

Section 4

Contracts made in the conditions specified in section 1 are contracts of hire-purchase, notwithstanding any other denomination which may be used by the parties in their agreement.

If the parties agree that the ownership of the movable is transferred at the time ^{when} the contract is made or the movable delivered, ~~the~~ they shall be deemed to have made a contract of sale where ^{the} payment ^{of the price} is by successive instalments.

Illustrations - I. Suppose it is specified in the contract between A and the Eastern Co. that this is not a contract of hire-purchase under this Title but that "this is a contract of hire ~~with~~ with a special clause of promise of sale". By this denomination, the Company would try to escape the provisions of the present Title, ~~consequently~~ and especially the delays for determining the contract or the calculation of the compensation due to them which often could be higher and excessive. Section 4 forbids such a combination and the courts shall take the contract as hire-purchase under the present Title.

II. It may be agreed that A becomes the owner of the electric fan when the contract is ~~made~~ ^{made} ~~agreed between the parties~~ or when the electric fan is delivered to him. But in such case the transfer of ownership ^{makes the contract} quite ~~is~~ different from a contract of hire-purchase as specified in section 1. This becomes a contract of sale with payment of the price is made by successive instalments. ~~there~~ there are no special rules for such a contract because it comes under the general rules of sale. A becomes the owner of the property; he can not