

# TERMS OF HIRE AGREEMENT

## 1. AGREEMENT

We Network Finance Ltd, Stone Masons Yard, 2A Cecil Avenue, Enfield EN1 1PR agree to let you and agree to hire the Equipment on the Terms of this Hire Agreement.

## 2. DEFINITIONS

All words and expressions used in this Hire Agreement beginning with a capital letter have the meaning shown overleaf and on this page. The expression equipment includes all accessories, tools and fittings and all additions, replacements and renewals made to the Equipment during the period of this Hire Agreement.

The "Act" means the Consumer Credit Act 1974.

**3. APPLICATION OF THE CONSUMER CREDIT ACT 1974 TO THIS HIRE AGREEMENT** If you are a company or other corporate body or if the total amount payable under this Hire Agreement is more than £15,000 (including VAT), then this Hire Agreement is not regulated by the Act. Consequently any reference in this Hire Agreement to the Act or anything deriving from the Act, for example any notice required to be served under the Act, will not apply to you.

## 4. TERMS OF RENTAL

(a) The period that you rent the Equipment from us shall begin on the date that we notify to you (the Commencement Date) even if the Equipment has not been at the time fully installed or connected to a communications network facility, if applicable.

(b) The rental of the Equipment shall continue for at least the Minimum Term and will automatically run on afterwards unless: you tell us in writing at least 90 days in advance that you wish to terminate it at either end of the Minimum Term or at the end of any subsequent Rental interval after that, or it is otherwise terminated in accordance with the terms of this Hire Agreement.

## 5. PAYMENTS

(a) The Payment Details section overleaf tells you the amount of each Rental and the frequency at which it is to be paid. The First Rental and an arrangement fee (plus the charge for Services where applicable) are payable on the Commencement Date.

(b) Time is of the essence and therefore you must make all payments to us in full and on time.

(c) Unless otherwise agreed by us in writing, all payments under this Hire Agreement must be made by Direct Debit. If you ask to change the method of payment, and we agree, each of the remaining payments will be increased by 2.5%.

(d) We have calculated your payments to us under this Hire Agreement on the assumption that there will be no changes on the basis of taxation, the rate of corporation tax, writing down allowances, first year capital allowances and VAT as they apply on the date that you signed this Hire Agreement. If any of these assumptions ceases to apply during this Hire Agreement, we may vary the payments by the amount we consider necessary to provide us with the same actual after-tax rate of return that we originally anticipated.

(e) This Hire Agreement does not include charges for consumables. Nor does it include charges for maintenance or service of the Equipment unless you have taken up the Services option overleaf.

(f) You will be responsible for any costs we incur in recovering money you owe us plus interest on all overdue amounts at the rate of 2% per month, calculated on a daily basis, subject to a minimum charge of £25, until the payment is received by us.

## 6. THE EQUIPMENT AND YOUR DUTIES

(a) You agree that you are responsible (and that we are not) for

- choosing the Equipment
- ensuring the Equipment is suitable for your requirements in every way
- ensuring that once you have taken possession of the Equipment it is in proper working order and good repair and that whilst this Hire Agreement lasts, it remains in that state
- maintaining and servicing the Equipment
- connection and disconnection of the Equipment
- keeping possession of the Equipment whilst this Hire Agreement continues
- ensuring that the Equipment remains at the Installation Address and should you wish to relocate it or alter it in any way, first obtaining our written consent

• Bearing the risk of any loss or damage to the Equipment however it is caused

(b) Your acceptance of the delivery of the Equipment is conclusive evidence that you have found it to be complete, in good working order and condition and satisfactory in every way

(c) As we are a leasing company, you appreciate that we are not technically equipped to provide you with any assurance concerning the suitability of the Equipment for your purposes. Therefore, you must obtain directly from the Supplier all warranties and guarantees for the Equipment. We give no warranty of any kind for the Equipment and any conditions or warranties relating to the Equipment implied by statute or otherwise are specifically excluded

(d) Whilst this Hire Agreement continues, you must not, nor try to, sell transfer, let, hire, dispose of or part with the Equipment or any part of it, or transfer the liabilities under this Hire Agreement or use this Hire Agreement as security in any way.

(e) You will be solely responsible for (and hold us fully indemnified against) any loss, damage or injury (including death) to people or property occurring in connection with any of the Equipment or as a result of using it. Subject to limitations of law we shall not be liable for special, indirect incidental or consequential damages of any kind in any case no matter how arising.

