

CONDITIONS OF HIRE

1. DEFINITIONS

In this Agreement:

- (a) 'Vehicle' means the vehicle described on the front page of this Agreement and all component and replacement parts, accessories, additions and alterations;
- (b) 'Agreement' means this document which contains all the terms and conditions agreed between us.

2. THE HIRING, PAYMENTS AND DELIVERY

- 2.1 The hiring will start on the Commencement Date and will continue for the Period of Hire at the Rental shown.
- 2.2 You will pay us at the times stated in this Agreement together with value added tax:
- (a) the Rental;
- (b) the Damage Recharge Bond;
- (c) any other sum payable under this Agreement.
- Punctual payment shall be of the essence of this Agreement. Payments must be made by variable Direct Debit on your Bank or Building Society. In the event that a Direct Debit is rejected or cancelled we reserve the right to charge you an administration fee each month until it is reinstated.
- 2.3 You will accept delivery of the Vehicle only if it is in accordance with your ordered specification. If you are not satisfied with the condition of the Vehicle you must send a facsimile message to us marked for the attention of the Customer Services Manager. If we do not receive a facsimile message from you within 48 hours of delivery we will assume that you have accepted the Vehicle and it is satisfactory.

3. CARE OF THE VEHICLE

- 3.1 Unless we give our prior written consent, no-one other than you must drive the Vehicle.
- 3.2 You will be responsible for any loss, theft, destruction or damage to the Vehicle from the Commencement Date until it is collected by us even if this is not your fault.
- 3.3 You will use the Vehicle in a careful and proper manner in accordance with the manufacturer's recommendations.
- 3.4 You will ensure that we have a right of access to the Vehicle at all times for inspection and removal. You will keep the Vehicle secured at all times. You will tell us immediately if you change your address.
- 3.5 You will not use or let anyone use the Vehicle illegally or for any unlawful purpose or in any competition or motor sport. You will not overload the Vehicle nor, without our prior written consent, use it regularly on unmade roads, building sites, farmland, woodland, moorland, mountain tracks or any other rough ground.
- 3.6 You will not let anyone obtain any rights over the Vehicle or let anyone take or threaten to take it to pay any of your debts. You will keep the Vehicle in your possession and under your control and you will not sell, transfer, mortgage, lend let or give the Vehicle to anyone.
- 3.7 You will not permit or allow the Vehicle to be used in contravention of any statute or other rule, regulation or order.
- 3.8 You will slow down and stop immediately if it is safe to do so should any warning light or device operate indicating that there is a problem with the Vehicle. If you drive the Vehicle when a fault is evident and this causes consequential damage this will be considered negligent and you will be liable under clauses 7.1(d)(iii) and 11.2(d).
- 3.9 You will pay any parking fine or other fixed penalty relating to the Vehicle immediately. If you fail to do so we may pay the amount of the fine or penalty for you. You will then compensate us by repaying that amount to us on demand together with a fee to cover our administration costs.
- 3.10 You will not make alterations to the Vehicle without our prior written consent unless you are obliged to do so by law. Any replacement parts and additions will become our property and subject to this Agreement.
- 3.11 (a) Accessories fitted prior to delivery remain our property at all times and must be in full working order when the Vehicle is collected by us.
- (b) Accessories may be fitted by you at your own expense after delivery. You will be responsible for their repair and maintenance. At the end of the period of hire accessories may remain on the Vehicle and must be in full working order or they may be removed but should the removal cause a reduction in the value of the Vehicle you will pay us a sum sufficient to compensate us.
- (c) A tow bar may be fitted for occasional use if it is approved by the relevant car manufacturer and used in accordance with the manufacturer's recommendations.
- (d) Telephone aerials must be glass-mounted unless otherwise agreed by us in writing.
- 3.12 You must not take the Vehicle outside the United Kingdom without our prior written consent. Such consent will not be unreasonably withheld but may include a requirement for you to take out additional insurance.
- 3.13 You must not do or allow to be done anything which we reasonably believe may put at risk the performance of your obligations under this Agreement.

