

CC AUTOMOTIVE GROUP LTD

UNDERTAKING TO THE OFFICE OF FAIR TRADING (PURSUANT TO SECTION 219 OF THE ENTERPRISE ACT 2002):

CC Automotive Group Limited (the "Company") has agreed to provide undertakings to the Office of Fair Trading (the "OFT") in response to an investigation by the OFT and alleged breaches of the following:

- (i) The Supply of Goods (Implied Terms) Act 1973
- (ii) The Consumer Credit Act 1974
- (iii) The Sale of Goods Act 1979
- (iv) The Supply of Goods and Services Act 1982
- (v) The Unfair Terms in Consumer Contracts Regulations 1999
- (vi) The Consumer Protection from Unfair Trading Regulations 2008

The giving of these undertakings is not an admission by or on behalf of the Company of any breach by it of the above.

For the avoidance of doubt, the expression "inform" as used in these undertakings connotes actively bringing a particular fact, matter or document to the explicit attention of the consumer.

The Company gives the following undertakings to the OFT under section 219 of the Enterprise Act 2002 (the "Act"):

UNDERTAKING

1. The Company will:

- (a) inform consumers in a clear and timely manner prior to sale about the level of service history available with a vehicle;

-
- (b) use all reasonable endeavours to provide any service history documents to consumers prior to sale; and
 - (c) ensure that information provided by the Company to consumers about a vehicle's history, specification and/or features is accurate and not misleading and that vehicles match their description.
2. The Company will ensure that all vehicles sold to and driven off the company's premises by consumers have valid road tax.
 3. The Company will use all reasonable endeavours to supply to the consumer at the time of sale the vehicle documents, for example the MOT certificate and V5 registration document.
 4. The Company will inform consumers in a clear and timely manner of the terms of (and on request, provide consumers with copies of) all consumer credit agreements being entered into prior to the signing of those agreements, including:
 - (a) the actual level of repayments payable on the agreement(s);
 - (b) the APR payable;
 - (c) that one or more separate consumer credit agreements have also been entered into to cover part of the cost of the vehicle and/or the cost of ancillary products (where applicable); and
 - (d) that ancillary products have been added to consumer credit agreements such as, for example, GAP insurance and/or a vehicle guarantee (where applicable).

The Company will provide consumers with copies of all consumer credit agreements entered into on the signing of those agreements.

-
5. The Company will:
- (a) inform consumers in a clear and timely manner prior to sale of the main terms of any ancillary products such as a vehicle guarantee or GAP insurance, including the cost, any significant exclusions, claim limits, cancellation rights, restrictions and other material limitations; and
 - (b) inform consumers in a clear and timely manner prior to sale that the purchase of any ancillary products such as a vehicle guarantee or GAP insurance is optional and not a condition of being accepted for finance.
6. Where the Company releases vehicles to consumers prior to the finance provider releasing the funds under the finance agreement, the Company will inform consumers in a clear and timely manner prior to the consumer driving the vehicle away from the Company's premises:
- (a) that the finance company has not yet released the funds for the purchase of the vehicle;
 - (b) that possession of the vehicle is being given to the consumer but that the transfer of ownership of the vehicle is subject to the Company receiving cleared funds from the finance company and receipt by the Company of the full purchase price;
 - (c) that if (b) is not satisfied, payment for the vehicle may be made through other means, and if this is not possible, possession of the vehicle must be returned to the Company;
 - (d) of the potential consequences (in particular for insurance cover) of driving the vehicle in circumstances where title has not passed.

