Goods that the usage of any item of Goods are limited then an excess usage charge may be payable (see Clause 11) at the rate of: <input type="text"/> pence (incl. VAT) for each <input type="text"/> by which the actual usage of that item exceeds the allowed usage.	Allowable Usage (see Clause 11) <input type="text"/> <input type="text"/> per annum	

## Your right to cancel:

This Agreement is not cancellable under the Consumer Credit Act 1974.

## Charges

- Interest will be payable by you at the rate of 5% per annum for any payment which is late (see Clause 4.7)
- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see Clauses 5.2, 6, 7, 10.1, 12 and 14)
- Under clause 7.5, if you fail to insure the Goods as required under clause 7, we may arrange insurance at your cost
- If we have to repossess the Goods or take steps to enforce this Agreement, you will have to repay any expenses and legal fees we incur (see Clauses 12, 14 and 15.1)
- If the Agreement is terminated early by you or us, you will have to pay compensation (see Clause 10)

## Missing Payments

Missing payments could have severe consequences and may make obtaining credit more difficult.

## IMPORTANT – Read this carefully to find out about your rights

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

**This is a Hire Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms.**

Signature(s) of Hirer(s)

Dates(s) of Signatures

Under this agreement the goods do not become your property and you must not sell them.

Full Name in  
BLOCK Capitals

Position Held

**Witness required if Hirer is based in Scotland**

Witness Signature

Name

Address

(Office use only)

Signed for and on behalf of the Lender

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

## Your Declaration

By signing this Agreement, you confirm that:

- the information provided by you and detailed in this Agreement is true and correct and you understand that we are relying on this when considering whether to enter into this Agreement;
- you understand personal information has been given to us for the purposes of hiring the Goods to you under this Agreement and that you have read and understand the box entitled "Use of Your Information" and agree to us using it for the purposes set out;
- you have read the information in clause 5 relating to compensation and exclusions of liability;
- you understand that if you fail to insure the Goods, we may arrange insurance and charge you for the cost of the insurance; and
- you have read the terms and conditions and been given every opportunity to ask questions.

## Non-Regulated Agreement

If: (i) you are a body corporate; (ii) you are a partnership consisting of entirely bodies corporate; (iii) you are a partnership of 4 or more partners; or (iv) the total payments you must make under the Agreement are more than £25,000 including VAT and you are entering into this Agreement wholly or predominantly for a business purpose, then this Agreement will not be regulated by the Financial Services and Markets Act 2000 or the Consumer Credit Act 1974 and any statement in this Agreement about such Acts will not apply.

The following declaration will apply where the Payments (including VAT) exceed £25,000 and the Hirer enters into this Agreement wholly or predominantly for the purposes of a business.

## 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 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 the Consumer Credit Act 1974, then I/we\* should seek independent legal advice.

**\*Delete as appropriate.**

## Complaints

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 [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk) or write to us at Novuna House, Thorpe Road, Staines-Upon-Thames, Surrey, TW18 3HP.

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](http://www.financial-ombudsman.org.uk)

# 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 a 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".

# Novuna<sup>®</sup>

## Business Finance

## 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)

Bank/building society account number

Branch sort code

Service user number

9	4	5	5	5	4
---	---	---	---	---	---

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 In this Agreement the following words shall have the following meanings:

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

**Fixed Period** means the number of months specified as set out on Page 1 which you agree to hire the Goods;

**Goods** means the goods described as 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 specified as set out on Page 1 where the Goods are to be situated;

**Payments** means the payments specified as set out on Page 1;

**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 the Lender its successors and assigns.

## 2. Hire of Goods

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 including any Special Return Conditions specified on Page 1 for the Fixed Period.

2.2 The Goods will at all times remain our sole and exclusive property.

## 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 the Goods are in working order and condition and meet 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 the Goods are complete, in good working order and condition, of satisfactory quality and meet your requirements.

## 4. Payments

4.1 You must pay to us the Advance Payment and Documentation Fee set out on Page 1 on the Date of the Agreement, and you must pay the Payments by direct debit on or prior to the due dates specified as set out on Page 1. All sums payable under this Agreement must be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.

4.2 An Annual Administration Fee of £35 plus VAT will be payable each year during the term of this Agreement. The first Annual Administration Fee will be collected with the Payment which falls due immediately before the first anniversary of this Agreement, and subsequent Annual Administration Fees will be due on an annual basis thereafter.

