

## **Mock Credit Agreement Documents**

**These are the mock agreement documents and mock pre-contract information that MORI conducted consumer research on in March-April 2004. They were based on draft regulations revised after the Dec 2003 White Paper but prior to the final June 2004 Regulations.**

The MORI report can be found at:

<http://www.dti.gov.uk/ccp/topics1/pdf1/creditreport0505041.pdf>

**Credit Card Agreement  
Secured Loan Pre Contract Information and Agreement  
Hire Purchase Pre Contract Information and Agreement**

# Credit Card Agreement Regulated By The Consumer Credit Act 1974

This is a Credit Agreement between us, Creditor Bank Limited, PO Box 1234, Anytown PS1 CDE, and you, the person whose name appears below on this form.

Mr A Sample  
Sample Address  
Sample Town  
Sample City  
XXX XXX

## KEY FINANCIAL INFORMATION

### Credit Limit

You have been accepted for a Creditor Bank Card with a Credit Limit of

**£XX,XXX**

We may vary your limit from time to time and will tell you of your new limit.

### Total Charge For Credit (for Purchases only):

**£XX,XXX**

On the assumption that you make Purchases up to the full amount of your Credit Limit, you repay in 12 equal monthly repayments and interest rates remain the same. If you have opted for PPI or Card Protection Plan, this figure will not change.

#### 1. Payments

1.1 Each month, you must pay on or before the Payment Date at least the minimum payment shown on your statement. The minimum payment will be the greater of:

- £5; or
  - 2% of the Statement Balance (rounded up to the nearest £); or
- if the Statement Balance is less than £5, the minimum payment will be the Statement Balance.

#### 2. APRs

2.1 We charge the following (variable) APRs:

Standard Purchases	XX.X%
Balance Transfers	XX.X%
Cash Advances	XX.X%

#### 3. Charges

3.1 We charge a handling fee of x% of the amount of each Cash Advance and Account Cheque which we treat as a Cash Advance (minimum fee £x.xx). We may charge a handling fee of x% of the amount of a Balance Transfer, minimum £x, maximum £xx.xx, except during any introductory promotional period. We charge a x.xx% commission on all Transactions which are not in sterling or which are made outside the UK.

#### 4. Interest Rates

4.1 We charge the following (variable) interest rates:

Standard Purchase and Balance Transfer Rate		Cash Advance Rate
Monthly rate for 6 months*	Monthly rate after 6 months*	Monthly rate
XX.X%	X.XXX%	X.XXX%

\*from the date the account is open

#### 5. Interest Charging

5.1 There is an interest free period of 55 days (maximum) for Purchases if you pay your balance in full and on time (see condition [10.1] of these Terms and Conditions). There is no interest period for Balance Transfers and Cash Advances unless you are in a promotional period (see condition [10.2] of these Terms and Conditions).

#### 6. Allocation of Payments

6.1 Payments we receive are applied first towards interest and other charges and fees, then Balance Transfers, Purchases and Cash Advances in that order. We refer you to condition [10.4] of these Terms and Conditions.

## OTHER FINANCIAL INFORMATION

#### 7. Default Charges

7.1 To compensate us for the additional costs we have to pay if you break this Agreement, we will charge:

- a late fee of £xx each time you do not pay the minimum payment by the Payment Date;
- a returned cheque fee of £xx each time a cheque, direct debit or other item in respect of payment of sums due to us under this Agreement is returned unpaid by the relevant financial institution or an Account Cheque is returned unpaid to us;
- an overlimit fee of £xx each month that the Account Balance is over the Credit Limit; and
- the amount of any other losses and reasonable costs which we incur as a result of your breach of this Agreement. These will include (but not be limited to) costs of tracing you, notifying you of the breach, communicating with you about the breach, and enforcing payment of any amount due under this Agreement.

7.2 If you ask us to accept payment other than by direct debit, by cheque (by post or at a bank), or by online banking, you may have to pay an administration charge - which we will tell you about at the time - to cover our costs.

#### 8. APR Calculation

8.1 In working out the APRs we have not taken into account any changes which we may make to the interest rates, the handling fee or any other charges which we may introduce or vary at any time by giving you notice under condition [23].

#### YOUR RIGHT TO CANCEL

Once you have signed this Agreement, you will have for a short time a right to cancel it. Exact details of how and when you can do this will be sent to you by post by us.

#### Loss or Misuse of Card

If the credit card is lost, stolen or misused by someone who obtained it without your consent, you may be liable for up to £0 of any loss to the Bank. If it is misused with your permission, you will probably be liable for ALL losses. You will not be liable for losses to the Bank which take place after you have told them of the theft, etc.

#### Exchange rates

We charge a 2.7% commission on all Transactions which are not in sterling or which are made outside the UK. Exchange rates used by the Payment System may not be the same as exchange rates on the Transaction date.



#### STATUTORY WEALTH WARNING

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

#### YOUR RESPONSIBILITIES

Once you have signed this agreement you have the following responsibilities:

- 1) to make all repayments on the day they are due;
- 2) to notify the creditor of any change to your address;
- 3) to notify the creditor of loss or damage to any items upon which the loan is secured; and
- 4) to notify the creditor of any adverse changes to your financial circumstances that could affect your ability to keep up with your repayments.

#### Important – You Should Read This Carefully Your Rights

The Consumer Credit Act 1974 covers this Agreement and lays down certain requirements for your protection which must be satisfied when the Agreement is made. If they are not, the creditor cannot enforce the Agreement against you without a court order. The Act also gives you a number of rights. You have a right to settle this Agreement at any time by giving notice in writing and paying off all amounts payable under the Agreement. If you have obtained unsatisfactory goods or services under a transaction financed by this Agreement, apart from any purchased out of a cash loan, you may have a right to sue the supplier, us or both. Similarly, if the contract is not fulfilled, perhaps because the supplier has gone out of business, you may still be able to sue us. If you would like to know more about the protection and remedies provided under the Act, you should contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.

**THIS INFORMATION IS VALID UNTIL 00/00/00**

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

X

Date of Signature

Signature of Customer

For and on behalf of Creditor Bank Limited

#### Main Financial Details for Payment Protection Insurance

You may opt to purchase Creditor Payment Protection. This is provided by Insurance Company Limited. The cost of Creditor Payment Protection is 80 pence for every £100 of the monthly balance on your statement date. The premium will be added to your statement each month. As the amount is added to your statement there is no separate charge for credit.

X

Date of Signature

Signature of Customer

#### Main Financial Details for Card Protection Insurance

You may opt to purchase Card Protection Plan provided by Card Protection Plan Limited and Insurance Company Limited. The cost of Card Protection Plan is £16 per year. The premium will be added to your statement each month. As the amount is added to your statement there is no separate charge for credit.

X

Date of Signature

Signature of Customer

## Other Terms and Conditions

In this Agreement we, us and our means Creditor Bank Limited and any company, firm or person which we transfer any or all of our rights and duties to under this Agreement and you means the person signing this Agreement. We have given a particular meaning to the words which begin with a capital letter. These meanings are set out in condition 26.

