(3) HIRE-PURCHASE AND CREDIT SALE AGREEMENTS

1955 No. 297

The Hire-Purchase and Credit Sale Agreements (Control) Order, 1955

Made - - - -	*24th February*, 1955
Laid before Parliament	*24th February*, 1955
Coming into Operation	*25th February*, 1955

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, 1954(**d**), hereby order as follows :—

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 24th day of February, 1955, unless the requirements specified in the Second Schedule hereto are or have been satisfied in relation to that agreement.

2. A person shall not, by virtue of a hire-purchase or credit sale agreement entered into after the said date, be in possession of any goods to which this Order applies unless—

(*a*) that agreement complies with the requirements specified in paragraphs 1 and 2 of the Second Schedule hereto ; and

(*b*) a payment complying, at the date when the payment was made, with the provisions of paragraph 3 of the Second Schedule hereto was made by him before the signing of the first such agreement under which he held those goods ; and

(*c*) that agreement provides for the payment of the balance due in respect of each description of goods comprised therein either—

(i) by approximately equal instalments at equal intervals spread over a period, commencing with the date of the first such agreement under which he held those goods, not exceeding the period specified in column 3 of the First Schedule hereto in relation to that description of goods, or

(ii) in the case of a hire-purchase agreement, by one payment to be made within the period of three months commencing with the date of the first such agreement under which he held those goods:

Provided that nothing in this Article shall affect the possession of any goods by any person if they were held by him on the said date under a hire-purchase or credit sale agreement.

(**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. 1954/1559 (1954 II, p. 2038).

3.—(1) A person shall not cause or permit any goods to which this Order applies, owned by him, to be in possession of another person by virtue of a hire-purchase agreement if the possession of those goods by that other person contravenes the provisions of Article 2 hereof.

(2) A person shall not cause or permit any goods to which this Order applies, owned by him immediately before he enters into a credit sale agreement, to be in possession of another person by virtue of any such agreement 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 whereby any hire-purchase or credit sale agreement entered into after the said date comprising goods to which this Order applies is varied in either or both of the following respects, that is to say,

(*a*) any payment, made before the signing thereof in accordance with the provisions of this Order, is affected;

(*b*) the period over which the balance due thereunder in respect of any goods is lengthened.

(2) A person shall not enter into any agreement whereby a hire-purchase or credit sale agreement entered into whether before, on or after the said date is varied in such manner that that hire-purchase or credit sale agreement comprises after such variation goods to which this Order applies not comprised therein before such variation.

(3) A person shall not enter into any hire-purchase or credit sale agreement which is in substitution for another such agreement entered into whether before, on or after the said date and which—

(*a*) comprises all or some of the goods comprised in that other agreement; and

(*b*) comprises goods to which this Order applies but not comprised in that other agreement.

5. Nothing in this Order shall 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.

6.—(1) The goods to which this Order applies are goods (whether new or secondhand) of the descriptions specified in Part I of the First Schedule hereto not being goods of the descriptions specified in Part II of that Schedule.

(2) In this Order—

"cash price" means, in relation to any hire-purchase or credit sale agreement in respect of any goods, the price at which the prospective hirer or buyer may, at the date of the agreement, purchase the goods for cash;

"credit sale agreement" means an agreement for the sale of goods under which the whole or part of the purchase price is payable by instalments, other than such an agreement which provides for the instalments to be spread over a period of less than nine months;

"dispose of" includes the disposal of—

(i) ownership, or any proprietary interest; or

(ii) the right to possession; or

(iii) possession, whether or not accompanied by any disposal of ownership or of any proprietary interest or of the right to possession;

"hire-purchase agreement" means—

(i) in England and Wales and Northern Ireland, an agreement for the bailment of goods under which the bailee may buy the goods or under which the property in the goods will or may pass to the bailee, whether on the performance of any act by the parties to the agreement or any of them or in any other circumstances; and where by virtue of two or more agreements, none of which by itself constitutes a hire-purchase agreement, there is a bailment of goods and either the bailee may buy the goods or the property in the goods will or may pass to the bailee (whether on the performance of any act by the parties to the agreement or any of them or in any other circumstances) the agreements shall be treated for the purposes of this Order as a single agreement made at the time when the last of those agreements was made;

(ii) in Scotland, a contract to which the Hire Purchase and Small Debt (Scotland) Act, 1932(a), applies or would apply if the limitation as to value contained in section 1 of that Act were omitted.

