

TERMS AND CONDITIONS FOR BRIGHTHOUSE HIRE PURCHASE AGREEMENT

1. MEANING OF WORDS AND PHRASES

In this Agreement and the OSC Policy, DLC Policy and OSC Contract (as defined and applicable): “You” or “your” refers to the customer(s) named on the signature page; “we”, “our”, “us”, or “BrightHouse” refers to Caversham Finance Limited, its successors or any company, firm or person to whom our rights under this Agreement are assigned; “Agreement” means this hire purchase agreement including the signature page and these terms and conditions; “DLC policy” means, if you ticked in the relevant box and signed in the signature box on the Agreement to take damage liability cover, your Damage Liability Cover insurance policy, comprising your application on the signature page and the Damage Liability Cover Policy terms and conditions; “Failure” means any actual or apparent breakdown, deficiency (resulting in tears, rips or broken parts requiring repair), faulty working or failure of any of the Goods (other than the Software) arising from a mechanical, structural or electrical fault; “Financial Information” means the sections headed “Key Financial Information” and “Other Financial Information” on the signature page; “Goods” means the goods being hired under this Agreement (initially those shown in condition E of the Financial Information), including any software forming part of, or supplied by us with, those goods; “Insurers” means Caversham Insurance (Malta) Limited; “OSC Policy” means, if you ticked the relevant box and signed in the signature box on the Agreement, your Optional Service Cover insurance policy, comprising your application on the signature page and the Optional Service Cover Policy terms and conditions; “OSC Contract” means, if you ticked the relevant box and signed in the signature box on the Agreement, your Optional Service Cover Contract, comprising your entry into the contract and the Optional Service Cover Contract terms and conditions; “Optional Service Cover” means, if you ticked the relevant box and signed in the signature box on the Agreement, for either your OSC Policy or your OSC Contract; “Late Payment Charge” means the charge for late payments referred to in clause 9(b); “Software” means any software supplied as part of the Goods; and “Technician” means a technician approved by the Insurers or BrightHouse (as applicable),

2. HIRE PURCHASE

You are hiring from us (and we are letting on hire to you) the Goods upon the terms and conditions of this Agreement. After you have made all of the other payments detailed in condition D of the Financial Information, you may take ownership of the Goods according to clause 13b (Option). If the Goods comprise more than one item, then the installment shown in condition D of the Financial Information will be divided between them in the same proportions as their respective cash prices bear to the total cash price for the Goods.

3. DELIVERY AND CANCELLATION

(a) WHAT WE WILL DO - If we agree to deliver the Goods, then we will deliver them to the installation address, which you have given us. Delivery will be arranged to take

place after we have undertaken the verification actively outlined in clause 3(c). You need to choose a suitable place there for us to install them, at which there must be appropriate connections to all relevant services by the time we deliver the Goods. Otherwise we will not be able to install them for you.

- (b) **YOUR RIGHT TO CANCEL**- If you signed this agreement at the store, you have the right to cancel it for any reason within seven days of signing it. If you signed this agreement elsewhere, we will send you a notice of your cancellation rights and you will have the right to cancel this Agreement within five days, starting with the day after you receive that notice.
- (c) **OUR RIGHT TO CANCEL** - We have the right to cancel this Agreement within seven days of signing it if we are unable to verify information supplied by you as a basis for entering into the Agreement, or receive information from your referees which, in our reasonable opinion, would cast doubt on your ability to fulfill this Agreement. If we decide to terminate the Agreement we will give you seven days notice in writing of our intention to do so. We may refund any payments you have made at any time during those seven days.
- If either of us cancels then we will return any payments you have made to you, and you must return to us or allow us to collect the Goods, if they have been delivered, in the condition in which they were delivered to you.

4. IF YOU HAVE A CLAIM

THIS CLAUSE IS IMPORTANT. PLEASE READ IT CAREFULLY.

(a) **RELEVANT CLAIMS** - This clause 4 is about Relevant Claims. A “Relevant Claim” is any Claim which you may have against any BrightHouse party relating to this Agreement, any DLC Policy, OSC Policy, or OSC Contract. By a “claim”, we mean all claims of any sort resulting from the same incident or matter. This includes any claims that a BrightHouse party:

- (1) has breached this Agreement, any DLC Policy, OSC Policy or OSC Contract;
- (2) has been negligent (that is, has failed to take reasonable care); or
- (3) has failed to comply with any statement made to you.

