

**Asset Finance Guide: Finding the right asset finance agreement for you**

<p><b>Introduction</b></p>	<p>We want to help you to find a suitable asset finance product that meets your needs. This document sets out how we will handle services we provide to you for Credit Broking and/or lending.</p>
<p><b>Authorisation</b></p>	<p>First Capital Finance Ltd (FCF) is authorised and regulated by the Financial Conduct Authority (FCA). The Financial Conduct Authority (FCA) regulates financial services in the UK, and you can check our authorisation and permitted activities on the Financial Services Register by visiting the FCA’s website <a href="http://www.fca.org.uk/firms/systems-reporting/register">www.fca.org.uk/firms/systems-reporting/register</a> or by contacting the FCA on 0800 111 6768.</p>
<p><b>Our Services</b></p>	<p>We will source products from the market that are suitable to the requirements you disclose to us. We operate with a panel of finance companies which gives us access to a wide range of finance options.</p> <p>Once we have matched your requirements to a suitable lender, we will present the relevant agreement to you for your signature. If you have any questions in relation to its terms and conditions, please feel free to discuss them with your accountant or financial adviser. We will be happy to explain any terms of the agreement to you. First Capital Finance do not provide or offer product or lender advice.</p> <p>FCF could act as a credit broker (where we place your application with one of our panel of lenders) or we may act as the lender. We will inform you of the status in good time to ensure you are aware of our exact involvement within the agreement.</p>
<p><b>Scope of Service</b></p>	<p>FCF works with a panel of lenders which represent a fair analysis of the relevant market. Please ask for details of the lenders on our panel if you require this information.</p>
<p><b>Do I need asset finance?</b></p>	<p>The main options for financing a vehicle or an item of equipment (i.e., the asset) you wish to acquire are:</p> <ul style="list-style-type: none"> <li>• Purchase outright for cash</li> <li>• Bank facility</li> <li>• Raise new capital</li> <li>• Rent for a short period (typically less than one year)</li> <li>• Take out an asset finance agreement. A lender will purchase the asset from the supplier you have selected, at the price you have negotiated. You will then hire or lease the asset from the lender.</li> </ul> <p>In deciding which option to select, relevant factors may include:</p> <ul style="list-style-type: none"> <li>• Whether you have the cash to buy outright</li> <li>• How long you need the asset for</li> <li>• Costs of the different options</li> </ul> <p>For more help in deciding whether to select asset finance please contact us directly.</p>

<p><b>What types of asset finance are there?</b></p>	<p>Most asset finance arrangements involve paying a deposit and then monthly payments. The key difference between products is what happens at the end of the agreement and who gets title to the asset.</p> <ul style="list-style-type: none"> <li>• <b>Hire Purchase:</b> When you have paid all the payments under the agreement there is an option to purchase the asset for a nominal option to purchase fee.</li> <li>• <b>Conditional Sale:</b> When you have made all the payments under the agreement you automatically take ownership of the asset.</li> <li>• <b>Personal Contract Purchase / Business Contract Purchase:</b> This product is usually only available to finance vehicles. At the end of the agreement there is an optional large final payment to purchase the vehicle (and a nominal option to purchase fee). Alternatively, you can return the vehicle to the lender. The final payment is dependent on your estimated annual mileage.</li> <li>• <b>Loan:</b> A business loan can be used to finance certain types of business expense such as purchasing inventory, building works, paying VAT or Corporation Tax as well as physical assets</li> <li>• <b>Lease/Hire:</b> At the end of the agreement, there are a number of options available to you including extending the Lease term, returning the asset to the lender or upgrading the equipment (via a new agreement). There is no option to purchase the asset at the end of the agreement and you will not get title to the asset.</li> </ul> <p>In deciding which option to select, relevant factors may include:</p> <ul style="list-style-type: none"> <li>• How long you expect to use the asset for</li> <li>• The income or corporation tax, VAT and accounting treatment of the product</li> </ul>
<p><b>Suitability of asset finance</b></p>	<p>Asset finance may not be suitable in certain circumstances. You should be aware:</p> <ul style="list-style-type: none"> <li>• You will have to continue to pay for the asset for the agreed period even if you no longer need the asset or it cannot be used. However, you may be able to arrange to settle the agreement early.</li> <li>• If you change the asset during the agreed minimum rental period, this could lead to higher charges.</li> <li>• Asset finance is unlikely to be suitable if you are not sure if you will need the asset for the minimum contract period.</li> <li>• Asset finance is unlikely to be suitable if you are not sure the asset will be maintained and kept in a useable condition for the minimum contract period.</li> </ul> <p>For more details of factors affecting suitability, see the Guidance published by the Institute of Credit Management. <a href="https://www.cicm.com/wp-content/uploads/2017/04/MCFG_12_Investing_in_equipment.pdf">https://www.cicm.com/wp-content/uploads/2017/04/MCFG_12_Investing_in_equipment.pdf</a></p>

