

Non-Regulated Hire Agreement

Minimum Period Soft Assets

- For body corporates and partnerships of 4 partners or more
- For sole traders and partnerships of 3 or less for business use assets where the amount of credit is over £25,000.00
- Better suited for Goods which are Soft Assets only over a Minimum Period
- Business Use Only

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

What is the finance product?

A Hire Agreement provides you with access to Goods for use in your business without the upfront costs. You select the Goods and we will pay for them outright. You will hire the Goods from us by paying regular rentals. You will not own the Goods at the end of the Agreement. At the end of the minimum period you can give us notice and end the agreement. If you still wish to use the asset at the end of the minimum period you can go into a roll on period. You will keep paying the same rentals for up to eighteen months. If you still wish to use the assets at the end of the roll on period you can go into a secondary period. You will pay annual secondary rentals.

What will I have to pay?

	Rental (excl. VAT)	Rental (incl. VAT)
Advance Rental	£	£
Documentation Fee	£	£

Followed by Subsequent Rentals of:

No.	Frequency	Rental (excl. VAT)	Rental (incl. VAT)
		£	£
		£	£

On expiry of the Minimum Period there will be a Roll On Period of hire of up to eighteen months. During the Roll On Period, Rentals will continue to be payable at the same frequency and in the same amounts as the Rentals detailed above.

Followed by Annual Secondary Rentals of:

Frequency	Rental (excl. VAT)	Rental (incl. VAT)
Annual	£	£

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

What happens if I miss or make late payments?

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

Missing payments could lead to the goods being repossessed and legal action being taken against you. You may have to pay the costs of such proceedings.

What happens if I change my mind?

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

What happens at the end of the Minimum Period?

You can terminate the Agreement at the end of the Minimum Term by giving us notice. If you do not give us notice your Agreement will automatically continue at the end of the Minimum Term for a maximum of 18 months, at the same rental amount and frequency as before. At the end of the 18 months the Agreement will enter into Secondary Payments payable annually. If you wish to terminate the Agreement at any time after the expiry of the Minimum Period then you need to give us three months written notice. You will need to make the Payments until your notice period has expired. Once the Agreement has been terminated by you or us, the asset should be returned to us at your cost within seven days of giving notice and we will confirm where the asset should be returned to. You are responsible for the condition and safety of the asset until it has been returned to us.

Will the Credit Broker/Intermediary be paid a commission?

If the you were introduced to us by a broker or credit intermediary (the **Broker**), we will pay them a commission for the introduction, the Broker has discretion to determine the total amount of commission within set parameters which will impact the total amount you pay. The Broker will confirm to you the total amount of commission received when asked.

Who can I contact to ask questions.

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



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

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

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

www.fla.org.uk/business-information/business-finance-code/

This hire agreement (the "Agreement") is made between Mitsubishi HC Capital UK PLC (trading as Novuna Business Finance) and its successors and assigns ("Novuna") registered at Novuna House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP company number 01630491; VAT registration number 823 8248 22 and the Customer named in this Agreement (the "Customer").

Agreement number

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Customer details

Customer name:

Trading as:

Address:

Postcode:

Telephone: Mobile:

Email:

Company number:

Partnership details:

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

(1)

(2)

(3)

(4)

Key Financial Information

New/Used	Make / Model / Description	Serial / Chassis Number

Location of Goods if different from above

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

During the Minimum Period of hire, you shall pay Rentals on a Monthly / Quarterly / Semi-Annual / Annual basis, with the Advance Rental due on the Date of the Agreement and subsequent Rentals due from the date shown below:

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

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

Followed by subsequent Rentals:

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

On expiry of the Minimum Period there will be a Roll On Period of hire of up to eighteen months.

During the Roll On Period, Rentals will continue to be payable at the same frequency and in the same amounts as the Rentals detailed above.

If the hiring of the Goods continues after the Roll On Period, you will pay us annual Secondary Rentals. The first Secondary Rental shall be taken on the expiry of the Roll On Period, and thereafter on each anniversary of the expiry of the Roll On Period until the Agreement ends.