By a “BrightHouse Party” we mean us, the Insurers, any other member of the Thorn group of companies and any employee, agent or sub-contractor of us or any other BrightHouse party. We hold the benefit of this clause 4 on trust for each other BrightHouse party; so they may rely on it even though they are not party to this Agreement.

- (b) **MAKING RELEVANT CLAIMS** - You should contact us as soon as reasonably possible if you have, or think you might have, a Relevant Claim. You must then give us at least 10 days to try to put the matter right before you start any legal proceedings.
- (c) **MINIMISING LOSSES** - If you do not take reasonable steps to minimise any losses relating to a Relevant Claim, it is unlikely that those losses which could reasonably have been avoided will be awarded to you by a Court.
- (d) **EXCLUSIONS OF LIABILITY** - No liability will be accepted by us:

- (1) for losses that were not foreseeable to you and to us when we entered into this Agreement; or
- (2) for losses that were not caused by any breach of ours;
- (e) LIMITS ON BUSINESS CLAIMS - If you are buying the Goods for business purposes, then the maximum amount of any Relevant Claim shall be £1,000 or, if higher, our cash price for the Goods.
- (f) STATUTORY UNDERTAKINGS - It is our intention to rely on the written terms set out here. If you require any changes, please ensure that you ask for these to be put in writing before you sign the Agreement. In that way, any misunderstanding surrounding your obligations and ours may be avoided. If this is a consumer transaction, then nothing in this Agreement is intended to limit the rights given to you by statute. These include sections 8 to 11 inclusive of the Supply of Goods (Implied Terms) Act 1973. The effect of these sections is to include in this Agreement obligations on us relating to our right to sell the Goods, correspondence of the Goods with their description, the Goods being of satisfactory quality and reasonably fit for the particular purpose, and correspondence of the Goods to samples.
- (g) EFFECT OF CLAUSE 4 - Nothing in this clause 4 shall limit any liability BrightHouse may have in the event of death or personal injury resulting from the act or omission of BrightHouse.

5. PAYMENTS

- (a) WHAT AND WHEN TO PAY - You must pay us each installment shown in condition D of the Financial Information on or before the relevant payment date indicated in condition D of the Financial Information or otherwise agreed with us in writing from time to time. Any deposit specified in the Other Financial Information on the front of the Agreement is to be paid before any goods are provided under this Agreement. You must pay your installment by one of the methods referred to in clause 5©. If you are also paying us any premiums under any OSC Policy, DLC Policy or other insurance premiums, you must pay those premiums by the same method, and we will pass those premiums on to the relevant insurers. If you are paying us any amounts under any OSC Contract, you must pay those amounts by the same method.
- (b) IMPORTANCE OF PAYING ON TIME - You must pay each of the amounts due from you under this Agreement on time. If you do not do so, then clause 9(e) (Ending this Agreement) applies.
- (c) HOW TO PAY - You may make your payments under this Agreement:
 - (1) in person at any BrightHouse store;
 - (2) by post (we will notify you of the address);
 - (3) by hand through the letter box of the store at which this Agreement is administered (do not post cash);
 - (4) by choosing (if we allow you to do so) to pay via a slot meter, which must be hired from us under a separate rental agreement; or
 - (5) by choosing (if we allow you to do so) to pay via direct debit from your bank account.

It is your responsibility to make sure that we receive each payment. You will have to make good any payment which is lost (unless you have made it in person in a BrightHouse store or it has been lost through our negligence).

