

# Drayton Croft Motorcycles Ltd

## FINANCIAL SUITABILITY QUESTIONNAIRE (Vat No 339 5657 17)

<b>Name:</b>	<b>Date:</b>
Which finance company did you use to finance your last motorcycle purchase?	
What type of agreement did you choose?	
How much are you currently paying per month (GBP)?	
Were you happy with this finance agreement and the funding of the motorcycle?	
How many years do you plan to keep the motorcycle?	
What is your planned annual mileage?	
What monthly budget/repayment (GBP) (are you aiming to achieve?)	
Do you know of any changes in your personal future circumstances that should be considered when arranging your finance agreement?	
During the period of ownership your motorcycle may depreciate more than anticipated. Would you like to guarantee the future value of the motorcycle?	

### Suitable Products to Consider

Based on the answers given during your Finance Suitability Questionnaire, suitable products for your consideration are shown below. I have also included advantages and disadvantages for each finance product.

**You should carefully compare all relevant funding methods before making a decision.**

### Personal Contract Price (PCP)

PCP is essentially the same as a standard Hire Purchase agreement, but with a significant proportion of the amount of credit deferred until the end of the agreement which is commonly known as the Guaranteed Future Value (GFV). The value of the motorcycle at the end of the contract is guaranteed to at least equal that of the deferred final payment if the customer exercise the Goods Return Option. Under PCP the customer has the following options at the end of the agreement:

1. Part exchange the motorcycle subject to settlement of your existing finance agreement; new finance agreements are subject to status.
2. Return the motorcycle and not pay the final lump sum repayment (GFV). If the motorcycle is in good condition and has not exceeded the agreed maximum mileage you will have nothing further to pay. If the motorcycle has exceeded the agreed maximum mileage a charge for excess mileage will apply.
3. The vehicle needs to be in a reasonable condition needing no body work, tyres or mechanical parts and is in a re-saleable and clean condition with full service history.
4. Pay the final lump sum repayment (GFV) to own the motorcycle.

### Advantages

- Enables you to replace your motorcycle more often – providing you with the latest safety, performance, design and economy features each time you change your motorcycle.
- Ride a better motorcycle by deferring part of the credit to the end, you keep your repayment lower and can finance a newer, higher specification motorcycle.
- Flexibility – Set repayment periods from two to four years, then choose the best option for you when you reach the end of the agreement.
- Protection against depreciation as a result of an unexpected fall in the value of the motorcycle when you exercise the “Goods Return” option (when you hand the motorcycle back).

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## Disadvantages

- There are mileage restrictions therefore high mileage customers cannot fund a motorcycle on PCP.
- You do not own the motorcycle until the final repayment has been made.
- Your motorcycle is at risk of repossession if you do not maintain contractual payments.
- PCPs do not work well with large deposits as customers may have to find additional cash for their next motorcycle to continue with similar monthly payments.

## Hire Purchase

Under a HP agreement, you pay an initial deposit and then the remaining balance plus interest is paid over an agreed period of one to five years. At the end of this period, you will own the motorcycle outright, although your lender may require you to pay a fee before title can be passed to you.

### Advantages

- There are fixed costs meaning that the APR (Annual Percentage Rate) is set before the contract begins and will not change.
- Deposits are flexible.
- Finance period are flexible with up to 60 months to pay.

### Disadvantages

- You do not own the motorcycle until you make the final repayment.
- Your motorcycle is at risk of repossession if you do not maintain contractual repayments.
- You have no protection against depreciation as a result of an unexpected fall in the value of the motorcycle.
- The longer the finance period the more interest you will pay in total.

## Personal Loan

With a personal loan you can spread the cost of a new motorcycle and you can even borrow a little extra to cover the accessories you will need to get safely on the road. You pay an initial deposit and then the remaining balance plus interest is paid over an agreement of one to five years.

### Advantages

- A personal loan is different from other finance products in that you own the motorcycle from the outset.
- You can also include factory fitted accessories or equipment such as leathers and your helmet.
- There are fixed costs meaning that the APR (Annual Percentage Rate) is set before the contract begins and will not change.

### Disadvantages

- You do not have the Voluntary Termination rights that you would have with a Hire Purchase or Personal Contract Purchase Agreement.
- You have no protection against depreciation as a result of an unexpected fall in the value of the motorcycle.
- The longer the finance period the more interest you will pay in total.

**I am happy for you to proceed with the finance application. I also agree with these Terms and Conditions.**

**Customer Name .....** **Signature .....** **Date .....**

**Signed on behalf of Drayton Croft Motorcycles Ltd**

**Signature .....** **Date .....**

## INITIAL DISCLOSURE DOCUMENT

### Initial Disclosure Document- Consumer Credit

Financial Conduct Authority (FCA) is the independent regulator of financial services. Use this information to decide if our services are right for you. Drayton Croft Motorcycles Limited is authorised and regulated by the Financial Conduct Authority (our registration number is 679307) and is permitted to advise on and arrange consumer credit contracts.

### Your Finance Options

As an FCA regulated credit broker we can introduce you to a selected group of lenders (a list is available on request) who may be able to help you finance your purchase. This group of lenders provides us with a range of products which may be suitable for your purchase. We will explain the key features of those products to you.

We do not charge fees for our Customer Credit services. We may receive a payment(s) or other benefits from finance providers should you decide to enter into an agreement with the finance provider.

We have taken steps to ensure that if, in the course of advising you, we make a recommendation; such recommendation will be suitable for your demands and needs at the time the recommendation is made. In assessing your demands and needs we may seek such information about your personal circumstances and objectives as might be relevant in order to enable us to identify your requirements. It is important that you provide us with accurate and relevant information.

We always aim to provide a first class service, however, if you have any cause for complaint any enquiry can be raised by contacting us using the address and telephone number above. Should you remain dissatisfied you have the right to ask the Financial Ombudsman Service, Exchange Tower, London, E14 9SR

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This document shows the product you have decided to opt for. It should be read in conjunction with the pre contract agreement Standard European Consumer Credit Information (SECCI).

Product you have chosen (please circle):

Cash	Personal Loan	Hire Purchase	Personal Contract Purchase
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I confirm that I have received the following documents:

1. Information on the financial services we offer
2. Finance Suitability Questionnaire
3. Finance Options (including Advantages and Disadvantages)
4. Confirmation of selected produced and cancellation rights (if applicable)

I have had the opportunity to read the information gathered during the sales process and I agree that it is complete and accurate and reflects my needs and is acceptable to me.

I can confirm that I can afford the monthly payments and see no reason why this should change throughout the term of the agreement.

I understand that where I refused to discuss my requirements in relation to any product you have been unable to assess the suitability of those products and you have been unable to give any advice or information in respect of them.

I understand that all financial products offered by this dealership are options.

I confirm that should I have negative equity in my existing loan I am happy for this amount to be financed as part of my new agreement.

I have had advantages and disadvantages of the above explained to me	Yes
I have had all applicable finances rates offered	Yes
I have had affordability explained	Yes
I have received examples showing: rate of interest fixed/variable all charges included Total amount of credit representative APR length of agreement total amount payable and the number and frequency and amount of repayments	Yes
I have read all documents and I confirm that I am aware of all costs and implications which have been explained in full to me	Yes

I understand if having PCP I may be liable for excess mileage and I must keep the machine in a resaleable and fully serviced condition. This will impact the guaranteed future value of the vehicle.

Please do not forget the accessories.

Extended Warranty, Service Contract, Training, Alarm, Tracker, Battery Charger and any other maintenance accessories.