

Unregulated Hire Purchase Agreement (Fixed Rate)

Agreement No:

C

This Hire Purchase Agreement is made between **Aldermore Bank Plc** of **4th Floor, Block D, Apex Plaza, Forbury Road, Reading, RG1 1AX** (registered under the laws of England and Wales with company number 00947662 and having VAT Reg. No. 681 3371 34) (**Aldermore**, which expression shall include its successors and assigns/assignees) and the Hirer whose particulars are set out below whereby Aldermore agrees to let and the Hirer agrees to hire the goods specified in the Schedule attached to this Agreement (**Schedule**) which is incorporated in and forms part of this Agreement on the terms set out in the Terms of Agreement attached to this Agreement (**Terms of Agreement**) which Terms of Agreement are incorporated in and form part of this Agreement.

Summary of details**1 Particulars of Hirer**

Full name(s):

Company registration no:

Tel no:

Fax no:

Email address:

Address:

2 Description of Goods

Net Price: £

VAT: £

Total cash price: £

3 Hire period

Hire Period:

Months

4 Financial details

Total cash price: (a) £

Less deposit: (b) £

Balance of cash price: (c) £

Add hire purchase charges: (d) £

Add option to purchase fee ex VAT (payable with final hire payment instalment): (e) £

Add administration fee ex VAT (collected with the first hire payment instalment): (f) £

Total amount payable: (c + d + e + f) £

Total hire purchase price (a + d + e + f) £

5 Schedule of payments

Payment Frequency: MONTHLY

Number of hire payment instalments / Payment Profile:

Amount of first hire payment instalment (which will be due one month from acceptance by Aldermore of this Agreement): £

Amount of second hire payment instalment (which will be due two months from acceptance by Aldermore of this Agreement): £

Amount of third hire payment instalment **which includes VAT deferral of £**
(which will be due three months from acceptance by Aldermore of this Agreement): £

Amount of each subsequent hire payment instalment: £

Amount of final hire payment instalment: (which will be due one day before expiry of the Hire Period) £

IMPORTANT USE OF YOUR INFORMATION

You have a right to know how we will use your personal information. It is important that you read the Data Protection Statement and Use of your Personal Information Sections of this document before you sign this document as by submitting your information to us and signing this document, you expressly consent to our use and disclosure of your information in the manner and for the purposes described therein.

Declaration by Hirer

I/we declare and warrant that: (a) my/our attention was drawn to clause 4 (Hirer's Warranty and Indemnity) of the Terms of Agreement; (b) the information contained in Section 1 above (Particulars of Hirer) is correct and I/we understand that in considering whether or not to accept this Agreement Aldermore will have relied on the truth of that information.

DECLARATION BY HIRER for exemption relating to business (Section 16B and 189(1) Consumer Credit Act 1974)

I am/We are entering into 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 Consumer Credit Act 1974 if this agreement were a regulated agreement under that Act.

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

I am/We are aware that, if I am/we are in any doubt as to the consequences of the agreement not being regulated by the Consumer Credit Act 1974 I/we should seek independent legal advice.

X Signature(s) of Hirer:**X** Signature of Witness:**X** Print name(s):**X** Name of Witness:**X** Position:

(Director, Proprietor, Partner, etc.)

X Address of Witness:**X** Date:**Acceptance by Aldermore**

Signature:

Date:

Terms of agreement

1. Payment and Title

- a) The Hirer shall punctually pay the hire payment instalments set out in the Summary of Details at the times and in the manner specified therein. Each payment by the Hirer shall be made without prior demand in immediately available funds for value on the due date for payment, without set off. Payments shall only be made to Aldermore or to such persons as Aldermore may nominate in writing.
- b) Until and unless such time as the Option to Purchase is exercised pursuant to clause 3 of these Terms of Agreement, the Goods shall remain the property of Aldermore. The Hirer shall not represent or hold itself out as, or suffer anything whereby it may be reputed to be, the owner of the Goods.
- c) The Hirer will pay an Annual Service Fee of £30.00 or such other reasonable amount as Aldermore may notify the Hirer from time to time in writing on each anniversary of the date of the Agreement.
- d) The Hirer will pay all hire payment instalments by direct debit. If the Hirer pays Aldermore by some other method then Aldermore shall be entitled to increase the instalments by 2% to cover its additional administration costs after giving the Hirer notice and an administration fee shall be charged.
- e) In addition to the hire payment instalments due under this Agreement, if the Goods have been delivered to the Hirer prior to the Agreement start date (confirmed by the Hirer signing the Acceptance Certificate or Delivery Note), an interim rental shall be due for the period from the date of delivery of the Goods to the Agreement start date (the **Interim Period**, measured in whole days only), the amount of which shall be calculated by Aldermore with reference to the hire payment instalments but on a pro rata basis in respect of the Interim Period.
- f) The Hirer's obligation to pay hire payment instalments and to pay all other payments in accordance with this Agreement is absolute irrespective of any contingency, including:
- i) an unavailability of any item of the Goods for any reason, including any lack or invalidity of title to any item of the Goods, any other defect in the title to any item of the Goods, arising out of the condition, design, operation, merchantability or fitness for use or purpose of any item of the Goods or, subject to clause 7 the total loss of or any damage to any item of the Goods,
 - ii) any failure or delay on the part of either party to this Agreement, whether with or without fault on its part, in performing or complying with this Agreement;
 - iii) any insolvency, bankruptcy, reorganisation, arrangement, readjustment of debt, dissolution, administration, liquidation or similar proceedings by or against either party to this Agreement;
 - iv) any failure, breach and/or delay on the part of any maintenance provider; or
 - v) any lack of due authorisation of or other defect in this Agreement.

2. Interest and Default Interest

- a) The Hirer shall pay interest on all instalments monthly in arrears at a rate equal to the annual percentage rate represented by the Hire Purchase Charges, such interest to accrue from day to day and to run after as well as before any judgment or decree.
- b) If the Hirer fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the amount payable but unpaid from the due date up to the date of actual payment, both before and after judgment or decree, at the Default Rate, and shall be payable by the Hirer on demand by Aldermore.

3. Option to Purchase

- a) Provided no default has occurred under clause 9 of these Terms of Agreement, the Hirer may on the last day of the Hire Period by effluxion of time (or such other date as Aldermore shall agree) purchase all (or any of) the Goods.
- b) Upon payment of all sums payable under this Agreement and the Option to Purchase Fee such title as Aldermore have to such Goods shall pass to the Hirer.
- c) In the event that this option to purchase is not exercised and the Hirer fails to return the Goods to Aldermore within 7 days of the expiry of the Hire Period, the Hirer, shall pay to Aldermore on demand additional rental for each day or part day until they have been returned, at a rate which is equal to the last instalment payable immediately prior to the date on which the Hire Period expired.

4. Hirer's Warranty and Indemnity

- a) The Hirer acknowledges that:
- i) the Goods are required for the purpose of a business carried on by the Hirer, were selected by the Hirer and acquired by Aldermore at the Hirer's request for the purposes of this Agreement;
 - ii) the Hirer relied on his own skill and judgement in selecting the Goods;
 - iii) delivery of the Acceptance Certificate to Aldermore by the Hirer is proof that the Goods are of satisfactory quality, in good working order and condition and conform to the Hirer's requirements;
 - iv) Aldermore do not accept responsibility for the Goods corresponding with any description or for their quality, condition or suitability for the Hirer's purposes; and
 - v) except where expressly authorised by Aldermore, no dealer in or supplier of the Goods is or shall be deemed to be Aldermore's agent.
- b) The Hirer indemnifies Aldermore against all claims, damages, loss, costs and expenses (including legal costs on a full indemnity basis) arising out of breach of this Agreement by the Hirer or the Hirer's possession or use of the Goods, except for injury or death caused by Aldermore's negligence.

