

Dealer Terms and Conditions

These Terms and Conditions apply to all transactions between Zuto Limited, ("us") and the Dealer ("you") from the agreement date unless or until superseded by further agreement.

1. Payment in respect of the vehicle and Settlement of prior finance

- 1.1 The amount to be paid by a third-party lender or by us (as the case may be) in respect of a vehicle, will be the cash price of the vehicle less the finance deposit or any initial rental payment paid to you (the "**Purchase Price**").
- 1.2 It is an express term of this agreement and represented by you, the Dealer, that you have clear and unencumbered title to the vehicle prior to payment being made by the lender or us (as the case may be). Provided that you hold Financial Conduct Authority (**FCA**) permission for the activities of Debt Adjusting and Debt Counselling, you will settle any existing finance on part exchange vehicles that are associated with these terms.
- 1.3 You agree to submit an invoice for the purchase price of the vehicle to us or the lender (as the case may be) within 24 hours of our request. Details of your bank account must be shown on the invoice.
- 1.4 On payment of the Purchase Price, title to the vehicle will pass to the lender (in the case of a hire purchase agreement or a conditional sale agreement) or the customer (in the case of a loan agreement). In the event that we expressly state that we will purchase the vehicle from you, title shall pass to us, rather than the lender. The date upon which we or the lender pays the Purchase Price in respect of a vehicle, is called the "**Purchase Date**".

2. Supply of Vehicle

- 2.1 On payment of the Purchase Price to you, we will instruct the customer to collect the vehicle from your premises. You must ensure that the vehicle is only delivered to the customer as named on the invoice and carry out reasonable checks (as specified to you by us from time to time) and act with due diligence to ensure that the customer is the person collecting the vehicle from your premises.
- 2.2 If, within 15 days after the Purchase Date the customer has not collected the vehicle from you or once Zuto advise you that the customer is no longer proceeding with the purchase (whichever is the earlier), you will within 5 days, repay the Purchase Price to us or the lender (as applicable) (the "**Unwind Sum**") and repay any deposit directly to the customer. Title to the vehicle will only return to the Dealer once payment has been made.

3. Dealer Obligations/Co-operation

You acknowledge and agree:

- that each vehicle is of satisfactory quality and that it is fit for purpose.
- that each vehicle will be supplied in at least CAP clean condition with a current and valid MOT certificate with at least nine months left to run.

- to pay us the Unwind Sum in respect of the relevant vehicle (and to pay to the customer, a sum equal to any deposit paid by the customer) in the case of any failure on your part to make any pre-delivery and delivery checks which results in the fraudulent obtaining of the vehicle by anyone other than the customer;
- to promptly provide us with the information we reasonably require to carry out our duties to third parties (including lenders);
- to co-operate fully and promptly with us in settling any dispute that may arise in connection with a vehicle or any representation regarding the vehicle made by you;
- to co-operate fully and promptly with us in relation to any applicant or customer complaints and/or investigations by any statutory, or other, authorities, including, without limitation, by the Financial Ombudsman Service and the Financial Conduct Authority
- not to receive any fee or commission of any sort from any applicant or customer, with the exception of a nominal administration fee that is systematically charged to a customer regardless of whether the vehicle is obtained through finance or is a cash sale - details (including the existence and nature) of such fee must be clearly notified to applicants and disclosed to us before we transact any business under these terms; and
- not to impose, or try to impose, any terms on any customer where you will sell the vehicle to the Purchaser (as defined in clause 4 below) so that the customer can enter into a credit agreement for the vehicle with the lender.