4. INSURANCE

- 4.1 From the Commencement Date you will insure the Vehicle for at least its day to day replacement value against all insurable risks including theft, loss, damage and destruction. You will also insure for at least £2,000,000 us, and any authorised driver against claims for death, injury, loss or damage caused by the Vehicle or its use.
- 4.2 You will at all times comply with the terms of your insurance policy and will pay insurance premiums on time. If you fail to insure or let the cover lapse we may insure the Vehicle and you will repay the cost to us on demand.
- 4.3 In the event of any loss of or damage to the Vehicle, you will in general co-operate in the claims process and in particular:
- (i) notify us immediately of the incident giving rise to the loss or damage;
- (ii) use your best endeavours to provide us with the name and address of any third party if we ask you to do so;
- (iii) promptly send to us a copy of any accident claim form together with a copy of the estimate for repairs;
- (iv) arrange for all insurance money to be paid to us within 30 days of the date of the event giving rise to the insurance claim.
- If you fail to comply with the provisions of this clause you will be treated as having repudiated this Agreement for the purposes of clause 5.
- 4.4 We will use the insurance money:
- (a) firstly to pay off any arrears of Rental, Excess Mileage charges and other sums payable under this Agreement at the date of the event giving rise to the insurance claim together with interest, and
- (b) secondly:
- (i) towards the cost of repairs, if the Vehicle is damaged and the insurer considers that it is economic to repair it; or
- (ii) to compensate us for our loss, if the Vehicle is a total loss because it is lost, stolen, destroyed or in the opinion of the insurer is not worth repairing, in which case you will pay to us an amount equivalent to the total costs incurred by us less Rental received.
- 4.5 If the insurance money is insufficient to pay all sums due under clause 4.4 you will pay to us the shortfall. If the insurance money exceeds all sums due under clause 4.4 we will refund the excess to you.
- 4.6 This Agreement will terminate following a total loss under clause 4.4 and payment of all sums due under 4.4 and 4.5.

5. DEFAULT AND EARLY TERMINATION

- 5.1 This Agreement will terminate automatically and we may repossess the Vehicle at any time if you:
- (a) die;
- (b) have a petition for bankruptcy presented against you or an application is made against you for an immediate order under the Insolvency Act 1986;
- (c) convene a meeting of or come to any arrangement with creditors;
- (d) have a receiving order made against you;
- (e) allow anyone to, or anyone threatens to, seize, take in execution or detain upon any of your property;
- (f) abandon the Vehicle or do anything which we reasonably consider might jeopardise our rights in the Vehicle;
- (g) Unless terminated early under the preceding provisions of this clause, this Agreement will terminate automatically at the end of the Period of Hire.
- 5.2 This Agreement may be terminated by us at any time by repossessing the Vehicle, immobilising it by deactivating its engine management system (if it is safe to do so), or in any other way if you repudiate this Agreement. You will be treated as having repudiated this Agreement if you:
- (a) fail for more than 28 days to pay any Rental or other sum due under this Agreement; or
- (b) breach any other term of this Agreement and, if that breach can in our opinion be remedied, fail to remedy it within 7 days of our notifying you to do so.
- 5.3 After termination of this Agreement under Clause 5.1 or 5.2 you will at your risk and cost return the Vehicle to us at an address in Great Britain that we will specify.

