



Equipment lease terms

The following additional terms and conditions apply to the provision by O₂ of the Equipment Lease Service.

1. Definitions

In these Equipment Lease Terms, in addition to those terms defined in the General Conditions, the following terms and expressions apply:

Term/expression	Meaning
“Equipment Lease Service”	Means the service whereby O ₂ hires Leased Equipment to the Customer for use with the Voice Services and other Mobile Services supplied by O ₂ pursuant to this Agreement and the Hire Agreement.
“Equipment Lease Terms”	Means this document entitled “Equipment Lease Terms”.
“Hire Agreement”	Means the Consumer Credit Act regulated contract that the Customer must sign or accept online before being able to use the Equipment Lease Service.
“Leased Equipment”	Means the mobile phone, laptop computer, netbook or tablet leased to the Customer under the Hire Agreement, and includes any accessories that the Customer receives as part of the Hire Agreement, such as chargers, cases or headsets.
“Satisfactory Condition”	Means that Leased Equipment is suitable for normal use, is in substantially the same condition that the Customer received it in from O ₂ and has not been modified, damaged or broken.

2. Mobile Service

The Equipment Lease Service must be taken in conjunction with the Voice Services and the Mobile Terms will apply to the Voice Services.

Clauses 3-8 intentionally left blank

9. Leased Equipment

- 9.1 The Customer is hiring the Leased Equipment from O₂ and must return it to O₂ on termination of the Equipment Lease Service and/or this Agreement by either party in the manner specified in clause 9.4 below. The Leased Equipment must be returned to O₂ in a Satisfactory Condition such that it is received within 5 days of the termination of the Equipment Lease Service and/or this Agreement. The Customer must take adequate steps to look after the Leased Equipment and maintain it in a Satisfactory Condition.
- 9.2 If the Leased Equipment is defective, not in accordance with any description given to the Customer by O₂, not reasonably fit for purpose or it develops a fault during the Minimum Period, the Customer may return it to O₂ for repair and/or, at O₂'s option, replacement. The Customer should contact its O₂ account manager or customer service for details of how to return the Leased Equipment. Alternatively, the Customer can contact the manufacturer for replacement or repair during the warranty period under the manufacturer's warranty service detailed in the User Guide(s).
- 9.3 If the Customer is in breach of its obligations in these Equipment Lease Terms O₂ may charge the Customer for any reasonable costs or losses it incurs, including the following:
- Up to £360 exclusive of VAT if the Customer fails to return the Leased Equipment or fails to return it in Satisfactory Condition. The amount will depend on the actual condition of the Leased Equipment as explained in the table below (all pricing is exclusive of VAT);
 - Up to £360 exclusive of VAT if the Customers fail to return the Leased Equipment within the relevant time in accordance with these Equipment Lease Terms;
 - Interest on late payments as set out in paragraph 6.7 of the General Conditions; and

- A charge for O₂'s reasonable administration costs which result from the Customer's late or non-payment of Charges relating to the Leased Equipment.
 - OBLIGATION TO UNLOCK MOBILE EQUIPMENT - This is applicable to all Customers signing up for or renewing the Equipment Lease Service after January 2014. If the Customer returns the Mobile Equipment to O₂ with any security application that does not allow for the reuse or testing of the device or fails to unlock the Mobile Equipment prior to return, then the Customer agrees that the Mobile Equipment will be processed as non-viable and O₂ reserves the right to charge the Customer as per column E in the table below. Security applications include those provided on the Mobile Equipment by the manufacturer.
- 9.4 In the event that the Customer needs to return the Leased Equipment, O₂ will provide a postage-paid envelope for this purpose. However, O₂ will not accept any liability for items lost or damaged in transit. O₂ strongly recommends that the Customer uses recorded postage (Royal Mail Special Delivery or similar) which will provide insurance and the ability to track the item. The Customer must use the envelope provided for return of any Leased Equipment. In certain circumstances, for example in the event that the Customer is upgrading, the Customer may be able to return the Leased Equipment to an O₂ retail shop.
- 9.5 The Service Commencement Date for the Equipment Lease Service will be the date on which O₂ commences or moves the Customer onto the new Voice Services tariff as part of this Agreement.
- 9.6 The Minimum Period for the Equipment Lease Service is set out under “Period of Hire” in the Hire Agreement. That section explains how the Minimum Period can be extended. It also explains how the Customer can end the Equipment Lease Service at or after the end of the Minimum Period. The Equipment Lease Service can also be ended before or after the Minimum Period by either party in accordance with paragraph 13 of the General Conditions.
- 9.7 The Customer must take adequate steps to avoid loss, theft or unauthorised use of the Leased Equipment. If the Leased Equipment is lost, stolen, or damaged in a way that means it will not be able to be returned in Satisfactory Condition the Customer must notify O₂ as soon as possible by calling 2302 from an O₂ mobile device or 0844 875 2302 from a landline.
- 9.8 In the event that the Customer is in breach of these Equipment Lease Terms, O₂ reserves the right to immediately suspend or terminate the Voice Services on notice in writing to the Customer and if the Customer is in breach of this Agreement O₂ reserves the right to terminate the Hire Agreement.
- 9.9 In respect of iPhone 4 only, the Customer must take the mandatory insurance that is offered as part of the Equipment Lease Service. If the Customer cancels the insurance policy at any stage O₂ will deem this to be a request to immediately terminate the Equipment Lease Service and all relevant Charges will become payable. If the Customer is still within the Minimum Period and cancels or does not pay for the mandatory insurance then paragraph 14.1 of the General Conditions will apply.
- 9.10 The Customer will not be able to change to a lower or higher value Voice Services tariff during the period in which the Customer takes the Equipment Lease Services.

