



# Giving you choice

**HONDA**  
Financial Services

## Finance as individual as you are

Honda Finance Europe Plc, trading as Honda Financial Services, is part of the Honda Motor Company, so no one is better placed to provide you with the most appropriate and convenient funding solution for getting you into your new car.

Here at Honda Financial Services, we're committed to doing everything we can to help you purchase your new car, with a choice of flexible finance options to suit your needs.

We have the following products available.

**Personal Contract Purchase (PCP)**

**Hire Purchase (HP)**

We've been providing Honda customers with simple, flexible and convenient ways to pay for their dream car for over 25 years. So, we know what matters to you. Great customer service, fixed interest rates for easy budgeting, jargon-free explanations – plus the reassurance that we're part of the trusted and reliable Honda brand.





## Consumer Duty

The Financial Conduct Authority (FCA)'s Consumer Duty requires businesses to act to deliver good outcomes to retail customers.

At Honda Financial Services, we place good customer outcomes at the core of our business, working hard to ensure that our customers are supported during their journey with us.

We strive to deliver positive outcomes for our customers across the FCA's four Consumer Duty outcomes:

**Customer Understanding:** Our financial promotions and customer documentation are designed to be as clear as possible.

**Customer Support:** Our dedicated customer service team are on hand to provide you with any support you might need.

**Products and Services:** Our products are designed to be as flexible as possible, with a range of options to suit your needs.

**Price and Value:** We design products and services that offer fair value for the price you pay.





## OUR FINANCE PRODUCTS

# Personal Contract Purchase (PCP)

Personal Contract Purchase is a finance product offered by Honda Financial Services that provides a flexible funding solution and can offer lower monthly payments than some alternative finance products.

### How it works

Firstly, choose the car you want and agree how much deposit you would like to put down.

Estimate how many miles you will drive each year and agree how long you would like your agreement to run, between two and four years.

We will then use this information to calculate a Guaranteed Future Value [GFV]. This is what we predict the value of your car to be worth at the end of the agreement.

The Guaranteed Future Value is deferred until the end of your agreement.

Because this value is based on your estimated mileage, it is important to give an accurate estimate, as you may have to pay excess mileage charges if you exceed your total agreed mileage for the agreement.

Your monthly payments are worked out on the difference between the GFV and the price of the car once your deposit has been taken off and interest added. This means you typically have lower monthly repayments than with Hire Purchase.

At the end of your agreement you have the flexibility of 3 options.

**Retain** – You can keep the car. Pay the final payment (Guaranteed Future Value) and the option to purchase fee, and you will own the car outright.

**Return** – You can hand your car back to us without paying the final payment (Guaranteed Future Value) If you decide you would like to return your car back to us without paying the final payment, please contact us on 0345 128 8909. If you have exceeded your agreed mileage or the car is not in a good condition, then there may be additional charges to pay. Excess mileage charges will be explained before you sign the agreement, so you will know what these may be if you go over your estimated mileage.

**Renew** – You can part exchange your car and subject to market value conditions, this should cover off the cost of the final payment. The together with your Honda dealer, you can start looking for your next Honda.

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Don't worry... we'll write to you towards the end of your  
**PCP agreement and remind you about  
the options available to you.**

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The interest rate and monthly payments are fixed at the time of application –  
**great for budgeting and peace of mind.**

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## Important information to consider

There are some aspects of Personal Contract Purchase that you need to be aware of to help you make an informed choice to decide if PCP is right for you.

As your PCP agreement includes a Guaranteed Future Value (GFV) you have the ability to return the car to us (subject to the terms of the agreement). This provides you with some protection from market depreciation.

You have the right to withdraw from your PCP agreement within 14 days from the start of your agreement. You can also partially or fully settle your agreement at any time (subject to the terms of the agreement).

### **Personal Contract Purchase may not be the right finance product for you for the following reasons:**

If you are a high annual mileage user then PCP is unlikely to be suitable for you as there is a maximum total contracted mileage limit.

If you prefer to change your car after more than 4 years then PCP may not be right for you as the maximum PCP term is 4 years.

Interest is payable on the amount you borrow including the Guaranteed Future Value (GFV). The Total Amount Payable (the overall cost) is likely to be higher than a Hire Purchase agreement with the same loan amount and term, as your balance will reduce slower due to the deferred GFV.

If you do more miles than you estimated and/or there is damage to the car, there may be additional charges if you decide to return your car to us.

You are not guaranteed to have any equity at the end of the agreement, if market conditions mean your car is worth less than the GFV. This may mean you will require an additional deposit if you choose to part exchange at the end of the agreement.

You will own the car outright once all regular payments, GFV and any option to purchase fees are paid.

### **Choose the right product**

Personal Contract Purchase may not be right for you so please review our other finance product, or speak to your Honda dealer, to make sure you choose the right product to suit your needs.

