

REGULATED HIRE PURCHASE PRODUCT INFORMATION SHEET

This document is being distributed to all Ignition Credit PLC dealers, suppliers, and introducers in line with new requirements under Consumer Duty from the Financial Conduct Authority (FCA) under PRIN 2A.4.15R and PRIN2A.3.12R(2).

Under the new requirements of Consumer Duty we have conducted a product, price and value assessment and would like to share our findings with you within this product information sheet.

Please note that this document does not cover Consumer Hire Purchase without a business purpose. This product information sheet is for business customers only.

OUR PRODUCT

PRODUCT	REGULATED HIRE PURCHASE (HP) AGREEMENT	
FEATURES AND BENEFITS	Description of a HP:	Is a finance agreement which is secured against an asset where title only passes to the borrower when the agreement has ended and all monthly instalments and the option to purchase fee have been paid in full.
	Term:	12-60 months
	Borrow:	£1,000 -£25,000
	VAT repayment:	VAT is payable upfront
	Equipment Condition	New, used or refurbished
	Sale and HP back	Within 3 months of the invoice date, from when originally purchased
	Access to chosen asset	The customer has the immediate benefit of the asset whilst making fixed monthly payments

RISKS AND LIMITATIONS	Ownership	The customer will own the asset once all monthly repayments have been made and the option to purchase fee paid.
	Cancellation Period/ Right to withdrawal	The customer has the right to withdraw from the finance agreement for a period of 14 days which begins the day after we confirm in writing to you that you have entered into the finance Agreement.
	Early Settlement	The customer has the right to repay the credit early at any time in full or partially
	Maintenance	You are required to maintain the asset under the terms of the finance agreement
	Missed payments	Late or missed repayments will affect the customers credit file and could end in repossession of the asset.

FEES	Documentation fee:	£0
	Option to purchase fee:	£10
	Insurance:	It is a term of the HP agreement to insure the asset. Acquis Asset Protection fee will be charged unless you provide evidence that you have insured the equipment. This fee can be refunded, where evidence is provided.
	Rejected/ Cancelled DDM (Direct Debit Mandate)	£35.00
	Late payment fee:	£35.00
	Default Fee:	£35.00

DISTRIBUTION	Target market	<ul style="list-style-type: none"> a) A natural person (sole trader); b) A partnership consisting of two or three persons not all of whom are bodies corporate: or c) An unincorporated body of persons which does not consist of bodies corporate and is not a partnership. <p>BORROWING ENTITY HAS TO BE UK BASED</p>
	Why has the target market been selected?	This product is designed to suit the needs of UK based businesses, seeking to finance an asset. The financing of an asset can make the asset more affordable and accessible.
	Ignition's distribution Strategy:	Ignition will accept regulated introductions from dealers/ suppliers/ introducers where they hold their own FCA license with a secondary broking permission or are an Introducer Appointed Representative of Ignition Credit PLC.

VULNERABLE CUSTOMERS

Ignition's products are designed for numerous customers including vulnerable customers.

A vulnerable customer is a customer who is particularly susceptible to detriment due to personal circumstances. Key drivers of vulnerability include:

- Capability
- Resilience – Low ability to withstand and manage finance or emotional shocks
- Life Events – examples include bereavement or relationship breakdowns
- Health – Conditions or illnesses that affect the individuals ability to complete day to day tasks both physically or mentally.

Examples of vulnerable customers include:

- A customer grieving.
- Struggling business or a business going into administration
- A customer that is unfamiliar with digital technology

Where you believe the customer maybe vulnerable, please inform us during the proposal/ introduction stage as the customer may require additional support to ensure they understand the information being provided, implications of the agreement and avoid risk of harm occurring.

Ignition look to ensure that we achieve good outcomes for vulnerable customers. We do this through the following:

- Vulnerable customer training for all employees
- Suitable communication throughout the customer journey
- Internal policies to support both the employee and the customer
- Monitoring to ensure that we are meeting the customers expectations and we are assessing vulnerability correctly.

OUR VALUE ASSESSMENT

In line with the new FCA requirements we have completed a Value assessment on our regulated Hire Purchase product.

When undertaking the assessment, we considered a number of outcomes including the benefits, price, cost and limitations.

Our assessment conducted by our Product and Value Approval Committee concluded that our regulated Hire Purchase product has delivered and continues to deliver fair value to the target market.