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 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.

4.6 VAT will be payable on all Payments and other sums due under this Agreement at the rate applicable when the relevant payment is due.

4.7 If any Payment or other payment is not received by its due date, we may charge late payment interest on such sum at 5% per annum, from its due date until we receive payment in full, both before and after judgment.

4.8 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.

4.9 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 You acknowledge that; (i) there is a risk that the Goods will not perform as you require; (ii) the Goods have been selected by you from a Supplier of your choice; and (iii) we are not experts in the use of the Goods. Accordingly, you agree that you will carry all risks associated with the performance, selection and use of the Goods and that:

- you have entered into this Agreement and will use the Goods for the purposes of your business;
- the Supplier is not our representative or agent, and has no authority to make any representation on our behalf;
- the Payments have been calculated by us on the assumption that we will not be liable for such condition and/or use; and
- you must obtain any warranties relating to the Goods as you require direct from the Supplier.

5.2 You agree that it is reasonable for us to limit our liability in respect of the condition and use of the Goods as follows:

- 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, fit for purpose, suitability or performance of the Goods save to the extent that we are unable in law to exclude such liability; and
- 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).

5.3 If it transpires that you have (or, but for the operation of this clause 5 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.

5.4 You acknowledge and agree:

- that the provisions of this clause 5 are reasonable, in that they are intended to put you back into the position that you would have been in had you purchased the Goods direct from the Supplier; and
- 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 use of the Goods.

5.5 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:

- 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
- in respect of any other loss, our liability will be limited to the lesser of the cost of repairing the Goods, the Goods' diminution in value or the total of Payments due under this Agreement (excluding VAT).

## 6. Care of 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 must keep the Goods at the Location and you must not take the Goods outside the United Kingdom without our prior written consent provided that if the Goods are vehicles then you may use such vehicles 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 such vehicles lawfully in the Permitted Area. You will ensure that the insurance covers the use of such vehicles in the Permitted Area.

6.4 You must not part with possession of the Goods or any part of it; sell, subhire, 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.

6.5 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.

6.6 You will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.

6.7 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.

6.8 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 their full replacement value against all risks under a comprehensive policy (with the Lender's interest noted on the policy) and on demand provide us with proof of such insurance. You will compensate us for any uninsured loss or damage.

7.2 If any amount paid to us by an insurance company 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 hold any insurance monies which you receive in respect of Goods on trust for us.

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 10 but we shall deduct any Insurance Proceeds we receive from the amount due under Clause 10.

7.5 If you fail to provide us with evidence of insurance required under clause 7.1, we may (but are not obliged to) arrange our own insurance to protect the Goods. We will charge you a fee, which you agree to pay, for the cost of the insurance. The fee will be added to the Payments due under this Agreement. We will advise you of the amount of the fee for which you will have no obligation to pay if you promptly provide us with evidence that you have your own insurance that meets the requirements set out in clause 7.1.

7.6 You will notify us as soon as possible of any damage to or loss of the Goods and provide our insurer with a true, complete and accurate statement of loss and any other information that our insurer reasonably requires in support of our claim. If we make a claim, you must make all reasonable efforts to protect the Goods from further loss.

7.7 If we arrange insurance, you agree that (if requested by the insurer) we may provide any information about you which is relevant to arranging insurance, to insurance intermediaries and insurance companies to allow the insurance to be put into place for the Goods.

7.8 We may apply any insurance monies (at our option) towards the cost of repair or reinstatement of the Goods or towards payment of any sum or sums due to us under this Agreement.



## 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 are unable to pay your debts when they fall due; or
- (g) you stop carrying on business or, if you are a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
- (h) you are liquidated or wound up or have a petition for winding up presented against you or you pass a resolution for voluntary winding up (other than in the course of a reconstruction approved by us); or
- (i) you have supplied information under the Agreement which was incorrect at the date of your signature; 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) there is any change in your control, ownership or shareholding or in that of your holding company from that existing at the Date of the Agreement; or
- (n) 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; or
- (o) you or if you are a company, any person with a controlling interest in you is, in our opinion, involved in an activity that may bring our name into disrepute;

and the happening of any of the foregoing events will be considered a repudiation of this Agreement, indicating that you no longer intend to keep to the Agreement, and we will be entitled, after giving you any required notice, to end the hiring.