- (d) **ADVANCE PAYMENTS** - You may by agreement with us at any time pay more than is then due from you under this Agreement. This will be credited against subsequent installments, but it will not otherwise affect your payment obligations under this Agreement.
- (e) **IF YOU DO NOT PAY IN FULL** - If at any time (including when this Agreement has ended) we receive less than the full amount due from you under this Agreement and any agreement for any OSC Policy, DLC Policy, other insurance policy for which we are collecting payments from you on the insurers behalf or any OSC Contract, we may apply the amounts we receive against the amounts due from you under this Agreement, any OSC Policy, DLC Policy, other insurance policy or OSC contract in any order that we determine, taking into account your reasonable request as to the order of allocation, if one is made.
- (f) **CHANGING YOUR PAYMENT METHOD** - You may (if you pay by direct debit and we allow it) change your method of payment to weekly in person at the store. We reserve the right to require such a change in payment method if our direct debit requests are dishonoured at any time. Should we require this change, you have the right to terminate this Agreement pursuant to clause 10© (When You May End It).

6. ARRANGEMENTS WITH THIRD PARTIES

- (a) **TRANSMISSIONS** - Any satellite or television receiving equipment subject to this Agreement is not warranted to receive transmissions other than those which it can receive at the time of installation.
- (b) **LICENCES, PERMISSIONS AND SUBSCRIPTION FEES ETC** - You must obtain and keep up to date any television licence, and any other licence, permission, consent or subscription required by any other person in respect of your use of the Goods. This includes any approval for the installation of the Goods, which you may need from the landlord or land owner of your premises. It also includes any permissions of copyright owners. We shall not be responsible for any matter arising from your failure to obtain relevant authorisations required.

7. CARE, REPAIR AND REPLACEMENT

- (a) **CARE** - You must ensure that the Goods are:
 - (1) kept clean;
 - (2) used carefully and properly in accordance with any manufacturer's recommendations and instructors; and
 - (3) not used for any unauthorised commercial or business purpose.

You must not allow anyone except a Technician to try to repair any of the Goods or to examine them in such a way as requires them to be dismantled in whole or in part.

- (b) **REPAIR** - You must ensure that the Goods are kept in good working order and repair (you will have the benefit of any guarantees or similar rights which we have in respect of the Goods).

(c)REPLACEMENT - If you have any OSC Policy or OSC Contract and the Technician decides that because of the Failure it is uneconomical or impracticable to repair any of the Goods, we will within a reasonable period provide you with a similar replacement. (An example of impracticability would be if spare parts to carry out the repairs were no longer available.)

Any temporary or permanent replacement will be of a type and model equivalent to or better than that being replaced. This Agreement will apply to the replacement as if it formed part of the Goods. You must continue to pay your installments in full even if we do not replace the Goods immediately. You may also need to pay any premiums or amounts you are required to pay under any OSC Policy, DLC Policy, other insurance policy or OSC Contract in order to retain cover in respect of those policies or contract (as applicable). Nothing in this clause 7 affects your statutory rights.

8. YOUR OTHER RESPONSIBILITIES

(a)CONSUMABLES - You will be responsible for the supply and fitting of all replacement consumables, such as batteries in remote control units and worn styluses (on record players) and ink cartridges (in printers).

(b) FIRE, THEFT OR ACCIDENT - If you have any Optional Service Cover then it will only pay for the costs and expenses of a repair under clause 7(b) (Repair) necessitated by a Failure. The DLC Policy, if there is one, will provide the protection explained in the DLC Policy terms and conditions in the case of theft, loss or damage. If you do not initially take out or if you cancel the DLC Policy, then you must keep the Goods insured against loss or damage caused by fire, theft or accident. The insurers must be approved by us; we may not unreasonably refuse to approve them. Any insurance money from the DLC Policy shall be applied by you in or towards the following, at our option:

- (1) making good any damage to the Goods; or
- (2) replacing the Goods with similar ones to which this Agreement shall apply; and in either case
- (3) compensating us for any other losses which we suffer.

(c) INDEMNITY - You shall be responsible for any losses, expenses or other costs incurred by us as a result of:

- (1) any such loss or damage as is referred to in clause 8(b);
- (2) any loss or damage resulting from inappropriate use of the Goods by themselves or in conjunction with any other equipment; and
- (3) any claims made against us by third parties arising out of the state, condition or use of the Goods,save where such claims or losses arise from our negligence or from the Goods being not of satisfactory quality when supplied to you.

(d)ACCESS - You must allow our Technicians and authorised employees and agents access to the Goods at all reasonable times for the purpose of repair, adjustment, inspection or removal.