## 7. INSURANCE

You must insure the Equipment against all risks of physical loss or damage up to the full replacement value of the equipment and have our interest noted on the insurance policy.

On our request you must provide satisfactory evidence of such insurance. If such evidence is not provided to us, we have the right, but not the obligation, to have insurance protecting the Equipment placed at your expense, which expense shall include the full premium paid for such insurance and shall be paid by you in equal instalments allocated to each remaining Rental Payment under this Hire Agreement.

## 8. SERVICES

If a charge for Services is included overleaf, we will act as the agent of the Supplier for the collection of the charges or Services only. You acknowledge that the Supplier (and not us) is responsible for providing the service relevant to the Equipment in accordance with their agreement with you and that we shall not be liable for any of their obligations to you. In addition, you acknowledge that you must perform all your obligations to us under this Hire Agreement even if the Supplier is in breach of their agreement with you. **9. DEFAULT**

If:

- You fail to make any payment you owe under this Hire Agreement on time; or
- You fail to keep to any terms of this Hire Agreement or indicate to us that you no longer intend to comply with its terms; or
- (being an individual), you die, have an application for an interim order made against you, convene a meeting of or come to an arrangement with your creditors, be the subject of a receiving order, or cease trading

or:

- (being a company), you suffer the making of a statutory demand, the presentation of a petition for a winding up order, have a receiver or receiver and manager or administrator appointed to any part of your assets make any arrangements or composition with your creditors, allow any distress or other seizure of your assets to be made, or cease trading: then you will have acted so as to repudiate this Hire Agreement which means that you no longer propose to comply with the terms of this Hire Agreement. If so, and you then fail to comply with the default notice that we are required by the Act to send you, we may immediately terminate this Hire Agreement by giving you written notice (whether through default or otherwise), you shall no longer be in possession of the Equipment with our consent and must return it to us at your own cost in good working order (fair wear and tear accepted). Without affecting any other rights against you under this Hire Agreement we may take the Equipment back and in order to do so, we may (as permitted by the Act enter any premises belonging to or occupied by you).

## 10. REMEDIES

If we terminate the hiring under Clause 9, you must pay us immediately: (a) all arrears of any rentals due under this Hire Agreement together with interest to be paid under Clause 5(f);

(b) all costs and expenses incurred by us in recovering or attempting to recover possession of the Equipment and

(c) as agreed compensation for loss of profit and/or excessive depreciation, the total of all Rental Payments which, but for the termination, would have been payable during the remainder of the Minimum Term, less a discount of 5% per annum for early receipt.

## 11. JOINT AND SEPARATE LIABILITY

When two or more people are responsible for your part of the Hire Agreement, they are liable individually and together for all amounts due under this Hire Agreement.

## 12. GENERAL

(a) If in any specific instance, we choose not to enforce any of our rights or powers under this Hire Agreement this will not affect our entitlement to subsequently enforce such rights or powers should we choose to do so either in respect of the specific instance or otherwise.

(b) As we own the Equipment you are not entitled to claim any capital allowances on the Equipment.

(c) We may assign or charge this Hire Agreement or our rights under it to any person, firm or company.

(d) Any notice we may send to one another will be considered as delivered two working days after being posted provided it is sent to the address given for the other overleaf, or any other address we may advise to each other in writing during the course of this Hire Agreement.

(e) This Hire Agreement is the entire agreement between you and us and replaces all proposals or prior agreements relating to the Equipment. No change to the printed terms of this Hire Agreement shall apply unless signed by one of our directors and by you.

(f) Should any part of this Hire Agreement be unenforceable for any reason it shall not affect or impair the rest of the Hire Agreement.

## 13. GOVERNING LAW

This Hire Agreement is governed by English law and the English courts shall have

Jurisdiction.

**YOUR RIGHTS, IMPORTANT—YOU SHOULD READ THIS CAREFULLY**

The Consumer Credit Act 1974 covers this agreement and lays down the 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. If you would like to know more about the protection and the remedies provided under the Act, you should contact either your local Trading Standards Department or your nearest Citizens Advice Bureau.

Information held by us under the Data Protection Act 1984

You authorise us to pass on your details to other companies within our group, the Supplier and other companies within its group, credit reference agencies, the insurers and any other organisation which may assist in the administration of credit facilities, lending and hire services and the prevention or detection of fraud.