Frequency	Rental (excl. VAT)	Rental (incl. VAT)
Annually	£ <input type="text"/>	£ <input type="text"/>

Maintenance Payments

If you want us to collect Maintenance Payments from you and pass those on to the Provider please tick here

Note: This will not make us liable to provide maintenance support (see Clause 12 for further details)

Name of Maintenance Provider:

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

We will collect the Maintenance Payment at the same time as each Payment including the Advance Rental of:

Key information

Payment (excl. VAT)	Payment (incl. VAT)
On the Date of the Agreement there is a Documentation Fee payable of: £ <input type="text"/>	£ <input type="text"/>

Charges

- Interest will be payable by you at the rate of 5% per annum for any payment which is late (see Clause 4.6)
- If you fail to insure, use, look after or maintain the Goods properly, you may have to compensate us (see Clauses 5.2, 6, 7, 10.1, 11 and 13)
- Under clause 7.5, if you fail to insure the Goods as required under clause 7, we may arrange insurance at your cost
- If we have to repossess the Goods or take steps to enforce this Agreement, you will have to repay any expenses and legal fees we incur (see Clauses 10.1, 11, 13 and 14.1)
- If the Agreement is terminated early by you or us, you will have to pay compensation (see Clause 10)

Missing Payments

If you do not make payments when they are due you may have to repay the credit early, we may repossess the Goods, your credit records may be affected in a way that makes it difficult to obtain further credit, you may face legal action to recover what you owe. In addition, you will have to pay charges for breach of the Agreement.

IMPORTANT – Your Information:

We will obtain information about you from credit reference and fraud prevention agencies to help make decisions about you and we will record information about you with them. It is important that you read the “Use of Your Information” notice on page 3 before you sign.

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

Signature(s) of Hirer(s)

Dates(s) of Signatures

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

Full Name in BLOCK Capitals

Position Held

(Office use only)

Signed for and on behalf of Novuna

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

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

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

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

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

***Delete as appropriate.**

Declared/Signed by:

(1)

(2)

(3)

Your Declaration

By signing this Agreement, you confirm that:

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

Complaints

If you have a complaint about a product or service offered by Novuna Business Finance, then please contact our Customer Support Team on 01784 227333 or CustomerService@novunabusinessfinance.co.uk or write to us at Novuna House, Thorpe Road, Staines-Upon-Thames, Surrey, TW18 3HP.

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

Use of Your Information

Credit Reference Agencies

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

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

We will use this information to:

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

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

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

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

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

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

- Equifax www.equifax.co.uk/crain
- Experian www.experian.co.uk/crain
- TransUnion www.transunion.co.uk/crain

Identity verification and fraud prevention checks

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

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



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



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

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

Name and full postal address of your bank or building society

To: The Manager	Bank/building society
Address	
Postcode	

Name(s) of accounts holder(s)

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Bank/building society account number

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Branch sort code

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Service user number

9	4	5	5	5	4
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Reference

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Instruction to your bank or building society

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

Signature(s)

Date

DDI BF A5 02.22

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

The Direct Debit Guarantee



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

1. Definitions

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

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

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

Goods means the goods described set out on Page 1, which shall include any accessories or additions to the goods and any renewals of component parts and any replacement for the goods whether arranged by Novuna or otherwise;

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

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

Minimum Period means the number of months as specified as set out on Page 1;

Rentals means the payments set out on Page 1;

Roll On Period means the roll on period of hire up to a maximum of eighteen months commencing on the expiry of the Minimum Period;

Supplier means the supplier of the Goods.

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

2. Hire of Goods

2.1 From the Date of the Agreement Novuna agrees to hire to the Customer and the Customer agrees to take on hire the Goods, on the terms set out in this Agreement (including the terms on Page 1) for the Minimum Period and thereafter until this Agreement is terminated in accordance with clause 7, 8 or 9.

2.2 If the hiring of the Goods continues after the Minimum Period, during the Roll On Period the Customer will continue to pay Novuna the Rentals.

2.3 If the hiring of the Goods continues after the Roll On Period, the Customer will pay Novuna the Secondary Rentals until the Agreement is terminated.

2.4 The Goods will at all times remain Novuna's sole and exclusive property.

3. Delivery and Acceptance

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

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

4. Payments

4.1 The Customer must pay to Novuna the Advance Rental and Documentation Fee on Page 1 on the Date of the Agreement, and the Customer must pay the Rentals by direct debit on or prior to the due dates specified set out on Page 1. All sums payable under this Agreement must be made without any deduction. Prompt payment of all sums payable under this Agreement is essential.

4.2 If the Customer is required by law to make any deduction or withholding, the Customer must pay to Novuna such additional amount as is necessary to ensure that Novuna receives the full payment due to Novuna.

