(5) HIRE AND PURCHASE OF GOODS

1957 No. 431

The Control of Hiring Order, 1957

Made - - - -	15*th March*, 1957
Laid before Parliament	21*st March*, 1957
Coming into Operation	4*th April*, 1957

The Board of Trade in pursuance of the powers conferred upon them by Regulation 55 of the Defence (General) Regulations, 1939, as having effect by virtue of the Supplies and Services (Transitional Powers) Act, 1945(**a**), as extended by the Supplies and Services (Extended Purposes) Act, 1947(**b**), and the Supplies and Services (Defence Purposes) Act, 1951(**c**), and continued in force by the Supplies and Services (Continuance) Order, 1956(**d**), hereby order as follows:—

1.—(1) A person shall not dispose of any goods to which this Order applies in pursuance of an agreement to let those goods on hire entered into after the 3rd day of April, 1957 (hereinafter called "the said date"), unless the requirements specified in Part I of the Second Schedule hereto are or have been complied with in relation to that agreement and any related agreement.

(2) In any proceedings for an alleged contravention of the provisions of this Article, in which it is alleged that, by virtue of the provisions of Part II of the Second Schedule hereto, the requirement specified in paragraph 3 of Part I of that Schedule was not complied with, it shall, in respect of that allegation, be a defence if the defendant shall prove that at the time of the alleged offence—

(*a*) he had no reasonable cause to believe that money had been borrowed or otherwise acquired for the purpose and in the circumstances mentioned in the said Part II; and

(*b*) he was not a party to any agreement or arrangement under or as a result of which money could be borrowed or otherwise acquired to enable persons to make payments of the description mentioned in the said paragraph 3.

2. A person shall not be in possession of any goods to which this Order applies by virtue of an agreement to let those goods on hire entered into after the said date unless—

(*a*) that agreement and any related agreement complies with the requirements specified in paragraph 1 of Part I of the Second Schedule hereto;

(*b*) a payment was made by him before he entered into that agreement complying with the requirement specified in paragraph 3 of Part I of the Second Schedule hereto (except where such a payment is not required by virtue of the proviso to the said paragraph 3);

(*c*) the terms of that agreement and of any related agreement are such as to comply with the requirements specified in paragraphs 2 and 4 of Part I of the Second Schedule hereto.

(**a**) 9 & 10 Geo. 6. c. 10; and S.R. & O. 1945/1618 (1945 II, p. 48). (**b**) 10 & 11 Geo. 6. c. 55.
(**c**) 14 & 15 Geo. 6. c. 25. (**d**) S.I. 1956/1882 (1956 II, p. 2241).

3. A person shall not knowingly cause or permit any goods to which this Order applies to be in possession of another person by virtue of an agreement to let those goods on hire if the possession of those goods by that other person contravenes the provisions of Article 2 hereof.

4.—(1) A person shall not enter into any agreement (including any renewal or extension of an agreement) whereby any agreement entered into after the said date to let on hire goods to which this Order applies or any related agreement is varied in any one or more of the following respects, that is to say,—

(*a*) any payment, made in accordance with the provisions of this Order before the agreement was entered into, is affected;

(*b*) any payment to be made thereunder is increased;

(*c*) the periods in respect of which payments are to be made thereunder are varied.

(2) A person shall not enter into any agreement (including any renewal or extension of an agreement) whereby an agreement to let goods on hire entered into whether before, on or after the said date is varied in such manner that that agreement to let goods on hire comprises after such variation goods to which this Order applies not comprised therein before such variation.

5. A person who has disposed of goods to which this Order applies in pursuance of an agreement to let those goods on hire entered into after the said date shall not renew or extend that agreement if after such renewal or extension any rental payable is greater than the smallest rental payable before such renewal or extension.

6.—(1) Nothing in this Order shall apply to the disposal by any person of goods in pursuance of an agreement in writing to let those goods on hire, if those goods—

(*a*) were manufactured not less than three years before the date on which the agreement was entered into; and

(*b*) have been let on hire, in the course of that person's business or in the course of a business which has been acquired by him, for an aggregate period of not less than twelve months in the period of three years immediately preceding that date.

(2) Nothing in this Order shall apply to the possession by any person of goods under an agreement to let those goods on hire if this Order does not, by virtue of paragraph (1) of this Article, apply to the disposal of those goods to him.

