STATUTORY INSTRUMENTS

1963 No. 450

EMERGENCY POWERS

The Hire-Purchase and Credit Sale Agreements (Control) (Amendment No. 4) Order 1963

Made - - - -	*7th March* 1963
Laid before Parliament	*12th March* 1963
Coming into Operation	*13th March* 1963

The Board of Trade in pursuance of the powers conferred upon them by Regulations 55 and 55AA of the Defence (General) Regulations 1939 as having effect by virtue of the Emergency Laws (Repeal) Act 1959(a) hereby order as follows:—

1. The Hire-Purchase and Credit Sale Agreements (Control) Order 1960(b), as amended(c), shall have effect subject to the following amendments:—

(*a*) after Article 5 thereof there shall be added the following Articles:—

"5A.—(1) Nothing in Articles 1 and 2 of this Order shall apply to the disposal or possession of any goods under any hire-purchase or credit sale agreement (hereinafter called "the substituted agreement") if

(*a*) the substituted agreement is in substitution for a hire-purchase or credit sale agreement, entered into between the same parties, in relation to which the conditions specified in Part II of Schedule 3 hereto are complied with (hereinafter called "the replaced agreement"), and

(*b*) the requirements specified in Part I of Schedule 3 hereto are or have been complied with in relation to the substituted agreement.

(2) Nothing in Article 5 of this Order shall prohibit the entering into of a substituted agreement if the conditions contained in heads (*a*) and (*b*) of paragraph (1) of this Article are complied with in relation to that agreement.

(3) Where a substituted agreement in relation to which the said conditions contained in heads (*a*) and (*b*) of paragraph (1) of this Article are complied with is entered into the owner or seller, as the case may be, shall for as long as any amount is outstanding thereunder keep therewith the replaced agreement and the agreements, if any, required to be kept with the replaced agreement in accordance with Article 5B (3) hereof, or, where such substituted agreement is one of a series of such agreements entered into between the same parties, all earlier such substituted and replaced agreements in the series and such agreements, if any, required to be kept with a replaced agreement as aforesaid.

5B.—(1) This Article applies to a hire-purchase or credit sale agreement in relation to which the conditions specified in Part I of Schedule 4 hereto are complied with if a previous hire-purchase

(a) 7 & 8 Eliz. 2. c. 19. (b) S.I. 1960/762 (1960 I, p. 1350).
(c) S.I. 1962/2311 (1962 III, p. 3201).

or credit sale agreement (not being a replaced agreement) was entered into between the same parties in relation to which the conditions specified in Part II of Schedule 4 hereto are complied with.

(2) In relation to a hire-purchase or credit sale agreement to which this Article applies nothing in this Order shall require the payment specified in paragraph 3 of Part I of Schedule 2 hereto to be made where the total amount payable in respect of all the goods comprised therein together with the total amount payable in respect of all the goods comprised in any other agreements made between the same parties to which this Article applies does not exceed the total amount payable in respect of all the goods comprised in all previous agreements referred to in paragraph (1) of this Article in relation to which the conditions specified in Part II of Schedule 4 hereto are complied with.

(3) Where a hire-purchase or credit sale agreement, in relation to which the provisions of paragraph (2) of this Article are applied, is entered into the owner or seller, as the case may be, shall for as long as any amount is outstanding thereunder keep therewith—

(*a*) all previous agreements referred to in paragraph (1) of this Article in relation to which the conditions specified in Part II of Schedule 4 hereto are complied with; and

(*b*) all other agreements made between the same parties to which this Article applies.";

(*b*) for item 7 in Part II of Schedule 1(a) thereto there shall be substituted the following item:—

"7. Aircraft having a maximum total weight authorised exceeding 4,500 lb.

In this item "maximum total weight authorised" shall have the meaning assigned to it in Article 79 (1) of the Air Navigation Order 1960(b)."; and

(*c*) there shall be added as Schedules 3 and 4 thereto Schedules 1 and 2, respectively, to this Order.

2. This Order may be cited as the Hire-Purchase and Credit Sale Agreements (Control) (Amendment No. 4) Order 1963, and shall come into operation on 13th March 1963.

David Price,
Parliamentary Secretary
to the Board of Trade.

7th March 1963.

SCHEDULE 1

(*Schedule* 3 *to S.I.* 1960/762)

PART I

1. The substituted agreement is in writing and was entered into before the date specified in the replaced agreement for payment of the final instalment under the replaced agreement and before all payments due thereunder were made in full.

(a) This Schedule is set out in full in S.I. 1962/2311 (1962 III, p. 3201).
(b) S.I. 1960/972 (1960 I, p. 599).

2. The substituted agreement comprises some or all of the goods comprised in the replaced agreement.

3. The substituted agreement comprises goods which were not comprised in the replaced agreement and those goods are solely of any of the descriptions (other than floor coverings) specified in items 9 and 11 in Part I of Schedule 1 hereto.