(e)DISPOSAL - Unless you have previously taken ownership of the Goods as detailed in clause 13(b) (Option) you must not let any of the Goods out of your possession. Nor may you sell charge or otherwise dispose of any of them. (One example of a “charge” is to offer the Goods as security for a loan.)

- (f) MOVING - You must not move any of the Goods from any premises without first getting our written consent, which we will not withhold unreasonably. If we reasonably consider it appropriate, you must employ a Technician to move any of the Goods.

9. IF YOU BREACH THIS AGREEMENT

- (a) CHARGES - If you breach this Agreement, we may take action to protect our position or enforce our rights (For example, we may re-present a direct debit payment request if payment is not made first time; we may write to you; we may contact you by telephone or SMS messaging; we may have to trace you; and we may take court proceedings). Clauses 9(b) and (c) provide for charges payable in two specific cases of default by you. In the event of your breaching this Agreement in any other way (for example, if you breach clause 7(a) (Care) as a result of which we must make repairs to the Goods) we may charge you our reasonable costs and expenses incurred by us as a result of your breach.
- (b) LATE PAYMENT CHARGE - If we do not receive any of your instalments in full on or before the relevant payment date, you must pay us a late payment charge at the current rate, on account of our administration costs (there is no automatic late payment charge in respect of Home Cash Collection customers by meter). This is in addition to any other rights we may have. Where you have chosen to pay by direct debit and the direct debit request is dishonoured for any reason, we will make a late payment charge at the current rate as notified in store to cover our administrative costs.
- (c) RETURNED CHEQUES - You must ensure that your bank pays on a cheque of yours when it is presented to it. If the bank does not do so, then you must pay us a "returned cheque" charge as shown at condition J in the Agreement. This is in addition to any other rights we may have.
- (d) INTEREST - If any payment under this Agreement is not received on the due date, then you must pay interest on such payment to the extent that such interest exceeds the Late Payment Charge. This interest shall accrue on a daily basis from the due date until payment is received by us. It shall be calculated at 4% per annum over the base rate from time to time of The Royal Bank of Scotland plc.
- (e) ENDING THIS AGREEMENT - One of the actions we may take if you breach this Agreement, including if you fail to make a payment on time, is to serve a default notice on you. It will tell you what you must do to cure the breach. If you do not do it on time, then we may end this Agreement immediately.
- (f) CHARGES - Examples of the amount of charges that we may charge you under this clause 9 appear at condition I in the Agreement. We may vary these charges without notice to you to reflect the costs that we incur as a result of your default. If you require notification of the current tariff of these charges we will provide it to you on written request.

10. WHEN THIS AGREEMENT ENDS

- (a) SUMMARY - This Agreement will carry on until it is:
- (1) cancelled - see clause 3(b) (Cancellation);
 - (2) ended by us because of your breach (see clause 9(e) (Ending this Agreement)) or as referred to in clause 10(b); or

(3) ended by you as referred to in clause 10(c) or 10(d).

Clause 11 (What Happens When This Agreement Ends) will apply to its ending.

(b) WHEN WE MAY END IT - We may end this Agreement at any time if:

(1) you have given any incorrect or misleading information in connection with this Agreement, any DLC Policy, OSC Policy or OSC Contract;

(3) any of the Goods is or becomes subject to any distress, execution or other legal process;

(4) (3) you become bankrupt or apparently insolvent;

(5) we have reasonable belief that any of the Goods or our interest in them is in jeopardy;

(5) you breach this Agreement - see clause 9(e) (Ending this Agreements); or

(6) a direct debit is dishonoured.

(c) WHEN YOU MAY END IT - You may end this Agreement by giving us written notice at any time. To end it in this way, you must comply with clause 11 (What Happens When This Agreement Ends).

(d) DLC POLICY PAYMENT - This clause 10(d) applies if a payment is made to us by the Insurers as referred to in condition C(1) of the DLC Policy because any of the Goods has been stolen or lost or damaged beyond economic repair. Where it applies, then you will be deemed to have sent us a written notice terminating this Agreement. If the payment was made as a result of any of the Goods being stolen or lost and you later recover them, you must return them to us immediately or allow us to collect them. Alternatively, we will, if you request it, reinstate your Agreement as if it had never been terminated and refund the payment to the Insurers. You will then be liable to resume your payments as before in order to complete the Agreement.