5. Possession and Use

- a) The Hirer shall:
- i) not make or attempt any sale or other disposition of the Goods.
 - ii) not change the application of the Goods without the prior written consent of Aldermore.
 - iii) keep the Goods in the Hirer's possession or control, on demand notify Aldermore of its whereabouts and not take the Goods out of the UK without the prior written consent of Aldermore.
 - iv) observe all the manufacturer's and/or the supplier's instructions regarding the use and operation of Goods.
 - v) not permit the Goods to become affixed to any premises and shall keep them free from any mortgage, charge, lien, pledge, hypothec or other encumbrance and free from distress, diligence, execution, attachment, arrestment or other legal process.
 - vi) punctually pay all rents, taxes and outgoings in connection with any premises in or upon which the Goods may be for the time being which are occupied or under the control of the Hirer.
 - vii) punctually pay all and any Value Added Tax for which the Hirer may be or at any time become accountable in respect of any payment to Aldermore under this Agreement or any other document related thereto.
 - viii) comply, at the Hirer's expense, with all statutory regulations concerning the Goods and their operation and ensure that they are in a safe condition, are operated by a qualified operator and that they are not used for any unlawful purpose or operated negligently or recklessly.

6. Repair and Inspection

- a) The Hirer shall maintain the Goods in good order and condition and shall be liable for all loss of or damage to the Goods however caused (fair wear and tear only excepted).

The Hirer shall give immediate notice in writing of any loss or damage to Aldermore who may in their absolute discretion require the Hirer to have any necessary repairs effected by repairers approved in writing by them. The Hirer shall not pledge Aldermore's credit or create or allow to be created a lien upon the Goods or any of them.

- b) The Hirer shall ensure that any tests or inspections required by law or by the insurers are duly carried out.
- c) The Hirer shall not without the previous written consent of Aldermore make any alteration or addition to the Goods, and any addition shall immediately become the property of Aldermore.
- d) The Hirer agrees Aldermore, their agents and representatives shall be entitled (but not obliged) at all reasonable times to inspect and/or test the Goods (and for this purpose shall be entitled to enter on any premises on or in which the same are reasonably believed to be situated).

7. Insurance

As between the Hirer and Aldermore, the risk in relation to the Goods shall at all times remain with the Hirer.

- a) The Hirer shall keep the Goods insured with a reputable insurer on an all risks basis (or under a fully comprehensive policy in respect of vehicles) and including third party liability with no unusual excess and no exclusions for their full replacement value at the Hirer's expense. The Hirer shall arrange to note Aldermore's interest is on any insurance policies as the Owner of the Goods and payee of any insurance proceeds. The Hirer shall punctually pay all premiums under the policy and produce receipts and/or evidence for such payments to Aldermore on demand.
- b) If the Hirer makes an insurance claim in relation to the Goods, the Hirer must notify Aldermore immediately. In the event of a claim being made against the insurers Aldermore may at their absolute discretion conduct any negotiations and effect any settlement with the insurers and the Hirer agrees to abide by such settlement.
- c) The Hirer shall hold on trust for Aldermore all monies payable under the policy in relation to the Goods and hereby irrevocably authorises Aldermore to receive such monies where:
- i) the Goods are lost or stolen or damaged beyond repair shall be applied in payments to Aldermore of any sums previously accrued due to them and of any sum necessary to make up the unpaid balance of the total amount payable under this Agreement less any rebate in respect of accelerated payment as Aldermore in their discretion may allow, any surplus being payable forthwith by the Hirer to Aldermore; and
 - ii) in any other case shall be retained by Aldermore until the Goods have been repaired to their satisfaction and then shall be released to the repairer or (if the cost of the repairs has been paid by the Hirer) to the Hirer. Payment of the surplus or deficiency under sub-clause (a) above shall bring this Agreement and the liability of the parties hereunder to an end. Until then, the loss or destruction of or damage to the Goods (for which the Hirer shall remain fully liable) shall not affect the continuance of this Agreement and the Hirer's liability for any sums payable under this Agreement.
- d) If the Hirer fails to provide evidence of adequate insurance on the Goods then Aldermore shall have the right, but not the obligation, to insure the Goods and charge the Hirer an insurance fee by increasing the Rentals payable under this Agreement. Aldermore will give the Hirer notice for charging any insurance fee [and the Hirer may arrange their own insurance at any time in accordance with sub-clause (a) above]. The Hirer must notify Aldermore as soon as possible of any damage or loss of the Goods and provide Aldermore's insurer with a true, complete and accurate statement of loss and any other information that our insurer reasonably required in support of the insurance claim. In the event that Aldermore makes a claim, the Hirer must make every reasonable effort to protect the Goods from further loss.
- e) Aldermore may apply any insurance monies (at our option) toward the cost of repair or reinstatement of the Goods or towards payment of any sum or sums due to Aldermore under this Agreement.
- f) The Hirer agrees to indemnify Aldermore, in doing so the Hirer is ensuring Aldermore is fully indemnified on demand against any loss, damage, proceedings, claims, costs or expenses arising directly or indirectly from the Hirer's hiring, possession, operation or use of the Goods under the Agreement except for death or personal injury caused by Aldermore's negligence. The provisions of this clause shall continue in full force and effect notwithstanding the termination of the Agreement for any reason.