10. Equipment lease service cooling off period

- 10.1 The Customer may return the Leased Equipment to O₂ and cancel the Equipment Lease Service up to 14 days after the Service Commencement Date. This is in addition to any statutory rights. The Customer must return it to either an O₂ retail shop or through the methods described in O₂'s repair and returns policy. The Customer should check with its O₂ account manager or call customer service for details of O₂'s repair and returns policy.
- 10.2 O₂ will bear the reasonable postage costs of returning the Leased Equipment with original parts and the original packaging, as long as the Customer has followed the prescribed returns method, otherwise the Customer must bear the cost of returning the Leased Equipment to O₂. O₂ may charge the Customer the reasonable costs that O₂ incurs in collecting any Leased Equipment which is not returned as required in this Agreement, which may be substantial. The Customer must make the Leased Equipment available for collection on O₂'s request.
- 10.3 If the Customer cancels the Hire Agreement, it may still be liable to O₂ for the Charges for the Voice Services and Equipment Lease Services under this Agreement for the duration of the Minimum Period.

Condition category	A				B				C				D				E			
Description of condition	<ul style="list-style-type: none"> Fully functional, in excellent cosmetic condition, i.e. no scratches or chips, no cracked casing/screen, broken/missing buttons, damaged ports. Battery is working. It's not water damaged. Has no connectivity/software issues or speaker problems. 				<ul style="list-style-type: none"> Fully functional, in fair cosmetic condition. Fair cosmetic condition includes, cracked casing, heavily scratched back cover, cracked/damaged screen cover and broken buttons. No sound or distorted sound. Water damage sensor indicates water damage, but unit is still fully functional. Volume control buttons or knobs that don't function properly. Casing/screen cover is visibly cracked or fractured - unit fully functions. A single missing part including battery, back cover, front cover and speaker.¹ 				<ul style="list-style-type: none"> Unit has some operational and cosmetic faults - is functioning. Won't connect to wifi or phone network. Headphone jack and sim card port don't function when plugged in. Casing is visibly separated at seams, or housing not complete. Multiple missing parts including battery, back cover, front cover and speaker.¹ 				<ul style="list-style-type: none"> Isn't functioning, or has excessive cosmetic damage. Backlight is dim, but 100% fully functional. Touchscreen/LCD damaged. Freezes. Won't start up or any software component failing. ON/OFF, and other major controls don't function. Non-functioning power port or unit can't be charged. Any crack or fracture on the glass touchscreen. Broken or missing battery.² 				<ul style="list-style-type: none"> Crushed, broken in half or beyond physical repair. Stolen or fake. Blocked or device locked by any application (preventing reuse or testing once returned). Incorrect model or specification returned. 			
iPhone	4S	5	5S	5C	4S	5	5S	5C	4S	5	5S	5C	4S	5	5S	5C	4S	5	5S	5C
16GB	No charge	No charge	No charge	No charge	£65	£70	£59.25	£50.29	£130	£135	£118.50	£100.59	£190	£195	£177.75	£150.88	£250	£255	£237	£201.17
32GB					£75	£75	£69.25	£59.25	£150	£150	£138.50	£118.50	£220	£220	£207.75	£177.75	£290	£290	£277	£237
64GB					-	£85	£85	£79	-	£170	£170	£158	-	£250	£250	£237	-	£335	£335	£316
Samsung S4	No charge				£50.63				£101.25				£151.88				£202.50			
Nokia 925	No charge				£24.40				£48.75				£73.20				£97.50			
Asus tablet	No charge				£28.20				£56.25				£84.38				£112.50			
iPad	Air		Mini		Air		Mini		Air		Mini		Air		Mini		Air		Mini	
16GB	No charge		No charge		No charge		No charge		No charge		No charge		£116.33		£100.61		£165.31		£142.97	
32GB													£137.16		£121.21		£194.91		£172.25	
iPhone	6		6 Plus		6		6 Plus		6		6 Plus		6		6 Plus		6		6 Plus	
16GB	No charge		No charge		No charge		No charge		No charge		No charge		£168.36		£194.42		£239.25		£276.28	
64GB													£197.25		£223.69		£280.30		£317.87	
128GB													£225.51		£252.16		£320.46		£358.33	

¹ Relates to non Apple devices only. ² For Apple devices only. Charges are exclusive of VAT.