-
7. The Company will ensure that pre-sale checks on vehicles are carried out to a standard consistent with the Company's statutory and contractual obligations (including under the Sale of Goods Act 1979, the Supply of Goods (Implied Terms) Act 1973 and the Supply of Goods and Services Act 1982).
 8. The Company will ensure that repairs to vehicles (whether undertaken before or after sale) are undertaken with reasonable care and skill, and within a reasonable time and without causing significant inconvenience to consumers in accordance with the Company's statutory and contractual obligations (including under the Sale of Goods Act 1979, the Supply of Goods (Implied Terms) Act 1973 and the Supply of Goods and Services Act 1982).
 9. In dealing with consumers who are trying to exercise their statutory and/or contractual rights to redress the Company will:
 - (a) follow internal policies and procedures that are consistent with the Company's statutory and contractual obligations;
 - (b) ensure that consumers' rights to a refund are not unreasonably refused;
 - (c) use all reasonable endeavours to ensure that evidence of the pre-sale checks undertaken are stored in a retrievable format and provided to consumers upon request;
 - (d) ensure that, in dealing with such claims, consumers are not misled about the nature and meaning of the pre-sale checks undertaken on vehicles in relation to demonstrating whether the vehicle was of satisfactory quality at the time of sale; and
 - (e) when previous attempts at a repair have been unsuccessful in rectifying the fault and the consumer has consequently sought a

different remedy (such as a replacement or rescission of the contract), the Company will provide such alternative remedies rather than insist on attempting further repairs.

10. The Company will ensure that:
 - (a) ongoing training on the sale of consumer finance – including applicable regulations and regulatory guidance, Company policies and procedures, and finance providers' policies, procedures and training material - is provided to all relevant members of staff;
 - (b) the quality and effectiveness of such training is regularly reviewed and acted upon;
 - (c) records of staff training are kept for a reasonable length of time; and
 - (d) training and development reviews of staff involved in the sale of consumer finance are regularly undertaken and acted upon and that the records of such reviews are kept for a reasonable length of time.
11. The Company will ensure that effective audits are regularly undertaken of the sale of consumer finance and acted upon appropriately, and that records of such audits are kept for a reasonable length of time.
12. The Company will use all reasonable endeavours to maintain an effective process for the reasonable, fair and prompt handling of consumer complaints.
13. The Company will ensure that it refunds any vehicle reservation fees paid by consumers in accordance with the Company's own advertised policy.

-
14. The Company will not claim to be a member of a trade association or body without complying with its relevant Code of Practice.
 15. The Company will not use or recommend for use, enforce, or otherwise rely upon contract terms in its contract of sale which have the effect of:
 - (a) conferring on the Company the right to correct post-sale any accidental error or omission in any information or document issued by the Company;
 - (b) providing that property in the vehicle does not pass until any commission payable to the Company has been discharged in full;
 - (c) providing that, if the consumer credit agreement has not been properly executed, the consumer should return the vehicle immediately upon request or hand over the vehicle upon demand, without this being ordered by the court;
 - (d) providing that, if the consumer credit agreement has not been properly executed, the Company or its appointed agents may enter on to any premises where the vehicle is stored in order to repossess it, without an appropriate court order;
 - (e) providing that any dates quoted for delivery to the consumer are approximate only and time for delivery shall not be of the essence, unless previously agreed by the Company in writing;
 - (f) imposing a responsibility on the consumer to check, and ensure, that the vehicle is properly taxed prior to driving it away from the Company's premises;
 - (g) imposing a responsibility on the consumer to request and inspect the service history of the vehicle prior to sale;

-
- (h) imposing a responsibility on the consumer to check the service history and satisfy himself that the vehicle has been serviced to a satisfactory standard;
 - (i) disclaiming the mileage on the vehicle and that it should not be relied upon by the consumer as being accurate;
 - (j) limiting the Company's responsibility for any losses associated with an imported vehicle unless the vehicle is not of satisfactory quality, fit for its purpose(s) or not as described;
 - (k) imposing a requirement on the consumer that they should assume that a vehicle does not come with items including the handbook and spare keys where these items have not been expressly displayed in the vehicle before sale;
 - (l) referring to Vehicle Excise Duty or road tax as "road fund licence".
16. The Company will not use or recommend for use, enforce, or otherwise rely upon contract terms in its guarantees which have the effect of:
- (a) providing that the failure by the consumer to service the vehicle within 6 months or 6,000 miles following purchase (whichever is the earlier) will invalidate the guarantee;
 - (b) giving the Company an absolute discretion as to whether to repair the Vehicle under the terms of the guarantee;
 - (c) providing the Company with an absolute right to nominate the appropriate supplier of services for all vehicle repairs;
 - (d) providing that consumers must pay an unspecified amount for any exploratory diagnostic and/or dismantling at the sole discretion of the Company;