6. RETURN AND INSPECTION OF THE VEHICLE

- 6.1 On any termination of this Agreement you will at your own risk and cost return the Vehicle to our premises shown overleaf. We will, at your written request, collect the Vehicle during normal working hours from an address in the United Kingdom which you specify, but we will raise a charge for doing so.
- 6.2 On any termination of this Agreement you will ensure that the Vehicle is returned in the condition in which it was originally supplied, fair wear and tear excepted.
- 6.3 We will inspect the Vehicle on its return to our premises. If in our sole opinion the Vehicle's condition is not acceptable we may carry out servicing, provide replacement parts (including all broken glass) or carry out repairs to put the Vehicle in an acceptable condition, the costs of which will be charged to you and deducted from the Damage Recharge Bond.
- 6.4 If we carry out any such work costing over £100, we will raise an administration charge for arranging the work in addition to the cost of the work itself. If the Vehicle is also returned late we will raise a further administration charge of £100 for each week or part of a week from the date the Vehicle should have been returned and its actual date of return, such a charge representing the increased administration costs to us in rectifying the damage outside the Period of Hire.

7. PAYMENTS ON TERMINATION

- 7.1 On any termination of this Agreement you will immediately pay to us together with value added tax:
- (a) all arrears of Rental, administration fees (if any) and other sums due under this Agreement together with interest;
- (b) any Excess Mileage charge calculated in accordance with clause 9 and charged up to the time you return the Vehicle to us or when we or our agents repossess the Vehicle;
- (c) a charge representing a genuine pre-estimate of our loss and calculated as half of the Rental remaining to the end of the Period of Hire;
- (d) our costs:
- (i) of repossession, storage and insurance of the Vehicle;
- (ii) of any recharge items under clause 6;
- (iii) resulting from any accident or deliberate or negligent damage to the Vehicle;
- (e) a sum equivalent to one quarter of the Rental for each week or part of a week from termination to the date when the Vehicle is returned or repossessed if following termination you fail to return the Vehicle to us as required. For the purposes of this clause only, the Rental shall be increased by 50% to represent our loss as a result of your failure to return the Vehicle.
- 7.2 We will deduct any sums payable under clause 7.1 from the Damage Recharge Bond and then return the balance, if any, to you. Should the sums exceed the Damage Recharge Bond you will immediately pay the difference to us.
- 7.3 Your obligations under clause 7.1 will be treated as if they had arisen immediately before termination.

8. MANUFACTURER'S AND SUPPLIER'S WARRANTIES AND EXCLUSION OF LIABILITY

- 8.1 On request on mutually agreed terms we will transfer to you so far as possible the benefit of any manufacturer's and supplier's express warranties given to us relating to the fitness and performance of the Vehicle.
- 8.2 Except as mentioned in clause 8.3, since the Vehicle has been chosen by you and has not been inspected by us, we do not make or give any representation or undertaking express or implied as to the condition, description, quality or performance of the Vehicle or its fitness for any particular purpose. All such representations and undertakings are specifically excluded.
- 8.3 The Vehicle is hired to you with the benefit of undertakings about title, correspondence with description, fitness for purpose and satisfactory quality implied by the Supply of Goods and Services Act 1982.
- 8.4 No liability (except for death or personal injury resulting from our negligence) will attach to us in contract or in tort for loss, injury or damage sustained by reason of any defect in the Vehicle whether latent or apparent and however caused.
- 8.5 In no circumstances will we be liable for any loss of profit or any other consequential loss incurred by you.

9. EXCESS MILEAGE

- 9.1 You will on request notify us of the mileage recorded on the mileometer of the Vehicle ("the Recorded Mileage").
- 9.2 If the mileometer fitted to the Vehicle has failed to work properly, you will notify us of the date of failure, the Recorded Mileage on that date, and the date on which the mileometer is repaired or replaced.
- 9.3 We will estimate your mileage ("the Estimated Mileage") during the period of failure by:
- (a) dividing the Recorded Mileage by the number of days from the Agreement Date up to the date of failure; and
- (b) multiplying the result by the number of days during which the mileometer failed to work properly.
- 9.4 The Total Mileage will be the Recorded Mileage plus any Estimated Mileage.
- 9.5 If at any time during this Agreement the Total Mileage exceeds the Allowed Mileage when calculated pro rata monthly, we may terminate this Agreement under clause 5.2(b) and/or require you to pay on demand an excess mileage charge calculated by multiplying the difference between the Total Mileage and the Allowed Mileage (when calculated pro rata monthly) by the Excess Mileage Rate shown on the attached form. A VAT invoice will be sent to you for each excess mileage charge.