7. This Order may be cited as the Hire-Purchase and Credit Sale Agreements (Control) Order, 1955, and shall come into operation on the 25th day of February, 1955.

Dated this 24th day of February, 1955.

Peter Thorneycroft,
President of the Board of Trade.

FIRST SCHEDULE

PART I

GOODS TO WHICH THIS ORDER APPLIES

Column 1 *Description of Goods*	*Column* 2 *Minimum percentage of cash price:* *Per cent.*	*Column* 3 *Maximum period for payment of balance:* *Months*
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 and cathode ray tubes	15	24
2. Gramophones, radio-gramophones and record players ...	"	"
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, excluding appliances (whether or not with provision for gas ignition or electrically operated combustion controls) designed to burn solid fuel only	"	"

(a) 22 & 23 Geo. 5. c. 38.

	Column 1 *Description of Goods*	*Column 2* *Minimum percentage of cash price:*	*Column 3* *Maximum period for payment of balance:*
		Per cent.	*Months*
	Dish washers	15	24
	Drying cabinets	,,	,,
	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	,,	,,
	Hair drying machines	,,	,,
4.	Lawnmowers and garden rollers	,,	,,
5.	Photographic cameras and photographic enlargers and lenses therefor, and projectors, excluding articles suitable only for industrial and scientific use	,,	,,
6.	Perambulators, baby carriages and push chairs	,,	,,
7.	Clocks and watches	,,	,,
8.	Binoculars, monoculars and telescopes	,,	,,
9.	Furniture (including garden furniture) other than furniture of a specialized type unsuitable for domestic use; and floor coverings	,,	,,
10.	Mattresses and overlays	,,	,,
11.	Portable sheds and garages	,,	,,
12.	Trunks, bags and suitcases	,,	,,
13.	Jewellery and imitation jewellery	,,	,,
14.	Mechanically propelled road vehicles constructed or adapted solely or mainly for the carriage of passengers	,,	,,
15.	Caravans	,,	,,
16.	Bicycles, tricycles and auxiliary units designed or adapted for the propulsion of bicycles and tricycles	,,	,,
17.	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, including wash boilers and coppers	15	48
18.	Cookers, including solid fuel cookers	,,	,,
19.	Water heating appliances, excluding appliances designed to burn solid fuel only	,,	,,

PART II

GOODS (BEING GOODS INCLUDED IN THE DESCRIPTIONS OF GOODS IN PART I OF THIS SCHEDULE) TO WHICH THIS ORDER DOES NOT APPLY

1. Ambulances.
2. Invalid carriages.
3. Vehicles specially constructed or adapted for disabled people.
4. Vehicles constructed to carry not less than twelve passengers.
5. Vehicles built to a specification designed to comply with the conditions of fitness laid down by the Commissioner of Police of the Metropolis for the purposes of the London Cab Order, 1934(a).

SECOND SCHEDULE

1. The agreement is in writing and comprises only goods to which this Order applies.

2. The agreement contains in respect of each description of goods a statement of the cash price of the goods of that description comprised in the agreement and of any amount payable by instalments under the agreement for the installation or maintenance of those goods.

3. Before the signing of the agreement actual payment was made in respect of each description of goods comprised in the agreement of not less than an amount equal to the percentage specified in column 2 of the First Schedule hereto in relation to that description of goods of the aggregate of—

(*a*) the cash price of the goods of that description comprised in the agreement; and

(*b*) any amount payable by instalments under the agreement for the installation or maintenance of the goods of that description comprised in the agreement.

In computing for the purposes of this paragraph the total amount to be paid before the signing of any agreement account may be taken of any allowance for any goods taken in part exchange for goods comprised in that agreement.

4. The agreement provides for the payment of the balance due in respect of each description of goods comprised therein either—

(*a*) by approximately equal instalments at equal intervals spread over a period not exceeding that specified in column 3 of the First Schedule hereto in relation to that description of goods, or

(*b*) in the case of a hire-purchase agreement, by one payment to be made within three months.

EXPLANATORY NOTE

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

This Order imposes control on the disposal and possession of goods under hire-purchase and credit sale agreements.

The Order relates to the goods described in the First Schedule disposed of or held under agreements entered into after the 24th February, 1955.

" Hire-purchase agreement " is expressly defined to include an agreement under which ownership will or may pass on the occurrence of any event whether that event is an act of the parties or not.

(a) S.R. & O. 1934/1346 (Rev. XIV, p. 795: 1934 I, p. 1221).