

## Customer Information

Customer Name: \_\_\_\_\_

Agreement Number: \_\_\_\_\_

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

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

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

**Total Commission Payable:** £ \_\_\_\_\_

**How is the commission calculated:** The commission payment is a fixed % of the Amount of Finance determined by Novuna Business Finance.

Amount Financed	%
£	

The commission amount is paid directly to the Introducer by Novuna Business Finance. This is not shown as an additional charge in your finance agreement but is included in the Total Amount Payable.

## Customer Acknowledgment and Consent

By signing below, you confirm that:

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

**Customer Signature:**

**Full Name in  
BLOCK CAPITALS:**

**Position Held:**

**Date:**

Tomorrow. Together

# Regulated Hire Purchase Agreement

regulated by the Consumer Credit Act 1974

**(credit exceeding £60,260.00)**

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

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

#### What is the finance product?

This is an Agreement to acquire the Goods specified on the Agreement. You will not own the Goods until all amounts owed have been made, including the option to purchase fee payable with the final instalment.

#### What will I have to pay?

You will need to pay a deposit on the date of the Agreement.

Your first instalment will include a Documentation Fee of £

This will be followed by a set number of instalments listed below.

No.	Frequency	Instalment Amount
		£
		£
		£
		£
		£

Your final instalment will include an option to purchase fee of

£ (inclusive of VAT).

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

£

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

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

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

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

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

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

#### Will the Credit Broker/Intermediary be paid a commission?

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

#### Who can I contact to ask questions.

If you have any questions please ask your Credit Broker/Intermediary or sales representative or contact Novuna Business Finance on 01784 227333 or CustomerService@novunabusinessfinance.co.uk or write to us at Novuna House, Thorpe Road, Staines-Upon-Thames, Surrey, TW18 3HP.



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

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

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

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

## 1. Contact Details

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

## 2. Key features of the credit product

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

## 3. Costs of the credit

The rates of interest which apply to the credit agreement	% per annum fixed for the duration of the Agreement
Annual Percentage Rate of Charge (APR). This is the total cost expressed as an annual percentage of the total Amount of Credit. The APR is there to help you compare different offers.	%

## Pre-Contract Credit Information continued ...

Related Costs:	
Documentation Fee:	£ payable with the first Instalment
Option to Purchase Fee:	£ (inclusive of VAT) payable with the final Instalment
Costs in the case of late payments	There are no charges for late or missed payments.
Consequences of missing payments	If you do not make payments when they are due you may have to repay the credit early, we may repossess the Goods, your credit records may be affected in a way that makes it difficult to obtain further credit, you may face legal action to recover what you owe and, if you do not pay us after we have taken legal action, we may take further legal action to obtain a charging order on your home which may result in the repossession of your home.

### 4. Other important legal aspects

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

This hire purchase agreement (the “**Agreement**”) is made between Mitsubishi HC Capital UK PLC (trading as Novuna Business Finance) and its successors and assigns (“**Novuna**”) registered at Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP company number 01630491 and the Customer named in this Agreement (the “**Customer**”).

Agreement number

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

Customer details

Customer name:

Trading as:

Address:

Postcode:  Telephone:  Mobile:

Email:

Partnership details:

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

(1)

(2)

(3)

Credit Intermediary

Name:

Address:

Goods (For private use Goods for Individuals where the total Amount of Credit exceeds £60,260.00)

New/ Used	Make / Model / Description	Serial / Chassis Number	Registration Number	Cash Price (incl. VAT)
				£
				£
				£
Location of Goods if different from above				

Payments and financial information

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

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

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

Rate of  
Interest  
per annum  
%

APR  
%

No.	Frequency	Instalment Amount
		£
		£
		£
		£
		£

Period of Hire  months

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

Instalments will commence on the agreed date by Direct Debit.

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

Missing Payments

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

## Charges

- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see clauses 5.2(e)(ii), 7, 9.1(b), 9.2 and 10).
- If we have to repossess the Goods or take steps to enforce this Agreement you will have to repay any expenses or legal fees we incur (see clauses 9, 10.1 and 12.1).
- If the Agreement is terminated early by us either following a total loss of the Goods or as a result of your default, you will have to pay us the amounts set out in clause 9.1, being: (i) all arrears due to us at termination; (ii) all costs we incur in relation to the Goods; and (iii) a sum equal to the Balance Payable less any rebate which you are entitled to by law.