10. ROAD FUND LICENCE

We will obtain and pay for each Road Fund Licence required during the Period of Hire. In the event of the cost of the licence being increased we reserve the right to charge you the amount of the increase.

11. SERVICING AND MAINTENANCE OBLIGATIONS

- 11.1 You will keep the Vehicle in good condition and repair and you will notify us immediately of any mechanical defect in or damage to the Vehicle.
- 11.2 You will be responsible for and pay the costs of:
- (a) all servicing of the Vehicle by an approved dealer at the intervals recommended by the manufacturer, delivery and collection of the Vehicle from the dealer, and ensuring that the vehicle service record has been stamped. Should you fail to collect the Vehicle when it is ready and we incur any cost as a result, these will be recharged to you;
- (b) maintaining the Vehicle on a day-to-day basis in accordance with the manufacturer's recommendations, including providing the correct type and amount of fuel, oil, lubricants, water and additives;
- (c) checking the tyres regularly, ensuring that they comply with any legal requirement and are in good condition, and where necessary having them repaired or replaced with tyres which comply with the manufacturer's recommendations;
- (d) having all necessary repairs, maintenance and fitting of replacement parts carried out promptly by an approved dealer, whether they are needed as a result of accident, deliberate or negligent damage or otherwise, and particularly those needed to comply with any legal requirements. All parts must be approved by the manufacturer of the Vehicle;
- (e) having the Vehicle MOT tested when this is due in accordance with current legislation;
- (f) cleaning the Vehicle to preserve bodywork and upholstery.
- 11.3 You will repay to us any costs we may incur in making the Vehicle legally roadworthy other than costs which would be our responsibility under clause 10.

12. GENERAL

- 12.1 You confirm that the information provided by you and shown on this Agreement is true.
- 12.2 If you fail to pay any sum due on time we may charge you daily interest on that sum at the rate of 5% above National Westminster Bank Plc's Base Rate from time to time. Interest will be charged from the date payment became overdue until actual payment. This provision will apply both before and after any court judgment we may obtain against you and will survive and apply after termination.
- 12.3 Any notice required under this Agreement will be properly served only if in writing and sent by prepaid post or delivered by hand to the addressee's address shown on this Agreement.
- 12.4 Our rights under this Agreement will not be affected by any forbearance or concession made by us to you.
- 12.5 In negotiation for this Agreement only persons expressly authorised in writing by us have had authority to act as our agent. No purported variation of this Agreement shall be effective unless executed in the form prescribed by the Consumer Credit Act 1974.
- 12.6 You will not assign this Agreement.
- 12.7 You will pay to us on demand our administration charges for changing the terms of the Agreement, providing additional services at your request, or for reminding you about or dealing with any failure by you to comply with the terms of this Agreement. Details of our charges are available on request.
- 12.8 Unless stated otherwise all Rentals and other charges quoted in this Agreement include VAT at the rate of 17.5% prevailing on the Commencement Date.
- 12.9 Save as expressly provided, none of the provisions of this Agreement are intended to or will operate to confer any benefit pursuant to the Contracts (Rights of Third Parties) Act 1999 on a person who is not named as a party to this Agreement.

13. DATA PROTECTION

We may register details of this Agreement and the conduct of your account with any licensed credit reference agency. This and the information you have given about yourself may be used to help make credit decisions, to prevent fraud, for tracing debtors and for recovering our property. We may also disclose this information to any company or business associated with us and to any person acting on your behalf for any purpose connected with our business. We, or those identified above, may also contact you about services that may be of interest to you. You may choose not to be contacted in this way.

Signed

Date