(3) Nothing in this Order shall—

(*a*) apply to the disposal of goods in pursuance of an agreement to let those goods on hire, the terms of which are such that the hirer will not be in possession on any premises of those goods for more than twelve days in any period of twenty-eight days, being goods in respect of which there is no other agreement for the hire of those goods under which another person may be in possession on the same premises of the goods during the whole or part of the remainder of the period of twenty-eight days;

(*b*) apply to the possession by a person of any goods under an agreement to let those goods on hire if that person is not in possession (whether under that agreement or otherwise) on any premises of those goods for more than twelve days in any period of twenty-eight days, and those

goods are not during the whole or part of the remainder of the period of twenty-eight days in the possession on the same premises of any other person;

(*c*) prohibit the doing of anything under the authority of a licence granted by the Board of Trade under this Article and in accordance with any condition attached thereto; or

(*d*) apply to the possession by a person of goods by virtue of an agreement to let those goods on hire if the person letting those goods on hire has disposed of them to the hirer under the authority of a licence granted by the Board of Trade under this Article.

7.—(1) The goods to which this Order applies are goods (whether new or secondhand) of the descriptions specified in the First Schedule hereto.

(2) In this Order—

"related agreement" means, in relation to any agreement to let any goods on hire, any such other agreement in respect of those goods as is referred to in paragraph 3 (*b*) of Part I of the Second Schedule hereto;

"rental" includes, in relation to any goods, any payment (howsoever payable) made wholly or partly for the possession or use, or possession and use, of the goods.

(3) The provisions of Part II of the Second Schedule hereto shall apply for the purpose of determining whether the requirement specified in paragraph 3 of Part I of that Schedule has been complied with.

(4) For the purposes of this Order an agreement to let on hire does not include a hire-purchase agreement as defined in Article 8 of the Hire-Purchase and Credit Sale Agreements (Control) Order, 1957(**a**).

8.—(1) The Control of Hiring (No. 2) Order, 1956(**b**), as amended(**c**), shall not apply in relation to any agreement to let goods on hire entered into after the said date, but shall continue to apply in relation to any such agreement entered into on or before that date.

(2) This Order may be cited as the Control of Hiring Order, 1957, and shall come into operation on the 4th day of April, 1957.

Dated this 15th day of March, 1957.

F. J. Erroll,
Parliamentary Secretary to the
Board of Trade.

FIRST SCHEDULE

Goods to Which This Order Applies

Description of Goods

1. Radio receiving sets and television receiving sets (including portable sets and sets designed for use in road vehicles), whether or not assembled and whether or not complete; television aerials, cathode ray tubes, loud speakers and television conversion units.

2. Gramophones, radio-gramophones, record players and tape recorders.

(**a**) S.I. 1957/430 (p. 2355 below). (**b**) S.I. 1956/1269 (1956 II,p.2272).
(**c**) S.I. 1956/1498 (1956 II, p.2276).

3. Appliances and apparatus, whether mechanically operated or not, being appliances or apparatus of a kind designed or suitable for domestic use, the following:—

Space heating appliances.

Dish washers.

Drying cabinets and drying machines.

Washing machines and washers excluding washing machines and washers which are designed for heating water by electricity or gas but which are not otherwise designed for operation by electricity or gas.

Ironing machines and irons.

Wringers and mangles.

Pressure cookers.

Floor polishers.

Vacuum cleaners.

Water softeners.

Refrigerators having a storage capacity not exceeding 12 cubic feet.

Machines for mixing, extracting and preparation of food and drink.

Electric kettles and other cooking utensils incorporating heating elements, including electric hot-plates.

Dry shavers, electrically operated.

Sewing machines.

Knitting machines.

Hair drying machines.

SECOND SCHEDULE

PART I

1. The agreement is in writing and is for a definite period of not less than nine months or for an indefinite period.

2. The terms of the agreement are such that—

(*a*) the rentals for the hire of the goods comprised in the agreement are payable in respect of either weekly, monthly or quarterly periods;

(*b*) the periods in respect of which the rentals are payable are either all weekly, all monthly or all quarterly;

(*c*) the first such period commences on the date on which the agreement is entered into;

(*d*) no rental payable in respect of any period after the expiry of nine months from the date on which the agreement is entered into is greater than the smallest rental payable in respect of any period during the said nine months; and

(*e*) the total amount of the rentals payable under the agreement in respect of each period is ascertainable at the date on which the agreement is entered into.

3. Before the agreement was entered into actual payment was made in respect of the goods comprised in the agreement of not less than the aggregate of—

(*a*) all the rentals payable for the hire of those goods in respect of the period of nine months from the date on which the agreement was entered into; and

(*b*) all the charges payable for or in connection with any services (other than the supply of electricity or gas by a corporation established by the Electricity Act, 1947(a), or the Gas Act, 1948(b) to be performed in relation to those goods during the period of nine months from the date on which the agree-

(a) 10 & 11 Geo. 6. c. 54. (b) 11 & 12 Geo. 6. c. 67.

ment was entered into, being charges payable under that agreement or under any other agreement made or intended to be made between the parties in relation to those goods or under any other agreement made or to be made in relation to those goods as a condition for entering into the agreement for the hire of those goods :

Provided that this paragraph shall not apply to any agreement which is a renewal or extension of an agreement which was entered into for a definite period of not less than nine months, and such renewal or extension takes effect immediately on the expiry of that period.