## Your Rights

### Right of withdrawal:

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

### Early settlement:

You can repay the credit early in full or in part at any time. To do this, you can write to us at Novuna Business Finance, Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP or call us on 01784 227333. We will provide you with a settlement quotation, which will tell you the amount that you have to pay to repay the credit in full, or if requested, the impact of repaying the credit in part, as the case may be. You can repay Novuna Business Finance the credit and interest by bank transfer, debit card or cheque.

If you repay the credit early in part, you will have the option (after paying off any arrears, costs and expenses) to either: (i) reduce the Period of Hire and keep the amount of your remaining Instalments the same; or (ii) keep the Period of Hire the same and reduce the amount of your remaining Instalments. If you have a multi asset agreement and you repay the remaining balance of one or more assets the amount of your remaining Instalments will reduce but your Period of Hire will remain the same.

### Termination: Your Rights

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

£

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

### Repossession: Your Rights

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

£

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

## Complaints and Supervisory Authority

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

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

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

## Insurance

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

## Use of Your Information

### Credit Reference Agencies

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

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

We will use this information to:

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

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

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

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

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

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

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

### Identity Verification and Fraud Prevention checks

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

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

## Your Declaration

By signing this Agreement, you confirm that:

- the information provided by you and detailed in this Agreement is true and correct and 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 the hiring and this Agreement and that you have read and understand the section above entitled "Use of Your Information" and agree to us using it for the purposes set out;
- prior to entering this Agreement, you have been given explanations in relation to this Agreement and that it is suitable for your purposes;
- you have received pre-contract credit information before signing this Agreement and been handed the pre-contract credit information form;
- you have read the information in clause 5 relating to indemnity and exclusions of liability;
- you have read the terms and conditions and been given every opportunity to ask questions; and
- you hereby confirm that the Agreement was physically signed by you on either the trade premises of Novuna, the Supplier of the Goods OR the trade premises of the Credit Intermediary.

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

Signature(s) of Customer(s)

Dates(s) of Signature(s)

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

Full Name in  
BLOCK Capitals

Position held

(Office use only)

Signed for and on behalf of Novuna

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

**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 and expressions shall have the following meanings:

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

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

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

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

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

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

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

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

**Period of Hire** means the period of hire specified on Page 1, commencing on the Date of the Agreement; and

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

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

## 2. Hire of Goods and Option to Purchase

- 2.1 From the Date of the Agreement Novuna agrees to hire to the Customer and the Customer agree to take on hire the Goods, on the terms set out in this Agreement for the Hire Period with an option to purchase (as further described in clause 10) for use in the Customer's business.
- 2.2 Where the Goods are livestock, the term "Goods" shall for the purpose of this Agreement include the progeny of the livestock.
- 2.3 Provided that the Customer complies with all their obligations under this Agreement and have paid all sums due under this Agreement, the Customer may purchase the Goods at the end of the Period of Hire by paying to Novuna the Option to Purchase Fee with the final Instalment. Until the Customer exercises their option to purchase, the Goods will remain Novuna's sole and exclusive property and the Customer shall be a mere bailee of the Goods.

## 3. Delivery and Acceptance

- 3.1 The Customer will make their own arrangements with the Supplier for the delivery and installation of the Goods at the Location. Novuna will not be liable for any delay.
- 3.2 Upon delivery the Customer will inspect the Goods and satisfy themselves that it is in good working order and condition and meets their requirements. Unless the Customer notifies Novuna 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, Novuna shall be entitled to assume that it is complete, in good working order and condition, of satisfactory quality and that it meets their requirements.

## 4. Payments

- 4.1 The Customer will pay to Novuna the Total Deposit set out on Page 1 on the Date of the Agreement. The Customer will pay the Documentation Fee with their first Instalment.
- 4.2 The Customer will pay the Instalments when due by direct debit. All sums payable under this Agreement will be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.
- 4.3 If the Customer is required by law to make any deduction or withholding, the Customer will pay to Novuna such additional amount as is necessary to ensure that Novuna receive the full Instalment amount due to Novuna.
- 4.4 Payments shall only be treated as paid on the date of receipt by Novuna of cleared funds. Where applicable, VAT will be payable on any sums due under this Agreement at the rate applicable when the relevant Instalment is due.
- 4.5 If the date for payment of any amount under this Agreement is not a Business Day, the payment shall be made on the next Business Day.
- 4.6 If the first date of payment of any amount under this Agreement is due at the end of a month which has more days in it than subsequent months when payments are due, in respect of those shorter subsequent months, the payment shall be due on the last day of the month.
- 4.7 Novuna will consider two requests from the Customer 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.

