

Wise up to Howlett Leasing

PERSONAL CONTRACT HIRE

What it is

Personal Contract Hire gives you an easy way to lease a vehicle for a set period of time. The rentals are fixed for the term of the lease and then you hand the vehicle back.

You might be interested in Personal Contract Hire if:

- You want to pay a fixed monthly amount for your vehicle.
- You want to drive a brand new vehicle.
- You like to change your vehicles regularly.
- You want a fixed monthly price that includes road tax.
- You can add fixed price maintenance and recovery.

Personal Contract Hire might not be for you if:

- You want to own your own vehicle.
- You like to keep your vehicle for more than 5 years.
- You prefer to drive used vehicles.

Key details

- **Road tax:** included for the full length of the contract (excluding any annual increases, which will be charged to you).
- **Amendments:** Yes, to mileage and term at the discretion of the lease company.
- **Maintenance:** Optional.
- **Recovery:** Optional.
- **Excess mileage charge:** Charges may apply.
- **Possible additional costs:** If you get any fines (such as speeding or parking), the lease company may pay them on your behalf and then charge you for the amount plus an admin fee.

What you can do at the end of your contract

1. Give the vehicle back to the lease company: It's worth reading the lease company's 'Fair Wear and Tear Guide' before the end of the agreement, as it explains what counts as fair wear and tear.

2. Formal extension of Contract: This may be possible at the discretion of the lease company, contact your broker and they can advise.

Can I buy at the end of an agreement?

Some lease companies will allow this. Speak to your broker at the end of your agreement who will advise on the price and the process if available.

If you want to end your contract early

You can end your contract early, just contact your broker and they will arrange a quote for the early termination. The lease company will also apply their fair wear and tear rules plus excess mileage charges if applicable on the returned vehicle.

Howlett Leasing may charge a processing fee for our services which will be detailed on the customer order form. This is payable by bank transfer payment once finance approval has been received.

Signature

Date



Howlett of Lavenham T/A Howlett Leasing is a credit broker and not a lender, we are authorised and regulated by the Financial Conduct Authority. Registered No : 686251



howlett-leasing.co.uk

Call us on 07961 053907



Sudbury Road, Lavenham CO10 9PJ

PERSONAL CONTRACT HIRE

RESPONSIBILITIES

	LEASE CO	CUSTOMER	
Insuring the vehicle	NO	YES	You must arrange fully comprehensive insurance for the vehicle.
Paying the road tax (Vehicle Excise Duty)	YES	NO	This is included in your monthly rental, but if the fee increases, you may receive an extra charge to cover it.
Repairing any vehicle damage	NO	YES	You must ensure any damage is repaired either through your insurance or at your own cost.
Windscreen repair cover	NO	YES	You may be able to arrange cover with your insurer.
Accident management cover	NO	YES	You may be able to arrange cover with your insurer.
Roadside assistance and Breakdown cover	Optional	Optional	You can choose to have this cover OR you may be able to arrange cover with your insurer.
Vehicle maintenance (annual servicing, MOT, tyres)	Optional	Optional	You can choose to have this cover. Maintenance excludes misuse, accident damage and vehicle glass. OR you can choose to do this yourself and must ensure that the vehicle is maintained in line with manufacturer recommendations.
Paying fines or penalties (such as speeding fines, parking fines or congestion charges)	YES	YES	The lease company will pay these on your behalf and then charge you through your monthly direct debit. There may be a fee for each charge.

JARGON BUSTER / KEY TERMS

Amendments: If a service allows amendments, this means you can make changes to your contract once you have signed it. If it doesn't, you can't.

Early termination: This just means ending your contract early. When, and if, you can do this will depend on the type of service you have.

Excess mileage charge: Your monthly rental payment is based on several factors, including the maximum distance you expect to drive. If you go over this distance, you will have to pay the excess mileage charge, which is usually calculated on a per mile basis.

Fair wear and tear: We know that vehicles won't be returned in showroom condition after several years of driving. Fair wear and tear is the amount of damage that we consider to be reasonable for the time you've had the vehicle. If you go over this level, you may have to pay for the vehicle to be repaired.

Initial rental: The initial rental is an advanced rental usually equivalent to 3, 6 or 9 monthly rentals. Unlike a deposit, the initial rental is non-refundable and forms part for the hire agreement. Depending on the finance provider, the initial rental is payable to the finance company usually within 7 to 14 days of delivery, but on some occasions, is required prior to delivery. It's worth noting that the larger the initial rental is, the lower the monthly repayments.

Maintenance: If you choose maintenance, you pay a fixed monthly amount that then covers many of the additional costs involved in keeping a vehicle on the road, such as maintenance, servicing, MOTs and new tyres (excluding misuse or accident damage).

Recovery: Helps you if your vehicle breaks down or doesn't start.

Term: How long the contract lasts. (You might also see this referred to as the 'duration'.)