4. The terms of any agreement under which any charges referred to in head (*b*) of paragraph 3 of this Part of this Schedule are payable are such that—

(*a*) the charges are payable in respect of either weekly, monthly or quarterly periods ;

(*b*) the periods in respect of which the charges are payable are either all weekly, all monthly or all quarterly ;

(*c*) the first such period commences on the date on which the agreement is entered into ;

(*d*) no charge payable in respect of any period after the expiry of nine months from the date on which the agreement is entered into is greater than the smallest charge in respect of any period during the said nine months ; and

(*e*) the total amount of the charges payable under the agreement in respect of each period is ascertainable at the date on which the agreement is entered into.

In this Part of this Schedule references to goods comprised in any agreement shall be construed as references to all the goods comprised in that agreement whether or not goods to which this Order applies.

PART II

The requirement specified in paragraph 3 of Part I of this Schedule shall be deemed not to be complied with in relation to an agreement to let goods on hire if, for the purpose of enabling the payment mentioned in that paragraph or any part of that payment to be made, money has been borrowed or otherwise acquired (whether by the person making the payment or by some other person) under or as a result of an agreement or arrangement to which one or more of the following persons are parties, that is to say,—

(*a*) the person disposing of the goods under the agreement to let the goods on hire ;

(*b*) a person who has supplied or is to supply those goods to another person with a view to their being disposed of thereunder ;

(*c*) the manufacturer of the goods to be disposed of thereunder.

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

This Order supersedes the Control of Hiring (No. 2) Order, 1956, as amended, in respect of hiring agreements entered into after the 3rd April, 1957. That Order, as amended, continues to apply to agreements entered into on or before that date.

The principal changes are as follows :—

(1) the requirements contained in the Order will not be complied with in relation to a hiring agreement if, in order to pay the whole or part of the advance rentals required in respect of that agreement, money has been acquired under an agreement or arrangement of the kind mentioned in Part II of the Second Schedule; but, where money has been so acquired, a person charged with disposing of goods in contravention of the Order is provided with a defence if he can show both that he was unaware that money had been acquired under such an agreement or arrangement and that he was not himself a party to any agreement or arrangement designed to provide money for the payment of advance rentals (Article 1 (2)); and

(2) the Order does not apply to the disposal and possession of goods which were manufactured not less than three years before the date of the agreement and which the owner has let on hire for not less than twelve months during the three years before that date (Article 6).

1957 No. 430

The Hire-Purchase and Credit Sale Agreements (Control) Order, 1957

Made - - - -	15*th March*, 1957
Laid before Parliament	21*st March*, 1957
Coming into Operation	4*th April*, 1957

The Board of Trade in pursuance of the powers conferred upon them by Regulation 55 of the Defence (General) Regulations, 1939, as having effect by virtue of the Supplies and Services (Transitional Powers) Act, 1945(a), as extended by the Supplies and Services (Extended Purposes) Act, 1947(b), and the Supplies and Services (Defence Purposes) Act, 1951(c), and continued in force by the Supplies and Services (Continuance) Order, 1956(d), hereby order as follows:—

1.—(1) A person shall not dispose of any goods to which this Order applies in pursuance of a hire-purchase or credit sale agreement entered into after the 3rd day of April, 1957 (hereinafter called "the said date"), unless the requirements specified in Part I of the Second Schedule hereto are or have been complied with in relation to that agreement.

(2) In any proceedings for an alleged contravention of the provisions of this Article, in which it is alleged that, by virtue of the provisions of Part II of the Second Schedule hereto, the requirement specified in paragraph 3 of Part I of that Schedule was not complied with, it shall, in respect of that allegation, be a defence if the defendant shall prove that at the time of the alleged offence—

(*a*) he had no reasonable cause to believe that money had been borrowed or otherwise acquired for the purpose and in the circumstances mentioned in the said Part II; and

(*b*) he was not a party to any agreement or arrangement under or as a result of which money could be borrowed or otherwise acquired to enable persons to make payments of the description mentioned in the said paragraph 3.

(a) 9 & 10 Geo. 6. c. 10; and S.R. & O. 1945/1618 (1945 II, p. 48).
(b) 10 & 11 Geo. 6. c. 55. (c) 14 & 15 Geo. 6. c. 25.
(d) S.I. 1956/1882 (1956 II, p. 2241).