## 5. Goods and exclusion of liability

- 5.1 Where the Customer is dealing as a consumer, as defined by the Unfair Contract Terms Act 1977:
- (a) Novuna will sell the Goods subject to the terms implied by sections 9, 10, 13 and 16 of the Consumer Rights Act 2015, but not subject to any other condition, warranty or representation, express or implied;
  - (b) no provision contained in this Agreement shall affect the Customer's statutory rights; and

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

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

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

## 6. Care of the Goods

- 6.1 The Customer will maintain the Goods (at the Customer's expense) in full working order and condition. The Customer is responsible for all maintenance of the Goods in accordance with the recommendations of the Supplier or manufacturer of the Goods. If any component is lost or damaged, the Customer will replace it with parts of equal standard and quality to the original components.
- 6.2 The Customer will use the Goods properly and comply with any guidelines issued by the Supplier and manufacturer. The Customer must not use the Goods for any unlawful purpose. If relevant, the Customer is responsible for connection and disconnection of the Goods
- 6.3 The Customer must not allow the Goods to be used for the purpose of racing, rallying or any form of competition, pace making, reliability trials, speed testing, and unless otherwise approved, towing or driving tuition.
- 6.4 If any tracking or location device is installed or supplied with the Goods which allows the Customer or any other person to locate any of the Goods then the Customer agrees that they will hold the benefit of any agreement for (and all rights relating to) the tracking device on trust for Novuna and authorise Novuna to exercise all of their rights in relation to or under the same. Novuna may produce this clause 6.4 to evidence its entitlement to exercise all or any of such rights and the Customer agrees to provide all such other confirmations or authorities as Novuna may require to evidence Novuna's entitlement to the same on request.

- 6.5** The Customer will keep the Goods at the Location and the Customer must not take the Goods outside the United Kingdom without Novuna's prior written consent, provided that if the Goods are vehicles then the Customer may use the Goods in the European Union ("**Permitted Area**") for 21 consecutive days at a time. The Customer will obtain and maintain in force at all relevant times all licences and permissions required to operate the vehicles lawfully in the Permitted Area. The Customer will ensure that the insurance covers the use of the vehicles in the Permitted Area. If the Customer wishes to change the Location, the Customer must first obtain Novuna's written consent.
- 6.6** The Customer will not part with possession of the Goods or any part of it; sell, sub-hire, assign or charge the Goods or the benefit of this Agreement; create or permit any lien or any other encumbrance on the Goods; interfere in any way with any name plate or identification mark on the Goods, or make any alterations or modifications to the Goods, without first obtaining Novuna's written consent.
- 6.7** The Customer will allow Novuna and any persons Novuna may authorise to inspect the Goods from time to time and/or to place a name plate or other mark on the Goods identifying Novuna as owner of it, and to enter the property where the Customer keep the Goods for those purposes.
- 6.8** The Customer will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.
- 6.9** The Customer will maintain, where appropriate, any operator's or similar licences throughout the hiring of the Goods, and comply with all laws and regulations in relation thereto.
- 6.10** The Customer is responsible for all loss and damage to the Goods (except fair wear and tear) even if caused by acts beyond the Customer's control.

## 7. Insurance

- 7.1** The Customer will insure the Goods for full replacement value against all risks under a fully comprehensive policy (with Novuna's interest noted on the policy). The Customer will indemnify Novuna against any uninsured loss or damage resulting from the Customer's failure to comply with the terms of this clause.
- 7.2** If any amount paid to Novuna is not enough to meet the Customer's liability under this Agreement, then the Customer will pay to Novuna the difference. If the amount paid to Novuna is more than the Customer's liability, Novuna will pay to the Customer the surplus.
- 7.3** The Customer shall continue to pay the Instalments and Final Instalment to Novuna even if the Customer is unable to use the Goods whether by reason of damage, mechanical defect or otherwise.
- 7.4** If the Goods are lost, stolen, destroyed or deemed to be a total loss for insurance purposes, the hiring of the goods shall immediately end, and the Customer will pay to Novuna the amount calculated in accordance with clause 9 but Novuna shall deduct any Insurance Proceeds received from the amount due under clause 9.