4. If the vehicle does not comply with the terms implied by law

- a. The parties acknowledge that the vehicle's sale by you to (as the case may be) the customer, the lender or us (the "**Purchaser**") includes terms implied by either the Consumer Rights Act 2015 (the "**CRA**") or the Sale of Goods Act 1979 (the "**SGA**") for ownership, description, satisfactory quality and fitness for purposes (together the "**Implied Terms**"). You accept that you do not limit or exclude the Implied Terms, and any attempt to limit or exclude such terms will have no legal effect.
- b. If there is a breach of the Implied Terms, and the customer exercises a right under the CRA or the SGA or otherwise at law, you must indemnify the person to whom you sold the vehicle for any loss they suffer as a result of your failure to supply a vehicle which conforms with the Implied Terms.
- c. If there is a breach of the Implied Terms and a customer exercises a right to require the vehicle to be repaired under the CRA, you agree to promptly repair the vehicle at your own cost.
- d. For the avoidance of doubt, a vehicle will not be deemed satisfactory quality if any repair required to be undertaken to the Vehicle is estimated to take longer than ½ a day, or any issue or mechanical defect otherwise renders the Vehicle unsafe to drive or has such effect that means the Vehicle does not perform in accordance with its advertised specification and/or condition. Both parties agree that should the Vehicle fail to meet the definition of satisfactory quality under this paragraph 4 d. then it shall be presumed

that such issue was present at point of sale, unless you can conclusively evidence that it was the customer's fault through instructing a reputable third party independent consulting engineer.

5. Vehicle Condition Breaches

- a. If, at any time, the customer informs you, the lender or us that it considers that the vehicle does not comply with the Implied Terms or was not supplied in CAP clean condition or with a valid MOT with at least 9 months left to run (a "**Vehicle Condition Breach**"), you shall use your best endeavours to resolve the relevant issue as soon as possible.
- b. If you fail to resolve a Vehicle Condition Breach with the customer within 7 business days of being informed of that Vehicle Condition Breach, we shall take active steps to have the Vehicle Condition Breach resolved, at your cost and expense (most commonly by procuring the repair of the vehicle), and you agree to indemnify us in respect of such costs.
- c. For the purposes of this clause 5, both parties expressly agree that a report procured by us whether through our selected independent repairs supplier or otherwise, shall be conclusive as to whether a Vehicle Condition Breach has occurred.
- d. Without prejudice to our rights to be indemnified by you under the indemnity provisions contained in these terms, you shall promptly reimburse us and/or the customer for any costs that we, the lender or the customer may incur in connection with any failure by you to comply with your obligations under this section or in connection with any Vehicle Condition Breach.
- e. If a repair undertaken under this clause 5 fails to render the Vehicle of satisfactory quality in accordance with the Implied Terms, and the customer exercises their right to reject under the CRA, then you agree to comply with clause 4 4.b. If you fail to do so, we may collect the Vehicle and sell the Vehicle to mitigate our losses for such value as we can reasonably achieve (but such steps will not limit our right to recover any other losses under the indemnities given under this agreement).
- f. In the event that the customer successfully claims the vehicle is not of satisfactory quality with the Financial Ombudsman Service, or with a Court, you agree that such decision shall be binding in relation to whether there has been a Vehicle Condition Breach and you will indemnify us for such an amount together with our reasonable costs (and/or the lender's reasonable costs) of dealing with the customer's complaint or claim.

6. Cancellation by Customer under The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (the "CCRs")

- a. Where a customer cancels the supply of a vehicle under the CCRs (where the customer has entered into a loan agreement), you shall (as well as complying with all of your obligations to the customer in connection with that cancellation) promptly pay to us the Unwind Sum in respect of the relevant vehicle, and promptly pay any deposit

directly to the customer. Title to the vehicle will only return to you once payment has been made.

7. Withdrawal or cancellation of a credit agreement (other than a loan agreement)

- a. Where a customer has entered into a credit agreement (other than a loan agreement) where the amount of credit does not exceed £60,260 and the customer exercises a right to withdraw under Section 66A of the Consumer Credit Act 1974 (**CCA**), then you shall promptly pay to us the Unwind Sum in respect of the relevant vehicle so long as the customer fails to pay the sums due to the lender under Section 66A(9) of the CCA. If the Unwind Sum is paid to us, and the customer later pays the sums due to the lender under Section 66A(9) of the CCA, we will promptly repay the Unwind Sum back to you.
- b. Where a customer has entered into a credit agreement (other than a loan agreement) where the amount of credit exceeds £60,260 and has a right to cancel (either under the CCA, CONC or the Financial Services Distance Marketing Regulations 2004 (**FSDMR**), and exercises such a right then you shall promptly pay to us the Unwind Sum in respect of the relevant vehicle, and promptly pay any deposit directly to the customer. Title to the vehicle will only return to you once payment has been made.