### 9. Using the Account

- 9.1 When we have opened the Account we will send a Card (or Cards) to you and any Additional Cardholder and, if we offer this service, Account Cheques. Account Cheques are normally treated as Cash Advances and are included in the Cash Advance Balance but we may give you Account Cheques which we will treat as a Balance Transfer or a Purchase. We will tell you if we do this. We may issue supplementary Cards, renew or replace Cards from time to time, either with the same type of Cards, or different Cards which you qualify for at that time and which are covered under this Agreement.
- 9.2 You may only make payments by Account Cheque in sterling. You must not use an Account Cheque to make a payment to us. We may refuse to pay any Account Cheque if paying it would take you over the Credit Limit.
- 9.3 Cards and Account Cheques belong to us. You must return them to us if we ask you to do so. We can also ask anyone you present a Card to for the purposes of a Transaction, to keep it and return it to us.
- 9.4 You must stay within the Credit Limit and make sure that the Cash Advance Balance does not go over the Cash Credit Limit. If you do go over the Credit Limit we may charge an over limit fee to compensate us for the added costs of monitoring your Account and creditworthiness, even if we authorised the Transaction which made you go over the Credit Limit. When we decide whether to authorise a Transaction, we may take account of any Transactions which have already been made or authorised and any other amounts payable under this Agreement, even if they have not yet been added to the Account.
- 9.5 We will only take a Transaction off the Account if we have received confirmation through the Payment System that a refund for that Transaction has been given to you.

### 10. Interest and Repayments

- 10.1 We will not charge interest on any Purchase shown on your current statement if you pay in full the Statement Balance shown on your current statement by the Payment Date. If you pay in full the Statement Balance shown on your current statement by the Payment Date but you did not pay in full the Statement Balance shown on your last statement by the Payment Date, we will charge interest on each Purchase shown on your last statement from the relevant Transaction Date until you have paid the amount you owe us in full.

#### 10.2 We charge interest on:

- Cash Advances, Balance Transfers and Credit Charges from the relevant Transaction Date;
- Account Cheques from the date the Account Cheque is given to us for payment; and
- any other amounts payable under this Agreement from the date on which such amounts are charged to the Account;

in each case until you have paid the amount you owe us in full.

- 10.3 We normally add interest to your Account on each statement date. However, we may not know until the Payment Date shown on your current statement if you will have to pay interest on your most recent Purchases. If you do have to, we will charge the interest payable on the following statement date.

- 10.4 Any payment to us will only take effect and be treated as having been made by you when we can use it to reduce the Account Balance. If you do not pay the Statement Balance in full by the relevant Payment Date we will normally set what you do pay first against the amount you owe us for interest and other charges and fees, then Balance Transfers, Purchases and any Cash Advance Balance, in that order, shown on your last statement, and then Balance Transfers, Purchases and any Cash Advance Balance, in that order, shown on your current statement. If you have more than one Transaction within any of those categories, then we will pay off the balances in the order in which they were added to your Account.**

- 10.5 We may at our discretion allow you to pay less than the minimum payment explained above or make no minimum payment for a particular month or period. If we allow you to do this, we will still calculate and charge interest in the way set out above.

We may ask you to pay us straight away:

- the amount by which the Account Balance is over the Credit Limit;
- the amount of any Transaction made in breach of this Agreement; and
- the amount of any late payment.

### 11. Statements

- 11.1 We will normally send you a monthly statement showing all payments you have made, any refunds and all amounts charged to the Account since the previous statement. If we are unable to produce a statement for any reason, we will work out interest and payments using your normal statement date.

- 11.2 You must check all statements. If we agree that an item on a statement has been incorrectly charged to the Account, we will take that item off the Account.

### 12. Special Transactions

- 12.1 If you ask us to make a Balance Transfer, you will still be responsible for paying any amounts you owe to the other person both before and after we add the Balance Transfer to your Account.

- 12.2 We may charge a special interest rate on Special Transactions made during a promotional period or on other particular terms which we will tell you about by giving you notice under condition 23. If we do this, and subject to condition 12.3, we will charge interest on the outstanding amount of any such Special Transactions at this special rate either until it is paid off or for a period specified in the notice after which the Standard Balance rate will apply in the case of Balance Transfers and Purchases, and the Cash Advance Balance rate will apply in the case of Cash Advances. We do not have to remind you that the promotional period or special rate is about to end. From time to time we may also offer you non-interest rate promotions.

- 12.3 Any special interest rate or other preferential terms which we give you under conditions 4 or 12.2 we may be withdrawn if you fail to make the minimum payment by the Payment Date, if the Account Balance goes over the Credit Limit, or you are for some other reason in breach of your agreement with us. If the specified interest rate or other preferential terms is/are withdrawn, the interest rates that will be charged will be the relevant non-promotional interest rates set out in condition 4.

### 13. Foreign Currency Transactions

The amount of any Purchase or Cash Advance made in a currency other than sterling will be converted into sterling when the Transaction is processed by the Payment System at the exchange rates set by the Payment System. All foreign currency Transactions made in a currency other than US Dollars or euro are converted by the Payment System into US Dollars or euro before being converted into sterling.

### 14. Limiting use of the Account

If you are in breach of this Agreement or we have another good reason for doing so (such as suspected fraud), we may without warning:

- return an Account Cheque unpaid;
- refuse to authorise a Transaction;
- cancel or suspend the right to use a Card;
- refuse to replace a Card.

### 15. Card security

- 15.1 You must:
- make sure that Cards are signed as soon as received;
  - keep your Cards and Account Cheques safe, secure and separate from each other at all times;
  - keep your PIN secret;
  - only disclose your Card number to make (or try to make) a Transaction, to report the loss, theft etc of a Card, or if we allow you to do so; and
  - comply with any reasonable instructions that we may give about the use and safekeeping of your Card, Card number, Account Cheques or PIN (including how you choose your PIN).

#### 15.2 You must not:

- allow another person to use your Card, Card number or Account Cheques;
- tell anyone (including us) your PIN;
- write your PIN on the Card or on anything kept with it, or near it, or write your PIN down without making a reasonable attempt to disguise it;
- use Cards or Account Cheques which you have reported as lost or stolen. You must cut them in two (Cards across the magnetic stripe) and throw them away.

### 16. Your Liability

- 16.1 You will not have to pay us any losses which we suffer as a result of any unauthorised use of the Card by someone other than you or an Additional Cardholder:
- after you or an Additional Cardholder have given us notice under condition 23.1 that your Card is lost, stolen, or may be misused; or
  - where the Card is used to make a Transaction by post, telephone or internet.
- 16.2 However, if you or an Additional Cardholder let someone use your Card, or we can show that you or an Additional Cardholder have acted fraudulently, you will be liable for all the Transactions which take place before you or an Additional Cardholder give us notice under condition 23.1. You will not otherwise be liable for any unauthorised use of the Card.

### 17. Early payment

- 17.1 Subject to any statutory limitations which apply to us, we may ask for immediate repayment of all amounts outstanding under this Agreement if:
- you fail to make a payment in full on or before its due date;
  - you commit any serious or repeated breach of this Agreement and, if the breach can be remedied, it has not been remedied;
  - a bankruptcy order is made against you, or you make a voluntary arrangement with people who you owe money to; or
  - you die.

