EXPLANATORY NOTE

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

This Order amends the Utility Handkerchiefs (Maximum Prices) Order, 1947, as amended, by providing increased wholesalers' and retailers' overriding maximum prices and margins for the utility cotton handkerchiefs described in the Schedule.

HIRE-PURCHASE AND CREDIT SALE AGREEMENT CHARGES

The Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) Order, 1950

1950 No. 39

Made - - - -	*9th January*, 1950
Laid before Parliament	*10th January*, 1950
Coming into Operation	*23rd January*, 1950

The Board of Trade in pursuance of Sections 1, 2 and 18 of the Goods and Services (Price Control) Act, 1941(a), as amended by the Defence (Price Control) Regulations, 1945(b), hereby order as follows:—

Scope of Order

1.—(1) The maximum prices to be charged and the maximum charges to be made in the course of any business in respect of credit sale and hire-purchase agreements relating to goods to which this Order applies shall be computed in accordance with the following provisions of this Order.

(2) The goods to which this Order applies are the goods specified in the First Schedule hereto.

Maximum prices and charges under credit sale and hire-purchase agreements

2.—(1) Subject to the following provisions of this Order, the maximum price or the maximum charge, as the case may be, payable in pursuance of or in connection with any credit sale or hire-purchase agreement comprising goods to which this Order applies shall be the retail cash price of such of the goods to which the Order applies as are comprised in the agreement.

(2) The maximum price payable in pursuance of or in connection with any credit sale agreement relating solely to the supply of goods to which this Order applies, being an agreement in relation to which the requirements specified in the Second Schedule hereto are or have been satisfied, shall be the retail cash price of the goods to which the agreement relates, together with an amount equal to 5 per cent. of the said retail cash price.

(3) The maximum price or the maximum charge, as the case may be, payable in pursuance of or in connection with any credit sale or hire-purchase agreement relating solely to the supply of goods to which the Order applies,

(a) 4 & 5 Geo. 6. c. 31. (b) S.R. & O. 1945 (No. 1613) II, p. 81.

being an agreement made in writing in relation to which the requirements specified in the Third Schedule hereto are or have been satisfied, shall be the retail cash price of the goods to which the agreement relates, together with an amount equal to 20 per cent. of the difference between the said retail cash price and the amount of the payment to be made on the making of the agreement in accordance with the said requirements.

Substituted agreements

3.—(1) Where a credit sale or hire-purchase agreement relating to the supply of goods to which this Order applies is substituted for any such agreement (whether or not goods are therein added or omitted), the maximum prices and maximum charges fixed by the foregoing provisions of this Order shall apply to the aggregate of the prices and charges under those agreements treated, so far as may be, as one agreement.

(2) Where a credit sale or hire-purchase agreement relating solely to the supply of goods to which this Order applies is substituted for any such agreement to which paragraph (3) of Article 2 applies, the substituted agreement shall, for the purpose of ascertaining the maximum price or maximum charge under both agreements be deemed also to be one to which that paragraph applies if—

(*a*) in a case in which the substituted agreement includes additional goods, it provides for the payment on the making of the agreement either of a sum not less than 12½ per cent. of the retail cash price of those additional goods, or, where also goods are returned within six months of the supply thereof, of a sum not less than 12½ per cent. of the difference between such price of the additional goods and that of the returned goods;

(*b*) it provides for any sum payable thereunder (or the balance thereof in the cases above referred to) to be paid by instalments over a period not exceeding two years.

Additional charges to be included in maximum price

4. The maximum price to be charged and the maximum charge to be made in pursuance of or in connection with any credit sale or hire-purchase agreement includes any consideration payable (whether by the buyer or bailee or any guarantor to the seller or bailor or any other person to whom any part of the moneys due under the agreement are payable or to any servant or agent of any such person) in respect of services performed or acts or things done in relation to the making of or entering into, or the performance or completion of, any credit sale or hire-purchase agreement whether or not the consideration is expressed to be specifically payable as consideration or part consideration for all or any of such services.

Interpretation and Revocation

5.—(1) In this Order—

"credit sale agreement" means an agreement for the sale of goods under which the whole or part of the purchase price in respect of the goods comprised in any such agreement is payable by instalments;

"hire-purchase agreement" means a hire-purchase agreement as defined by section 21 of the Hire-Purchase Act, 1938(**a**), or a contract to which the Hire-Purchase and Small Debt (Scotland) Act, 1932(**b**), applies, or

(**a**) 1 & 2 Geo. 6. c. 53. (**b**) 22 & 23 Geo. 5. c. 38.

would apply if the limitation as to value contained in section 1 of that Act were omitted, and any agreements which, for the purposes of the first mentioned Act, would be treated as a single agreement made at any time, shall be treated, for the purposes of this Order, as a single agreement made at that time;

"offer for sale" has the meaning assigned to that expression in section 20 of the Goods and Services (Price Control) Act, 1941;

"retail cash price" means, in relation to an agreement for supply to any person of goods—

(*a*) which are price-regulated goods, the permitted price,

(*b*) which are price-controlled goods (other than price-regulated goods), the maximum price fixed by an Order or Direction made under section 1 of the Goods and Services (Price Control) Act, 1941, and, in a case in which the maximum price so fixed does not include purchase tax, the amount of purchase tax paid or payable,

(*c*) which are not price-controlled goods, the price at which those goods are being offered for sale,

being the price appropriate to a sale of those goods to such a person for cash at the date of the agreement for the supply thereof.

