





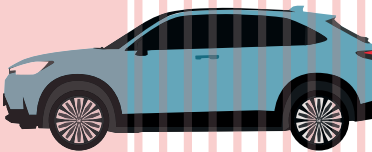
What is Hire Purchase?

Hire Purchase (HP) allows you to spread the total cost of your car and gives you the certainty that once you make your final monthly payment (and option to purchase fee) the car will be yours.

Your monthly payments will be calculated based on:

	The on the road price of the vehicle.		The deposit you pay.		The term of your agreement.
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Honda Financial Services will deduct the deposit you pay from the on the road price of the car. They will take the remaining figure, apply interest to it and then spread the figure across your chosen term.

	You can choose a term between 12 and 60 months.	
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There are no mileage restrictions for HP because the intention is that you will own the car (there is no option to hand the car back) at the end of the agreement. This means that the mileage you will travel in your car will not be taken into account when calculating your monthly payments.



Before choosing to finance your vehicle, you should think about:

- **Your ability to keep the car in good condition.** It will be your responsibility to service, tax and insure the car. You can get in touch if you have any questions on what this means.
- **Ownership.** You will not own the car during the agreement term, but you will be the registered keeper of it. Honda Financial Services will own the car. Once you have made all of your repayments (including the option to purchase fee which is included in your final payment) and any other charges that may be due under your agreement, you will own the car. There is no option for you to hand the car back (but you can speak to a retailer about a part exchange in future).
- **The value of your repayments.** The monthly repayments are fixed from the start of your agreement and must be paid on time. You should consider whether the value of your repayments are affordable because if you miss them, this could affect your credit rating and ability to secure finance in future.
- **Whether the term of your agreement is right for you.** Of course we hope that you would like to stay with us for the full term of your agreement. But if your circumstances change and you want to return the car earlier than your full term, you can. More information can be found in your finance agreement and this will be explained to you before you sign your agreement.

Comparing Finance Options

The table below highlights the key differences and similarities between the finance products available through Honda Financial Services.

HONDA
Financial Services

Summary of our finance products

Product	Hire Purchase (HP)	Personal Contract Purchase (PCP)
Minimum balance to finance	Typically £1,000*	Typically £1,500*
Length of agreement	From 12 to 60 months	From 25 to 48 months
Deposit/Initial rental required	Zero deposit may be available	Zero deposit may be available
Miles per annum allowed	Not applicable	6k to 24k per annum
Fixed monthly payments	✓	✓
Optional final payment	✗	✓
Ownership option at end of agreement	✓	✓
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	✓	✓
Fully comprehensive insurance required	✓	✓
Ability to amend monthly payment due date	✓	✓

*Promotional offer terms may vary