## 9. When you may end the Hiring

9.1 Provided you are not in breach of this Agreement, you may end the hiring under this Agreement during the Fixed Period by giving us three months written notice, such notice to expire at the end of any payment period. On that date you will have to both return the Goods in accordance with Clause 12 and pay us any sums that would have been payable by you under Clause 10 if we had ended the hiring under Clause 8 (together with any VAT due).

## 10. What happens when the hiring ends

10.1 When the hiring under this Agreement is ended early under Clauses 7, 8 or 9, 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 sum of the Payments which would, but for termination, subsequently have become payable during the Fixed Period less a discount for early receipt at a rate of 2% per annum from the date of termination to the date each Payment would have become payable but for the ending of the hiring; and
- (d) if the Goods are not returned to us within 14 days after the end of the Agreement, a sum equal to the residual value that we anticipated we would obtain on re-sale of the Goods at the end of the Fixed Period.

## 11. Excess Usage Charge

11.1 If it is indicated on the front page of this Agreement that usage of any item of Goods is limited, then at the termination or expiry of the Fixed Period we will have the right to charge you if the actual total usage of that item exceeds the allowed usage (calculated per annum and pro-rata for any part year). The allowed usage, recorded usage at the start of this Agreement and rate of excess charge will be as stated on the front page.

11.2 If the actual usage of any item of Goods cannot be established for any reason (for example if there is, or appears to have been at any time a failure of any usage recording equipment such as, but not limited to an hour meter, odometer or tachometer) then we will be entitled to estimate actual usage (based on such evidence as is available to us at the relevant time) and apply Clause 11.1 accordingly.

## 12. Return of Goods

12.1 At the end of the Fixed Period (or on earlier termination) you will at your own cost return all items of Goods to us at such a location as we may notify to you. We may, in our absolute discretion, arrange for any item to be collected from you, in which case you will pay us any expenses that we incur in doing so. In either case though, you will be responsible for both the condition and safety of the Goods until it is actually returned to our possession.

12.2 Either shortly prior to or shortly following return of the Goods (at our discretion), we may arrange for the Goods to be inspected and for written notice to be given to you of the estimated costs of any works of repair

or replacement which we believe are necessary to restore the Goods to compliance with Clause 6.1. You will within 5 working days after receipt of that notice provide us with written counter notice of any objections that you may have to the proposed works and/or estimated costs.

12.3 If you do not give written notice under Clause 12.2, we may (in our absolute discretion):

- (a) carry out some or all of the proposed works before sale of the Goods in which case the actual costs incurred by us will be payable by you on demand; or
- (b) sell the Goods without carrying out some or all of the proposed works, in which case the estimated costs of the works not carried out will be payable by you on demand as agreed compensation for the diminution in value of the Goods resulting from your breach of this Agreement.

12.4 If you do give written notice under Clause 12.2, we may refer any matters in dispute to an individual appointed on our request by the Institute of Mechanical Engineers (or another similar body specified in any Special Return Conditions applicable to the Goods), whose determination will be made as an expert and not as arbitrator, and will be accepted as final by both us and you. If the Goods have already been disposed of by us before such referral, that determination will be made on the basis of written evidence available to each party: if the Goods have not been so disposed of, the nominated individual may (in their absolute discretion) inspect the Goods, but nothing in this clause will prevent us from continuing to dispose of the Goods in the ordinary course of business. Any fee, costs or expenses charged or incurred by the nominated individual would be borne by you and us in such respective proportions as the nominated individual may determine; in the absence of any such determination, they will be shared equally.

12.5 Following a determination under Clause 12.4 we will have the same rights as set out in Clause 12.3 save that the expressions proposed works and estimated costs will be limited to such works as have been approved by that determination.

## 13. Software and Maintenance

13.1 If software or maintenance is included as part of the hiring under this Agreement, the maintenance provider or software licensee will be the "Provider". You will arrange directly with the Provider the grant of any software licence and observe the terms and conditions of such licence (Software Licence) and agree directly with the Provider any maintenance that you require.

13.2 As the Software Licence is arranged directly between you and the Provider, at no time will we become liable for any losses arising out of your inability to obtain/use and/or maintain the software.

13.3 If you wish us to collect the payments due under a Software Licence and/or a maintenance agreement, then such payments will be collected by us at the same time as the Payments due under this Agreement and we shall pay the Provider the payments you pay to us. If we are unable to collect from you any payment, we will not pay the Provider, who may then withdraw or withhold its Software Licence and/or maintenance services.