It is important that the product you choose should provide a monthly payment that is sustainable, whilst also meeting your needs and circumstances best. Your Honda dealer will be happy to assist you with this.



## Personal Contract Purchase

### Deposit

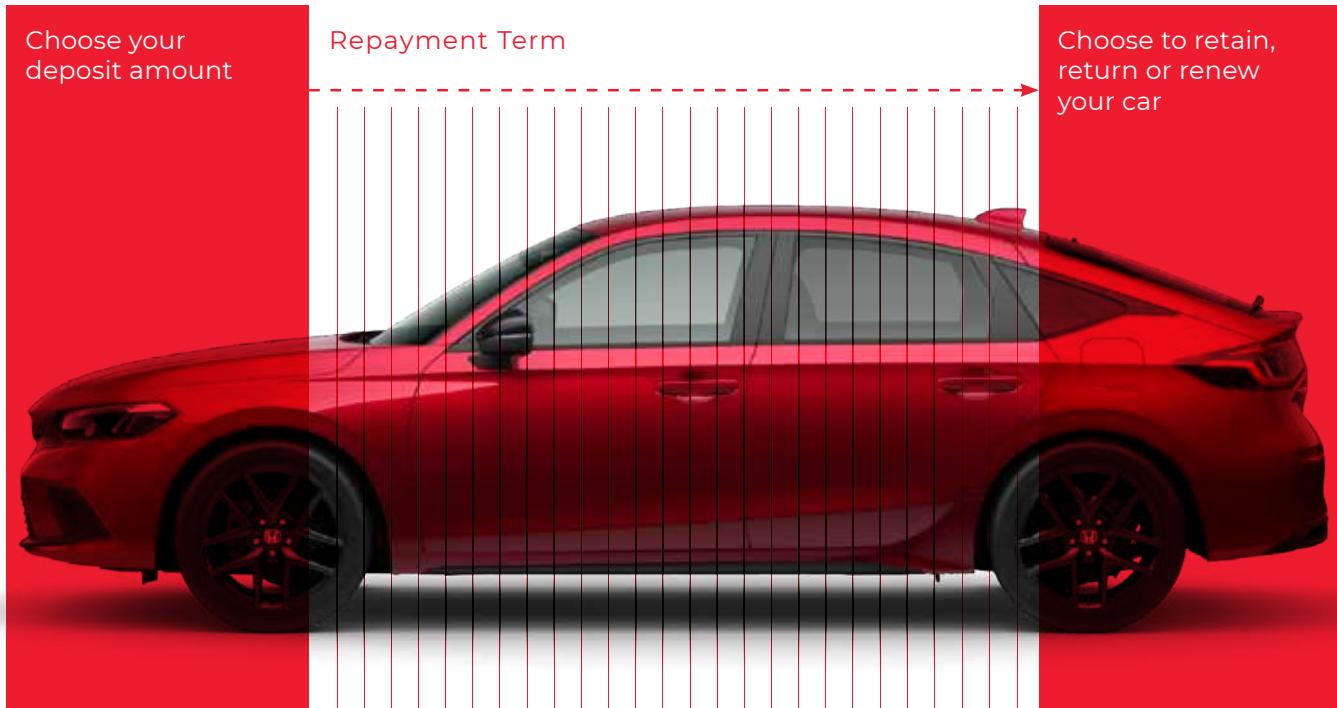
Choose your deposit amount

### Fixed monthly payments

Repayment Term

### Guaranteed Future Value (GFV)

Choose to retain, return or renew your car



## OUR FINANCE PRODUCTS

### Hire Purchase

**Hire Purchase is the simplest and most straightforward way Honda Financial Services can help you to fund your new Honda. The interest rate and monthly payments are fixed for the duration of the agreement and when the last payment is made, the car is all yours.**

#### **How it works**

Choose the car you want and agree how much deposit you would like to put down.

Before you start your agreement, you can adjust the term to best suit your ideal monthly budget, from anywhere between one and five years.

The rest of the cost of the car, plus interest, is paid in equal monthly payments and the option to purchase fee, you own the car.

You could then choose to go back to your Honda dealer and part exchange your car for another new Honda.

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Don't worry... we'll write to you towards the end of your  
**HP agreement and remind you about  
the options available to you.**

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The interest rate and monthly payments  
are fixed at the time of application –  
**great for budgeting and peace of mind.**

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## Important information to consider

There are some aspects of Hire Purchase that you need to be aware of to help you make an informed choice to decide if HP is right for you.

There are no mileage restrictions as part of the finance agreement.

The Total Amount Payable (overall cost) is typically lower than Personal Contract Purchase on an agreement over the same term.

You have the right to withdraw from your HP agreement within 14 days from the start of your agreement. You can also partially or fully settle your agreement at any time (subject to the terms of the agreement).

