

# Principal Terms for Contract Customers

Here are some Frequently Asked Questions to help you understand the **Conditions of Supply for Small and Medium Enterprises (November 2011)** (referred to here as the **Conditions**). These questions relate specifically to where we supply your business with Energy under a Contract. A Contract is legally binding. Please take the time to read the Conditions carefully. Any terms in initial capitals are defined in the Glossary set out at the end of the Conditions.

## Will I need to provide a security deposit?

In some circumstances we may require you to provide a cash deposit (or another form of security such as a letter of credit or a bank guarantee) at the start of the contract, or at any time during your Supply (Condition 6) You may view our credit guide at [www.npower.com/smalluserscreditguide](http://www.npower.com/smalluserscreditguide) (Condition 16). If you have any questions about your credit check please call **0845 166 3360**.

Please see Condition 16 for details of how we may use your information.

## Am I contracted for a minimum period?

Yes, your contract will be for an initial fixed period (referred to as the Initial Period) that we have agreed with you (Condition 4.1).

## What happens at the end of my initial fixed period?

We will write to you at least 90 days before the end of your Initial Period (and before the end of any subsequent 12 month period referred to as an Extension Period) with prices for the next 12 months.

To prevent your Contract extending beyond the Initial Period (or any subsequent Extension Period) you must send us a written notice of termination by either email to: [business.queries@npower.com](mailto:business.queries@npower.com) or by post to The Correspondence Team, Bridge House, 200 Clough Road, Hull. HU5 1SN. You must include your account Number and MPAN/MPR in your notice of termination to us. Your notice of termination must be received by us no later than 60 days before the end of the Initial Period (or relevant Extension Period).

If you do nothing we will continue to supply you for a further 12 month period on the prices that we send you (Conditions 4.2, 4.3 and 4.4).

If you terminate your Contract but do not change supplier or enter into a new contract with npower, we will continue to supply you on the same terms and conditions but on our 'out of contract default prices' (Condition 4.5) which will be provided to you. Our default prices are higher than our contract prices.

## How much will my energy cost me?

Your Charges are shown on the enclosed **Price and Site Information Sheet**. You will pay a Unit Charge for each kWh of Energy you use, together with other Charges that may be applicable to your Supply (for example, a Standing Charge or a Capacity Charge).

Payment terms are usually 14 days from the date of the bill by the agreed payment method. If you have agreed to pay by direct debit and fail to do so, you may have to pay a surcharge (Condition 7.4).

## Can the price I pay for Energy change during any fixed period of my Contract?

No, unless the information you provided when we priced your Contract was incorrect (Condition 5.4), or there are legal, regulatory, industry or third party changes or increases (Condition 7.15), or your Energy requirements change (Condition 11.13).

## Could I have to pay any other Charges?

No, unless you fail to carry out your obligations under the Contract. For example, if you are a new customer and we are delayed in becoming your registered supplier, or fail to become your registered supplier, due to your actions, you may have to reimburse us for our costs and losses or pay us a Cancellation Fee and a Termination Fee (Conditions 3.4 and 3.6); or, where we incur costs if you fail to pay your bills on time (Condition 9.3). For further details of our charges please call 0845 166 3360 for electricity and 0845 166 3320 for gas.

## When can I change supplier?

You may change supplier when either your Initial Period or Extension Period has come to an end, as long as we have received notification by the date set out in your Statement of Renewal Terms (Condition 4.2).

If we receive a request from another supplier to register your Supply during any fixed term of your Contract, or if you haven't complied with the notice provisions, then we have a right to prevent that transfer. We may also object to a transfer if there is any outstanding debt on your account (Condition 3.6). If we do object then we will notify you in writing.

## What happens if I am planning to leave the Site?

If you plan to cease trading, or move premises, or sell a Site, you must notify us in writing at least 30 days in advance, providing the relevant information about the incoming tenant or the landlord (Condition 8.1). You must make sure that your account is up to date. We may charge you a Termination Fee (Condition 8.5) including a charge for De-energisation/Isolation (Condition 9.1).