### 18. Additional Cardholders

You will be responsible for all use of the Account by an Additional Cardholder (including any use which makes you break this Agreement) and for ensuring that the Additional Cardholder follows any instructions we give you about Card security and giving information to us. You understand that we cannot control how Additional Cardholders use the Account. If you want us to cancel an Additional Card you must return it to us cut in two.

### 19. Ending this Agreement

- 19.1 We can end this Agreement by giving you 30 days advance notice, except in exceptional circumstances when we can end this Agreement without any advance notice. In this case we will tell you as soon as we can.

- 19.2 You may end this Agreement at any time by giving us notice in writing.

- 19.3 Even if you or we have given notice to end the Agreement, it will continue until you have paid all amounts you owe us. This means, for example, that you must still pay Transactions even if they have not been charged to the Account when notice is given or the notice period expires.

### 20. Our Liability

- 20.1 We will not have to carry out any of our responsibilities under this Agreement if this is prevented or delayed directly or indirectly, by any fault in any machine, data processing system or transmission link, by any industrial dispute or by anything outside our reasonable control or our agents' or subcontractors'.

- 20.2 We will not be liable for any refusal or delay by any other person to accept a Card, Card number, PIN or Account Cheque, or for the way in which any person communicates that refusal or delay to you.

### 21. Personal Data

- 21.1 We use Personal Data when deciding whether to give you a Card and to operate the Account, for example to decide your Credit Limit from time to time and to produce statements (which also show the name of the supplier). You are entitled to ask us in writing for a copy of certain personal records we hold about you. We may make a charge for this service.

- 21.2 We also use Personal Data to monitor and analyse our business, for testing our systems and procedures, to identify other products and services which we think you might be interested in - including those offered by other persons approved by us - and to give you information about these products and services (other than with your Account statement), by post, telephone, fax or e-mail unless you have said that you do not want us to do so.

- 21.3 We may share Personal Data with other Group companies who may use it for the same purposes as us but may not disclose it to any person other than another Group company. Otherwise, we will only disclose Personal Data for legal and regulatory compliance and to:

- credit reference and fraud prevention agencies. These agencies enable organisations to share information which we and other organisations have filed with the agencies (such as how you conduct your accounts) or which they have recorded: (a) to help them decide whether to provide credit, credit related products and insurance (of all kinds, such as life, motor and home) and pay claims; (b) to manage your accounts and insurance policies; (c) for debt tracing and collecting; (d) to prevent fraud and combat money laundering; and (e) for statistical analysis about credit, insurance and fraud;

- anyone to whom we may transfer any of our rights or obligations under this Agreement;
- Additional Cardholders (if they ask for it and then only information about the Account);
- anyone who provides a service to us on the basis that they will keep it confidential;
- approved persons so that they can contact you directly, unless you tell us that you prefer not to receive direct marketing.

- 21.4 We may transfer Personal Data to an approved person or a person who provides a service to us in any country (including countries outside the European Economic Area) but we will not do this unless that person agrees to protect your Personal Data and only to use it in accordance with our instructions.

### 22. Changes to this Agreement

- 22.1 We may alter our interest rates at any time but, if we have exercised our discretion under condition 12.2 to charge a special interest rate for a particular period, we will not change the special interest rate during the relevant period or change the length of the relevant period. We can tell you about changes by post, in statement messages or e-mail and in the case of rate changes, by putting notices in newspapers.

- 22.2 We may from time to time alter our charges, introduce new charges or alter or add to any of the other terms of this Agreement. If we do so, we will give you at least thirty days' prior written notice of the alteration or addition, except where the change is to your advantage, in which case we may make the alteration or addition immediately and let you know within thirty days.

- 22.3 If we exercise any of our rights under this condition, you can end this Agreement under condition 19.2.

### 23. Notices

- 23.1 You must give us notice as soon as you can if:

- a Card or Account Cheque is lost or stolen or you or any Additional Cardholder have reason to suspect that a Card, Account Cheque, PIN or Card number may be misused by any person; or
- your statement includes an item which seems wrong;
- you change your name or if any Additional Cardholder changes his/her name; or
- you change your address; or
- you want to end this Agreement.

You can notify us by telephone, **free on 0800 12 34 567 or from overseas +44 123 456 7890 (reversing the charges) (24 hour service)**. If we ask you to do so, you must confirm any notice to us within seven days by writing to us at **P.O. Box 1234, Anytown, PS1 CDE**.

- 23.2 We will give you notice:

- if we want to end this Agreement;
  - if we change our telephone number or address;
- by writing to you at the most recent address you have given us.

- 23.3 You must give us all information that you have about the loss, theft or possible misuse of a Card, Card number, Account Cheque or PIN, and any other information which we may reasonably ask for to help us recover our property and investigate the matter, and report the matter to the police. You must also make reasonable efforts to ensure that each Additional Cardholder whom we ask does all of these things. We may give the police or any other law enforcement agencies any information which we reasonably believe may be relevant.

### 24. General

- 24.1 You may not transfer or try to transfer this Agreement or any of your rights or responsibilities under it, as it is personal to you. We may transfer this Agreement or any of our rights and/or responsibilities under it to any company, firm or person at any time.

- 24.2 We may arrange for any other person to exercise our rights or carry out our responsibilities under this Agreement.

- 24.3 If you or an Additional Cardholder have a dispute with anyone else about a Transaction, you must not use the dispute to refuse to make any payment under this Agreement or take anything away from any payment due under this Agreement, unless you have a legal right to do this.

- 24.4 We and our authorised agents and representatives may record and/or monitor telephone conversations with you or any Additional Cardholder so that we can maintain our service standards.

- 24.5 If we do not insist on any of our rights under this Agreement, we may still insist on that right later.

- 24.6 If you make a claim under any payment protection plan insurance, you authorise the insurers to pay us any proceeds of the claim to apply in or towards repayment of the Account Balance.

### 25. Governing law

This Agreement is governed by and interpreted under English law.