4. The substituted agreement contains a statement of the cash price of those goods comprised in the substituted agreement which were not comprised in the replaced agreement and of the total amount payable in respect of those goods.

5. The substituted agreement (not being a second or later substituted agreement in a series of such agreements entered into between the same parties) was entered into after payment had been made in respect of the goods comprised in the replaced agreement of an amount equal to not less than 25 per cent. of the total amount payable in respect thereof.

6.—(1) Where the total amount payable in respect of all the goods comprised in the substituted agreement is in excess of the total amount payable in respect of all the goods comprised in the replaced agreement actual payment was made before the substituted agreement was entered into of the amount calculated by reference to the excess in accordance with sub-paragraph (2) of this paragraph in respect of the goods comprised in the substituted agreement.

Where the substituted agreement is one of a series of such agreements entered into between the same parties and the total amount payable in respect of all the goods comprised in any agreement in the series earlier than the replaced agreement is higher than the total amount payable in respect of all the goods comprised in the replaced agreement a payment shall only be required to be made under this sub-paragraph if the total amount payable in respect of all the goods comprised in the substituted agreement is in excess of such higher amount and in such case the payment required to be made hereunder shall be calculated accordingly.

(2) The amount required to be paid by virtue of sub-paragraph (1) of this paragraph shall be an amount equal to not less than 10 per cent. of that part of the cash price of all the goods comprised in the substituted agreement which were not comprised in the replaced agreement which bears the same proportion to the whole of that cash price of those goods as the amount of the relevant excess mentioned in sub-paragraph (1) of this paragraph bears to the total amount payable in respect of those goods.

(3) The provisions of Part II of Schedule 2 hereto shall, with requisite modifications apply for the purpose of determining whether this paragraph has been complied with as they apply for the purpose of determining whether the requirement specified in paragraph 3 of Part I of that Schedule has been complied with.

7. The substituted agreement provides for the payment of the total amount payable, or, where a payment is required to be made by virtue of paragraph 6 of this Schedule, the balance due, in respect of all the goods comprised therein by approximately equal instalments at equal intervals spread over a period not exceeding 36 months commencing with the date of the substituted agreement.

8. The amount of each instalment is not less than the amount of the instalment last due under the replaced agreement before the substituted agreement was entered into or, where the substituted agreement is in substitution for more than one agreement, not less than the aggregate of the instalments last due under each of the replaced agreements before the substituted agreement was entered into.

9. The intervals at which instalments are payable are not longer than the intervals at which the instalments were payable under the replaced agreement immediately before the substituted agreement was entered into or, where the substituted agreement is in substitution for more than one agreement, not longer

than the shortest intervals at which the instalments were payable under any replaced agreement immediately before the substituted agreement was entered into.

PART II

1. The replaced agreement was entered into after 28th April 1960.

2. The replaced agreement comprised solely goods to which this Order applied.

3. All the requirements of this Order were complied with in relation to the replaced agreement.

SCHEDULE 2

(Schedule 4 to S.I. 1960/762)

PART I

1. The agreement is entered into during the period of 3 months commencing on 13th March 1963.

2. The agreement comprises solely goods of any of the descriptions (other than floor coverings) specified in items 9 and 11 in Part I of Schedule 1 hereto.

PART II

1. The agreement was entered into after 28th April 1960.

2. The agreement comprised solely goods to which this Order applied.

3. The final instalment of the balance due thereunder is or was payable during the period of 7 months immediately preceding 14th April 1963.

4. All the requirements of this Order were complied with in relation thereto.

5. All payments due thereunder were made in full.

6. The agreement is in the possession of the owner or seller as the case may be.

EXPLANATORY NOTE

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

This Order amends the Hire-Purchase and Credit Sale Agreements (Control) Order 1960 as amended. The changes are as follows:—

(1) A person may now obtain furniture and bedding under a hire-purchase or credit sale agreement without paying a deposit if either—

(*a*) the agreement is in substitution for a current agreement comprising goods of any description to which the Order applies and the total amount payable under the new agreement does not exceed that payable under the current agreement. (If, however, there is an excess the deposit is calculated by reference to the excess only). Certain other requirements have to be fulfilled and, in particular, at least 25 per cent. of the total amount payable under the current agreement has to have been paid unless the substituted agreement is a second or subsequent agreement in a series of substituted agreements; or

(*b*) an agreement has been completed by him within the 7 months preceding 14th April 1963 and the total amount payable under the new agreement does not exceed that payable under the completed agreement. In addition, the new agreement must be entered into in the 3 months commencing on 13th March 1963.

(2) The definition of the type of aircraft excluded from the Order has been altered and, as a consequence, fewer aircraft will now be subject to the Order.