

CHECKLIST FOR LESSEES

Customers who are introduced to lease agreements by electrical equipment suppliers are recommended to take the following steps:

- Make it clear within your own organisation who can sign such agreements.
- Ensure that the supplier of any electrical equipment involved is reputable and an accredited supplier of the equipment involved.
- Check the name of the leasing company, and where relevant its parent company, on the page of the lease agreement which you sign and whether this company is a member of the FLA, Members are required to ensure that their contracts are clear and unambiguous.
- Ensure with the supplier that the electrical equipment is new, or if not that you are content that used or refurbished electrical equipment is suitable.
- Always ensure that the completed contract corresponds with any verbal or written quotation and, for multifunctional devices and copiers, key information required to be given by FLA's Code has been given to you in writing before an agreement was made.
- Read your business finance agreement carefully before signing it and ensure it is correct, particularly in respect of the rental amount and the period of hire. Never sign a business finance agreement which is not fully completed.
- Make sure you understand and agree with all terms and conditions of the business finance agreement and, if you are unsure, seek advice.
- Make sure you understand the costs involved and whether the business finance agreement allows for any automatic increases in charges.
- Check the period of hire and any notice period required for its termination and the settlement terms to be applied on early termination.
- Ensure that the length of the business finance agreement is no longer than the expected working life of the equipment involved.
- Check whether the business finance agreement includes the supply of service(s) and whether this will continue after any minimum or initial period of hire. If you are entering into a separate contract for the provision of service you should check its terms carefully.
- If any amendments are made to your contract or a further contract is required to replace an existing agreement – do not sign until you have made the same checks as you did for the original agreement.