## 8. When we may end the hiring

- 8.1** Novuna may end the hiring under this Agreement, following written notice to the Customer, if any of the following shall occur:
- (a) if the Customer fails to make any payment or other sum due under this Agreement or any other agreement with Novuna on the due date for payment; or
  - (b) if the Customer breaches of any of their other obligations under this Agreement and, where such breach is capable of remedy, fails to remedy such breach within 14 days from receipt of notice of breach from Novuna; or
  - (c) if a meeting is called for the Customer's creditors; or a scheme of arrangement is made or proposed with the Customer's creditors; or
  - (d) if a petition is presented for the Customer's bankruptcy (or, in Scotland, sequestration order); or
  - (e) if a receiver or administrator is appointed over all or any of the Customer's assets, or any steps are taken with a view to appointing the same; or
  - (f) if the Customer dies; or
  - (g) if the Customer is unable to pay their debts when they fall due; or
  - (h) if the Customer stops carrying on business or, if in a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
  - (i) if the Customer has supplied information under this Agreement which was incorrect at the date of the Customer's signature(s); or
  - (j) if the Customer allows any distress or execution to be levied against any of the Customer's assets or the Goods; or
  - (k) if the Customer does anything (or omit to do anything) which in Novuna's reasonable opinion may prejudice or jeopardise the Goods and/or Novuna's rights of ownership in it; or
  - (l) if in Novuna's opinion, there occurs a material adverse change in the Customer's financial or business position; or
  - (m) if Novuna become entitled to terminate any other Hire, Hire Purchase, Loan or other finance agreement Novuna may have entered into from time to time with the Customer.

## 9. What happens when the hiring ends

- 9.1** When the hiring under this Agreement is ended early under clauses 7 or 8, the Customer must pay to Novuna:
- (a) all arrears of payments and other sums due to Novuna at the date of termination, together with any interest, costs, charges and expenses which have been incurred by Novuna under this Agreement; plus

- (b) any costs Novuna may incur in relation to the Goods including any relating to insurance, transport, storage and restoring the Goods to good working order and condition; and
- (c) compensation for Novuna's loss of profit under this Agreement equal to the Balance Payable less any rebate which the Customer may be entitled to by law.

- 9.2** If Novuna have terminated the Agreement under clause 8, the Customer shall at their own expense redeliver the Goods to a location in the United Kingdom notified to the Customer by Novuna. The Goods shall be in good repair and working order and commensurate with the performance by the Customer of their obligations under this Agreement, and if it is not, the Customer shall pay to Novuna the costs necessary to restore the Goods to the required condition. If the Customer fails to return the Goods to Novuna within 7 days of the termination of this Agreement, the Customer shall grant Novuna or Novuna's agent access to any premises where the Goods may be for the purpose of removing it, and shall reimburse Novuna any costs Novuna incur in doing so.

## 10. Compensation

- 10.1** The Customer shall compensate Novuna for any amount incurred by Novuna as a result of the Customer's failure to perform their obligations under this Agreement.

## 11. Varying the Agreement

- 11.1** Novuna will have the power to vary the terms of this Agreement if Novuna reasonably consider it is necessary to do so, taking into account Novuna's legitimate interests. Novuna will not need the Customer's consent to make changes but will normally give the Customer an explanation of Novuna's reasons in advance and an opportunity to make comments before the changes take effect. Examples of when Novuna might exercise this power include:
- (a) to amend the Period of Hire and/or the timing or amounts of Instalments falling due if Novuna have reached an arrangement with the Customer to do so; or
  - (b) to amend any other terms of this Agreement if Novuna consider that the existing terms may work to the Customer's detriment; or
  - (c) to amend any other terms of this Agreement if Novuna consider that it is in Novuna's interest to do so, and the new terms will not work to the Customer's detriment; or
  - (d) to give effect to any change in law or regulation or guidance that affects this Agreement; or
  - (e) to give effect to any decision or requirement of regulators including the Financial Conduct Authority, a court, the Financial Ombudsman or other administrative body that applies to Novuna or this Agreement.

- 11.2** For changes Novuna make to this Agreement as a result of 11.1 above, Novuna will give the Customer reasonable written notice of any change before it takes effect.

