



BILLINGFINANCE

GETTING YOU WHERE YOU NEED TO BE



Product information sheet

Motor Finance Traditional HP



Products & Services Outcome and Price & Value Outcome - Information for distributors.

This summary document is being provided to you to fulfil our responsibilities under PRIN 2A.4.15R and PRIN 2A.3.12 R (2).

It is designed to support you to comply with your responsibilities under PRIN 2A.3.16 R and PRIN 2A.4.16 R. Please note that you are ultimately responsible for meeting your obligations under 'The Consumer Duty'.

This information is intended for intermediary use only and must not be provided to customers.

Summary of our assessment

We have assessed that:

- Our vehicle motor finance (HP) product range continues to meet the needs, characteristics, and objectives of customers in the identified target market.
- The intended distribution strategy remains appropriate for the target market.
- The Product provides fair value to customers in the target market (i.e. the total benefits are proportionate to total costs).

This assessment does not include any fees, charges or other costs you require the customer to pay to you for any products or services you provide that are separate or in addition to the product or services we provide.

You are responsible under the Consumer Duty for assessing those products or services. If you believe that the customer is not receiving fair value in respect of these products or services, you must inform us.

General product information

Who is our target customer?	Vehicle Condition	Maintenance included or customer maintained	Option to purchase
New & existing (partner)	We finance used motor vehicles inc. leisure assets and new motorcycles. Full vehicle eligibility criteria can be obtained from our New Business department who can be contacted on 01604 402204.	No vehicle maintenance is included – this is the customer’s responsibility under our T&Cs	Every agreement features the option to purchase. We do not offer leasing or non-ownership products.

Product characteristics & benefits

The products are designed to meet the needs of the target group, which is customers with non-standard profiles which may find it difficult to secure mainstream bank/lender finance.

Individuals within the target market may have credit files which show some history of late payments, low value or historic defaults or be in non-traditional employment (this list is not exhaustive). Customers may also have thin credit files, meaning they lack experience with regulated financial services products.

The product features and criteria are designed to support these needs.

- Fixed monthly repayments
- No fees or charges (except legally required £1 OTP fee)
- Simple, clear Hire Purchase documentation with a plain English approach
- Specific vehicle criteria with max balances financed
- Legal right to make partial payments, partial settlements and settle early
- Legal right to withdraw
- Term length from 2 – 7 years (asset dependent)
- We finance from £1,499 (bike) / £2,000 (car) up to £25,000.

Target market assessment and distribution strategy

This target market assessment matrix segments the target customers for the Product, recognising their different needs to enable you to tailor the services you provide when you distribute the Product.

Customer Circumstances

Non standard credit histories/profiles

Distribution Strategy

Broker introduced – online and face to face

Customer Needs & Objectives

Wants to own vehicle through secured finance

The Product is **not** designed for customers who:

- Would like to reduce their monthly payments through deferral of a balloon (PCP is not offered)
- Are able to secure finance through a mainstream prime lender for the target asset
 - Are seeking a bridging loan
- Do not want to own their vehicle at the end of the term
- Are unable to meet the terms of the agreement (e.g. that wish to take the vehicle overseas, who are unable to maintain payments, unable to maintain the asset or insurance as per the terms of the agreement).

Customers with characteristics of vulnerability

The Product is designed for near to non-standard customers who may have creditworthiness features outside of mainstream lender risk appetite which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

Any customer who indicates a **foreseeable event or circumstance** which may affect the long-term sustainability of the finance product may not be suitable for an agreement – further information should be obtained before sending to us for a decision.

Customers should have a **clear understanding** of the terms and conditions – any barriers which may affect the customers' ability to understand the terms (e.g. capacity limitations, low literacy) must be made known to us at proposal stage.

As a broker you should continue to comply with your obligations to ensure that you treat customers in vulnerable circumstances **fairly and appropriately**.

Here are some useful resources for you to refer to.

[Treating vulnerable consumers fairly | FCA](#)

[Guidance for firms on the fair treatment of vulnerable customers | FCA](#)

Our assessment of value

We have developed a comprehensive and robust assessment process which evaluates several aspects of our business to determine the value of our product. This analysis is used to ascertain whether the Product delivers fair value for customers.

The outcomes of the assessment process are presented to the Product & Pricing Committee, allowing for challenge and further investigation before we sign-off the outcomes and share the summary of our assessment with you.

Our fair value assessment has considered the following:

Benefits	Price	Costs
Ownership of vehicle with no mileage restrictions prior to ownership	APR/cost of borrowing	Cost of borrowing as priced for customer risk
Service provision (quality assurance, in house Compliance & Legal team, UK based call centre open 6 days per week, pre-employment screening for all staff)	n/a	
Clean good/title check	n/a	Cost of independent asset valuation
Fair market value financed	n/a	Cost of independent asset valuation (not directly passed on to customer)
Fraud protection checks	n/a	Cost of membership (not directly passed on to customer)
Trade body membership (FLA)		Cost of membership (not directly passed on to customer)

Results of our assessment: Our assessment concluded that the Product continues to deliver fair value for customers in the target market for the Product.