

SCHEDULES

SCHEDULE 1

APPLICATION OF ENACTMENTS TO CONDITIONAL SALE AGREEMENTS

PART I

EXCEPTIONS AND MODIFICATIONS REFERRED TO IN SECTION 21(3)

- 1 The provisions of this Part of this Schedule shall have effect for the purposes of section 21(3) of this Act; and in this Part of this Schedule " conditional sale agreement" and " total purchase price" have the meanings assigned to them by section 21(5) of this Act.
- 2 (1) Subject to paragraph 4 of this Schedule, the provisions specified in section 21(3) of this Act shall have effect as therein mentioned as if—
- (a) any reference to a hirer were a reference to a buyer ;
 - (b) any reference to an owner were a reference to a seller ;
 - (c) any reference to hire-purchase price were a reference to total purchase price ;
 - (d) any reference to hire-rent were a reference to instalments of the purchase price ; and
 - (e) any reference to goods let under a hire-purchase agreement were a reference to goods agreed to be sold under a conditional sale agreement.
- (2) In accordance with the preceding sub-paragraph (and without prejudice to the generality thereof) in section 4(1) of this Act the reference to a document which, if executed by or on behalf of another person as owner of the goods to which it relates, would constitute a hire-purchase agreement to which the principal Act applies shall be construed as including a reference to a document which, if executed by or on behalf of another person as seller of the goods to which it relates, would constitute such a conditional sale agreement as is mentioned in section 21(3) of this Act.
- 3 In sections 5(c), 11(3) and 14(1) of the principal Act, the words " or the bailment", and in section 15 of this Act the words " or the bailment of the goods " in subsections (2) and (5) and the words " or the bailment" in the second place where they occur in subsection (5), shall be omitted.
- 4 In section 13(1) of the principal Act, for the words " the hirer shall be deemed to be a bailee of the goods under and on the terms of the hire-purchase agreement" there shall be substituted the words " the buyer shall be deemed to be in possession of the goods under and on the terms of the conditional sale agreement, other than any term providing for the property in the goods to vest in the buyer at any time before the payment of the whole of the total purchase price (as defined by section 21(5) of the Hire-Purchase Act 1964) ".
- 5 (1) Where goods have been sold under a conditional sale agreement and the property in the goods, having become vested in the buyer, is transferred to a person who does

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not become the buyer under the agreement, the buyer shall no longer be entitled to determine the agreement under section 4 of the principal Act.

- (2) Subject to the preceding sub-paragraph, where a buyer under a conditional sale agreement determines the agreement under section 4 of the principal Act after the property in the goods has become vested in him, the property in the goods shall thereupon vest in the person (in this sub-paragraph referred to as "the previous owner") in whom it was vested immediately before it became vested in the buyer:

Provided that if the previous owner has died, or any other event has occurred whereby that property, if vested in him immediately before that event, would thereupon have vested in some other person, the property shall be treated as having devolved as if it had been vested in the previous owner immediately before his death or immediately before that event, as the case may be.

- 6 (1) The definitions of "buyer" and "seller" in section 21(1) of the principal Act shall not apply to conditional sale agreements.

- (2) In this Part of this Schedule—

"buyer", in relation to a conditional sale agreement, means the person who agrees to purchase goods under the agreement and includes a person to whom the rights or liabilities of that person under the agreement have passed by assignment or by operation of law ;

"seller", in relation to a conditional sale agreement, means the person who agrees to sell goods under the agreement and includes a person (other than the buyer) to whom that person's property in the goods or any of that person's rights or liabilities under the agreement has passed by assignment or by operation of law.

PART II

CONSEQUENTIAL EXCEPTIONS AND MODIFICATIONS

- 7 In this Part of this Schedule "conditional sale agreement" means a conditional sale agreement, as defined by subsection (5) of section 21 of this Act, in relation to which the provisions of Part I of this Act have effect in accordance with subsection (3) of that section, and "buyer" and "seller" have the meanings assigned to them by paragraph 6 of this Schedule.

- 8 For the purposes of section 9 of the Factors Act 1889 and of section 25(2) of the Sale of Goods Act 1893 (under which, notwithstanding that the property in the goods has not been transferred to him, a person who has bought or agreed to buy goods and is in possession of them can confer a good title to the goods) the buyer under a conditional sale agreement shall be deemed not to be a person who has bought or agreed to buy goods.

- 9 (1) Section 11(1)(c) of the Sale of Goods Act 1893 (whereby in certain circumstances a breach of a condition in a contract of sale is to be treated only as a breach of warranty) shall not apply to a conditional sale agreement.

- (2) A breach of a condition (whether express or implied) to be fulfilled by the seller under a conditional sale agreement shall be treated as a breach of warranty, and not as grounds for rejecting the goods and treating the agreement as repudiated, if (but only if) it would have fallen to be so treated had the condition been contained or implied in a corresponding hire-purchase agreement as a condition to be fulfilled by the owner.

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- (3) In this paragraph " corresponding hire-purchase agreement" means a hire-purchase agreement relating to the same goods as the conditional sale agreement and made between the same parties and at the same time and in the same circumstances and, as nearly as may be, in the same terms as the conditional sale agreement.
- 10 A conditional sale agreement shall be treated as not being a contract of sale for the purposes of sections 12 to 15 of the Sale of Goods Act 1893 (which imply certain conditions and warranties in contracts of sale).
- 11 In section 9 of the principal Act the reference to payments in respect of two or more hire-purchase agreements shall include a reference to payments in respect of one or more hire-purchase agreements and one or more conditional sale agreements as well as a reference to payments in respect of two or more conditional sale agreements.
- 12 Section 15 of the principal Act shall have effect where—
- (a) after the making of a hire-purchase agreement, the owner, as seller, makes a conditional sale agreement with the hirer, as buyer, or
 - (b) after the making of a conditional sale agreement, the seller, as owner, makes a hire-purchase agreement with the buyer, as hirer,
- as it has effect where both agreements are hire-purchase agreements or both are conditional sale agreements.