## Our Services



<p><b>Our Charges</b></p>	<p>We do not make a charge to you for helping you to find a suitable lender. We will receive a payment by way of a commission or a fee from the lender for our work. Different lenders may pay us different amounts.</p> <p>In the event that FCF finances your lending request directly without broking out to a member of our lender panel then no external commission payments are payable to us.</p> <p>Where your request for lending relates to a vehicle and the lending will be regulated by the Consumer Credit Act (CCA), we will direct your request to a suitable lender based on the risk profile of the proposal. The APR charged under the finance agreement and any commission paid to us will be set at a fixed rate linked to the risk profile of the proposal. These are set by the relevant lender.</p> <p>If you wish to know more about how we determine the risk profile of a proposal and the price we link to this profile, then we can share this information with you.</p>
<p><b>Data Protection</b></p>	<p>We may use the contact information provided to us to make searches with credit reference agencies and to obtain quotations from lenders.</p> <p>Please visit our website which gives full details of how we may use your personal information to provide the service to you.  <a href="https://www.firstcapitalfinance.co.uk/index.php?id=14">https://www.firstcapitalfinance.co.uk/index.php?id=14</a></p>
<p><b>Complaints</b></p>	<p>Our aim is to provide you with a professional and confidential service that delivers the highest possible standards. However, there may be occasions where you feel this has not been achieved and, should you wish to make a complaint about any aspect of the service we provide to you, you can do this by writing to First Capital Finance Limited, Capital House, 1084-1086 Christchurch Road, Bournemouth, Dorset, BH7 6DT or by telephone 01202434000 or email davidmogg@firstcapitalfinance.co.uk. We will try to resolve your concern as quickly as possible.</p> <p>A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request. If we are unable to settle a complaint to your satisfaction, you may be entitled to refer it to the Financial Ombudsman Service (FOS) at <a href="http://www.financial-ombudsman.org.uk">www.financial-ombudsman.org.uk</a> or by contacting them on 0800 023 4 567.</p> <p>For complaints that do not fall under FOS jurisdiction, if FCF is unable to resolve any complaint to your satisfaction the Finance and Leasing Association’s Code sets out the procedures which are available to you, including arbitration.</p>
<p><b>Insurance</b></p>	<p>A condition of taking out an asset finance agreement is that the asset must be insured</p>
<p><b>Information you supply</b></p>	<p>We will use the information which you provide to us in order to assess the type of finance which is most suited to the needs you outline to us and to identify the most suitable funder to provide the finance. It is important that the information you provide is all correct, complete and up to date and that you provide any further information as soon as we ask for it. If information is supplied which is incorrect or incomplete it may result in your application being delayed or finance being provided which does not meet all of your needs.</p>

## Our Services



You confirm that all information which you provide to us at any time is correct, up to date and complete and does not omit anything which could be material to your application.

### Your Consent

We intend to rely on this document for the services we provide to you and request that you provide your agreement to the sections above. For your own benefit and protection, you should read these terms carefully before taking your application forward.

If you do not understand any point please ask for further information.

Customer Signature		Date	
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### For Office Use:

Customer	
Where placed	
Date agreement signed by Customer	
Agreement number	
Other notes:	