

# Code of Practice for the promotion and marketing of Own Art™ loans at COLLECT 2011

The Crafts Council will be offering customers attending COLLECT 2011 the opportunity to apply for an interest free loan (Own Art™ loan) for the purchase of works of art and craft being exhibited for sale at this event.

For COLLECT 2011, it will be mandatory for all Ground and First Floor exhibitors to sign up to Own Art to have the opportunity to facilitate these loans throughout the duration of the fair. This will produce a significant trail of objects to entice new buyers.

The Consumer Credit Act 1974 (“the Act”) requires that any business that offers any kind of consumer credit or consumer hire must have a licence. An Own Art™ loan is a credit product and as such may only be offered to the public by a licensed credit broker.

The Crafts Council is a licensed credit broker and a registered outlet for Own Art™ loans. <sup>1</sup>

It is a criminal offence for any unlicensed trader\* to broker credit and all traders\* wishing to supply goods to customers on interest free credit by way of an Own Art™ loan at this event must agree to abide by the following code of practice in regard to this activity.

*\* does not apply to existing Own Art members who are already licensed brokers of Own Art loans*

## **1 Code of Practice**

- 1.1 Traders are strictly prohibited from engaging in any kind of conversation about an Own Art™ loan with potential or existing customers.
- 1.2 Traders may not refer or point customers towards the Own Art™ sales desk nor may they actively suggest that customers consider buying their goods on credit.

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<sup>1</sup> Own Art is the registered trade mark of ArtCo Trading Ltd a subsidiary of Arts Council England

- 1.3 Traders are permitted to display the Own Art™ information leaflets supplied by the Crafts Council on their stands and to hand these to customers enquiring about credit.
- 1.4 If asked a direct question about an Own Art™ loan or any other credit product the trader's response must always be *'I'm sorry. I am not permitted to answer your questions but you are welcome to take a leaflet'*.
- 1.5 Any trader found to be in breach of this code at any time during the event will be excluded immediately from supplying goods for sale through the Own Art™ scheme and risk permanent exclusion from participation in future events organised by the Crafts Council.

### **SIGNATURE**

To: the Crafts Council

I \_\_\_\_\_ [the Trader] have read and understood the Code of Practice for Own Art loans at COLLECT 2011 to be held 6-9 May 2010 at the Saatchi Gallery.

I confirm that I and any other person or persons representing my business at COLLECT 2011 will comply with this code at all times

Signed \_\_\_\_\_

For and on behalf of \_\_\_\_\_

Date \_\_\_\_\_

Please tick the box if you are already an existing Own Art gallery member and a licensed broker of Own Art loans\*, but are opting to facilitate the scheme through the Crafts Council at COLLECT 2011 [  ]

# Terms of Business for the sale of goods through the Own Art™ scheme at COLLECT 2011

## 1 Reservation and sale of goods

- 1.1 Customers wishing to apply for an Own Art loan will be taken through the terms of the credit offer by a member of staff working for the Crafts Council
- 1.2 Customers interested in purchasing goods with an Own Art loan may ask traders to put goods on reserve for them in anticipation of securing an Own Art loan of up to £2,000 for the purchase of these item/s.
- 1.3 The minimum value of any single item to be placed on reserve for a customer wishing to use an Own Art™ loan as their payment option will be £100.
- 1.4 The maximum combined value of goods to be placed on reserve for a customer wishing to use an Own Art™ loan as their payment option will be £2,000.
- 1.5 Traders must agree to hold goods on reserve for Own Art customers for a minimum of 1 hour while their loan application is processed.
- 1.6 Traders must issue customers with a Reservation Note for all items held pending approval of an Own Art loan detailing the item code/description, price and media of the goods on reserve and the name and stand number of the Trader. *(to be distributed at COLLECT during set up)*
- 1.7 Traders may only release goods to customers on presentation of a signed Loan Application Form bearing an Authorisation Code.
- 1.8 Traders must supply customers with a full receipt for all goods purchased bearing the trader's name, address and contact details.
- 1.9 In the event that a customer is dissatisfied with the goods that they have purchased, the trader's own returns and repairs policy will apply at all times.
- 1.10 The Crafts Council will not be responsible for dealing with any after sales customer service issues but will in all instances refer customers directly to the Trader concerned.

## 2 Fees and Payments

- 2.1 The Crafts Council will account to all traders who have supplied goods sold on interest free credit (Own Art™ loan) within [28 days] of the end of the event.
- 2.2 A commission equal to [\_5% inclusive of VAT where applicable] \_The value of goods to be purchased through Own Art should always include VAT levied at the point of sale (i.e. by the Trader supplying the goods). That is to say, the credit product itself (the Own Art loan) does not attract VAT in its own right. **This fee incorporates the 2.5% charge made by Hitachi Capital Consumer Finance Ltd against each loan advance.** The balance of the purchase price will be paid to the trader in accordance with 2.3 below.
- 2.3 The balance of the purchase price will be remitted by [cheque/BACS] to the trader to the [address/account details] supplied to [event organiser's name] on registration for this event. Traders must submit copies of the full receipts for all purchases made through Own Art to the Crafts Council] at close of show.

## 3 Cancellations, refunds and exchange of goods

- 3.1 As the supplier of goods, in all cases the trader shall be responsible for meeting is obligations to customers under the Sale of Goods Act 1979.
- 3.2 The trader shall be responsible for advising customers of their returns policy at the point of sale and/or in printed form on the back of the receipt issued for the purchase of goods.
- 3.3 In the event that a customer wishes to return goods purchased with an Own Art loan and requires a refund the following procedure will apply in line with the terms of the trader's returns policy:

### **FULL REFUND (Loan cancellation)**

The trader must contact [the Crafts Council immediately to advise them of the cancellation. Any funds already remitted to the trader by the Crafts Council in respect of this sale must be paid back to [event organiser's name] within [5 working days].

### **EXCHANGE OF GOODS**

Alternative items up to the value of the returned goods may be offered to the Customer. If the replacement goods selected are more expensive than the original items, the excess may be paid by the customer by cash/cheque or

credit/debit card. **NB: Refunds should NOT be offered where the value of alternative goods is less than the value of the original purchase. The loan repayment arrangements set up between the customer and HFC bank will remain unaffected.**

## **CREDIT VOUCHERS**

On return of goods the trader may choose to issue the customer with a credit voucher that can be redeemed against the purchase of goods to an equivalent value within an appropriate specified time frame (e.g. 12 months).

**NB: The loan repayment arrangements set up between the customer and Hitachi Capital Consumer Finance will remain unaffected.**

## **DECLARATION**

To: the Crafts Council

I have read and understood the Terms of Business for the sale of goods under the Own Art scheme at COLLECT 2011

I accept and agree to abide with these Terms of Business

Signed \_\_\_\_\_

For and on behalf of \_\_\_\_\_

Date \_\_\_\_\_

**PLEASE COMPLETE THE FOLLOWING SECTION**

NAME OF TRADER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CONTACT NAME: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

EMAIL: \_\_\_\_\_

**CHEQUE PAYMENTS**

**Please detail the name to which all cheque payments should be payable to:**

\_\_\_\_\_

**BACS PAYMENTS**

**Please complete your bank details**

Name of account: \_\_\_\_\_

Account number: \_\_\_\_\_

Bank: \_\_\_\_\_

Branch address: \_\_\_\_\_

Sort code: \_\_\_\_\_