8. Hirer's Right to Terminate

The Hirer may terminate this Agreement by giving no less than 30 days written notice to Aldermore and returning the Goods together with, in the case of a vehicle, the registration document, licence and, if applicable, test certificate. The Hirer shall then be liable to pay to Aldermore the unpaid balance of the Total Amount Payable less the aggregate of (a) the net proceeds of sale of the Goods (the Hirer shall only sell the Goods with the prior written consent of Aldermore) after deduction of expenses or charges incurred by Aldermore in respect of repair or storage or which may be due under clause 11 of these Terms of Agreement, (b) the sum stated in the Summary of Details as the Option to Purchase Fee and (c) such rebate for accelerated payment as Aldermore in their discretion may allow.

9. Default

If it should transpire that any part of the information given by the Hirer in this Agreement is in any material respect inaccurate or if the Hirer shall:

- a) default in the performance of any of the Hirer's obligations under this Agreement;
 - b) make or propose any composition or scheme of arrangement or trust deed with his creditors or call a meeting of them;
 - c) permit distress, diligence or execution to be levied against, or attachment or arrestment of, any of his assets or income;
 - d) have an interim or bankruptcy or sequestration order made against him or receive a statutory demand under the Insolvency Act 1986 or the Bankruptcy (Scotland) Act 1985;
 - e) cease to carry on business or, being a partnership, be dissolved or if proceedings for its dissolution be commenced;
 - f) suffer a receiver, administrative receiver or administrator to be appointed over its assets or a petition to be presented or pass a resolution for its winding up (otherwise than for the purposes of reorganisation);
 - g) suffer a material adverse change in its financial standing;
 - h) suffer a change in control whereby at least 50% of the voting shares of the Hirer cease to be held by its parent as at the date of this Agreement;
 - i) do or suffer to be done any act or thing which in the opinion of Aldermore may prejudice Aldermore's rights of ownership of the Goods;
 - j) have the Pensions Regulator issue a contribution notice or a financial support direction to any member of the Hirer Group or a debt is claimed by the trustees under section 75 of the Pensions Act 1995 as amended by the Pensions Act 2004 and as amended from time to time in relation to any member of the Hirer Group in either case which is reasonably likely to have a material adverse effect on the Hirers or on any guarantor's ability to perform the obligations under this Agreement;
- then Aldermore shall be entitled;

- i) to immediately with or without notice to terminate the hiring under this Agreement by repossessing the Goods and for that purpose to enter any premises where the Goods are believed to be; or to terminate this Agreement by notice in writing, whereupon the Hirer shall no longer be in possession of the Goods with Aldermore's consent and shall forthwith return them to Aldermore; and
- ii) to recover all sums due under this Agreement at the date of termination of the hiring or this Agreement, as the case may be and damages for all loss sustained by Aldermore, including loss of profit resulting from such termination

