

Agile.  
Adaptable.  
Adept.



[www.admiral-leasing.co.uk](http://www.admiral-leasing.co.uk)

## Finance Lease – Customer Information Sheet

### About us

Admiral Leasing & Loans ("AL&L") is an independent finance business that has been offering leases and loans to the SME sector for more than 30 years. In that time, we have transacted more than £100 million of business. We work with approved Brokers who introduce their customers for finance.

### Product offered

Finance leases for business equipment

### How it works

Leases are available to finance the use of key assets by SMEs over the useful life of that asset. You identify an asset that you wish to use in your business through a supplier / distributor of the asset. If you would prefer to finance the asset instead of buying it with full payment up front, then you may be referred to a Broker by the supplier/distributor or you can approach a Broker direct; the Broker may then introduce you to AL&L. You may also have been approached by a Broker who has offered to provide a finance solution to meet your requirements at that time.

The Broker will ask you for all the relevant information to assess your requirements and propose a finance option which best suits your needs. This may be an introduction to AL&L and, if so, the Broker will collect all the supporting information from you in order to propose your finance application to AL&L.

We will then assess the finance proposal provided by the Broker and assess your creditworthiness to check that it meets our credit criteria. This will include credit checks against the business, personal credit searches against any individuals connected to the business and analysing the supporting information provided. If it meets our criteria, then we will offer an acceptance to the Broker to present to you which will include any conditions of the acceptance and they will also discuss the terms and conditions of the agreement.

In some cases, additional collateral in the form of a guarantee may be required to enable us to approve the finance requested. If we require a guarantee, the Broker will explain the implications of this to you and to the guarantor. AL&L recommend all guarantors seek independent legal advice before providing a guarantee.

If the acceptance conditions and pricing are agreed by you, then, once the lease agreement has been signed by you and AL&L have received the documentation, then we will buy the asset from the supplier when it is delivered to you; the agreement will then be live and you will pay the monthly rentals over the life of the agreement by direct debit.

## Benefits

### The key benefits to you are:

- 1) The cost of using the asset does not need to be paid in full up-front and can be spread over the useful life of the asset.
- 2) The monthly rentals are fixed in advance and stay the same throughout the life of the agreement, providing full certainty of cashflow impact.
- 3) The length of the lease is tailored to match closely to the expected period of use of the asset by you, so that the timing of the costs are similar to the timing of the benefits of the asset.

### Things to be aware of

- 1) Admiral will arrange finance for the equipment and the supplier chosen by you. Before entering into any agreement with Admiral, you should be satisfied with the equipment and supplier selected and the price agreed.
- 2) If you decide to take out a finance agreement with AL&L, then we will pay the Broker a commission to cover the cost of their services. The value of the commission is set by AL&L and will be a percentage of the value of the finance arranged. Your Broker can provide more details on request.
- 3) Once the agreement has started, you have a commitment to make all agreed rental payments on time, even if the equipment is no longer suitable for any reason.
- 4) The agreement is a hire agreement. This means that you do not own the asset – it is owned by AL&L throughout.
- 5) Our insurance agents will write to you on our behalf after the agreement starts and ask for evidence that the asset is insured. If no confirmation of insurance is provided, then we will add an additional charge to the monthly payments to cover the cost that we incur to insure the equipment. The extra charge may be greater than the cost that you would incur to insure the equipment yourself.
- 6) At the end of the contract, there are number of possible scenarios:
  - a) If the lease is a "minimum term" contract, then the lease will continue after the end of the minimum term, until you give notice to AL&L to terminate the agreement. The notice period is 1 month.
  - b) When the lease reaches its end then the equipment will need to be returned unless another arrangement below has been agreed.
  - c) At the end of the contract, AL&L may offer the option for you to continue using the equipment into the future for a modest single payment or you will need to liaise with the introducing Broker as to what options are available.
- 7) If you wish to end the agreement before the end date in the contract, then AL&L will have to charge a settlement amount to clear the outstanding finance outstanding at the termination date. The settlement figure will provide a modest discount on the amount that would have been payable over the remaining life of the contract, had it continued to full termination.

### Next steps

If you are happy to proceed with an application for finance, then please provide the information requested to the introducing Broker along with your agreement to allow us to carry out all relevant credit searches and sharing of the information provided.

Together with our Brokers, we want to provide the best service we can. Please help us to do this by telling your Broker about any special needs that you have and how we can help. We will always aim to help and offer the best support that we can, both during the application process and throughout our agreement with you.

If you decide to accept an offer that we make, then your Broker will provide the paperwork for you to sign. Please take the opportunity to discuss with your Broker any questions you may have, ensuring that you fully understand the agreement and are happy with the terms and conditions before you sign.