13.4 If we collect any payments in respect of the Software Licence and/or maintenance agreement, we do solely as the Provider's agent, and will not be responsible for providing such a licence and/or maintenance ourselves: you will continue to pay the Payments to us even if the Provider does not fulfil its obligations.

13.5 You agree that we shall be entitled to apply amounts received from you:

- (a) firstly towards any VAT;
- (b) secondly towards the Payment;
- (c) thirdly towards any other sums due to us; and
- (d) finally to the Provider.

## 14. Compensation

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

## 15. General

15.1 Expenses: You will pay on demand 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.

15.2 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.

15.3 No Assignment: Your rights and obligations under this Agreement cannot be transferred. We may assign or transfer our rights under the 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.

15.4 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.

15.5 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.

15.6 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.

15.7 Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under our quality control.

15.8 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.



**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. VAT registration no. 823 8248 22.

**Agreement number**

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

**Customer details**

Customer name:

Trading as:

Address:

Postcode:

Telephone:  Mobile:

Email:

Company number:

**Partnership details:**

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

(1)

(2)

(3)

(4)

**Key Financial Information**

New / Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Limited Usage	Current Recorded Usage	Special Return Conditions Applicable?
If the Goods are more than one item, please complete the attached Schedule of Goods. Is there a Schedule of Goods attached?						
Location of Goods (if different from above)						

The Fixed Period of hire will be  months starting on the Date of the Agreement.

During the Fixed Period of hire, you shall pay Payments on a Monthly / Quarterly / Semi-Annual / Annual basis, as shown below, the first falling due on the Date of the Agreement, with subsequent payments due on the same date on

Payment (excl. VAT)	Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>

On the Date of the Agreement, you shall pay to us an Advance Payment of:

Followed by subsequent Payments:

No.	Frequency	Payment (excl. VAT)	Payment (incl. VAT)	Due Date / Commencing on (to be completed by the Lender)
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	
		£ <input type="text"/>	£ <input type="text"/>	

**Maintenance Payments**

If you want us to collect Maintenance or Software Licence Payments from you and pass those on to the Provider please tick here  (see clause 13 for further details):

Name of Maintenance Provider:

We will collect the Maintenance Payment at the same time as each Payment including the Advance Payment.

**Note:** This will not make us liable to provide maintenance support (see Clause 13)

Maintenance Payment (excl. VAT)	Maintenance Payment (incl. VAT)
£ <input type="text"/>	£ <input type="text"/>

**Key information**

On the Date of the Agreement there is a Documentation Fee payable of:	£ <input type="text"/>	£ <input type="text"/>
An Annual Administration Fee is payable in accordance with Clause 4.2 set out on Page 4. The first Annual Administration Fee will be collected with the Payment which falls due immediately before the first anniversary of this Agreement, and subsequent Annual Administration Fees will be due on an annual basis thereafter.	£ 35.00	£ 42.00
If it is stated above or on the attached Schedule of Goods that the usage of any item of Goods are limited then an excess usage charge may be payable (see Clause 11) at the rate of: <input type="text"/> pence (incl. VAT) for each <input type="text"/> by which the actual usage of that item exceeds the allowed usage.	Allowable Usage (see Clause 11) <input type="text"/> <input type="text"/> per annum	

## Your right to cancel:

This Agreement is not cancellable under the Consumer Credit Act 1974.

## Charges

- Interest will be payable by you at the rate of 5% per annum for any payment which is late (see Clause 4.7)
- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see Clauses 5.2, 6, 7, 10.1, 12 and 14)
- Under clause 7.5, if you fail to insure the Goods as required under clause 7, we may arrange insurance at your cost
- If we have to repossess the Goods or take steps to enforce this Agreement, you will have to repay any expenses and legal fees we incur (see Clauses 12, 14 and 15.1)
- If the Agreement is terminated early by you or us, you will have to pay compensation (see Clause 10)

## Missing Payments

Missing payments could have severe consequences and may make obtaining credit more difficult.

## IMPORTANT – Read this carefully to find out about your rights

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which should have been complied with when this agreement was made. If they were not, we cannot enforce this agreement without getting a court order.

If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

**This is a Hire Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms.**

Signature(s) of Hirer(s)

Dates(s) of Signatures

Under this agreement the goods do not become your property and you must not sell them.