-
- (e) giving the Company an absolute discretion as to whether to provide a benefit or not under the terms of the guarantee;
 - (f) giving the Company an absolute right to end cover under the guarantee and refuse a refund for the remaining proportion of the guarantee, where it considers that the consumer, or anyone on the consumer's behalf, has supplied inaccurate or fraudulent information;
 - (g) providing that any liability on the part of the Company for property damage as a result of negligence on behalf of the Company, its servants or employees, is excluded;
 - (h) providing that the Company is not liable for additional costs arising due to non-availability of repair facilities or spare parts in the UK;
 - (i) using terms such as 'mechanical failure', 'wear and tear', 'gradual breakdown of the covered parts', 'replacement of parts that have not actually failed' and 'consequential loss' without clearly defining those terms;
 - (j) providing that consumers may not transfer a guarantee to the new owner of the vehicle if the vehicle is sold to a private buyer for private use.

17. The Company will not include terms in point of sale materials that require consumers to make declarations about what has been said and/or affirming that they have read and understood certain terms in order to exclude liability.

18. The Company will not give consumers the impression:

-
- (a) that it will repair all faults arising with the vehicle within the first three months of sale at no cost to the consumer if this is not the case; and/or
- (b) that rights given to consumers in law, including those incorporated within any vehicle guarantee provided by the Company, are a distinctive feature of the Company's after-sale service.
19. The Company will ensure that representations made to consumers about the nature and scope of the pre-sale checks carried out on vehicles and by implication the quality of those vehicles are accurate.
20. The Company will inform consumers in a clear and timely manner prior to sale that (i) it is responsible for administering any vehicle guarantee provided by the Company itself and (ii) it is responsible for assessing claims made under such guarantee and for reviewing complaints and/or appeals about declined claims.
21. The Company will use all reasonable endeavours to maintain an effective process for the reasonable and fair assessment of claims made under a vehicle guarantee.
22. The Company will inform consumers in a clear and timely manner that they have a right to refer their complaint to the Financial Ombudsman Service, in all circumstances in which such a right applies.
23. The Company will ensure that consumers do not suffer financial detriment as a result of a transaction being unwound through no fault of the consumer, by the reimbursement of any reasonably foreseeable applicable expenses incurred by the consumer, such as insurance premiums, vehicle excise duty and any deposit paid.
24. If the consumer has paid part of the purchase price of a vehicle through part-exchange of another vehicle, the Company will not sell or otherwise

dispose of the part-exchange vehicle prior to receipt by the Company of confirmation of payout by the finance company for the remainder of the full purchase price of the vehicle.

25. The Company will not act in contravention of the undertakings given in paragraphs 1 – 24 above by its officers, employees, agents or otherwise.
26. The Company will not assist, consent to or acquiesce in such conduct on the part of any person with whom the Company has a special relationship as defined in section 222(3) of the Act as would amount to contraventions of the undertakings given in paragraphs 1 – 25 above as if such person were to have given such undertakings.

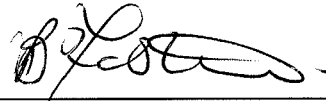
I AM AUTHORISED TO SIGN THESE UNDERTAKINGS ON BEHALF OF CC AUTOMOTIVE GROUP LTD AND UNDERSTAND THAT BY SIGNING THEM CC AUTOMOTIVE GROUP LTD WILL BE BOUND BY THEM.

Mr Noel McKee, Director
CC Automotive Group Ltd

Witness (Print Name) *BELINDA FOSTER*



Signature



Witness's Signature

10/10/11

Date

10/10/11

Date