11. WHAT HAPPENS WHEN THIS AGREEMENT ENDS

(a) RETURNING THE GOODS - If this Agreement ends, then unless the Goods have become yours according to clause 13(b) (Option) by the end of the 30 day period referred to in that clause, and subject to your rights at law, you must either: (1) allow us to collect the Goods from you undamaged and in good repair except for fair wear and tear; or (2) return the Goods undamaged and in good repair except for fair wear and tear to your nearest showroom or Customer Service Centre.

In either case you must ensure that you obtain a receipt from us or our agents acknowledging that the Goods have been returned to us and pay us any costs and expenses (for example, labour, materials and replacement parts) we incur in having our Technician repair any of the Goods affected by a Failure. Where you have an OSC Policy, you appoint us to claim those costs and expenses on your behalf directly from the Insurers, who will pay them on your behalf under your OSC Policy.

Where you have an OSC Contract we will pay such costs and expenses as we may incur, as described above, in having our Technician repair any of the Goods affected by a Failure.

We have the right to assume that anyone in apparent authority at your premises who gives access to our employees or agents has your authority to do so. If you do not

return the Goods or allow us to repossess them immediately, you must pay to us by way of damages a sum equal to the amount which would have been payable as your total installments up to the date that you returned the Goods or we repossessed them as if this Agreement remained in force.

(b) **PAYMENTS BY YOU** - If this Agreement ends, then taking into account any amounts already recovered by us pursuant to clause 9 (If you Breach this Agreement): (1) you must make any payments due up to the date it ends; (2) if you are ending this Agreement pursuant to clause 10(c) (When You May End It), then unless clause 11(c) applies you must also pay us the amount shown in the box on the signature page headed "TERMINATION: YOUR RIGHTS", less any payments for the Goods you have already paid; (3) if we are ending this Agreement pursuant to clause 9(e) (Ending this Agreement), you must pay us any damages which are due for any other breach of this Agreement by you; and (4) you must in any case pay us compensation for any loss or damage incurred by us as a result of the condition of the goods caused by you failing to take care of them.

(d) **WAIVER OF OUR RIGHTS** - If you;

- (1) have taken out or entered into (as applicable) and maintained the OSC Policy or OSC Contract;
- (2) return the Goods to us in good working order and repair;
- (3) have, on or before the date of return of the Goods, paid all the installments charges, and interest which have become due under this Agreement, or any OSC Policy, DLC Policy, other insurance policy or OSC Contract, you may at any time, while this Agreement is in force (but not after it has been ended by us) return the Goods to us and we will waive our rights and release you from your obligations under paragraph 11b (2) and (3) This means that, subject to the above conditions, you may terminate the Agreement and return the product to us without any further payments, except as provided for in paragraph 11b (4)

(d) **PAYMENTS BY US** - If this Agreement ends: (1) if it has been cancelled under clause 3 (Delivery and Cancellation) we will return any payment you have made; (2) we will refund any payments which you have made early and which relate to a period after the date on which this Agreement ends, taking into account any early payment discount which you were given; and (3) we will pay you any damages which are due for any breach of this Agreement by us.

Except as set out in (1) and (2) we will not have to refund any payment which you have made.

(e) **NETTING OF PAYMENTS** - If this Agreement ends, then the total amount which you owe to us under this Agreement (including under clauses 9 (if you breach this Agreement), 11(a) (Returning the Goods) and 11(b) (Payments by You) shall be netted off against the total amount which we owe you under this Agreement (including under clause 11(d) (Payments by us)), so that only the difference between those two total amounts shall be payable by you to us (if you owe us more than we owe you) or by us to you (if we owe you more than you owe us).

12. EARLY SETTLEMENT

You may at any time settle early all outstanding sums due under this Agreement, including those which would not otherwise be payable until later. You may be entitled to a rebate.