### **Hire Purchase may not be the right finance product for you for the following reasons:**

With Hire Purchase there is no deferred payment amount (the Guaranteed Future Value or GFV) so you may pay more a month compared to PCP.

Because there is no GFV, you have less protection against depreciation than with a PCP.

You will not own the car outright until all regular payments and any option to purchase fees are paid.

To keep monthly payments down, you may need to take your loan over a longer term.

### **Choose the right product**

Hire Purchase may not be right for you so please review our other finance product, or speak to your Honda dealer, to make sure you choose the right product to suit your needs.

It is important that the product you choose should provide a monthly payment that is sustainable, whilst also meeting your needs and circumstances best. Your Honda dealer will be happy to assist you with this.



## Hire Purchase

Deposit

Fixed monthly payments

All paid for

Choose your  
deposit amount

Repayment Term

You own the car



## Keeping in touch

You can sign your finance documents at home with our remote digital signing facility – or at your local Honda dealer if you prefer.

We'll send you a welcome pack letter and a personalised welcome video (if you have provided us with your email address) which will tell you everything you need to know about your finance agreement.

We'll send you annual statements, showing payments made and the outstanding balance.

If you have given permission to do so, your Honda dealer will be in contact with you towards the end of your agreement to discuss the options that are available to you.

We'll write to you before the end of your agreement and provide details of the options available to you.

When all payments have been made, we'll write to you to confirm the agreement has ended.

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**You can make extra payments whenever you want – with the option to reduce monthly instalments, agreement term or the final amount due.**

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**Any questions? Call our dedicated, UK-based customer service team on 0345 128 8908.**

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# PCP and HP: Your questions answered

## Who can apply?

Anyone who lives in the UK and is aged 18 or over.

## How much can I borrow?

From £1,500 to the purchase price of the car.\*

## How long can I take to pay it back?

HP agreements are from 12 to 60 months and PCP agreements are from 25 to 48 months – please refer to the product summary for more details.

## How much deposit will I need?

This will depend on your circumstances and the type of finance. In some cases, a part-exchange vehicle could be the deposit.

## Will the interest rate change?

No. The interest rate and monthly payments are fixed at the time of application, allowing you to budget accurately.

## Are there lots of forms to fill in?

No. The application process is simple. We'll need your date of birth, address and employment history. Your Honda dealer will ask questions about affordability and your current circumstances. They will explain the products that are available, which will allow you to make an informed choice on which would provide a monthly payment that is sustainable, whilst also meeting your needs and circumstances best.

## How long does it take to get a decision?

Depending on your circumstances, you could get a decision straight away.

## Where do I sign my finance documents?

You can sign documents at the Honda dealer, or at home with our remote digital signing facility.

## Can I pay off my finance early?

Yes. You can make lump-sum repayments as often as you like or pay off the whole amount early. This could reduce the amount of interest due – in which case, you'll get a rebate based on a statutory formula set out in the Consumer Credit Act 1974 (CCA).

If you have a PCP agreement and make a lump-sum payment, you have three options: reduce the final amount due at the end of the agreement, reduce the term of the agreement, or reduce your monthly payments.

If you have a HP agreement and make a lump sum payment, you have two options: reduce the term of the agreement or reduce your monthly payments.

To see the effects of making a lump-sum payment, ask us for a quotation. You can contact us by phone or post.

## Will I be charged for excess mileage if I return my vehicle to Honda Financial Services at the end of my Personal Contract Purchase (PCP) agreement?

Mileage allowances are agreed prior to entering your agreement. Where the mileage

allowance has been exceeded and you chose to return the vehicle at the end of your PCP agreement, charges are applicable on a per mile [+ VAT] basis. This charge is due upon returning the vehicle.

## What if my circumstances change?

We understand that changes to personal circumstances may occur at any time, including within the duration of your agreement. We would like to assure you that we are here to help and support you wherever we can. Should you need assistance, please contact Customer Services on 0345 128 8908. Other organisations, such as MoneyHelper, are available for information and support: [moneyhelper.org.uk/eng](http://moneyhelper.org.uk/eng) or you can contact them on 0800 138 7777.

## What documents will I receive from Honda Financial Services?

You'll receive a welcome letter and a personalised welcome video at the start of your agreement (if you've given us your email address). You will also receive an annual statement, showing payments made and the outstanding balance.

We'll write to you before the end of your agreement and provide details of the options available to you. When all payments have been made (including any applicable purchase fees), we'll write to you again to confirm the agreement has ended.



### Can I sell my vehicle?

You will be the registered keeper (with a V5 document from the DVLA to prove it) but the 'legal title' of the vehicle will belong to Honda Financial Services until you make the final payment (including any applicable purchase fees). That means if you want to sell before the end of the PCP agreement or HP agreement, the outstanding amount will have to be settled in full.