Full Name in  
BLOCK Capitals

Position Held

**Witness required if Hirer is based in Scotland**

Witness Signature

Name

Address

(Office use only)

Signed for and on behalf of the Lender

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

## Your Declaration

By signing this Agreement, you confirm that:

- the information provided by you and detailed in this Agreement is true and correct and you understand that we are relying on this when considering whether to enter into this Agreement;
- you understand personal information has been given to us for the purposes of hiring the Goods to you under this Agreement and that you have read and understand the box entitled "Use of Your Information" and agree to us using it for the purposes set out;
- you have read the information in clause 5 relating to compensation and exclusions of liability;
- you understand that if you fail to insure the Goods, we may arrange insurance and charge you for the cost of the insurance; and
- you have read the terms and conditions and been given every opportunity to ask questions.

## Non-Regulated Agreement

If: (i) you are a body corporate; (ii) you are a partnership consisting of entirely bodies corporate; (iii) you are a partnership of 4 or more partners; or (iv) the total payments you must make under the Agreement are more than £25,000 including VAT and you are entering into this Agreement wholly or predominantly for a business purpose, then this Agreement will not be regulated by the Financial Services and Markets Act 2000 or the Consumer Credit Act 1974 and any statement in this Agreement about such Acts will not apply.

The following declaration will apply where the Payments (including VAT) exceed £25,000 and the Hirer enters into this Agreement wholly or predominantly for the purposes of a business.

## 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 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 the Consumer Credit Act 1974, then I/we\* should seek independent legal advice.

**\*Delete as appropriate.**

## Complaints

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 [CustomerService@novunabusinessfinance.co.uk](mailto:CustomerService@novunabusinessfinance.co.uk) or write to us at Novuna House, Thorpe Road, Staines-Upon-Thames, Surrey, TW18 3HP.

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](http://www.financial-ombudsman.org.uk)

## 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 a 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".

**Novuna**<sup>®</sup>  
Business Finance

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)

--

Bank/building society account number

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

Branch sort code

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

Service user number

9	4	5	5	5	4
---	---	---	---	---	---

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 In this Agreement the following words shall have the following meanings:

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

**Fixed Period** means the number of months specified as set out on Page 1 which you agree to hire the Goods;

**Goods** means the goods described as 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 specified as set out on Page 1 where the Goods are to be situated;

**Payments** means the payments specified as set out on Page 1;

**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 the Lender its successors and assigns.

## 2. Hire of Goods

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 including any Special Return Conditions specified on Page 1 for the Fixed Period.

2.2 The Goods will at all times remain our sole and exclusive property.

## 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 the Goods are in working order and condition and meet 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 the Goods are complete, in good working order and condition, of satisfactory quality and meet your requirements.

## 4. Payments

4.1 You must pay to us the Advance Payment and Documentation Fee set out on Page 1 on the Date of the Agreement, and you must pay the Payments by direct debit on or prior to the due dates specified as set out on Page 1. All sums payable under this Agreement must be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.

4.2 An Annual Administration Fee of £35 plus VAT will be payable each year during the term of this Agreement. The first Annual Administration Fee will be collected with the Payment which falls due immediately before the first anniversary of this Agreement, and subsequent Annual Administration Fees will be due on an annual basis thereafter.

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 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.

4.6 VAT will be payable on all Payments and other sums due under this Agreement at the rate applicable when the relevant payment is due.

4.7 If any Payment or other payment is not received by its due date, we may charge late payment interest on such sum at 5% per annum, from its due date until we receive payment in full, both before and after judgment.

4.8 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.

4.9 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 You acknowledge that; (i) there is a risk that the Goods will not perform as you require; (ii) the Goods have been selected by you from a Supplier of your choice; and (iii) we are not experts in the use of the Goods. Accordingly, you agree that you will carry all risks associated with the performance, selection and use of the Goods and that:

- you have entered into this Agreement and will use the Goods for the purposes of your business;
- the Supplier is not our representative or agent, and has no authority to make any representation on our behalf;
- the Payments have been calculated by us on the assumption that we will not be liable for such condition and/or use; and
- you must obtain any warranties relating to the Goods as you require direct from the Supplier.

5.2 You agree that it is reasonable for us to limit our liability in respect of the condition and use of the Goods as follows:

- 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, fit for purpose, suitability or performance of the Goods save to the extent that we are unable in law to exclude such liability; and
- 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).

