



#### Personal Contract Hire in more detail

There are two distinctive types of finance agreements. Which one you choose depends on whether you wish to own the vehicle(s) at the end of the agreement or not:

A **Purchase agreement** is where you, the customer, have the right to obtain legal title to the vehicle. (Supply of Goods)

A **Hire agreement** is where you, the customer, have no option to gain legal title to the goods. (Supply of Services)

Personal Contract Hire is a **hire agreement** and is a flexible finance option. This finance option is budget friendly and offers an alternative to traditional funding methods such as personal loans or hire purchase.

Personal Contract Hire enables you to have the vehicle (s) without a large deposit. The vehicle(s) are simply hired for a fixed period and handed back at the end of the agreement term.

#### The benefits of Personal Contract Hire

- Consistent and accurate budgeting
- Low initial outlay – avoiding large deposit
- Fixed interest rates
- Fixed cost maintenance available including:
  - Servicing
  - Tyres
  - General Repairs
  - Road Fund License
- No depreciation risk - underwritten by finance company
- No disposal risk
- No final payment
- Road fund license is often included

#### Who should consider Personal Contract Hire?

This finance option is best suited to personal drivers who want fixed cost motoring or company car drivers who have opted out of their company car scheme. Due to flexibility of this finance option enabling you to be able to include fixed cost maintenance as part of the agreement, you only have to sort out the insurance and fuel.

If you are using your car for Business Use then please ensure that you notify your Insurance Company.

#### Still not sure which finance option is best for you?

Why not take a quick glance at our Financial Comparison Chart to make sure that you have considered the advantages and disadvantages of each finance option. Our Comparison Chart provides a checklist of finance & tax, and running cost issues.

If you require any further information or would just like to talk to one of our Customer Service Team about your individual requirements then simply call us on **0161 406 3936**.