



The Power to Surprise

## **Financing Your Car through Romford Kia part of the A.E.Wilson Group Limited**

Whether you're looking to own or hire a new or used car, we're here to help you find the right finance package for your individual circumstances. We work with a number of finance providers who can offer you a choice of finance packages to suit your needs. At each of our sites, our sales staff and business managers will be able to talk you through the options available to you to give you the information you need to help you make the right decision for your motoring needs whether you are a private individual or business user.

The most common forms of car finance are:

### **Hire Purchase**

Hire Purchase is an agreement that, after a set period of payments, provides you with the opportunity to own the car at the end of the contract.

[Click here for more information](#)

### **Personal Contract Purchase (PCP)**

A variation on a traditional Hire Purchase agreement, a Personal Contract Purchase (PCP) agreement differs from the standard by deferring payment of an agreed future value for the vehicle until the end of the contracted agreement.

[Click here for more information](#)

### **Hire Purchase**

Hire Purchase has been the traditional way to fund a car purchase. Hire Purchase may be suitable if you want to make fixed payments throughout the term of the finance agreement and you want the option to own the car outright at the end of the contract.

### **How it works**

- Decide on the car you wish to buy and the amount that you wish to borrow to fund the purchase taking into account any deposit you would like to make.
- Discuss with our sales team to decide on a monthly repayment amount and term that's right for you.
- At the end of the finance agreement, and as long as you have made all of the monthly repayments including any option to purchase fee and have complied with the terms of the agreement, the car is yours.

### **Benefits**

- Once you have made all of the monthly repayments and have paid any option to purchase fee, you will own the car outright.
- Payments are fixed at the start of the agreement, enabling easy budgeting.

- No mileage restrictions.
- Flexible deposit and payment terms.

### **Suitable for...**

Those looking for a straightforward and simple finance agreement with the option to own the car at the end of the contract.

### **Important Points**

- You are the registered keeper during the term of the agreement so will be responsible for insuring and maintaining the car.
- The finance company, not Romford Kia, will remain the owner of the car during the term of the finance agreement and they may be entitled to repossess the car should you not keep up the agreed payments.
- Interest will be payable to the finance company along with other charges in accordance with the finance company's terms and conditions.
- As a result, you will pay more for the car than you would if you paid cash for the car and bought it outright.
- You will become the owner of the car at the end of the finance agreement provided that you have made all of the necessary payments including any option to purchase fee and have complied with the terms of the agreement.

### **Terms and Conditions**

#### **A.E.Wilson Group Limited trading as Romford Kia is a credit broker and is not the lender.**

A.E.Wilson Group Limited as a finance intermediary work with a range of manufacturer approved and other third party finance companies to arrange finance plans and may receive commission for doing so. A.E.Wilson Group Limited is not the finance company. Each of these finance companies will have their own deposit requirements, interest rates and terms and conditions, including those relating to status and affordability, and it is important that you consider these carefully when discussing your options.

To find out more, please contact Romford Kia today.

### **Personal Contract Purchase (PCP)**

Personal Contract Purchase (or PCP) has emerged as a popular alternative to Hire Purchase (HP) over recent years. The key difference between a PCP and an HP is that with a PCP the projected future value of the car at the end of the agreed term is calculated at the start of the finance agreement and this value is deferred and usually referred to as a Guaranteed Minimum Future Value (GMFV). The GMFV will be determined by a number of factors including; how old the car will be at the end of the agreement and your anticipated annual mileage. The future value of the car is guaranteed by the finance company so will not fluctuate.

A PCP agreement gives you the flexibility to decide whether you would like to own the car at the end of the finance agreement by paying the GMFV or instead return the car to the finance company. It has lower monthly payments during the term (compared to a hire purchase agreement) due to the deferral of the optional final payment at the end of the agreement but will require you to pay a larger final payment at the end of the agreement if you decide to keep the car.

### **How it works**

- Decide on the car you wish to buy and the amount you would like to borrow taking into account any deposit you would like to make.
- Discuss with our sales team to decide on a monthly repayment and term that's right for you.
- Agree your annual mileage.
- A Guaranteed Minimum Future Value (GMFV) is set based on anticipated annual mileage, and which becomes your final payment should you decide to keep your car at the end of the agreement.
- At the end of the agreement you can choose one of the following options:
  - Pay the GMFV plus any option to purchase fee and keep the car.
  - Part-exchange your car for a new model and should there be any equity over and above the GMFV you can use this as or towards a deposit for a new car.
  - Return your car to the finance company. Excess mileage charges and excess wear and tear may be payable but otherwise no further payment will be required. This may be a preferred option if the value of the car is less than the GMFV.

### **Benefits**

- Payments are fixed at the start of the agreement allowing for easy budgeting.
- Lower monthly payments (compared to a hire purchase agreement) as the deferral of the GMFV reduces monthly commitment.

### **Suitable for...**

Those looking for flexibility at the end of their finance agreement.

### **Important Points**

- If you decide to keep your car you will need to pay the GMFV plus any option to purchase fee.
- The finance company, not Jardine Motors Group, will remain the owner of the car during the finance agreement and they may be entitled to repossess the car should you not keep up the agreed payments.
- Interest will be payable to the finance company along with other charges in accordance with the finance company's terms and conditions.

- You are the registered keeper during the term of the agreement so will be responsible for insuring and maintaining the car.
- It is important to remember that you will not own the car unless and until you pay the GMFV and any other required payments.
- If you decide to part exchange the car for a new model, and if there is any equity over and above the GMFV this can be used as or towards a deposit for your next vehicle.
- If your car is worth less than the GMFV, you can simply hand the car back to the finance company. Additional charges will apply should you have exceeded your agreed contract mileage or if the car has suffered damage or excess wear and tear. Subject to that, no other charges should be payable assuming you have paid all agreed payments on time.

### **Terms and Conditions**

#### **A.E.Wilson Group Limited trading as Romford Kia is a credit broker and is not the lender.**

A.E.Wilson Group Limited as a finance intermediary work with a range of manufacturer approved and other third party finance companies to arrange finance plans and may receive commission for doing so. A.E.Wilson Group Limited is not the finance company. Each of these finance companies will have their own deposit requirements, interest rates and terms and conditions, including those relating to status and affordability, and it is important that you consider these carefully when discussing your options.

To find out more, please contact Romford Kia today.