



SUPPLEMENT No. 2
TO
THE SOVEREIGN BASE AREAS GAZETTE
No. 187 of 4th NOVEMBER, 1966.
LEGISLATION.

ORDINANCE 13 OF 1966.

AN ORDINANCE

TO PROVIDE FOR THE CONTROL OF HIRE PURCHASE,
CREDIT SALE AND HIRING OF PROPERTY.

THOMAS PRICKETT,
ADMINISTRATOR.

28th October, 1966.

BE it enacted by the Administrator of the Sovereign Base Areas of Akrotiri and Dhekelia as follows:-

1. This Ordinance may be cited as the Hire Purchase, Credit Sale and Hiring of Property (Control) Ordinance 1966.

Short title.

2. In this Ordinance unless the context otherwise requires—

Interpretation.

“property” means movable or immovable property to which this Ordinance applies under an Order by the Administrator made under section 3 of this Ordinance;

“hire purchase agreement” means an agreement in any form or under any name or description by virtue of which a person receives from another person a specific item of property on hire in return for periodic payments and with the option to purchase or acquire the ownership thereof and includes two or more agreements in any form having collectively the same effect;

“credit sale agreement” means an agreement for the sale of property under which the whole or part of the purchase price is payable by instalments:

Provided that a credit sale agreement between one trader and another for purposes of resale shall not be deemed to be a credit sale agreement:

Provided further that any disposal of property on credit, the price of which is payable within three months from the date of disposal, shall not be deemed to be a credit sale agreement;

“rental” in relation to any agreement includes any payment (howsoever payable) made wholly or partly for the possession or use of the property;

“disposal” with its grammatical variations includes the disposal of—

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

“cash price” means, in relation to any hire purchase or credit sale agreement in respect of any property, the price at which the prospective hirer or buyer may at the date of the agreement purchase or agree to purchase the property for cash.

Control Order.

3—(1) The Administrator may, whenever he considers it expedient so to do, by an Order published in the Gazette (hereinafter referred to as a “Control Order”) declare any property specified in the Order to be controlled property for the purpose of a hire purchase or credit sale or hiring agreement or for any or all these purposes as may be determined in the Order, whereupon the provisions of this Ordinance shall apply to such property.

(2) A Control Order issued under subsection (1) of this Section may contain such exemptions in respect of specified categories of persons, property or agreements and under such terms and conditions as may be specified in the Order and may further contain such supplementary provisions (including provision for the registration of sellers and persons who let out property on hire, the rendering of returns of agreements made relating to such hire purchase, credit sale or hiring and the inspection of books and other records relating thereto) as the circumstances of each case may demand or as provided in this Ordinance.

(3) The Administrator may revoke a Control Order issued under subsection (1) if satisfied that the circumstances leading to the issue thereof have changed or have ceased to exist, or if he considers it to be in the public interest to do so. Where a Control Order has been revoked, the application of the provisions of this Ordinance to the specified controlled property shall cease.

4.—(1) Upon the issue of a Control Order no person shall dispose by virtue of a hire purchase, credit sale or hiring agreement of any property to which the Order applies unless such agreement complies with the requirements of Part I of the Schedule to this Ordinance, hereinafter referred to as “the Schedule”.

Restrictions on
the disposal
of property.

(2) In any proceedings for an alleged contravention of the provisions of this section in which it is alleged that, by virtue of the provisions of Part II of the Schedule, the requirement specified in paragraph 3 of Part I of the Schedule has not been complied with, it shall in respect of such allegation be a defence if the defendant shall prove that at the time of the alleged offence—

- (a) he had no reasonable cause to believe that money had been borrowed or agreed to be borrowed or otherwise acquired for the purpose and in the circumstances mentioned in Part II of the Schedule; and
- (b) he was not a party to any agreement or arrangement under or as a result of which money could be borrowed or otherwise acquired to facilitate the making of payments of the description mentioned in the said paragraph 3.

5. No person shall by virtue of a hire purchase, credit sale or hiring agreement be in possession of any property unless—

Restrictions on
the possession
of property.

- (a) the hire purchase, credit sale or hiring agreement (hereinafter in this section referred to as “the agreement”) complies with the requirements specified in paragraphs 1 and 2 of Part I of the Schedule;
- (b) a payment complying with the requirement of paragraph 3 of Part I of the Schedule was made before the date of the agreement or in the event of more than one agreement before the date of the first agreement; and
- (c) such agreement provides for the payment of the balance due in respect of each description of property 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 the property was disposed of and not exceeding the maximum period specified in the Control Order:

Provided that, where a hire purchase or credit sale agreement has been varied by the lengthening or shortening of the period over which the balance due thereunder is payable, this sub-paragraph shall be deemed to be complied with in respect of the remainder of

that period if the balance remaining at the date of such variation is payable by approximately equal instalments at equal intervals spread over the remainder of that period, or

- (ii) in the case of a hire purchase agreement by one payment to be made within a period of three months commencing with the date of the first agreement by virtue of which the property was disposed of.

No property to be possessed by a third party contrary to section 5.

6. No person shall knowingly cause or permit any property owned by him to be in the possession of another person by virtue of a hire purchase, credit sale or hiring agreement in contravention of section 5.

Conditions of possession of property.

7.—(1) No person shall knowingly cause or permit another person to be in possession of any property in anticipation of the making of a hire purchase, credit sale or hiring agreement, unless the person to whom the property has been disposed of has, within thirty days from the date on which the property was disposed of, paid to him—

- (a) in the case of a hire purchase or credit sale agreement such percentage of the price at which the property would have been disposed of, if the disposal had been for cash, as may be specified in the Control Order, or
- (b) in the case of a hiring agreement an amount calculated in accordance with the provisions of sub-paragraph (2) of paragraph 3 of Part I of the Schedule.