## 12. General

- 12.1** Expenses: The Customer will pay on demand the amount of any expenses (including but not limited to legal fees) that Novuna incur in recovering possession of the Goods or in enforcing the terms of this Agreement.
- 12.2** Joint liability: If the Customer is more than one person, each Customer will be liable, individually as well as together, to the full extent for the obligations of the Customer under this Agreement.
- 12.3** 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.
- 12.4** No Assignment: The Customer shall not transfer its rights or obligations under this Agreement. If Novuna transfers Novuna's rights or obligations under this Agreement, the Customer's rights and obligations under this Agreement will not be affected.
- 12.5** Rights of Third Parties: A person who is not a party to this Agreement shall have no right to enforce any terms of it under the Contracts (Rights of Third Parties) Act 1999.
- 12.6** Commission: If the Customer was introduced to Novuna by a broker or credit intermediary (the **Broker**), Novuna will pay them a commission for the introduction, the broker has discretion to determine the total amount received by adjusting the interest rate and other fees within set parameters which make up the total cost of credit. The broker will confirm to the Customer the total amount of commission received when asked.
- 12.7** Waiver: If Novuna temporarily relax the terms of this Agreement, for instance, by giving the Customer more time to pay, Novuna may at any time decide to enforce the terms more strictly again. Novuna's rights under this Agreement will not be affected as a result of any such concession.
- 12.8** Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under Novuna's quality control.
- 12.9** Governing Law: Novuna's relations with the Customer are based on the law of the country in the United Kingdom where the Customer is domiciled, being England, Wales, Scotland or Northern Ireland and disputes may be referred to the courts of that country.

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

This hire purchase agreement (the “**Agreement**”) is made between Mitsubishi HC Capital UK PLC (trading as Novuna Business Finance) and its successors and assigns (“**Novuna**”) registered at Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP company number 01630491 and the Customer named in this Agreement (the “**Customer**”).

Agreement number

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

Customer details

Customer name:

Trading as:

Address:

Postcode:  Telephone:  Mobile:

Email:

Partnership details:

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

(1)

(2)

(3)

Credit Intermediary

Name:

Address:

Goods (For private use Goods for Individuals where the total Amount of Credit exceeds £60,260.00)

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

Location of Goods if different from above

Payments and financial information

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

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

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

Rate of  
Interest  
per annum  
%

APR  
%

No.	Frequency	Instalment Amount
		£
		£
		£
		£
		£

Period of Hire  months

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

Instalments will commence on the agreed date by Direct Debit.

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

Missing Payments

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

## Charges

- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see clauses 5.2(e)(ii), 7, 9.1(b), 9.2 and 10).
- If we have to repossess the Goods or take steps to enforce this Agreement you will have to repay any expenses or legal fees we incur (see clauses 9, 10.1 and 12.1).
- If the Agreement is terminated early by us either following a total loss of the Goods or as a result of your default, you will have to pay us the amounts set out in clause 9.1, being: (i) all arrears due to us at termination; (ii) all costs we incur in relation to the Goods; and (iii) a sum equal to the Balance Payable less any rebate which you are entitled to by law.

## Your Rights

### Right of withdrawal:

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

### Early settlement:

You can repay the credit early in full or in part at any time. To do this, you can write to us at Novuna Business Finance, Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP or call us on 01784 227333. We will provide you with a settlement quotation, which will tell you the amount that you have to pay to repay the credit in full, or if requested, the impact of repaying the credit in part, as the case may be. You can repay Novuna Business Finance the credit and interest by bank transfer, debit card or cheque.

If you repay the credit early in part, you will have the option (after paying off any arrears, costs and expenses) to either: (i) reduce the Period of Hire and keep the amount of your remaining Instalments the same; or (ii) keep the Period of Hire the same and reduce the amount of your remaining Instalments. If you have a multi asset agreement and you repay the remaining balance of one or more assets the amount of your remaining Instalments will reduce but your Period of Hire will remain the same.

### Termination: Your Rights

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

£

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

### Repossession: Your Rights

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

£

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

## Complaints and Supervisory Authority

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

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

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

## Insurance

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

## Use of Your Information

### Credit Reference Agencies

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

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

We will use this information to:

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

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

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

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

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

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

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

## Identity Verification and Fraud Prevention checks

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

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

## Your Declaration

By signing this Agreement, you confirm that:

- the information provided by you and detailed in this Agreement is true and correct and 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 the hiring and this Agreement and that you have read and understand the section above entitled "Use of Your Information" and agree to us using it for the purposes set out;
- prior to entering this Agreement, you have been given explanations in relation to this Agreement and that it is suitable for your purposes;
- you have received pre-contract credit information before signing this Agreement and been handed the pre-contract credit information form;
- you have read the information in clause 5 relating to indemnity and exclusions of liability;
- you have read the terms and conditions and been given every opportunity to ask questions; and
- you hereby confirm that the Agreement was physically signed by you on either the trade premises of Novuna, the Supplier of the Goods OR the trade premises of the Credit Intermediary.