### 26. Definitions

- 26.1 In this Agreement:
- |                       |   |
|-----------------------|---|
| Account               | means the account we open in your name;   |
| Account Balance       | means the total amount borrowed from us on the Account from time to time;   |
| Account Cheque        | means a cheque for making payments using the Account which we may treat as a Balance Transfer, a Purchase or a Cash Advance;  |
| Additional Cardholder | means a person you have asked us to give a Card and/or Account Cheques to so that they can use the Account;   |
| Agreement             | means the agreement signed by us and you and these conditions as varied from time to time;  |
| Balance Transfer      | means a payment which you ask us to make, or which you make with an Account Cheque, to someone else which will pay off or reduce the amount you owe them;   |
| Card                  | means any credit card which we give you or an Additional Cardholder to use on the Account;  |
| Cash Advance          | means cash, (including foreign currency), or a cash substitute such as a travellers cheque obtained by the use of a Card or the Card number or an Account Cheque;   |
| Cash Advance Balance  | means the amount you owe us in respect of Cash Advances including the handling fee and any foreign exchange fee;  |
| Cash Credit Limit     | means the maximum Cash Advance Balance;   |
| Credit Charges        | means the charges and interest you have to pay us under condition 2, 3 and 4 and any foreign exchange fee;  |
| Credit Limit          | means the amount we notify to you from time to time as the maximum amount we may allow you to borrow from us on the Account at any time;  |
| Group company         | means our parent company and any companies we or our parent own (in whole or in part) at any time;  |
| Payment Date          | means the date given on a statement which is 25 days after the statement date or if that day is not a Working Day, the next Working Day;  |
| Payment System        | means any international card payment organisation whose logos and marks appear on a Card;   |
| Personal Data         | means (a) information which you give us when applying for a Card or at any other time about your personal and financial circumstances or which we gather about you from the way you use and manage the Account and (b) details of Transactions such as the amount, date and currency of a Purchase and the supplier category (such as petrol station, supermarket or medical services); |
| PIN                   | means the personal identification number we give you and any Additional Cardholder;   |
| Purchase              | means any payment for goods or services made by a Card, the Card number or Account Cheque;  |
| Special Transaction   | means a Balance Transfer, Purchase or Cash Advance which benefits from a preferential rate of interest or other preferential terms which we may make available to you when your Account is opened or under condition 12.2;  |
| Standard Balance      | means the amount you owe us on the Account less (a) a Cash Advance Balance and (b) the amount you owe us in respect of Special Transactions which we charge interest on at the preferential rate set out condition 4 or at the rate we tell you about under condition 12.2;   |
| Statement Balance     | means the Account Balance shown on each monthly statement;  |
| Transaction           | means a Balance Transfer, Cash Advance or Purchase;   |
| Transaction Date      | means the date when you make a Purchase or take a Cash Advance and the date a Balance Transfer is charged to the Account;   |
| Working Day           | means any day, other than Saturday, Sunday, or a public holiday in England.   |

**Central Loans Limited**  
**Central House,**  
**123 Central Street**  
**Bournemouth**  
**Dorset**  
**DS1 ABC**

Mr John Smith  
 123 Arcadia Avenue  
 Leyton  
 London E10

1 November 2004

Dear Mr Smith

**Pre agreement Information**

**Please quote your agreement number AB1234/1**

We refer to your application for finance and are please to enclose a copy of the credit agreement and legal charge for your information. Do not sign these as they are for you to read and keep. In eight days time we will send you the signature documents.

In the meantime you are free to withdraw from the transaction at any time up to completion of the loan and the release of the funds by us. If you decide not to proceed then we would be grateful if you would let us know as soon as possible.

We are setting out below a summary of some of the key features referred to in your credit agreement. If you do decide to proceed with the loan then we will also want you to return the attached duplicate of this letter signed before completion.

<b>Fixed sum loan agreement regulated by the Consumer Credit Act 1974</b>			
<b>The loan is secured on 123 Arcadia Avenue, Leyton, London E10</b>			
Parties to the agreement:	Central Loans Limited, and John Smith		
<b>Key Financial Information</b>			
1. Total amount of the loan excluding optional payment protections insurance (PPI)		£10,000	
2. Optional PPI		£500	
3. Total amount of the loan including optional PPI		£10,500	
4. The total amount payable		£16, 695.60	
5. Amount of repayments: £139.13	6. Frequency: Monthly	7. Number of repayments: 120	8. Term: 120 months
9. <b>APR 11.57</b>		In working out the APR we have not taken account of any variation which may happen under the agreement in the rate of interest or in the amount of any other charges you may have to pay.	
10. Your broker's fee	£250	11. Legal and document fees:	£150
12. The total amount payable in respect of the loan in 1 above		£15,900.60	
13. Monthly rate of interest: 0.84% variable (which is equivalent to an annual rate of 10.54%).			
14. Total charge for credit: £6,195.60 (consisting of interest of £5,795.60 plus the items referred to in 10 and 11 above)			
Any payments you make are allocated as follows: first to pay off your arrears (if any), then to pay off any costs, expenses and charges due (if any) and finally to reduce the amount you owe			

### Other Key Information

The following costs and charges will be incurred in the event that you fail to make any payments due or break any of the terms of the agreement. Such costs are subject to variation under clause L of the credit agreement. You may also be liable to us for any other reasonable costs, charges and expenses that we may incur or have to pay to a third party, including legal costs which arises out of your breach of the agreement. You may also have to pay default interest on unpaid sums as shown in clause A of the agreement.

A. Unpaid direct debit or returned cheque:	£15	B. Arrears letters:	£15
C. Telephone calls with you:	£15	D. Letters with third parties relating to your default:	£15
E. Preparation and service of default notice:	£50	F. Phone calls with others relating to your default:	£10
G. Instructions to solicitors regarding legal action:	£75	H. unpaid ground rent/service charge:	£40
I. Monthly arrears charge – actively monitored:	£50	J. Monthly arrears charge – routinely monitored:	£25
K. unpaid building insurance premium:	£55	L Visit to property for arrears or occupancy check:	£75

The monthly charges in I. and J. above will be incurred when the account is the equivalent of two or more monthly instalments in arrears in which case the charges in sections B, C, D and F will not apply

Security:	A second charge over 123 Arcadia Avenue, Leyton, London E10
-----------	---

#### YOUR HOME

Your home is at risk if you do not keep up repayments on a mortgage or other loan secured on it.

We have the power to vary the interest rate referred to in 13 above to reflect any change to the costs of our funds. See clause I in the credit agreement for further details. In addition, the costs and charges referred to above are subject to variation to reflect any change in the cost incurred by us in carrying out the work. We will provide you with at least 28 days notice of any change in the level of such costs before they take effect. The amounts shown in clauses 4, 12, and 14 are liable to vary if there is any charges to the rate of interest or other costs and charges are incurred.

This agreement is not cancellable

#### YOUR RIGHT TO SETTLE EARLY

You have a right to bring this agreement to an end at any time by making a single payment calculated under a formula which limits the amount of interest that the creditor can claim. The amount that you would have to pay if, for example, you wanted to settle when a quarter of the repayment period had passed would be £9,103.88, if half of the repayment period had passed the amount would be £6,837.30, and if three quarters of the period had passed the amount would be £3,802.68.

#### STATUTORY WEALTH WARNING

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

#### IMPORTANT - YOU SHOULD READ THIS CAREFULLY

##### YOUR RIGHTS

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which must be satisfied when the agreement is made. If they are not, we cannot enforce the agreement against you without a court order.

The Act also gives you a number of rights. You have a right to settle this agreement at any time by giving notice in writing and paying off all amounts payable under the agreement which may be reduced by a rebate. If you have obtained unsatisfactory goods or services under a transaction financed by this agreement you may have a right to sue the supplier, us or both. Similarly, if the contract is not fulfilled, perhaps because the supplier has gone out of business, you may still be able to sue us.

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

The early settlement examples given above are calculated on the assumption that there is no variation in the rate of interest, that all payments due are paid on time and that no default interest or charges are incurred.

We hope that you find the above summary of your loan terms helpful. If you have any queries or require any further information then please do not hesitate to contact us.