### How is the early settlement figure calculated?

We'll take into account the amount outstanding, the interest rate, the option to purchase fee, if applicable and the length of time left on the agreement. Any rebate of interest will be based on a statutory formula set out in the Consumer Credit Act 1974 (CCA). Contact us by phone, post or speak to your Honda dealer to ask for an early settlement figure.

But remember, the figure will only be valid for a limited time – if you don't settle your finance within this time, you will need to get an updated figure.

### Will my Honda Dealer be paid a commission?

Honda Franchise Dealers are credit brokers, not lenders. As the dealer offers products from a limited number of carefully selected finance providers, they are not independent financial advisors. We may or may not make a payment and / or reward to the dealer if you enter into an agreement with us.

### What if I have more questions?

Contact your local Honda dealer or visit [honda.co.uk/cars/new/finance](http://honda.co.uk/cars/new/finance). Honda Financial Services are committed to lending responsibly. We are a member of the Finance and Leasing Association and subscribe to their lending code ([fla.org.uk/consumer-information/lending-code](http://fla.org.uk/consumer-information/lending-code)).

### I would like to make a complaint

We take customer satisfaction very seriously. If you don't believe our service has reached our usual high standards, contact your dealer or call the Honda Financial Services Customer Service team on 0345 128 8908. You can also email us at [hfe.customerservice@honda-eu.com](mailto:hfe.customerservice@honda-eu.com) or write to us at Honda Financial Services, Cain Road, Bracknell RG12 1HL.

### What if I miss a payment?

If you breach your agreement by not making your repayments in full and on time, then Honda Financial Services may, after giving you any notice required by law, terminate the Agreement and pass the case to collection agents and you will be liable for any resultant fees charged to us. This means that your overall debt to us will increase. We report to a credit reference agency, therefore missing payments can affect your credit rating making it harder for you to get credit in the future. If you're worried about your ability to make a payment please contact us on 0345 128 8908 so we can provide you with support.

### How to contact us:

**By phone:** 0345 128 8909   **By email:** [hfe.customerservice@honda-eu.com](mailto:hfe.customerservice@honda-eu.com)  
**By post:** Honda Financial Services, Cain Road, Bracknell, Berkshire RG12 1HL

## Terms & Conditions

Indemnities may be required in certain circumstances. Finance is only available to persons aged 18 or over, subject to status.

All information is correct at time of publication but may be subject to change.

Credit provided by Honda Finance Europe plc, Cain Road, Bracknell, Berkshire RG12 1HL. Honda Finance Europe plc, trading as Honda Financial Services, is authorised and regulated by the Financial Conduct Authority, Financial Services Register number 312541.

## Summary of our finance products

Product	Hire Purchase (HP)	Personal Contract Purchase (PCP)
New and used cars	✓	✓
Minimum balance to finance	Typically £1,000*	Typically £1,500*
Length of agreement	New Car: From 12 to 60 months Used Car: From 12 to 60 months (subject to age of vehicle)	New Car: From 25 to 48 months Used Car: From 25 to 48 months (subject to age of vehicle)
Deposit/Initial rental required	Zero deposit may be available	Zero deposit may be available
Miles per annum allowed	Not applicable	New: 6k to 24k per annum Used: 6k to 24k per annum [max total miles 100k]
Fixed monthly payments	✓	✓
Optional final payment	✗	✓
Maximum permitted age of car at the end of agreement	New Car: 5 years Used Car: 15 years	New Car: 4 years Used Car: 9 years
Ownership option at end of agreement	✓ After any applicable option to purchase fee has been paid, if applicable	✓ After GFV and any applicable option to purchase fee has been paid, if applicable
End of agreement goods return option	✗	✓ Return conditions apply
Mileage and condition restrictions/charges	✗	✓ Refer to agreement
Ability to amend annual mileage in life	✗	✗
Voluntary termination	✓ Return conditions apply	✓ Return conditions apply
Early settlement option	✓	✓
Insured adequately against all risks and for the vehicle's full replacement value	✓	✓
Ability to amend monthly payment due date	✓	✓
Optional maintenance packages available	Service plans available	Service plans available



**What's next?** Choose the Honda you want and talk to your local dealer about the finance product that's right for you.

**Find your local Honda dealer** **Call 0845 200 8000**  
**Visit [honda.co.uk/cars](http://honda.co.uk/cars)**

Your Honda Dealer:

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**Honda Finance Europe Plc**  
Cain Road, Bracknell, RG12 1HL England  
[www.honda.co.uk](http://www.honda.co.uk)

Honda Finance Europe plc is authorised and regulated by the Financial Conduct Authority,  
Financial Services Register number 312541



**Please don't bin me. Pass me on to a friend or recycle me.**  
Paper sourced responsibly from manufacturers within the EU.