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

Signature(s) of Customer(s)

Dates(s) of Signature(s)

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

Full Name in  
BLOCK Capitals

Position held

(Office use only)

Signed for and on behalf of Novuna

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

**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 and expressions shall have the following meanings:

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

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

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

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

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

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

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

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

**Period of Hire** means the period of hire specified on Page 1, commencing on the Date of the Agreement; and

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

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

## 2. Hire of Goods and Option to Purchase

- 2.1 From the Date of the Agreement Novuna agrees to hire to the Customer and the Customer agree to take on hire the Goods, on the terms set out in this Agreement for the Hire Period with an option to purchase (as further described in clause 10) for use in the Customer's business.
- 2.2 Where the Goods are livestock, the term "Goods" shall for the purpose of this Agreement include the progeny of the livestock.
- 2.3 Provided that the Customer complies with all their obligations under this Agreement and have paid all sums due under this Agreement, the Customer may purchase the Goods at the end of the Period of Hire by paying to Novuna the Option to Purchase Fee with the final Instalment. Until the Customer exercises their option to purchase, the Goods will remain Novuna's sole and exclusive property and the Customer shall be a mere bailee of the Goods.

## 3. Delivery and Acceptance

- 3.1 The Customer will make their own arrangements with the Supplier for the delivery and installation of the Goods at the Location. Novuna will not be liable for any delay.
- 3.2 Upon delivery the Customer will inspect the Goods and satisfy themselves that it is in good working order and condition and meets their requirements. Unless the Customer notifies Novuna 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, Novuna shall be entitled to assume that it is complete, in good working order and condition, of satisfactory quality and that it meets their requirements.

## 4. Payments

- 4.1 The Customer will pay to Novuna the Total Deposit set out on Page 1 on the Date of the Agreement. The Customer will pay the Documentation Fee with their first Instalment.
- 4.2 The Customer will pay the Instalments when due by direct debit. All sums payable under this Agreement will be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.
- 4.3 If the Customer is required by law to make any deduction or withholding, the Customer will pay to Novuna such additional amount as is necessary to ensure that Novuna receive the full Instalment amount due to Novuna.
- 4.4 Payments shall only be treated as paid on the date of receipt by Novuna of cleared funds. Where applicable, VAT will be payable on any sums due under this Agreement at the rate applicable when the relevant Instalment is due.
- 4.5 If the date for payment of any amount under this Agreement is not a Business Day, the payment shall be made on the next Business Day.
- 4.6 If the first date of payment of any amount under this Agreement is due at the end of a month which has more days in it than subsequent months when payments are due, in respect of those shorter subsequent months, the payment shall be due on the last day of the month.
- 4.7 Novuna will consider two requests from the Customer 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.

## 5. Goods and exclusion of liability

- 5.1 Where the Customer is dealing as a consumer, as defined by the Unfair Contract Terms Act 1977:
- (a) Novuna will sell the Goods subject to the terms implied by sections 9, 10, 13 and 16 of the Consumer Rights Act 2015, but not subject to any other condition, warranty or representation, express or implied;
  - (b) no provision contained in this Agreement shall affect the Customer's statutory rights; and

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

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

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

## 6. Care of the Goods

- 6.1 The Customer will maintain the Goods (at the Customer's expense) in full working order and condition. The Customer is responsible for all maintenance of the Goods in accordance with the recommendations of the Supplier or manufacturer of the Goods. If any component is lost or damaged, the Customer will replace it with parts of equal standard and quality to the original components.
- 6.2 The Customer will use the Goods properly and comply with any guidelines issued by the Supplier and manufacturer. The Customer must not use the Goods for any unlawful purpose. If relevant, the Customer is responsible for connection and disconnection of the Goods
- 6.3 The Customer must not allow the Goods to be used for the purpose of racing, rallying or any form of competition, pace making, reliability trials, speed testing, and unless otherwise approved, towing or driving tuition.
- 6.4 If any tracking or location device is installed or supplied with the Goods which allows the Customer or any other person to locate any of the Goods then the Customer agrees that they will hold the benefit of any agreement for (and all rights relating to) the tracking device on trust for Novuna and authorise Novuna to exercise all of their rights in relation to or under the same. Novuna may produce this clause 6.4 to evidence its entitlement to exercise all or any of such rights and the Customer agrees to provide all such other confirmations or authorities as Novuna may require to evidence Novuna's entitlement to the same on request.