4.3 Payments shall only be treated as paid on the date of receipt by Novuna of cleared funds.

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

4.5 If the date of payment of any amount under this Agreement is not a day on which banks in London are open for the transaction of banking business generally, the payment shall be made on the next business day.

4.6 If any Rental or other payment is not received by its due date, Novuna may charge default interest on such sum at 5% per annum from the due date until receipt of payment in full, both before and after judgment.

4.7 If the date of Rental of any amount under this Agreement is at the end of a month and subsequent months have a fewer number of days, the Rental shall be due on the last day of the month.

4.8 Novuna will consider two requests from the Customer to change the due date for payment provided that the new payment date must be within 14 days of the original payment date and fall within the same month as the original payment date.

5. Goods and Exclusion of Liability

5.1 The Customer acknowledges that: (i) there is a risk that the Goods will not perform as the Customer require; (ii) the Goods have been selected by the Customer from a Supplier of their choice; and (iii) Novuna are not experts in the use of the Goods. Accordingly, the Customer agrees that the Customer will carry all risks associated with the performance, selection and use of the Goods and that:

(a) the Customer have entered into this Agreement and will use the Goods for the purposes of their business;

(b) the Supplier is not Novuna's representative or agent, and has no authority to make any representation on Novuna's behalf;

(c) the Rentals have been calculated by Novuna on the assumption that Novuna will not be liable for such condition and/or use; and

(d) the Customer must obtain any warranties relating to the Goods as the Customer require direct from the Supplier.

5.2 The Customer agrees that it is reasonable for Novuna to limit Novuna's liability in respect of the condition and use of the Goods as follows:

(a) Novuna does not give any express warranties in relation to the Goods and Novuna will not be liable in respect of any implied terms or warranties regarding the description, quality, fit for purpose, suitability or performance of the Goods save to the extent that Novuna are unable in law to exclude such liability; and

(b) the Customer will compensate Novuna for any loss, charge or claim which arises directly or indirectly from their use and/or possession of the Goods (save for personal injury or death caused by Novuna's negligence).

5.3 If it transpires that the Customer have (or, but for the operation of this clause 5 would have had) any claim against Novuna in respect of the condition and/or use of the Goods, then Novuna may (at Novuna's discretion) arrange for the benefit of any similar claim that Novuna may have against the Supplier in respect of Novuna's purchase of the Goods to be transferred to the Customer, and such transfer will satisfy any claim that the Customer may have against Novuna.

5.4 The Customer acknowledges and agrees:

(a) that the provisions of this clause 5 are reasonable, in that they are intended to put the Customer back into the position that the Customer would have been in had the Customer purchased the Goods direct from the Supplier; and

(b) that it is unreasonable to expect Novuna to bear the risk of non-performance of Goods that the Customer have sourced from the Supplier of their choice, simply because Novuna have financed their use of the Goods.

5.5 Notwithstanding the above, if and to the extent that any of the above provisions are ineffective to exclude Novuna's liability, it is agreed by the Customer that:

(a) Novuna will in no circumstances be liable for any loss of revenue, savings or profit, nor for any loss of use/value of the Goods, nor for indirect/consequential losses; and

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

6. Care of Goods

6.1 The Customer must maintain the Goods at their expense in full working order and condition. The Customer is responsible for all maintenance of the Goods in accordance with the recommendations of the Supplier or manufacturer of the Goods. If any component is lost or damaged, the Customer will replace it with parts of equal standard and quality to the original components.

6.2 The Customer must use the Goods properly and comply with any guidelines issued by the Supplier and/or manufacturer. The Customer must not use the Goods for any unlawful purpose. If relevant, the Customer is responsible for connection and disconnection of the Goods.

6.3 The Customer must keep the Goods at the Location and the Customer must not take the Goods outside the United Kingdom without Novuna's prior written consent.

6.4 The Customer must not part with possession of the Goods or any part of it; sell, subhire, assign or charge the Goods or the benefit of this Agreement; create or permit any lien or any other encumbrance on the Goods; interfere in any way with any name plate or identification mark on the Goods, or make any alterations or modifications to the Goods, without first obtaining Novuna's written consent.

6.5 The Customer will allow Novuna and any persons Novuna may authorise to inspect the Goods from time to time and/or to place a name plate or other mark on the Goods identifying Novuna as the owners of it, and to enter the property where the Customer keeps the Goods for those purposes.