(2) The provisions of Part II of the Schedule shall, with the requisite modifications, apply for the purpose of determining whether this section has been complied with as they apply for the purpose of determining whether the requirement specified in paragraph 3 of Part I of the Schedule has been complied with.

(3) Any payment made by virtue of this section shall not be repaid in whole or in part unless and until the property in respect of which payment was made has been returned to the person to whom it was made.

Prohibition on variation in certain cases.

8. No person shall enter into any agreement whereby a hire purchase, credit sale or hiring agreement entered into before or after the issue of a Control Order is varied in a manner contrary to the provisions of this Ordinance.

Exemptions.

9. Nothing in this Ordinance contained shall—

- (a) prohibit the doing of anything under the authority of a licence granted by the Fiscal Officer under this section and in accordance with any condition attached thereto;

- (b) apply to the possession of any property under the authority of a licence granted by the Fiscal Officer under this section and in accordance with any condition attached thereto.

10.—(1) Any person who fails to comply with or contravenes any of the provisions of sections 3 to 8 of this Ordinance (both inclusive) shall be guilty of an offence and shall be liable on conviction to imprisonment for a term not exceeding twelve months or to a fine not exceeding five hundred pounds or to both such imprisonment and fine and the Court may order that the relevant hire purchase or credit sale agreement shall be regarded as an agreement for cash, any payment or payments made up to the date of conviction being regarded as having been made against the price in cash and the purchaser being entitled to become owner of the property to which such agreement relates on payment of the balance due.

Offences.

(2) Any person who contravenes or fails to comply with any condition in any licence granted in accordance with the provisions of section 9 of this Ordinance shall be guilty of an offence and shall be liable on conviction to imprisonment for a term not exceeding three months or to a fine not exceeding one hundred pounds or to both such imprisonment and fine.

(3) In any proceedings for an alleged offence under this Ordinance, it shall be a defence if the defendant shall prove that—

- (a) he was in possession of the property in relation to which the offence was committed, by virtue of a valid agreement entered into before the issue of a Control Order;
- (b) on the date on which he disposed of the property, in relation to which the alleged offence was committed, he made all the necessary enquiries and was satisfied that the property was about to be exported from the Island of Cyprus to remain outside the island for a period of not less than twenty-four months from the date on which it was disposed of.

11. The Administrator may, by order published in the Gazette, add to, delete from or vary any provisions of the Schedule.

Power to Administrator to vary the Schedule.

12. The Administrator may make regulations published in the Gazette for the better carrying into effect of the provisions of this Ordinance.

Regulations.

13. The Hire Purchase and Credit Sales Agreements (Control) Order, 1955 is hereby repealed without prejudice to anything done or left undone thereunder.

Repeal.
Cyprus Gazette
Supplement
No. 3
21.7.55.

SCHEDULE

(Section 4).

PART - I.

1. The agreement shall be in writing.

2.—(1) The agreement shall contain in respect of each description of property, a statement of the cash price and of any amount payable by instalments under the agreement for the installation or maintenance of that property.

(2) In the case of a hiring agreement—

- (a) the rental specified in the agreement shall be payable in weekly, monthly or quarterly instalments;
- (b) the first of such periods shall commence on the date on which the agreement is entered into;
- (c) the amount of each instalment shall be fixed on the date on which the agreement is entered into;
- (d) no instalment payable in relation to any period shall be less than 25% of the maximum amount of rental payable in relation to any other period.

3.—(1) Before an agreement is entered into payment shall be made in relation to each description of property described in the agreement of an amount not less than an amount equal to the percentage specified in the Control Order in relation to such property of the aggregate of—

- (a) the cash price of the property of that description comprised in the agreement, and
- (b) any amount payable by instalments under the agreement for the installation or maintenance of the property of that description comprised in the agreement.

(2) In the case of a hiring agreement before such agreement is entered into, payment shall be made in relation to the property described in the agreement of an amount being not less than 25% of the aggregate of—

- (a) the rental payable from the date of the agreement;
- (b) the amount payable for services in relation to the property which are to be borne by the tenant whether under the agreement or under any other agreement in force.

4. The agreement shall provide for the payment of the balance due in respect of each category of property comprised therein by approximately equal instalments at equal intervals spread over a period commencing from the date of the first agreement under which the property is disposed of and not exceeding the maximum period prescribed by the Control Order.

PART - II.

The requirement specified in paragraph 3 of Part I of this Schedule shall be deemed not to have been complied with if, for the purpose of facilitating the making of the payment mentioned in that paragraph or any part of such payment, money has been borrowed or otherwise acquired or agreed or arranged to be borrowed or otherwise acquired (whether by the person making the payment or by some other person) under or as a result of an agreement or arrangement to which one or more of the following persons are parties, that is to say,—

- (a) the person disposing of the property under the hire purchase or credit sale or hiring agreement;
- (b) a person who has supplied or is to supply that property to another person with a view to its being disposed of thereunder;
- (c) in the case of movable property, the manufacturer of the property to be disposed of thereunder:

Provided that the acceptance of certain property, the value of which is to be reckoned against the amount payable under the agreement, shall not in itself render such agreement an agreement for the borrowing of money or an arrangement to acquire money for the purposes of this Part of the Schedule.

28th October, 1966.

J. ROBERTS,
Chief Officer.