- 6.5** The Customer will keep the Goods at the Location and the Customer must not take the Goods outside the United Kingdom without Novuna's prior written consent, provided that if the Goods are vehicles then the Customer may use the Goods in the European Union ("**Permitted Area**") for 21 consecutive days at a time. The Customer will obtain and maintain in force at all relevant times all licences and permissions required to operate the vehicles lawfully in the Permitted Area. The Customer will ensure that the insurance covers the use of the vehicles in the Permitted Area. If the Customer wishes to change the Location, the Customer must first obtain Novuna's written consent.
- 6.6** The Customer will not part with possession of the Goods or any part of it; sell, sub-hire, assign or charge the Goods or the benefit of this Agreement; create or permit any lien or any other encumbrance on the Goods; interfere in any way with any name plate or identification mark on the Goods, or make any alterations or modifications to the Goods, without first obtaining Novuna's written consent.
- 6.7** The Customer will allow Novuna and any persons Novuna may authorise to inspect the Goods from time to time and/or to place a name plate or other mark on the Goods identifying Novuna as owner of it, and to enter the property where the Customer keep the Goods for those purposes.
- 6.8** The Customer will promptly pay all rents, rates, taxes, duties, fines and levies and any other sums in connection with the Goods.
- 6.9** The Customer will maintain, where appropriate, any operator's or similar licences throughout the hiring of the Goods, and comply with all laws and regulations in relation thereto.
- 6.10** The Customer is responsible for all loss and damage to the Goods (except fair wear and tear) even if caused by acts beyond the Customer's control.

## 7. Insurance

- 7.1** The Customer will insure the Goods for full replacement value against all risks under a fully comprehensive policy (with Novuna's interest noted on the policy). The Customer will indemnify Novuna against any uninsured loss or damage resulting from the Customer's failure to comply with the terms of this clause.
- 7.2** If any amount paid to Novuna is not enough to meet the Customer's liability under this Agreement, then the Customer will pay to Novuna the difference. If the amount paid to Novuna is more than the Customer's liability, Novuna will pay to the Customer the surplus.
- 7.3** The Customer shall continue to pay the Instalments and Final Instalment to Novuna even if the Customer is unable to use the Goods whether by reason of damage, mechanical defect or otherwise.
- 7.4** If the Goods are lost, stolen, destroyed or deemed to be a total loss for insurance purposes, the hiring of the goods shall immediately end, and the Customer will pay to Novuna the amount calculated in accordance with clause 9 but Novuna shall deduct any Insurance Proceeds received from the amount due under clause 9.

## 8. When we may end the hiring

- 8.1** Novuna may end the hiring under this Agreement, following written notice to the Customer, if any of the following shall occur:
- (a) if the Customer fails to make any payment or other sum due under this Agreement or any other agreement with Novuna on the due date for payment; or
  - (b) if the Customer breaches of any of their other obligations under this Agreement and, where such breach is capable of remedy, fails to remedy such breach within 14 days from receipt of notice of breach from Novuna; or
  - (c) if a meeting is called for the Customer's creditors; or a scheme of arrangement is made or proposed with the Customer's creditors; or
  - (d) if a petition is presented for the Customer's bankruptcy (or, in Scotland, sequestration order); or
  - (e) if a receiver or administrator is appointed over all or any of the Customer's assets, or any steps are taken with a view to appointing the same; or
  - (f) if the Customer dies; or
  - (g) if the Customer is unable to pay their debts when they fall due; or
  - (h) if the Customer stops carrying on business or, if in a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
  - (i) if the Customer has supplied information under this Agreement which was incorrect at the date of the Customer's signature(s); or
  - (j) if the Customer allows any distress or execution to be levied against any of the Customer's assets or the Goods; or
  - (k) if the Customer does anything (or omit to do anything) which in Novuna's reasonable opinion may prejudice or jeopardise the Goods and/or Novuna's rights of ownership in it; or
  - (l) if in Novuna's opinion, there occurs a material adverse change in the Customer's financial or business position; or
  - (m) if Novuna become entitled to terminate any other Hire, Hire Purchase, Loan or other finance agreement Novuna may have entered into from time to time with the Customer.