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

6.7 The Customer will maintain, where appropriate, any operator's or similar licences throughout the hiring of the Goods and comply with all laws and regulations in relation thereto.

6.8 The Customer are responsible for all loss and damage to the Goods (except fair wear and tear) even if caused by acts beyond their control.

7. Insurance

7.1 The Customer will insure the Goods for full replacement value against all risks under a fully comprehensive policy (with Novuna's interest noted on the policy). The Customer will indemnify Novuna against any uninsured loss or damage resulting from the Customer's failure to comply with the terms of this clause.

7.2 If any amount paid to Novuna is not enough to meet the Customer's liability under this Agreement then the Customer will pay to Novuna the difference. If the amount paid to Novuna is more than the Customer's liability Novuna will

pay to the Customer the surplus.

- 7.3** The Customer shall continue to pay the Rentals to Novuna even if the Customer is unable to use the Goods whether by reason of damage, mechanical defect or otherwise.
- 7.4** If the Goods are lost, stolen, destroyed or deemed to be a total loss for insurance purposes, the hiring of the Goods shall immediately end and the Customer will pay to Novuna the amount calculated in accordance with clause 10 but Novuna shall deduct any Insurance Proceeds received from the amount due under clause 10.1.

8. When we may end the hiring

8.1 Novuna may end the hiring under this Agreement, following written notice to the Customer, if any of the following shall occur:

- (a) the Customer fails to make any Rental or other sums due under this Agreement or any other agreement with Novuna on the due date for payment; or
- (b) the Customer is in breach of any of their other obligations under this Agreement and, where such breach is capable of remedy, the Customer fails to remedy such breach within 14 days of Novuna notifying the Customer of such breach and requiring its remedy; or
- (c) a meeting is called for their creditors; or a scheme of arrangement is made or proposed with their creditors; or
- (d) a petition is presented for their bankruptcy (or, in Scotland, sequestration order); or
- (e) a receiver or administrator is appointed over all or any of their assets, or any steps are taken with a view to appointing the same; or
- (f) the Customer is unable to pay their debts when they fall due; or
- (g) the Customer stops carrying on business or, if the Customer is a partnership, the partnership is dissolved or proceedings are commenced for its dissolution; or
- (h) the Customer is liquidated or wound up or have a petition for winding up presented against the Customer or the Customer pass a resolution for voluntary winding up (other than in the course of a reconstruction approved by Novuna); or
- (i) the Customer has supplied information under the Agreement which was incorrect at the date of their signature; or
- (j) the Customer allows any distress or execution to be levied against any of their assets or the Goods; or
- (k) the Customer does anything (or omit to do anything) which in Novuna's reasonable opinion may prejudice or jeopardise the Goods and/or Novuna's rights of ownership in it; or
- (l) in Novuna's opinion, there occurs a material adverse change in their financial or business position; or
- (m) there is any change in their control, ownership or shareholding or in that of their holding company from that existing at the Date of the Agreement; or
- (n) Novuna become entitled to terminate any other hire, hire purchase, loan or other finance agreement Novuna may have entered into from time to time with the Customer; or
- (o) the Customer or if the Customer are a company, any person with a controlling interest in the Customer is, in Novuna's opinion, involved in an activity that may bring Novuna's name into disrepute;

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

9. When you may end the Hiring

9.1 Provided the Customer is not in breach of this Agreement, the Customer may end the hiring under this Agreement at any time after the Minimum Period by giving Novuna three months written notice, such notice to expire at the end of any payment period. On that date the Customer will have to both return the Goods in accordance with Clause 11 and pay Novuna any sums that would have been payable by the Customer under Clause 10 if Novuna had ended the hiring under Clause 8 (together with any VAT due).

10. What happens when the hiring ends

10.1 When the hiring under this Agreement is ended early under Clauses 7, 8 or 9, the Customer must pay to Novuna:

- (a) all arrears of Rentals and other sums due to Novuna at the date of termination, together with any interest, costs, charges and expenses which have been incurred by Novuna under this Agreement;
- (b) any costs Novuna may incur in relation to the Goods including any relating to insurance, transport, storage and restoring the Goods to good working order and condition;
- (c) a termination sum as compensation for Novuna's loss of income under this Agreement. To calculate the termination sum Novuna will discount (reduce) their future Rentals by using Novuna's standard discount percentage, of 2% to give Novuna the present values. The sum of the present values will be their termination sum; and
- (d) if the Goods are not returned to Novuna within 14 days after the end of the Agreement, a sum equal to the residual value that Novuna anticipated Novuna would obtain on re-sale of the Goods at the end of

the Minimum Period.