5.3 If it transpires that you have (or, but for the operation of this clause 5 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.

5.4 You acknowledge and agree:

- that the provisions of this clause 5 are reasonable, in that they are intended to put you back into the position that you would have been in had you purchased the Goods direct from the Supplier; and
- 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 use of the Goods.

5.5 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:

- 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
- in respect of any other loss, our liability will be limited to the lesser of the cost of repairing the Goods, the Goods' diminution in value or the total of Payments due under this Agreement (excluding VAT).

## 6. Care of 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 must keep the Goods at the Location and you must not take the Goods outside the United Kingdom without our prior written consent provided that if the Goods are vehicles then you may use such vehicles 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 such vehicles lawfully in the Permitted Area. You will ensure that the insurance covers the use of such vehicles in the Permitted Area.

6.4 You must not part with possession of the Goods or any part of it; sell, subhire, 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.

6.5 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.

6.6 You will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.

6.7 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.

6.8 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 their full replacement value against all risks under a comprehensive policy (with the Lender's interest noted on the policy) and on demand provide us with proof of such insurance. You will compensate us for any uninsured loss or damage.

7.2 If any amount paid to us by an insurance company 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 hold any insurance monies which you receive in respect of Goods on trust for us.

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 10 but we shall deduct any Insurance Proceeds we receive from the amount due under Clause 10.

7.5 If you fail to provide us with evidence of insurance required under clause 7.1, we may (but are not obliged to) arrange our own insurance to protect the Goods. We will charge you a fee, which you agree to pay, for the cost of the insurance. The fee will be added to the Payments due under this Agreement. We will advise you of the amount of the fee for which you will have no obligation to pay if you promptly provide us with evidence that you have your own insurance that meets the requirements set out in clause 7.1.

7.6 You will notify us as soon as possible of any damage to or loss of the Goods and provide our insurer with a true, complete and accurate statement of loss and any other information that our insurer reasonably requires in support of our claim. If we make a claim, you must make all reasonable efforts to protect the Goods from further loss.

7.7 If we arrange insurance, you agree that (if requested by the insurer) we may provide any information about you which is relevant to arranging insurance, to insurance intermediaries and insurance companies to allow the insurance to be put into place for the Goods.

7.8 We may apply any insurance monies (at our option) towards the cost of repair or reinstatement of the Goods or towards payment of any sum or sums due to us under this Agreement.

## 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 are unable to pay your debts when they fall due; or
- (g) you stop carrying on business or, if you are a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
- (h) you are liquidated or wound up or have a petition for winding up presented against you or you pass a resolution for voluntary winding up (other than in the course of a reconstruction approved by us); or
- (i) you have supplied information under the Agreement which was incorrect at the date of your signature; 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) there is any change in your control, ownership or shareholding or in that of your holding company from that existing at the Date of the Agreement; or
- (n) 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; or
- (o) you or if you are a company, any person with a controlling interest in you is, in our opinion, involved in an activity that may bring our name into disrepute;

and the happening of any of the foregoing events will be considered a repudiation of this Agreement, indicating that you no longer intend to keep to the Agreement, and we will be entitled, after giving you any required notice, to end the hiring.

## 9. When you may end the Hiring

9.1 Provided you are not in breach of this Agreement, you may end the hiring under this Agreement during the Fixed Period by giving us three months written notice, such notice to expire at the end of any payment period. On that date you will have to both return the Goods in accordance with Clause 12 and pay us any sums that would have been payable by you under Clause 10 if we had ended the hiring under Clause 8 (together with any VAT due).

## 10. What happens when the hiring ends

10.1 When the hiring under this Agreement is ended early under Clauses 7, 8 or 9, 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 sum of the Payments which would, but for termination, subsequently have become payable during the Fixed Period less a discount for early receipt at a rate of 2% per annum from the date of termination to the date each Payment would have become payable but for the ending of the hiring; and
- (d) if the Goods are not returned to us within 14 days after the end of the Agreement, a sum equal to the residual value that we anticipated we would obtain on re-sale of the Goods at the end of the Fixed Period.

## 11. Excess Usage Charge

11.1 If it is indicated on the front page of this Agreement that usage of any item of Goods is limited, then at the termination or expiry of the Fixed Period we will have the right to charge you if the actual total usage of that item exceeds the allowed usage (calculated per annum and pro-rata for any part year). The allowed usage, recorded usage at the start of this Agreement and rate of excess charge will be as stated on the front page.