10. Termination

- a) This Agreement and the consent of Aldermore to the Hirer continuing in possession of the Goods shall terminate automatically and without notice upon any steps being taken by any person for the levying of distress or diligence on the Goods. No payment subsequently accepted by Aldermore without knowledge of such event shall prejudice or affect the operation of this clause.
- b) Upon termination under this clause Aldermore shall be entitled to exercise the rights conferred on them by clause 9 of these Terms of Agreement.
- c) If this Agreement (or the hiring hereunder) is terminated by Aldermore or terminated automatically then Aldermore may by 24 hours written notice to the Hirer, terminate any other agreement between Aldermore and the Hirer. Similarly, if any other agreement (or the hiring thereunder) is terminated by Aldermore or terminated automatically, then Aldermore may terminate this Agreement. Aldermore may then exercise their rights under this Agreement (or any other agreement referred to in this clause) as if they had terminated the same by reason of a repudiatory breach thereof. This clause will not apply to any regulated agreement (as defined in the Consumer Credit Act 1974).

11. Expenses

- a) The Hirer shall repay on demand Aldermore's expenses and all legal costs on a full indemnity basis for:
- finding the Hirer's address if the Hirer changes address without notifying Aldermore in writing within 7 days of a change of address; and/or
 - finding the Goods if they are not at the address notified by the Hirer; and/or appointment of administrators and/or
 - taking steps including court action to recover the Goods or to obtain payment for them.
- b) The Hirer shall pay on demand Aldermore's reasonable expenses in relation to any letter that Aldermore might send to the Hirer and any reasonable expenses incurred by Aldermore:
- where the standing order or direct debit payment is not made by its due date, for whatever reason;
 - in preparing a default notice or termination notice;
 - in writing a letter before action;
 - in respect of any rescheduling of an Agreement; and/or
 - in respect of an arrears visit.
- c) The Hirer shall pay on demand Aldermore's reasonable expenses in relation to additional services that Aldermore may provide at the request of the Hirer including (but not limited to):
- Providing a copy of Agreement, Invoice or VAT Schedule;
 - Full or partial novation of an Agreement
 - Statement of Account

Aldermore's full tariff of current charges can be supplied on request.

12. General Provisions

- a) In this Agreement, the following definitions shall apply:
- Acceptance Certificate** a certificate of acceptance of the Goods in a form approved by Aldermore.
- Default Rate** 4% over FHBR.
- EUROLIBOR** in relation to any period, the annual percentage rate at which the leading banks in the London interbank market offer euro deposits for a period of 3 months at or about 11am (London time) on the first day of such period.

FHBR the base rate of the Finance and Leasing Association from time to time.

Goods the goods and equipment set out in the Schedule and includes all replacements or renewals and all additions and accessions to them made with the consent of Aldermore or by the insurers.

Hirer the party whose details are set out at 1 (*Particulars of Hirer*) in the Summary of Details and includes a company or two or more persons constituting the Hirer and the liability of such two or more persons shall be joint and several.

Hirer Group the Hirer, the Hirer's ultimate Holding Company and any Subsidiaries of such Holding Company from time to time.

Holding Company has the meaning given to it by section 1159 of the Companies Act 2006.

LIBOR in relation to any period, the annual percentage rate at which the leading banks in the London interbank market offer sterling deposits for a period of 3 months at or about 11am (London time) on the first day of such period.

Subsidiary any subsidiary within the meaning of section 1159 of the Companies Act 2006.

- b) Words and expressions to which meanings have been assigned in the Summary of Details shall have those meanings in these Terms of Agreement. Words in the masculine gender shall include the feminine and neuter genders. Headings are for convenience only and shall not affect the interpretation of any provision.
- c) References to the date of this Agreement are to the date of signing of this Agreement by or on behalf of Aldermore.
- d) The complete and punctual performance of the obligations of the Hirer under clauses 1, 2, 5, 6 and 7 of these Terms of Agreement including the payment of all sums payable on their due date is of the essence of this Agreement. A breach of any such obligations shall constitute a repudiation of this Agreement.
- e) No relaxation or indulgence which Aldermore may extend to the Hirer shall prejudice Aldermore's strict rights under this Agreement.
- f) The rights conferred on the Hirer under this Agreement shall be personal to the Hirer, who shall not attempt to assign or otherwise deal with any of those rights.
- g) Notice to the Hirer may be communicated to the Hirer orally and notices required to be given in writing may be given by delivery, post or facsimile to the Hirer at the Hirer's address stated in this Agreement or the Hirer's private or last known address and to Aldermore at Aldermore's address stated in this Agreement or other address notified by Aldermore to the Hirer. Notices sent by first class post shall be deemed to have been received within forty-eight hours of posting.
- h) No variation of this Agreement shall be valid unless it is in writing and signed by the Hirer and Aldermore.
- i) This Agreement (comprising these Terms of Agreement, the Hire Purchase Agreement into which they are incorporated and the Schedule attached to the said Hire Purchase Agreement), and the documents referred to in it, constitute the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this Agreement.
- j) If any provision of this Agreement shall be found to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect the remaining provisions which shall remain in full force and effect.