Yours sincerely

Mr Alan Brown  
**New Business Department**

Enc. copy credit agreement

**Fixed sum loan agreement containing your right to withdraw.  
The loan is secured on 123 Arcadia Avenue, Leyton, London E10**

This agreement is made between -  
Central Loans Limited of Central House, 123 Central Street, Bournemouth, Dorset (referred to in the agreement as "we" and "us") and  
John Smith of 123 Arcadia Avenue, Leyton, London E10 (referred to in the agreement as "you")

Key Financial Information					
1. Amount of the loan (excluding optional payment protection insurance PPI)			£10,000		
2. Optional PPI			£500		
3. Total amount of the loan including optional PPI			£10,500		
4. Total amount payable:			£16, 695.60		
5. Amount of repayments:	£139.13	6. Frequency of repayments:	Monthly	7. Number of repayments:	120
		8. Term	120 months		
9. APR	11.57	In working out the APR we have not taken account of any variation which may happen under the agreement in the rate of interest or in the amount of any other charges you may have to pay.			
10. Your brokers fee:	£250	11. Legal and document fees:	£150	12. Total fees deducted from the loan (7 + 8):	£400
13. The total amount payable in respect of the loan in 1 above			£15,900.60		
14. Monthly rate of interest: 0.84% variable (which is equivalent to an annual rate of 10.54%).					
15. The total charge for credit is £6,195.60 (consisting of interest of £5,795.60 plus the items referred to in 10 and 11 above).					
Any payments you make are allocated as follows: first to pay off any arrears, then to pay off any costs, expenses and charges due and finally to reduce the amount you owe.					

Other Key information	
The following costs and charges will be incurred in the event that you fail to make any payments due or break any of the terms of the agreement. Such costs may be varied by us under clause L overleaf. You may also be liable to us for any other reasonable costs, charges and expenses that we may incur or have to pay to a third party, including legal costs which arises out of your breach of the agreement. You may also have to pay default interest on unpaid sums as shown in clause A overleaf.	
16. Unpaid direct debit or returned cheque:	£13
17. Arrears letters:	£15
18. Telephone calls with you:	£14
19. Letters with third parties relating to your default:	£15
20. Preparation and service of default notice:	£50
21. Phone calls with others relating to your default:	£10
22. Instructions to solicitors regarding legal action:	£75
23. Unpaid ground rent/service charge: (leasehold only)	£40
24. Monthly arrears charge – where actively monitored:	£50
25. Monthly arrears charge – where routinely monitored:	£25
26. Unpaid building insurance premium:	£55
27. Visit to property for arrears or occupancy check:	£75
The monthly charges in 24 and 25 above will be incurred when the account is the equivalent of two or more monthly instalments in arrears in which case the charges in sections 17,18,19 and 21 will not apply	
Security:	A second charge over 123 Arcadia Avenue, Leyton, London E10
<b>YOUR HOME</b> Your home is at risk if you do not keep up repayments on a mortgage or other loan secured on it.	
We have the power to vary the interest rate referred to in 14 above to reflect any change to the costs of our funds. See clause I overleaf for further details. In addition, the costs and charges referred to above are liable to variation to reflect any change in the cost incurred by us in carrying out the work. We will provide you with at least 28 days notice of any change in the level of such costs before they take effect. The amounts shown in sections 4, 13, 15 and 31 are liable to vary if there is any change to the rate of interest or other costs and charges are incurred.	
This agreement is not cancellable.	
<b>YOUR RIGHT TO SETTLE EARLY</b> You have a right to bring this agreement to an end at any time by making a single payment calculated under a formula which limits the amount of interest that the creditor can claim. The amount that you would have to pay if, for example, you wanted to settle when a quarter of the repayment period had passed would be £9,103.88, if half of the repayment period had passed the amount would be £6,837.30, and if three quarters of the period had passed the amount would be £3,802.68.	
<b>STATUTORY WEALTH WARNING</b> Missing payments could have severe consequences and make obtaining credit more difficult	
<b>YOUR RIGHTS</b> Under the Consumer Credit Act 1974, the creditor should have given you a copy of this agreement at least seven days ago to consider whether to go ahead. If he did not, the agreement cannot be enforced without a court order.	
<b>IMPORTANT - YOU SHOULD READ THIS CAREFULLY</b> <b>YOUR RIGHTS</b> The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which must be satisfied when the agreement is made. If they are not, we cannot enforce the agreement against you without a court order. The Act also gives you a number of rights. You have a right to settle this agreement at any time by giving notice in writing and paying off all amounts payable under the agreement which may be reduced by a rebate. If you have obtained unsatisfactory goods or services under a transaction financed by this agreement you may have a right to sue the supplier, us or both. Similarly, if the contract is not fulfilled, perhaps because the supplier has gone out of business, you may still be able to sue us. If you would like to know more about the protection and remedies provided under the Act, you should contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.	

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

Signature of customer(s) \_\_\_\_\_

Date of Signature(s) \_\_\_\_\_

Nature of linked transaction : Optional Payment Protection Insurance			
28. Cash price	£500	29. Number of repayments to be made	120
30. Amount of repayments	£6.62	31. Total charge for credit	£295
Signature of customer(s) _____			
The amount of repayments and total charge for credit above are included in sections 5 and 15 above			
The maximum period of your cover is five years			

We agree to lend you the money shown in section 3 overleaf. In return you have given us a "legal charge". The legal charge, which describes the property accompanies this agreement. You must keep to this agreement and the legal charge. This means we will hold your property as security so we can sell it if you do not keep to the terms of this agreement and the legal charge. In Scotland, wherever we refer to the legal charge, this will mean the standard security. In Northern Ireland, wherever we refer to the legal charge this will mean the mortgage deed

This agreement, which includes the terms above and over the page, is binding when all parties have signed it.

The information overleaf under the heading, YOUR RIGHT TO SETTLE EARLY is given on the assumptions that there is no variation in the rate of interest, that all payments due are paid on time and that no default interest or charges referred to in K and L below are incurred.

#### **Deductions from the loan**

We will take from the total amount of the loan in section 1:

- your broker's fee, if any, in section 10;
- the legal and document fees, if any, in section 11;
- any other deductions you have asked us to make.
- If you have chosen to take out protected payment insurance, we will take the premium shown in section 2 overleaf from the total amount of the loan in section 3.

#### **Your declarations**

By signing this agreement, you promise and declare as follows:

- You have read and agree to the terms and conditions of this agreement and its attached legal charge
- All information provided by you in connection with this agreement are true and accurate.
- You can afford the monthly repayments shown in section 5 overleaf on top of any further regular payments you have to make.

