

## Introduction

We want to help you to find a suitable asset finance product that meets your needs. This Information Sheet explains everything we believe you should consider in order to make an informed choice.

The services and facilities discussed today are provided by Midlands Asset Finance Limited. Midlands Asset Finance Limited is authorised and regulated by the Financial Conduct Authority (FRN 734580) and also trades under the names of MAF Finance Group, MAF Leasing and Asset Finance Compared. We are a credit broker and not a lender.

You can check this information on the FCA's register by visiting <https://register.fca.org.uk/s/>

Some of the services we provide are not regulated by the FCA and you will be advised in advance of any such service.

## Our role

We offer leasing, hire and finance products provided by an extensive panel of funders to give customers a wide choice of financial solutions. We are not linked to any of our lending panel members and a list of our lenders can be provided upon request.

After having discussed your needs and circumstances and explained the key features and benefits, we will provide you with personalised quotes for the product you have chosen.

All rates quoted are subject to movements in our funder's cost of funds to the point of funding and are also subject to credit approval and agreed terms and conditions. The funder has the right to change or decline these quotes on receipt of the full proposal.

We also recognise that it is important for customers to be able to explore alternative sources of credit.

Once a suitable facility has been agreed, we will present the lender's agreement to you to sign. We will discuss this with you, explain the terms of the agreement to you and give you time to ask any questions.

## Do I need asset finance?

The main options for financing newly acquired vehicles and equipment are:

- Purchase outright for cash.
- Use bank facility.
- Raise new capital
- Rent for a short period (typically less than one year)



- Take out an asset finance agreement. A lender will purchase the equipment from the supplier you have selected, at the price you have negotiated. You will then hire or lease the equipment from the lender.

In deciding which option to select, relevant factors may include:

- Whether you have the cash to buy the asset outright
- How long you will need the asset for
- What the costs are for each different option and if you are financing the asset what the interest costs are and the monthly repayments under the Agreement.

For more help in deciding whether to select asset finance, see the Government's Business Finance advice <https://www.gov.uk/business-finance-explained/overview>

### **What types of asset finance are available?**

Most asset finance arrangements involve paying a deposit and then a specific number of payments. The key difference between products is what happens at the end of the agreement and who gets title to the asset.

#### **Hire purchase:**

At the end of the agreement there is an option to purchase the asset. If the option is not taken up, the asset needs to be returned to the lender. For assets (other than cars) VAT on the cost of the asset is payable with any deposit you are paying at the beginning of the Agreement. VAT may be deferred for a period of 3 months and if this is of interest, please ask for a quote on this option.

#### **Conditional sale:**

At the end of the agreement, you automatically take ownership of the equipment.

#### **Finance lease:**

At the end of the agreement, there is no option to purchase the asset. The agreement can usually be extended, you may be offered the option of selling the asset on behalf of the lender, or the asset can be returned to the lender. You do not get title. Leasing is a service which means that VAT is paid on each rental throughout the life of the agreement (and not on the capital cost of the asset at the start of the agreement as with Hire Purchase).

In deciding which option to select, relevant factors may include:

- How long you expect to use the asset for
- The income or corporation tax, VAT and accounting treatment of the product

For more details of these factors, see the Government's Leasing and Asset Finance advice <https://www.gov.uk/business-finance-explained/leasing-and-asset-finance>



### Suitability of asset finance

- If you fail to make your repayments on time the goods could be repossessed, in some cases without a court order. You may also be charged late payment interest, additional fees and costs.
- If you fail to make your repayments on time, the agreement could be terminated and you may have to return the goods. If legal proceedings are issued against you, you may be required to pay the costs of any legal proceedings or recovery process taken.
- If you fail to make your repayments on time the funder will add details of your non-payment to credit reference agency records. This could make it more difficult to obtain credit in the future.

For more details of factors affecting suitability, please see the guidance published by the Institute of Credit Management, managing cash when it's time to invest:

[http://www.icm.org.uk/wpcontent/uploads/2013/08/Resources\\_CFG fla.pdf](http://www.icm.org.uk/wpcontent/uploads/2013/08/Resources_CFG fla.pdf)

### Our remuneration

We do not directly charge you for helping you arrange your asset finance facility. We are remunerated by way of an introductory payment payable by the funder. The nature of this payment and the effect on the interest rate you might pay will vary from funder to funder and is dependent upon a number of factors including (but not exclusive to) asset type, product chosen and customer circumstances and credit status.

You are entitled, at any time, to request information regarding any payment which we may have received as a result of placing your finance with a funder. This information will be available from your Relationship Manager within 48 hours of your funding being approved and you can request it by emailing or telephoning your Relationship Manager directly or by emailing [operations@maffinancegroup.co.uk](mailto:operations@maffinancegroup.co.uk). You can also write to Midlands Asset Finance Ltd, 22-24 Maisies Way, The Village, South Normanton, Derbyshire, DE55 2DS.

### Treating you fairly

We always aim to treat you fairly. This means that we will always endeavour to:

- Conduct our business with due skill, care and integrity
- Never put ourselves in a position where our primary duty to you is compromised
- Deal with any complaint sympathetically and independently of the colleague to whom the complaint is directed
- Be transparent in the matter of our remuneration
- Respect your confidentiality



## Privacy policy

We pay a data protection fee to the ICO under the Data Protection Regulations and abide by the requirements of the regulations. Our ICO reference number is ZA177963. We will use the contact information you provide to us to obtain quotations and arrange finance with lenders. Our notice will be provided together with this document and our full privacy policy can be viewed on our website [www.maffinancegroup.co.uk](http://www.maffinancegroup.co.uk).

Before or after you enter into any agreement with a funder, to help make credit decisions, the funder will make a credit search with a credit reference agency. If you are a company or partnership they will also make enquiries about the principle director(s) or partner(s) with a credit reference agency.

Each funder we use has their own privacy policy that explains how your data will be processed and shared. Full details of the use and disclosure of your information by the funder is contained within the terms and conditions of any agreement which you should read before signing.

You do not have to provide any information against your will, but this may affect your ability to obtain finance.

## Complaints

If you have a complaint about our service, please contact us on Tel: 01159 586872, write to us at the address below, via our website [www.maffinancegroup.co.uk](http://www.maffinancegroup.co.uk) or you can email any complaint direct to our Complaints Officer, Ricky McNeil, [rickymcneil@maffinancegroup.co.uk](mailto:rickymcneil@maffinancegroup.co.uk).

We will acknowledge your complaint and deal with it quickly for you and in line with our Complaints Policy which is available at [www.maffinancegroup.co.uk](http://www.maffinancegroup.co.uk)

You may be entitled to refer a complaint against us to the Financial Ombudsman Service if you are not satisfied with our response.

The contact details are as follows:

**The Financial Ombudsman Service, Exchange Tower, London E14 9SR**

**Website – <http://www.financial-ombudsman.org.uk/>**

**E-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)**

**Tel: 0800 023 4 567**

Vehicle leasing customers may be able to refer any unresolved disputes to the BVRLA's Conciliation Service. Midlands Asset Finance Limited may also refer unresolved disputes to the BVRLA. The BVRLA Conciliation Service will investigate potential breaches of the BVRLA Code of Conduct and will aim to resolve matters using information presented by both parties to the dispute. The BVRLA aims to resolve complaints through their Conciliation Service within 30 days and members must comply with the Conciliation Service's findings.