8. Indemnity

- a. You agree to indemnify us and keep us fully indemnified on demand against all and any loss, costs or claims (including legal costs) arising out of or in connection with:
 - your breach of any of these terms (including but not limited to any failure by you to supply a vehicle to either us or the lender which conforms with the Implied Terms);
 - any misrepresentation or statement made by you;
 - any other act or omission by you further to these terms;
 - any costs associated with a Vehicle Condition Breach; and
 - any costs associated with a breach by you of any of your obligations under this agreement.

9. Liability

9.1 Subject to clause 9.2, we shall not be liable to you, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise, arising under or in connection with this agreement for:

- (a) loss of profits;
- (b) loss of sales or business;
- (c) loss of agreements or contracts;
- (d) storage or other costs associated with a vehicle subject to this agreement, being stored on your premises;
- (e) loss of damage to goodwill;
- (f) loss of unforeseen damage or loss; and
- (g) any indirect or consequential loss.

9.2 Subject to clause 9.1, our total liability to you, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, arising under or in connection with this agreement shall be limited to £500.

8.3 Unless otherwise agreed or notified to you by us, you agree that we are acting solely as a broker for credit and any advance or payment is paid to you by us acting in the capacity of agent for the lender only. Nothing in this agreement shall create the relationship of trade dealer, lender or otherwise with you and we accept no liability or responsibility for the vehicle or finance.

9.4 This clause 9 shall survive termination of this agreement.

10. Compliance with Law and FCA Permissions

10.1 In performing your obligations under these terms you agree to comply with all applicable law, regulation and official guidance including, without limitation, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017; the EU General Data Protection Regulation and the Data Protection Act 2018; the Consumer Credit Act 1974; the Financial Services and Markets Act 2000; the FSDMR; the CCRs; the CRA; the SGA (in any case, as amended or superseded from time to time), together with any subordinate legislation.

10.2 You confirm to us that you will have in force all FCA permission categories that you require in order to conduct the consumer credit related activities that you carry out. In particular:

10.2.1 If you hold no FCA permission for consumer credit related activities, then, notwithstanding anything to the contrary in these terms, you must not carry out any such activities (including not carrying out any of the activities of Credit Broking; Debt Counselling or Debt Adjusting). If you hold an FCA permission for the activity of Credit Broking only, you must not be involved in discussions relating to the settlement of any debt of the customer, nor in effecting the settlement of any such debt.

10.2.2 You must notify us immediately in writing of any material changes to your business, or the FCA permission categories held.

10.3 If a vehicle sold by you directly to the customer and is deemed to be either a "distance sale" or "off-premises sale" (as defined in Regulation 5 of the CCRs) you will comply with all information and notice requirements as may be set out in the CCRs in respect of such sale.

10.4 If a vehicle is sold by you to either us or the lender so that the lender can enter into a hire purchase or a conditional sale agreement with the customer, you agree to comply with all applicable law (including but not limited to the CCA, CONC and the FSDMR).

11. General Provisions

11.1 This agreement contains all the terms which the parties have agreed in relation to the transactions provided for by the Agreement. No variation of this agreement shall be effective unless it is in writing and signed by both parties.

11.2 Where the Purchaser is a Lender, the Lender may provide its own terms of purchase. In the case of any conflict between these terms and any Lender Purchase Terms, then the Lender Purchase terms shall, as between the Dealer and the Lender for the sale of such vehicle, prevail.

11.3 In all other circumstances, these Terms and Conditions shall prevail.

11.4 Any failure of delay in exercising any right or remedy available under this Agreement, or waiver of a breach of, or default under, any of the terms of this Agreement shall not be deemed to be waiver of any subsequent breach or default.

11.5 This Agreement and any dispute of claim arising out of or in connection with it shall be governed and construed in accordance with the law of England and Wales. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim regarding this Agreement.