11. Return of Goods

11.1 Whenever the Agreement ends the Customer will, at their own cost, return all items of Goods to Novuna at such a location as Novuna may notify the Customer. Novuna may arrange for any item to be collected from the Customer, in which case the Customer will pay Novuna any expenses that Novuna incur in doing so. The Customer will be responsible for both the condition and safety of the Goods until the Goods are returned to Novuna.

12. Software and Maintenance

- 12.1** If software or maintenance is included as part of the hiring under this Agreement, the maintenance provider or software licensee will be the "Provider". The Customer will arrange directly with the Provider the grant of any software licence and observe the terms and conditions of such licence (Software Licence) and agree directly with the Provider any maintenance that the Customer requires.
- 12.2** As the Software Licence is arranged directly between the Customer and the Provider, at no time will Novuna become liable for any losses arising out of their inability to obtain/use and/or maintain the software.
- 12.3** If the Customer wish Novuna to collect the payments due under a Software Licence and/or a maintenance agreement, then such payments will be collected by Novuna at the same time as the Rentals during the Minimum Period and Novuna shall pay the Provider the payments the Customer pays to Novuna. If Novuna are unable to collect from the Customer any payment, Novuna will not pay the Provider, who may then withdraw or withhold its Software Licence and/or maintenance services.
- 12.4** If the Provider increases the cost of the Software Licence or Maintenance Payments, Novuna shall collect the increased amounts from the Customer with the Payments. Novuna will give the Customer reasonable written notice of any change before it takes effect.
- 12.5** If Novuna collect any payments in respect of the Software Licence and/or maintenance agreement, Novuna do so solely as the Provider's agent, and will not be responsible for providing such a licence and/or maintenance ourselves: the Customer will continue to pay the Rentals to Novuna even if the Provider does not fulfil its obligations.
- 12.6** The Customer agrees that Novuna shall be entitled to apply amounts received from the Customer (a) firstly towards any VAT (b) secondly towards the Rental (c) thirdly towards any other sums due to Novuna and (d) finally to the Provider.

13. Indemnity

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

14. General

- 14.1** Expenses: The Customer will pay on demand the amount of any expenses (including but not limited to legal fees) that we incur in recovering possession of the Goods or in enforcing the terms of this Agreement.
- 14.2** Joint liability: If the Customer is more than one person, each Customer will be liable, individually as well as together, to the full extent for the obligations of the Customer under this Agreement.
- 14.3** Notices: Any written notice required to be given under this Agreement may be sent by first class prepaid post to the other party's last known address, or e-mail to the address provided by the other party for this purpose. Any notice sent by post will be deemed to be received in the usual course of posting, notices sent by e-mail will be deemed to be received immediately.
- 14.4** No Assignment: The Customer shall not transfer its rights or obligations under this Agreement. If Novuna transfer Novuna's rights or obligations under the Agreement, the Customer's rights and obligations under the Agreement will not be affected.
- 14.5** Rights of Third Parties: A person who is not a party to this Agreement shall have no right to enforce any terms of it under the Contracts (Rights of Third Parties) Act 1999.
- 14.6** Commission: If the Customer was introduced to Novuna by a broker or credit intermediary (the **Broker**), Novuna will pay them a commission for the introduction, the Broker has discretion to determine the total amount of commission within set parameters which will impact the total amount the Customer pays. The Broker will confirm to the Customer the total amount of commission received when asked.
- 14.7** Waiver: If Novuna temporarily relax the terms of the Agreement, for instance, by giving the Customer more time to pay, Novuna may at any time decide to enforce the terms more strictly again. Novuna's rights under the Agreement will not be affected as a result of any such concession.
- 14.8** Telephone Recordings: Telephone calls may be recorded for security purposes and monitored under Novuna's quality control.
- 14.9** Counterparts: This Agreement may be signed in any number of separate counterparts but shall together constitute one and the same instrument.
- 14.10** Governing Law: Novuna's relations with the Customer are based on the law of the country in the United Kingdom where the Customer are domiciled, being England, Wales, Scotland or Northern Ireland and disputes may be referred to the courts of that country.