(2) Nothing in this Order shall affect the execution of any agreement lawfully made before the date of this Order.

(3) The Orders set out in the Fourth Schedule hereto are hereby revoked.

Citation and Commencement

6. This Order may be cited as the Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) Order, 1950, and shall come into operation on the 23rd day of January, 1950.

Dated this 9th day of January, 1950.

Harold Wilson,

President of the Board of Trade.

FIRST SCHEDULE

GOODS TO WHICH THIS ORDER APPLIES

1. Price-controlled goods, other than—

(i) new sewing machines;

(ii) dictaphones, calculating machines, typewriters and other office machinery, and cash registers; component parts and accessories to the foregoing.

2. Domestic furniture to which the utility mark shown in the Second Schedule to the Furniture (Utility Mark) Order, 1948(a), has not been applied.

3. Bedding to which the utility mark shown in the Second Schedule to the Utility Mark and Apparel and Textiles (General Provisions) Order, 1947(b), has not been applied.

(a) S.I. 1948 (No. 2507) II, p. 816. (b) S.R. & O. 1947 (No. 2642) II, p. 160.

SECOND SCHEDULE

Requirements relating to Short-Term Credit Sale Agreements

1. On or before the making of the agreement payment was made of not less than 12½ per cent. of the retail cash price of the goods to which the agreement relates.

2. The agreement provides for the payment of the balance due by instalments spread over a period of not less than four months nor more than eight months.

THIRD SCHEDULE

Requirements relating to Hire-Purchase and Long-Term Credit Sale Agreements

1. Before the agreement was entered into, either—

(*a*) the owner or seller stated in writing to the prospective hirer or buyer, otherwise than in the note or memorandum of the agreement, a price at which those goods could be purchased by him for cash, or

(*b*) the hirer or buyer inspected those goods or like goods and at the time of his inspection tickets or labels were attached to or displayed with the goods in a prominent position clearly stating the cash price of the goods as a whole or of all the different articles or sets of articles comprised therein, or

(*c*) the prospective hirer or buyer selected those goods by reference to a catalogue, price list or advertisement which clearly stated the cash price of each of the different articles or sets of articles comprised therein.

2. On or before the signing of the agreement payment was made of not less than 12½ per cent. of the retail cash price of the goods to which the agreement relates.

3. If the agreement relates to both price-controlled goods and other goods, the total retail cash price and the total hire-purchase price of

(*a*) the price-controlled goods and

(*b*) those other goods.

shall be separately stated.

4. The agreement contains provision for the payment of the balance due by not less than nine instalments spread over a period of not less than nine months nor more than two years but so that the first instalment does not fall due until 75 per cent. of the goods (calculated by reference to the said retail cash prices) has been delivered, unless delivery is postponed at the written request of the hirer or buyer.

5. The agreement contains provision whereby, if the last payment due under the agreement is made or tendered within the period specified in the table below and no instalment has been more than one month in arrear, the owner or seller shall pay or allow to the hirer or buyer an amount not less than that by which the total consideration paid under the agreement exceeds the retail cash price of the goods to which the agreement relates together with an amount equal to the appropriate percentage (specified in the said table) of the difference between that retail cash price and the payment made on or before the signing of the agreement referred to in paragraph 2.

Period between date of hire-purchase or credit sale agreement and date of last payment	Percentage
Not exceeding 12 months	12½
Exceeding 12 months but not exceeding 18 months	15

This paragraph shall not apply in any case in which the total consideration payable under the agreement does not exceed the said retail cash price together with 12½ per cent. of the difference between the said retail cash price and the payment made on or before the signing of the agreement referred to in paragraph 2.

FOURTH SCHEDULE

REVOKED ORDERS

The Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) Order, 1947. S.R. & O. 1947 (No. 1194) I, p. 811.

The Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) (Amendment) Order, 1947. S.R. & O. 1947 (No. 2210) II, p. 816.

The Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) (Amendment No. 2) Order, 1948. S.I. 1948 (No. 1412) I, p. 1389.

The Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) (Amendment No. 3) Order, 1949. S.I. 1949 No. 411.

The Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) (Amendment No. 4) Order, 1949. S.I. 1949 No. 670.

EXPLANATORY NOTE

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

This Order supersedes the Hire-Purchase and Credit Sale Agreements (Maximum Prices and Charges) Order, 1947, as amended.

The Order applies to all price-controlled goods (except cash registers, office machinery and new sewing machines) and to non-utility domestic furniture and bedding.

The maximum price payable under a credit sale agreement relating solely to the supply of goods to which the Order applies and the duration of which is not less than four nor more than eight months is the retail cash price of the goods plus 5 per cent. of that price.

The maximum charge payable under a hire-purchase or credit sale agreement relating solely to the supply of goods to which the Order applies and in relation to which the requirements specified in the Third Schedule are satisfied, is the retail cash price of the goods plus an amount equal to 20 per cent. of the difference between that price and the initial payment under the agreement.

The maximum charge payable under any other credit sale or hire-purchase agreement comprising goods to which the Order applies is the retail cash price of those goods.