#### **Terms of this regulated agreement.**

- A. You must make the first payment one month after the date this agreement is signed by us. You must then make all future payments on the same date of each month. If your payment date does not occur in any month (for example if you pay on the 31st each month) you must make the payment on the last day of that month. If you fail to make a monthly payment when it is due, we will charge interest on the late payment at the rate that is mentioned in section 23 overleaf. We can also exercise any other rights we have under this agreement.
- B. The words 'outstanding balance' mean the total amount which you must pay, now or in the future, under this agreement (including all future monthly payments) less the total of all payments made and (where appropriate) less any rebate of charges we may make under the Consumer Credit Act 1974 and any regulations made under that Act. In calculating any rebate, we will defer the settlement date by one month.
- C. This clause applies if:
- 1) a monthly payment, or any other amount which is at least equal to the amount of a monthly payment, is at least 28 days late; or
  - 2) any of the information you gave us was incomplete, inaccurate or misleading.
- If this clause applies, we may give you notice to pay the outstanding balance. If you die, we will send the notice to your legal representative.
- D. If you pay us by cheque, standing order or direct debit and we cannot collect the payment when we ask for it, you will have to pay a charge for this. This charge will include all bank and other charges we have to pay as a result of our trying to collect the payment.
- E. No relaxation, indulgence or forbearance which we may extend to you will act as a waiver of our rights under the agreement.
- F. If there is more than one borrower taking out the loan under this agreement, we can enforce this agreement against all borrowers, any borrower individually or any combination of borrowers.
- G. We may give the details of this agreement to any credit reference agency and make reports to any agency about the state of your loan account.
- H. We may transfer our rights under this agreement to another firm or organisation.
- I. We have the power to change the rate of interest we charge under this agreement to reflect a change in the cost of our funds. We may use that power by giving you at least 14 days' notice in writing by first-class post. The change will apply from the date shown in the notice, which will also tell you why the cost of our funds has changed.
- J. 1) If you do not make any monthly payment on the date it is due, we may (as well as enforcing our rights under this agreement) make a charge for each letter we send to, or receive from, you or your agents and for each phone conversation about any missed payments.  
2) We may change your monthly payment by giving you at least 14 days' written notice. We may change the monthly payment to:
- reflect the fact that the rate of interest that applies to the loan has changed;
  - include any costs, charges or expenses that you must pay under this agreement; or
  - include any arrears in your current monthly payments.
- We will work out the new monthly payment so (assuming you do not pay off this agreement early) you will pay off the outstanding balance in full by the end of the period of this agreement.
- K. As well as the charges we have specifically mentioned in clauses D, J, and O as well as those charges described overleaf, you must pay the following.
- 1) All reasonable costs and expenses we have to pay or decide to charge as a result of any term of this agreement or the legal charge being broken.
  - 2) All other reasonable costs and expenses we have to pay or decide to charge in connection with this agreement or the legal charge.
- The costs and expenses mentioned in this clause include:
- any costs and expenses we pay in legal proceedings (whether or not you are involved in the proceedings);
  - any other fees we pay, including debt-counselling, collection-agency, asset-management and valuation fees; and
  - any of our own administrative expenses. (We may recover these expenses by charging you a fee which we reasonably estimate to represent the cost to us of doing the work for which we are charging the fee).
- L. You will be sent a notice of any costs, expenses and charges you must pay under clauses D, J, K, and O. We have the right to amend these costs and expenses to reflect any change in the cost incurred by us in carrying out the work. We will provide you with at least 28 days notice in any change in the level of such costs before they take effect. We will add our costs, expenses and charges to your account as soon as we have to pay them or decide to charge them. You should pay them at that date. If you do not, we will charge interest on each day of the month (at the rate that applies to the loan), on:
- 1) any costs, expenses and charges which we have added to your loan account and which remain unpaid on that day;
  - 2) any interest we charged under (1) above up to the end of the previous month, and which remains unpaid on that day.
- M. You may end this agreement early by giving us written notice and paying us the outstanding balance.
- N. Once this agreement is signed by us you give us permission (which you cannot withdraw) to register a legal charge, mortgage or notice with the Land Registry, the Land Charges Register, the Sasines Register, Land Register of Northern Ireland or the Registry of Deeds in Northern Ireland and to make any search on any property you may have a legal interest in now or in the future. This term still applies if the full amount you owe us (including all costs and payments) is not repaid at the time the property is sold or at any other time when we think this is necessary in order to protect our security.
- O. We may pay any future insurance premiums necessary to help us make sure our security is safe and add the costs to your loan account.
- P. If you have asked us to include your broker's fee in your loan, we will pay this amount direct to your broker. However, this fee is not our responsibility. It is up to you to make sure it is paid. You can ask your broker for details of any commission that we may pay them as well as any fee they may charge.
- Q. If the property is repossessed, we may cancel the protected payment insurance, accept any refunded premiums on your behalf, and use these to reduce your outstanding balance.
- R. You agree that in future we can ask anyone to supply information to us about any other legal charge over the property to help us make sure our security is safe.

# PRE-CONTRACTUAL INFORMATION

## HIRE-PURCHASE AGREEMENT

REGULATED BY THE CONSUMER CREDIT ACT 1974

Between: the Customer named below (you) and

NAME AND ADDRESS OF THE CUSTOMER	
Individuals & Sole Traders (Mr/Mrs/Miss/Ms/Other) <input type="checkbox"/>	Address House/Premises name/no & street
Surname <input type="text"/>	<input type="text"/>
Forename(s) <input type="text"/>	District/Area <input type="text"/>
If you are a Sole Trader or a Partnership add:	Post town <input type="text"/>
Title/Trading style <input type="text"/>	County <input type="text"/> Postcode <input type="text"/>

KEY FINANCIAL INFORMATION - Hire Purchase	
Amount of Credit	<input type="text"/> £ .
Total Amount Payable	<input type="text"/> £ .
Repayments for the Goods	
<input type="checkbox"/> repayment <i>Complete/tick one box only to show first repayment date</i>	
<input type="text"/> \$ month(s) after the date/ <input type="text"/> \$ on the date of this Agreement	
of <input type="text"/> £ . + Acceptance Fee <input type="text"/> £ .	
<input type="text"/> repayments at <input type="text"/> monthly intervals starting <input type="text"/> month(s)	
thereafter each of <input type="text"/> £ .	
<input type="text"/> repayments at <input type="text"/> monthly intervals starting <input type="text"/> month(s)	
thereafter each of <input type="text"/> £ .	
<input type="text"/> repayments at <input type="text"/> monthly intervals starting <input type="text"/> month(s)	
thereafter each of <input type="text"/> £ .	
<input type="checkbox"/> repayment <input type="text"/> months after the date of this Agreement	
("the Final repayment") of <input type="text"/> £ . + Purchase Fee <input type="text"/> £ .	
Term of Agreement <input type="text"/> months	
APR	
The Acceptance Fee is <input type="text"/> £ .	
The Purchase Fee is <input type="text"/> £ .	

KEY FINANCIAL INFORMATION - Loan for Payment Protection Plan	
Amount of Credit	<input type="text"/> £ .
Total Amount Payable	<input type="text"/> £ .
Repayments for the Payment Protection Plan	
<input type="checkbox"/> repayment <i>Complete/tick one box only to show first repayment date</i>	
<input type="text"/> \$ month(s) after the date/ <input type="text"/> \$ on the date of this Agreement	
of <input type="text"/> £ .	
<input type="text"/> repayments at <input type="text"/> monthly intervals starting <input type="text"/> month(s)	
thereafter each of <input type="text"/> £ .	
<input type="text"/> repayments at <input type="text"/> monthly intervals starting <input type="text"/> month(s)	
thereafter each of <input type="text"/> £ .	
<input type="text"/> repayments at <input type="text"/> monthly intervals starting <input type="text"/> month(s)	
thereafter each of <input type="text"/> £ .	
<input type="checkbox"/> repayment <input type="text"/> months after the date of this Agreement	
("the Final repayment") of <input type="text"/> £ .	
Term of Agreement <input type="text"/> months	
APR	

DESCRIPTION OF THE GOODS	
New (✓) Used	<input type="checkbox"/> <input type="checkbox"/>
Make/Model/Number of doors* etc	<input type="text"/>
VIN*/Identifying number	<input type="text"/>
Registration number*	Month first reg'd* <input type="text"/> <input type="text"/> <i>*if applicable</i>

PAYMENT PROTECTION PLAN	
This recommended Payment Protection Plan insurance is optional. The word entered in the space below marked with an arrowhead indicates the Type of Payment Protection Plan you have selected or that you do not require cover. Details of the Nominated Person(s) for business customers only must also be shown; a maximum of 2 persons may be nominated. If a Type of Payment Protection Plan is entered in the space below this will be taken as your acknowledgement that you have received details of the Plan and its limitations, that you wish to receive the cover for the cost shown on page 1 and that you (or the Nominated Person(s) if applicable) are eligible for the Type selected.	
Type required (if none required, enter 'None') ▶	<input type="text"/>
Nominated Person(s): Surname	Initials M(✓) F Date of birth
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
See also Clause 12.	