13. Commencement of Agreement

This Agreement shall only come into force if and when it is signed by or on behalf of Aldermore and on the date when it is so signed.

14. Exclusion of Third Party Rights

Nothing in this Agreement shall be construed as creating a right which is enforceable by any person who is not a party or a permitted assignee or transferee of such a party to this Agreement.

15. Governing Law and Jurisdiction

If the registered office of the Hirer is in England or Wales, this Agreement shall be governed by and construed in accordance with the laws of England and the Hirer submits to the non-exclusive jurisdiction of the English courts; if the registered office of the Hirer is in Scotland, this Agreement shall be governed by and construed in accordance with the laws of Scotland and the Hirer submits to the non-exclusive jurisdiction of the Scottish courts.

Data Protection Statement

Please Note:

In accordance with standard lending policy; Aldermore Bank Plc will verify and credit check your application. This will involve the search of records held by credit reference and fraud prevention agencies. Such agencies not only provide credit and voters roll information, they can verify your identity and also record the details of searches including whether or not your application proceeds. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. We and other organisations may access and use from other countries the information recorded by fraud prevention agencies. We and other organisations may also access and use this information to prevent fraud and money laundering, for example, when checking details on applications for credit and credit related or other facilities, managing credit and credit related accounts or facilities, recovering debt, checking details on proposals and claims for all types of insurance, checking details of job applicants and employees. Should you have any queries relating to the use and storage of information or if you want to receive details of the relevant fraud prevention agencies we use please write to us at: The Compliance Department, Aldermore Bank Plc, 1st Floor, Block B, Western House, Lynch Wood, Peterborough PE2 6EZ. Please note, you can (on request) receive a copy of all the information which we hold on file for you if you so wish; we may levy a small charge for this service.

Use of your personal information

Information about all applicants will be collected and held on Aldermore Bank Plc systems and database and will be used to process your application and for ongoing account maintenance and administrative purposes. It will be held in accordance with the Data Protection Act 1998 and we will only disclose it to other companies within our group, our lawyers, auditors, external advisors, agents and third parties as well as anyone to whom we transfer our rights and duties under your agreement with us, together with their lawyers, auditors and external advisors, agents and rating agencies. We will also disclose your personal information to third party service providers who we engage from time to time but we will always endeavour to ensure that they hold it in accordance with the Data Protection Act 1998. We will also use the information you provide to us to contact you to update you on our products and services and those of third parties which we think may be of interest to you. By submitting your information to us you consent to us processing your personal information in this way and contacting you by telephone, post, fax, sms and/or email. Please tick the relevant box (es) if you **DO NOT** wish to be contacted by us for this purpose. **I DO NOT** wish to be contacted by telephone [], post [], fax [], sms [] and/or email []. Please note that you may withdraw your consent at any time by writing to The Compliance Department, Aldermore Bank Plc, 1st Floor, Block B, Western House, Lynch Wood, Peterborough PE2 6EZ.

Declarations

I/we, Hirer referred to in the foregoing Agreement, declare that the replies to the questions contained in this application form and any supplementary application form(s) are true and complete in every respect to the best of my/our knowledge and understand that Aldermore Bank PLC has relied on the replies and may form the basis of any contract between me/us and Aldermore Bank PLC (and its transferees and assignees). I/we have read and agree with the data protection statement and the use of your information section above.