13. TITLE TO THE GOODS

- (a) RETENTION - We own the Goods initially. Title to them will remain with us at all times, unless it passes to you pursuant to clause 13(b).
- (c) OPTION - Once you have made your final installment payment as provided for in condition D of the Financial Information (or by way of early settlement pursuant to clause 12 (Early Settlement)) and provided that all other payments or amounts due under this Agreement have been paid, then during the 30 day period starting on the date of that payment you may either:
- (1) notify us in writing that you wish to exercise your option to have ownership of the Goods pass to you. If you express this option, we will transfer title to the Goods to you on the last day of that 30 day period; or
 - (2) (return the Goods to us undamaged (fair wear and tear excepted) in which case we will retain ownership of them and you will be entitled to the discount explained in clause 14 (Discount) and may be entitled to the no claims bonus explained in clause 15 (No Claims Bonus).

If you have not exercised your rights under either (1) or (2) above by the end of that 30 day period, we may exercise the option referred to in (1) above as agent on your behalf to transfer ownership of the Goods to you. By signing this Agreement, you appoint us as your agent for this limited purpose.

- (c) PERSONAL PROPERTY - We retain ownership of the Goods as explained in clause 13(a) even if the Goods may have been affixed to any land or building. You shall be responsible for any claims brought against us or you by any third party for any damage caused to such land or building by affixing to or removal of the Goods from it (whether we or you affix or remove them) except where such damage is caused by the negligent acts of our employees or agents. We may inform the owner of the premises where the Goods are from time to time located of our ownership of the Goods.

14. DISCOUNT

- (a) WHEN DISCOUNT APPLIES - If you return the Goods to us during the 30 day period referred to in clause 13(b) (Option), then we will give you a discount off the price of your next purchase (or hire purchase) of goods from us provided you take out a new agreement within a further 30 days.
- (b) DISCOUNT PERCENTAGE - The percentage discount available under clause 14(a) (When Discount Applies) will depend on the type of new goods being purchased (or hire purchased). The percentage applicable to each category of goods and the way it will be applied will be set by us from time to time and will be available on request from the store.

15. NO CLAIMS BONUS

(a) **WHEN NO CLAIMS BONUS APPLIES** - If you have an OSC Policy or OSC Contract and both of the following apply:

- (1) you return the Goods to us during the 30 day period referred to in clause 13(b) (Option); and
- (2) during the course of this Agreement you have made two or fewer service calls in relation to the Goods, then you will be eligible for a “no claims” bonus on the OSC Policy or OSC Contract for your new goods on your next hire purchase of goods from us provided you take out our OSC Policy or OSC Contract.

(b) **NO CLAIMS PERCENTAGE** - The “no claims” bonus will take the form of a percentage reduction in the cost of the new goods and the OSC Policy or OSC Contract. The percentage reduction applicable and the way it will be applied will be set by us from time to time and will be available on request from the store.

16. WAIVER

Any waiver, concession or extra time we may allow you is limited to the special circumstances in which it was given. It does not affect our rights under this Agreement in any other way.

17. ASSIGNMENT

You may not assign or try to assign or transfer any or all of your rights or responsibilities under this Agreement as it is personal to you. We may assign or transfer this Agreement or any of our rights under this Agreement to any company, firm or person at any time without your consent. Your rights under this Agreement will not be affected by any such assignment or transfer by us.

18. VARIATIONS BY US

We may vary any of the terms of this Agreement on due notice to you provided that the variation does not affect the APR (as shown in the Financial Information). If you object in writing within 30 days of the notice the then current terms of this Agreement shall continue.

19. YOUR RIGHT TO SEEK REDRESS

If you are unhappy about the way we have dealt with you regarding this Agreement, you may have the right to make an appeal to the Financial Ombudsman Service. The process to follow is: (a) In the first instance you should contact the store that hired you the product.

(b) If you have any complaint that cannot be answered by your local store within 24 hours, you should contact Customer Care on 0800 526 069.

(c) If you remain dissatisfied after receiving the company’s response, you may be able to refer your complaint to the Financial Ombudsman Service.

The Financial Ombudsman Service hears complaints about certain financial services provided in or from the United Kingdom, You may contact the Financial Ombudsman Service at:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
Docklands
London
E14 9SR Tel: 0845 080

This complaints procedure shall not affect your statutory rights.

20. JURISDICTION

This Agreement shall be governed by English law unless when you sign it you live in Scotland then Scottish law shall apply.