## 9. What happens when the hiring ends

- 9.1** When the hiring under this Agreement is ended early under clauses 7 or 8, the Customer must pay to Novuna:
- (a) all arrears of payments and other sums due to Novuna at the date of termination, together with any interest, costs, charges and expenses which have been incurred by Novuna under this Agreement; plus

- (b) any costs Novuna may incur in relation to the Goods including any relating to insurance, transport, storage and restoring the Goods to good working order and condition; and
- (c) compensation for Novuna's loss of profit under this Agreement equal to the Balance Payable less any rebate which the Customer may be entitled to by law.

- 9.2** If Novuna have terminated the Agreement under clause 8, the Customer shall at their own expense redeliver the Goods to a location in the United Kingdom notified to the Customer by Novuna. The Goods shall be in good repair and working order and commensurate with the performance by the Customer of their obligations under this Agreement, and if it is not, the Customer shall pay to Novuna the costs necessary to restore the Goods to the required condition. If the Customer fails to return the Goods to Novuna within 7 days of the termination of this Agreement, the Customer shall grant Novuna or Novuna's agent access to any premises where the Goods may be for the purpose of removing it, and shall reimburse Novuna any costs Novuna incur in doing so.

## 10. Compensation

- 10.1** The Customer shall compensate Novuna for any amount incurred by Novuna as a result of the Customer's failure to perform their obligations under this Agreement.

## 11. Varying the Agreement

- 11.1** Novuna will have the power to vary the terms of this Agreement if Novuna reasonably consider it is necessary to do so, taking into account Novuna's legitimate interests. Novuna will not need the Customer's consent to make changes but will normally give the Customer an explanation of Novuna's reasons in advance and an opportunity to make comments before the changes take effect. Examples of when Novuna might exercise this power include:
- (a) to amend the Period of Hire and/or the timing or amounts of Instalments falling due if Novuna have reached an arrangement with the Customer to do so; or
  - (b) to amend any other terms of this Agreement if Novuna consider that the existing terms may work to the Customer's detriment; or
  - (c) to amend any other terms of this Agreement if Novuna consider that it is in Novuna's interest to do so, and the new terms will not work to the Customer's detriment; or
  - (d) to give effect to any change in law or regulation or guidance that affects this Agreement; or
  - (e) to give effect to any decision or requirement of regulators including the Financial Conduct Authority, a court, the Financial Ombudsman or other administrative body that applies to Novuna or this Agreement.

- 11.2** For changes Novuna make to this Agreement as a result of 11.1 above, Novuna will give the Customer reasonable written notice of any change before it takes effect.

## 12. General

- 12.1** Expenses: The Customer will pay on demand the amount of any expenses (including but not limited to legal fees) that Novuna incur in recovering possession of the Goods or in enforcing the terms of this Agreement.
- 12.2** Joint liability: If the Customer is more than one person, each Customer will be liable, individually as well as together, to the full extent for the obligations of the Customer under this Agreement.
- 12.3** 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.
- 12.4** No Assignment: The Customer shall not transfer its rights or obligations under this Agreement. If Novuna transfers Novuna's rights or obligations under this Agreement, the Customer's rights and obligations under this Agreement will not be affected.
- 12.5** Rights of Third Parties: A person who is not a party to this Agreement shall have no right to enforce any terms of it under the Contracts (Rights of Third Parties) Act 1999.
- 12.6** Commission: If the Customer was introduced to Novuna by a broker or credit intermediary (the **Broker**), Novuna will pay them a commission for the introduction, the broker has discretion to determine the total amount received by adjusting the interest rate and other fees within set parameters which make up the total cost of credit. The broker will confirm to the Customer the total amount of commission received when asked.
- 12.7** Waiver: If Novuna temporarily relax the terms of this Agreement, for instance, by giving the Customer more time to pay, Novuna may at any time decide to enforce the terms more strictly again. Novuna's rights under this Agreement will not be affected as a result of any such concession.
- 12.8** Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under Novuna's quality control.
- 12.9** Governing Law: Novuna's relations with the Customer are based on the law of the country in the United Kingdom where the Customer is domiciled, being England, Wales, Scotland or Northern Ireland and disputes may be referred to the courts of that country.