11.2 If the actual usage of any item of Goods cannot be established for any reason (for example if there is, or appears to have been at any time a failure of any usage recording equipment such as, but not limited to an hour meter, odometer or tachometer) then we will be entitled to estimate actual usage (based on such evidence as is available to us at the relevant time) and apply Clause 11.1 accordingly.

## 12. Return of Goods

12.1 At the end of the Fixed Period (or on earlier termination) you will at your own cost return all items of Goods to us at such a location as we may notify to you. We may, in our absolute discretion, arrange for any item to be collected from you, in which case you will pay us any expenses that we incur in doing so. In either case though, you will be responsible for both the condition and safety of the Goods until it is actually returned to our possession.

12.2 Either shortly prior to or shortly following return of the Goods (at our discretion), we may arrange for the Goods to be inspected and for written notice to be given to you of the estimated costs of any works of repair

or replacement which we believe are necessary to restore the Goods to compliance with Clause 6.1. You will within 5 working days after receipt of that notice provide us with written counter notice of any objections that you may have to the proposed works and/or estimated costs.

12.3 If you do not give written notice under Clause 12.2, we may (in our absolute discretion):

- (a) carry out some or all of the proposed works before sale of the Goods in which case the actual costs incurred by us will be payable by you on demand; or
- (b) sell the Goods without carrying out some or all of the proposed works, in which case the estimated costs of the works not carried out will be payable by you on demand as agreed compensation for the diminution in value of the Goods resulting from your breach of this Agreement.

12.4 If you do give written notice under Clause 12.2, we may refer any matters in dispute to an individual appointed on our request by the Institute of Mechanical Engineers (or another similar body specified in any Special Return Conditions applicable to the Goods), whose determination will be made as an expert and not as arbitrator, and will be accepted as final by both us and you. If the Goods have already been disposed of by us before such referral, that determination will be made on the basis of written evidence available to each party: if the Goods have not been so disposed of, the nominated individual may (in their absolute discretion) inspect the Goods, but nothing in this clause will prevent us from continuing to dispose of the Goods in the ordinary course of business. Any fee, costs or expenses charged or incurred by the nominated individual would be borne by you and us in such respective proportions as the nominated individual may determine; in the absence of any such determination, they will be shared equally.

12.5 Following a determination under Clause 12.4 we will have the same rights as set out in Clause 12.3 save that the expressions proposed works and estimated costs will be limited to such works as have been approved by that determination.

## 13. Software and Maintenance

13.1 If software or maintenance is included as part of the hiring under this Agreement, the maintenance provider or software licensee will be the "Provider". You will arrange directly with the Provider the grant of any software licence and observe the terms and conditions of such licence (Software Licence) and agree directly with the Provider any maintenance that you require.

13.2 As the Software Licence is arranged directly between you and the Provider, at no time will we become liable for any losses arising out of your inability to obtain/use and/or maintain the software.

13.3 If you wish us to collect the payments due under a Software Licence and/or a maintenance agreement, then such payments will be collected by us at the same time as the Payments due under this Agreement and we shall pay the Provider the payments you pay to us. If we are unable to collect from you any payment, we will not pay the Provider, who may then withdraw or withhold its Software Licence and/or maintenance services.

13.4 If we collect any payments in respect of the Software Licence and/or maintenance agreement, we do solely as the Provider's agent, and will not be responsible for providing such a licence and/or maintenance ourselves: you will continue to pay the Payments to us even if the Provider does not fulfil its obligations.

13.5 You agree that we shall be entitled to apply amounts received from you:

- (a) firstly towards any VAT;
- (b) secondly towards the Payment;
- (c) thirdly towards any other sums due to us; and
- (d) finally to the Provider.

## 14. Compensation

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

## 15. General

15.1 Expenses: You will pay on demand 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.

15.2 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.

15.3 No Assignment: Your rights and obligations under this Agreement cannot be transferred. We may assign or transfer our rights under the 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.

15.4 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.

15.5 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.

15.6 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.

15.7 Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under our quality control.

15.8 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.

This is the Schedule of Goods referred to in this  
Agreement between the Lender and the Customer

Agreement number

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

New / Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Limited Usage	Current Recorded Usage	Special Return Conditions Applicable?