Cash Price		£ .
Total Amount Payable		£ .
Hire Purchase charges	(i)	£ .
Acceptance Fee	(ii)	£ .
Purchase Fee (inc. VAT)	(iii)	£ .
Total Charge for Credit	[(i) + (ii) + (iii)]	£ .

Allocation of payments - your repayments will be allocated in the following order.

(i)

(ii)

(iii)

(iv)

(v)

Payment protection plan - Cash price		£ .
Total Amount Payable		£ .
Total charge for credit		£ .

Allocation of payments - your repayments will be allocated in the following order.

(i)

(ii)

(iii)

(iv)

(v)

**OTHER KEY INFORMATION**

Cash deposit	(i)	£ .
Part exchange	(ii)	£ .
Total deposit	[(i) + (ii)]	£ .

**OTHER KEY INFORMATION**

**CHARGES ON DEFAULT**

You must pay us our reasonable costs and legal expenses for taking steps to make you keep to your part of this Agreement or trying to find you or the Goods or repossessing the Goods.

If any amount due from you is not received by its due date we can (without affecting any of our other rights) require you to pay us interest on that amount until it is received both before and after any judgement at a rate equivalent to the APR shown.

If you fail to pay a repayment then we may charge you a fee of £25 after you have been in arrears for at least 9 working days

and a further fee of £25 after you have been in arrears for 16 working days. If after that you remain in arrears for this repayment or for subsequent repayments, then we may charge you a further fee of £30 for each month that you remain in arrears. If you pay by cheque and this is returned unpaid by your bank we may charge you a fee of £15. We may change these fees by giving you two months prior written notice.

**CHARGES ON DEFAULT**

You must pay us our reasonable costs and legal expenses for taking steps to make you keep to your part of this Agreement or trying to find you or the Goods or repossessing the Goods.

If any amount due from you is not received by its due date we can (without affecting any of our other rights) require you to pay us interest on that amount until it is received both before and after any judgement at a rate equivalent to the APR shown.

If you fail to pay a repayment then we may charge you a fee of £25 after you have been in arrears for at least 9 working days

and a further fee of £25 after you have been in arrears for 16 working days. If after that you remain in arrears for this repayment or for subsequent repayments, then we may charge you a further fee of £30 for each month that you remain in arrears. If you pay by cheque and this is returned unpaid by your bank we may charge you a fee of £15. We may change these fees by giving you two months prior written notice.

**GOODS RETURN OPTION** *see clause 7*

Mileage: Permitted Maximum

Mileage reading on delivery of the Goods to you

Excess Mileage Charge Rates applicable if the Permitted Maximum is exceeded:

- if the excess miles are 4999 or less  pence per excess mile + VAT

- if the excess miles are 5000 or more  pence per excess mile + VAT

Other:

Goods Collection Charge	£ .	per attendance + VAT
Selling Agency Fee	£ .	+ VAT
Guaranteed Future Value	£ .	

This Agreement is not cancellable.

This Agreement is not cancellable.

**YOUR RIGHT TO SETTLE EARLY**

You have a right to bring this agreement to an end at any time by making a single payment calculated under a formula which limits the amount of interest that the creditor can claim. The amount that you would have to pay if, for example, you wanted to settle when a quarter of the repayment period has passed would be £ ; if half of the repayment period had passed the amount would be £ , and if three quarters of the period had passed the amount would be £ .

Settlement figures shown assume that all Monthly Repayments are paid on time.

**YOUR RIGHT TO SETTLE EARLY**

You have a right to bring this agreement to an end at any time by making a single payment calculated under a formula which limits the amount of interest that the creditor can claim. The amount that you would have to pay if, for example, you wanted to settle when a quarter of the repayment period has passed would be £ ; if half of the repayment period had passed the amount would be £ , and if three quarters of the period had passed the amount would be £ .

Settlement figures shown assume that all Monthly Repayments are paid on time.

**REPOSSESSION: YOUR RIGHTS**

If you fail to keep to 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 them without your consent or a court order, you have the right to get back all the money you have paid under the agreement.

\*INSERT ONE THIRD OF THE TOTAL AMOUNT PAYABLE (D) above)

**TERMINATION: YOUR RIGHTS**

You have a right to end this agreement. If you wish to do so, you should write to the person authorised to receive your payments. We 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 instalments, you will not have to pay any more, provided you have taken reasonable care of the goods.

\*INSERT ONE HALF OF THE TOTAL AMOUNT PAYABLE (D) above)

**STATUTORY WEALTH WARNING**

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

**IMPORTANT - YOU SHOULD READ THIS CAREFULLY****YOUR RIGHTS**

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which must be satisfied when the agreement is made. If they are not, we cannot enforce the agreement against you without a court order.

The Act also gives you a number of rights. You have a right to settle this agreement at any time by giving notice in writing and paying off all amounts payable under the agreement which may be reduced by a rebate. If you have obtained unsatisfactory goods or services under a transaction financed by this Agreement you may have a right to sue the supplier, us or both. Similarly, if the contract is not fulfilled, perhaps because the supplier has gone out of business, you may still be able to sue us.

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

Between: the Customer named below (you) and

NAME AND ADDRESS OF THE CUSTOMER		Address	House/Premises name/no & street
Individuals & Sole Traders	(Mr/Mrs/Miss/Ms/Other) <input type="text"/>	<input type="text"/>	
Surname	<input type="text"/>	<input type="text"/>	
Forename(s)	<input type="text"/>	District/Area	<input type="text"/>
If you are a Sole Trader or a Partnership add:		Post town	<input type="text"/>
Title/Trading style	<input type="text"/>	County	<input type="text"/> Postcode <input type="text"/>

**KEY FINANCIAL INFORMATION - Hire Purchase**

Amount of Credit  £ .

Total Amount Payable  £ .

Repayments for the Goods

repayment § Complete/tick one box only to show first repayment date

§ month(s) after the date/  § on the date of this Agreement

of  £ . + Acceptance Fee  £ .

repayments at  monthly intervals starting  month(s)

thereafter each of  £ .

repayments at  monthly intervals starting  month(s)

thereafter each of  £ .

repayments at  monthly intervals starting  month(s)

thereafter each of  £ .

repayment  months after the date of this Agreement

("the Final repayment") of  £ . + Purchase Fee  £ .

Term of Agreement  months

APR

The Acceptance Fee is  £ .

The Purchase Fee is  £ .

**KEY FINANCIAL INFORMATION - Loan for Payment Protection Plan**

Amount of Credit  £ .

Total Amount Payable  £ .

Repayments for the Payment Protection Plan

repayment § Complete/tick one box only to show first repayment date

§ month(s) after the date/  § on the date of this Agreement

of  £ .

repayments at  monthly intervals starting  month(s)

thereafter each of  £ .

repayments at  monthly intervals starting  month(s)

thereafter each of  £ .

repayments at  monthly intervals starting  month(s)

thereafter each of  £ .

repayment  months after the date of this Agreement

("the Final repayment") of  £ .

Term of Agreement  months

APR

**DESCRIPTION OF THE GOODS**

New (✓) Used

Make/Model/Number of doors\* etc

VIN\*/Identifying number

Registration number\*  Month first reg'd\*   \*if applicable

**PAYMENT PROTECTION PLAN**

This recommended Payment Protection Plan insurance is optional. The word entered in the space below marked with an arrowhead indicates the Type of Payment Protection Plan you have selected or that you do not require cover. Details of the Nominated Person(s) for business customers only must also be shown; a maximum of 2 persons may be nominated. If a Type of Payment Protection Plan is entered in the space below this will be taken as your acknowledgement that you have received details of the Plan and its limitations, that you wish to receive the cover for the cost shown on page 1 and that you (or the Nominated Person(s) if applicable) are eligible for the Type selected.

Type required (if none required, enter 'None') ►

Nominated Person(s): Surname Initials M(✓) F Date of birth

See also Clause 12.

Cash Price	£	.	
Total Amount Payable	£	.	
Hire Purchase charges	(i)	£	.
Acceptance Fee	(ii)	£	.
Purchase Fee (inc. VAT)	(iii)	£	.
Total Charge for Credit		£	.
Allocation of payments - your repayments will be allocated in the following order.			
(i)			
(ii)			
(iii)			
(iv)			
(v)			

Payment protection plan - Cash price	£	.	
Total Amount Payable	£	.	
Total charge for credit	£	.	
Allocation of payments - your repayments will be allocated in the following order.			
(i)			
(ii)			
(iii)			
(iv)			
(v)			

**OTHER KEY INFORMATION**

Cash deposit	(i)	£	.	
Part exchange	(ii)	£	.	
Total deposit		£	.	
[(i) + (ii)]				

**OTHER KEY INFORMATION**

**CHARGES ON DEFAULT**

You must pay us our reasonable costs and legal expenses for taking steps to make you keep to your part of this Agreement or trying to find you or the Goods or repossessing the Goods.

If any amount due from you is not received by its due date we can (without affecting any of our other rights) require you to pay us interest on that amount until it is received both before and after any judgement at a rate equivalent to the APR shown.

If you fail to pay a repayment then we may charge you a fee of £25 after you have been in arrears for at least 9 working days

and a further fee of £25 after you have been in arrears for 16 working days. If after that you remain in arrears for this repayment or for subsequent repayments, then we may charge you a further fee of £30 for each month that you remain in arrears. If you pay by cheque and this is returned unpaid by your bank we may charge you a fee of £15. We may change these fees by giving you two months prior written notice.

**CHARGES ON DEFAULT**

You must pay us our reasonable costs and legal expenses for taking steps to make you keep to your part of this Agreement or trying to find you or the Goods or repossessing the Goods.

If any amount due from you is not received by its due date we can (without affecting any of our other rights) require you to pay us interest on that amount until it is received both before and after any judgement at a rate equivalent to the APR shown.

If you fail to pay a repayment then we may charge you a fee of £25 after you have been in arrears for at least 9 working days

and a further fee of £25 after you have been in arrears for 16 working days. If after that you remain in arrears for this repayment or for subsequent repayments, then we may charge you a further fee of £30 for each month that you remain in arrears. If you pay by cheque and this is returned unpaid by your bank we may charge you a fee of £15. We may change these fees by giving you two months prior written notice.

**GOODS RETURN OPTION** *see clause 7*

Mileage: Permitted Maximum

Mileage reading on delivery of the Goods to you

Excess Mileage Charge Rates applicable if the Permitted Maximum is exceeded:

- if the excess miles are 4999 or less  pence per excess mile + VAT

- if the excess miles are 5000 or more  pence per excess mile + VAT

Other:

Goods Collection Charge	£	.		per attendance + VAT
Selling Agency Fee	£	.		+ VAT
Guaranteed Future Value	£	.		

This Agreement is not cancellable.

This Agreement is not cancellable.

**YOUR RIGHT TO SETTLE EARLY**

You have a right to bring this agreement to an end at any time by making a single payment calculated under a formula which limits the amount of interest that the creditor can claim. The amount that you would have to pay if, for example, you wanted to settle when a quarter of the repayment period has passed would be £ ; if half of the repayment period had passed the amount would be £ , and if three quarters of the period had passed the amount would be £ .

Settlement figures shown assume that all Monthly Repayments are paid on time.

**YOUR RIGHT TO SETTLE EARLY**

You have a right to bring this agreement to an end at any time by making a single payment calculated under a formula which limits the amount of interest that the creditor can claim. The amount that you would have to pay if, for example, you wanted to settle when a quarter of the repayment period has passed would be £ ; if half of the repayment period had passed the amount would be £ , and if three quarters of the period had passed the amount would be £ .

Settlement figures shown assume that all Monthly Repayments are paid on time.

**REPOSSESSION: YOUR RIGHTS**

If you fail to keep to 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 them without your consent or a court order, you have the right to get back all the money you have paid under the agreement.

\*INSERT ONE THIRD OF THE TOTAL AMOUNT PAYABLE (D) above)

**TERMINATION: YOUR RIGHTS**

You have a right to end this agreement. If you wish to do so, you should write to the person authorised to receive your payments. We 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 instalments, you will not have to pay any more, provided you have taken reasonable care of the goods.

\*INSERT ONE HALF OF THE TOTAL AMOUNT PAYABLE (D) above)

**STATUTORY WEALTH WARNING**

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

**IMPORTANT - YOU SHOULD READ THIS CAREFULLY  
YOUR RIGHTS**

The Consumer Credit Act 1974 covers this agreement and lays down certain requirements for your protection which must be satisfied when the agreement is made. If they are not, we cannot enforce the agreement against you without a court order.

The Act also gives you a number of rights. You have a right to settle this agreement at any time by giving notice in writing and paying off all amounts payable under the agreement which may be reduced by a rebate. If you have obtained unsatisfactory goods or services under a transaction financed by this Agreement you may have a right to sue the supplier, us or both. Similarly, if the contract is not fulfilled, perhaps because the supplier has gone out of business, you may still be able to sue us.

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

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)

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

**WITNESS TO THE SIGNATURE OF THE CUSTOMER**

I certify that the identity/address proofs are direct copies from the original documents seen by me and I have checked the customer's signature.

Signature

Name

Address

**LINKED TRANSACTION TO LOAN FOR PAYMENT PROTECTION PLAN**

Purchase of Payment Protection Plan  
(to be left blank if PPP not taken)

Cash Price

Monthly Repayments of

Total Charge for Credit

Signature of Customer(s)

Signature on our behalf

Date